Corporate Social Responsibility (CSR)

Yamaha CSR Report (full report) Last Updated: October 10, 2014

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Third-Party Opinion

We obtained an opinion from a specialist to assist in improving the CSR Report.

→ Details are here.

CSR Management





Message from the President



Yamaha Corporation Group CSR Policy | →



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Message from the President



Working to Attain Corporate Objectives

Yamaha Corporation has chosen "CREATING 'KANDO' TOGETHER" as its corporate objective and, through its business activities grounded in the fields of sound and music, endeavors to create renewed "Kando" and enrich the cultures of peoples around the world. As our business activities have become increasingly global in scope, the environment for our business, which is characterized by rapidly changing social conditions as well as numerous other issues, including the natural environment and resources, has become more challenging and complex. Amid these conditions, for Yamaha to continue its development and remain on course to attain its corporate objectives, it will be necessary for the Yamaha Group as a whole to strengthen its CSR management activities and create a very strong management base that can cope with changes in the world around us.

Pursuing CSR Activities from a Global Perspective

In 2011, Yamaha signed the United Nations Global Compact and thereby expressed its agreement with and support for 10 principles. These include the protection of human rights, the elimination of improper labor practices, the protection of the natural environment, and the prevention of corruption. In fiscal 2013, in line with the seven core subjects contained in the ISO 26000 Guidance on Social Responsibility, Yamaha confirmed and reviewed its CSR activities. By comparing its activities with global CSR standards, Yamaha has been able to reconfirm the positioning of its CSR activities the areas where it has not yet taken action, and the future direction of its CSR program. Going forward, in accord with these standards, Yamaha wants to contribute to the creation of a sustainable society through the pursuit of management initiatives that emphasize social responsibility as it maintains close communication with its stakeholders.

Building the Base for CSR Principles-Based Management

To implement CSR activities from a global perspective, it will be necessary for Yamaha to respond to changes in society, recognize a wide range of values, and have a strong spirit of challenge. In fiscal 2013, Yamaha Group companies in Japan prepared an action plan for the management of diversity and, currently, is working to create a corporate culture that respects the diversity of the personal attributes of its employees, including age, gender, and lifestyles. Moreover, to build the base for implementing CSR throughout the Yamaha Group, Yamaha is developing codes of conduct for compliance with the laws, regulations, and customs in each of the countries where it has business locations. Yamaha is working to improve its governance framework by enhancing its compliance criteria and structuring robust internal control systems.

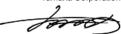
Issues to Be Addressed

Yamaha is working to create value through its business activities, the core of which is sound and music, to contribute to addressing various social issues. In 2010, Yamaha embarked on its "Oto-machi Project for Creating Musical Cities." This project has the aim of making proposals for revitalizing regional communities that have become weak in recent years by drawing on the power of music to bring people together. In fiscal 2013, Yamaha integrated the environmental management activities of its overseas business locations, which were formerly conducted by individual locations and moved forward with initiatives to introduce an environmental management system applicable to the entire Yamaha Group in Japan and overseas. As a manufacturing enterprise the Yamaha Group will proceed to address such environmental issues as preventing pollution, conserving resources, implementing measures to counter global warming, and preserving biodiversity on a global scale. Also, in recent years, in addition to its internal manufacturing activities, Yamaha's procurement of materials and components has become global in scope. The risk has thus emerged that indirectly through its supply chains Yamaha may be causing environmental damage or violating human rights without being aware of it. Yamaha is aware of the importance of initiatives related to "responsible procurement," including giving due regard to the use of scarce wood resources and procuring wood through sustainable methods as a company making use of wood resources, as well as the avoidance of the use of conflict minerals and undertaking surveys of the labor practices of its suppliers. Fulfilling these responsibilities may be difficult, but Yamaha is working steadily to take proper initiatives in these areas.

At Yamaha, we believe that making CSR initiatives the basis for management should be a constant. When these initiatives are the foundation of a business, then and only then can enterprises create true value and have confidence in reaching their corporate objectives. Looking to the future also, the Yamaha Group will come together and maintain its focus on CSR. Yamaha will continue

to grow and aim to become a brand that is trusted and admired by not only responding to what its shareholders anticipate but also delivering "Kando" that exceeds everyone's expectations.

President and Representative Director
Yamaha Corporation



The United Nations Global Compact

The United Nations (UN) Global Compact was proposed by the Secretary General of the UN in 1999 and consists of 10 universally accepted principles in the areas of human rights, labour, the environment, and anti-corruption. The top management of companies that become signatories to the Global Compact pleige their commitment and, within the scope of their enterprises, promise to work consistently to achieve the objectives espoused under the 10 principles. Since signing the Global Compact in June 2011, Yamaha provided its cooperation through activities that have included seconding staff to the Global Compact Japan Network in 2012 and 2013 and running Global Compact Japan Network subcommittees.



Human Rights	Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and Principle 2: make sure that they are not complicit in human rights abuses.
Labour	Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining; Principle 4: the elimination of all forms of forced and compulsory labour; Principle 5: the effective abolition of child labour; and Principle 6: the elimination of discrimination in respect of employment and occupation.
Environment	Principle 7: Businesses should support a precautionary approach to environmental challenges; Principle 8: undertake initiatives to promote greater environmental responsibility and Principle 9: encourage the development and diffusion of environmentally friendly technologies.
Anti- Corruption	Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

Yamaha Corporation Group CSR Policy

- Our Aim is "CREATING 'KANDO' TOGETHER " -

The objective of the Yamaha Corporation Group is to continue to create "Kando" and enrich culture with technology and passion born of sound and music, together with people all over the world.

Based on this Corporate Objective, Yamaha conducts its CSR activities according to the following guidelines to further strengthen the bonds of trust with its stakeholders through its corporate activities and contribute to the sustainable development of society.

- 1. Yamaha provides support to people who want to perform music and people who want to enjoy it by contributing to the popularization and development of music and musical culture.
- Yamaha works to maintain a healthy global environment by understanding the significance of protecting the natural environment, maintaining biodiversity, and reducing the burden on the environment, as well as promoting the proper use of wood resources, and cooperating with forest protection activities.
- 3. As a "corporate citizen" that is a member of society, Yamaha contributes to creating a better society by actively participating in many kinds of activities that further the development of the community and culture.
- 4. Yamaha complies with laws and high ethical standards, works to create an environment in which its personnel can draw fully on their sensitivities and creativity, and aims to build a corporate culture that will enable it to offer better products and services.
- 5. For its shareholders, who support its corporate activities financially, Yamaha aims for a high degree of transparency by disclosing management information and engaging in active and sustained communication. For its business partners, Yamaha conducts transactions fairly and transparently, endeavors to deepen mutual understanding, and works to build strong relationships of trust.

(Established in February 2010)

CSR Management

Basic CSR Philosophy

The Yamaha Group considers its mission to be to continue to create 'KANDO' and enrich culture along with people around the world through leveraging the resources it holds and the technologies and insights fostered from its origin in sound and music, as set forth in the corporate philosophy. We will continue responsible business activities while constructing relationships of mutual trust with all stakeholders, to contribute to a sustainable society, which forms the basis for implementation of this philosophy.



CSR Promotion Policy and Initiatives

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. In February 2010, we established the Yamaha Corporation Group CSR Policy, a summary of the Group's approach toward CSR. Comprised of five key guidelines, this Policy outlines the Company's fundamental stance toward fulfilling its responsibilities to its diverse stakeholders. Yamaha operates with this CSR policy as the common philosophy for the Group.

→ Yamaha Corporation Group CSR Policy

Using ISO 26000 to Inspect the Status of Activities

In promoting CSR initiatives, it is important to respond as best as possible to the needs and expectations of society in addition to matters on which the Yamah Group itself focuses. Based on this recognition, Yamaha used the ISO 26000 international guidelines on social responsibility to conduct an inspection of the state of CSR activities in the Yamaha Group. By organizing the activities in line with the core subjects of ISO 26000, we verified the way which these activitieshad been positioned and identified the issues we should work on in future. Moving forward, Yamaha plans to establish the specific details and set indicators to measure the progress of initiatives for each issue.

Dialogue with Stakeholders

Engagement with Stakeholders

CSR Education

In promoting CSR, we think it is important to deepen employees' understanding of CSR and to raise their sensitivity to social issues. The Yamaha Group engages in education and awareness-raising through training and seminars for all employees, from managers to new recruits, with the aim of promoting CSR throughout its business operations

Fiscal 2013 Results

Item	Target	Content	Participants
Internal seminar	Managers, departmental administrators and rank-and-file employees	A seminar by experts from outside the company An overview and definition of CSR, along with examples of recent issues and trends in the areas of economics, society and the environment	300
CSR procurement seminar	Employees in charge of procurement	Introduction to CSR, explanation of the promotion of supply chain CSR, etc.	100 total (held in three venues)
CSR basic training	New recruits and others	Introduction to CSR, explanation of Yamaha Group CSR policy and measures	68 total



Internal seminar by experts



CSR procurement seminar



CSR education at new recruit training





CSR website for employees

Engagement with Stakeholders

The Yamaha Group's business activities are conducted through relationships with various interested parties. The management philosophy of the Yamaha Group encompasses "Customer-Oriented and Quality-Conscious Management," "Transparent and Sound Management," "Valuing People," and "Harmony with Society." In order to pursue these values and realize the corporate objective of "Creating 'Kando' Together," we use various opportunities for dialogue to listen to the opinions and needs of all stakeholders and reflect these in our corporate activities.

Opportunities and Methods for Dialogue with Key Stakeholders

Customers

In offering products and services, we aim to impress and deeply satisfy the customer.

Key Responsibility

Provision of safe and secure products and services of value/Promotion of universal design/Appropriate provision of product information/Appropriate customer response and support/Appropriate protection of customer privacy and personal information

Usual Method of Communication

Customer inquiries service for each product and service (telephone and email, etc.)/Regular business activities

Shareholders/Investors

We disclose management information to and engage in proactive and continuous communication with the shareholders and investors who financially support our business activities.

Key Responsibility

Timely disclosure of accurate management information/Appropriate profit allocation/Maintenance and improvement of corporate value

Usual Method of Communication

General Shareholders' Meeting/Briefing sessions for investors/Website and e-mail magazine for investors

Employees

We respect the individuality and sensitivity of the people who work at Yamaha, we work to create an environment where each and every one of them can display creativity, and we aim to create a corporate culture that allows us to offer better products and services.

Key Responsibility

Fair evaluation and treatment/Respect for human rights and diversity/Application and training of human resources/Support for diverse working styles/Ensuring health and safety

Usual Method of Communication

Opinion surveys on business management/Labor-management meetings and consultations

Business partners (suppliers, clients, subcontractors)

We consider our business partners to be partners we walk hand in hand with toward the goal of achieving our corporate philosophy, and we work to deepen mutual understanding and build and maintain a good relationship of trust with them, based on a foundation of fair and transparent dealings.

Key Responsibility

Selection of business partners by fair and reasonable standards/Fair trade practices/Elimination of dubious business relationships/Prohibition of the abuse of dominant bargaining positions

Usual Method of Communication

Regular business and procurement activities/Production and sales trend report meetings/Policy briefing sessions/CSR surveys

Local communities

Regarding our business activities in different countries and regions, we comply with the related laws, ordinances and international standards, giving ample consideration to environmental conservation and respect for human rights. Moreover, we proactively participate in various activities that contribute to the development of regional society and culture, and we contribute to build a better community as a corporate citizen that is one member of society.

Key Responsibility

Coexistence with the region and contribution to its development (promotion of culture, education of the next generation, welfare, job creation, technology and skill development, etc.)

Usual Method of Communication

Information exchange meetings with the locality and municipality/Factory tours/Participation of employees in regional activities

Global environment

We understand the significance of environmental conservation and the preservation of biodiversity for the sake of the earth's environment, which is the basis of a sustainable society. We are engaged in various activities to contribute to the environment, including of course reducing the environmental burden of our business activities, products, and services.

Key Responsibility

Prevention of pollution/Conservation of water resources/Management and reduction of chemical substances/Conservation of biodiversity

Usual Method of Communication

Information exchange and dialogue with the local communities and NPO/NGOs

Organizational Governance









Corporate Governance

Compliance |

Risk Management



Information Disclosure and IR Activities | →

Corporate Governance

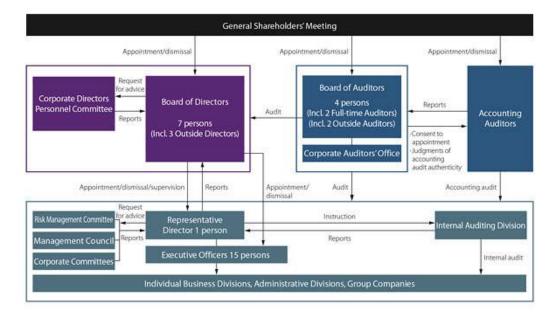
Yamaha positions the enhancement of corporate governance as an important management issue, and is taking proactive steps to strengthen it.

"CREATING KANDO TOGETHER, the Company's corporate objective, is the most critical element in our corporate philosophy structure. Based on this objective, Yamaha will improve management efficiency and become globally competitive and highly profitable. At the same time, the Company will increase its corporate and brand value by fulfilling its social responsibilities in areas such as compliance, environment, safety and social contributions. To achieve this goal, Yamaha will take steps to create a transparent and high-quality management that is also efficient by improving its organizational structure and system, implementing all necessary measures, and disclosing information in an appropriate manner.

Basic Corporate Governance System

Yamaha Corporation has adopted the form of a company with a board of auditors. With the General Shareholders' Meeting as its highest decision-making body, Yamaha has built a corporate governance system centered on the oversight and supervision of management's execution of duties by the Board of Directors, and audits by the Board of Auditors. Further, Yamaha has enhanced its governance functions by introducing an executive officer system, setting up a Corporate Officers Personnel Committee, Risk Management Committee, and Corporate Committees, convening twice a month (in principle) Managing Council meetings, and establishing an internal control system. In conjunction with consistent audits conducted by the company's system of full-time auditors, these help raise the effectiveness of governance through fair and equitable audits by highly independent outside corporate auditors.

Corporate Governance Structure (As of June 24, 2014)



Strengthen Governance Function of the Board of Directors by Selecting Highly Independent Outside Directors

As of June 24, 2014, Yamaha had seven directors, including three outside directors. In principle, the Board of Directors convenes once monthly, and is responsible for the Group's management functions, such as strategy planning, monitoring the business execution of each division, and providing guidance.

Outside Directors are elected to enhance supervisory function of the Board of Directors from an objective standpoint, for increasing transparency of the management, and gain good advice by utilizing their management experience in different industry and advanced expertise.

In order to clarify directors' management responsibilities, directors are appointed for a term of one year.

Strengthening Management Function and Business Execution Function Through Executive Officer System

Yamaha has adopted an executive officer system, with the purpose of strengthening consolidated Group management and business execution functions. As of June 24, 2014, the executive officer system comprised 15 executive officers, including one managing executive officer and three senior executive officers. The managing executive officers support the president, who is the chief officer in charge of business execution. The senior executive officers, in principle, preside over divisions and are responsible for their business performance, providing appropriate instruction and orders directly to enhance their performance Moreover, executive officers are assigned to divisions that are responsible for key management issues in each group.

Audit System that Ensures Fairness and Transparency

As of June 24, 2014, Yamaha had four auditors, including two outside corporate auditors. In principle, the Board of Auditors convenes once monthly. Based on audit plans, auditors periodically perform comprehensive audits of all business divisions, administrative divisions and Group companies, and participate in Board of Directors' meetings and other important meetings such as the Managing Council.

The reasonableness of accounting audits is determined based on periodic progress reports from the accounting auditors of their audits of the Company's financial statements.

In Yamaha, people with knowledge of finance and accounting assume full-time auditor positions. Full-time auditors have many years of experience that enables them to exercise good judgment with respect to the reasonableness of business audits and accounting audits. To ensure objectively fair and equitable audits, outside corporate auditors are appointed and include specialists (CPAs and attorneys) who hold positions independent from that of the Company.

Yamaha has also established a Corporate Auditors' Office (with one staff member as of June 27, 2013) that is dedicated to supporting auditors so as to ensure an environment conducive to performing effective audits.

Yamaha established the Internal Auditing Division (9 staff members as of June 24, 2014) under the direct control of the President and Representative Director. Its role is to closely examine and evaluate management and operations systems, as well as operational execution, for all management activities undertaken by the Company from the standpoint of legality and reasonableness. The Internal Auditing Division provides the President and Representative Director, divisions subject to audit, and supervisory divisions with information based on the evaluation along with suggestions and proposals for rationalization and improvement. In parallel, Yamaha strives to boost audit efficiency by encouraging close contact and coordination among the corporate auditors and the accounting auditors.

Registration of Independent Officers

Yamaha has registered outside directors Haruo Kitamura and Yoshikatsu Ota, and outside corporate auditors Takashi Miyazawa and Hirohiko Ikeda as independent officers under the provisions of the Tokyo Stock Exchange.

Activities by Outside Director and Outside Auditors in the year Ended March 31, 2014

Outside director Haruo Kitamura attended all 14 of the meetings of the Board of Directors held during the fiscal year ended March 31, 2014. Utilizing his specialized knowledge as a chartered accountant, he made necessary statements as appropriate during the consideration of meeting agenda item.

Outside director Hiroyuki Yanagi attended 12 of the 14 Board of Directors meetings held during the fiscal year ended March 31, 2014. Utilizing his extensive experience and specialist knowledge as manager, he made necessary statements as appropriate during the consideration of meeting agenda items.

Outside director Yoshikatsu Ota attended 13 of the 14 meetings of the Board of Directors held during the fiscal year ended March 31, 2014. Utilizing his extensive experience and specialist knowledge as manager, he made necessary statements as appropriate during the consideration of meeting agenda items.

Outside auditor Takashi Miyazawa attended all 14 meetings of the Board of Directors and all 14 Board of Auditors' meetings during the fiscal year ended March 31, 2014. He made statements mainly from his specialist standpoint as a chartered accountant.

Outside auditor Hirohiko Ikeda attended 13 of the 14 meetings of the Board of Directors and 13 of the 14 Board of Auditors' meetings during the fiscal year ended March 31, 2014. He made statements mainly from his specialist standpoint as a lawyer.

Support System for Outside Directors and Outside Corporate Auditors

The meeting to discuss and confirm management issues is held, in principle, monthly for the purpose of sharing important management proposals between all directors and auditors and gaining a better understanding about management's execution of its duties.

A Business Report Meeting has been set up for reporting by the general managers on the progress of division performance and, when necessary, outside directors are individually provided with explanations about proposals and reports to be submitted to the Board of Directors.

With respect to agenda items at meetings of the Board of Directors and the Board of Auditors to be attended by outside corporate auditors, staff members provide explanations as necessary to enable them to perform a complete preliminary study of the agenda. With regard to other material matters, the Company strives at all times to maintain an effective auditing environment, including by providing information, supplying documentation, listening to opinions, and supporting research and data collection.

Basic Concept of the Internal Control System

Yamaha has established an internal control system pursuant to Japan's Companies Act and the Enforcement Regulations of the Companies Act. Yamaha seeks to achieve optimal corporate governance in order to raise corporate value and the Yamaha brand image. At the same time, the Company works to improve the internal control system to raise business efficiency, increase the dependability of Yamaha's accounting and financial data, and strengthen compliance, asset soundness, and risk management capabilities.

Further, Yamaha established the Group Management Charter to clarify Group management policies. Also, competent divisions with jurisdiction over subsidiaries are responsible for providing proper guidance and assistance with management in Group companies under their jurisdiction based on Group company management rules and regulations.

Yamaha has developed and put into operation internal controls for financial reporting based on implementation standards for internal control reporting systems (Financial Instruments and Exchange Law). We will maintain and more firmly establish this internal control system to ensure the reliability of our financial reporting.

→ Corporate Governance Report

Executive Officer's Remuneration

Directors' remuneration

Directors' remuneration has been established as follows after considering remuneration levels and employee compensation levels at other companies - primarily listed companies - as part of the remuneration framework decided on in advance at the General Shareholders' Meeting.

- Base remuneration for internal directors is based on the standard annual salary set in accordance with job responsibilities and takes into account the Group's consolidated business performance and the individual achievements of the director. The actual amount can go up or down by a maximum of 20% from the standard annual salary depending on the Group's consolidated business performance and individual achievements.
- Bonuses are remuneration that is separate from the remuneration framework decided on in advance at the General Shareholders' Meeting and are calculated in accordance with consolidated net profit using annual salary as a base for internal directors. They are paid out after approval is acquired at the annual General Shareholders' Meeting. The amount a director receives is decided on at meetings of the Board of Directors.
- Outside directors' remuneration is not tied to the Group's business performance, but factors such as the balance with internal directors' compensation and the size of the Group's business is taken into account.

Auditors' remuneration

Auditors' remuneration is not tied to the Group's business performance but is set through discussion among the Company's auditors based on factors such as the balance with internal directors' remuneration and the size of the Group's business within the remuneration framework decided on in advance at the General Shareholders' Meeting.

Amounts of remuneration and other compensation provided to Yamaha Corporation's internal directors and auditors (fiscal 2013)

Executive Officer Category	Total Compensation (Millions of Yen)	Total Compensa (Millions of Yen)	Eligible Officer			
		Base Remuneration	Stock Options	Bonuses	Retirement Bonus	
Internal Directors	184	163	-	21	-	3
Internal Auditors	60	60	-	-	-	2
Outside Directors	30	30	-	-	-	5

Compliance

The Yamaha Group aims to achieve a high level of compliance management not only by conforming with laws and regulations, but also through adherence to social norms and corporate ethics.

Compliance Oriented Management

The Yamaha Group began in earnest to implement compliance activities in Japan in 2003 with the establishment of the Compliance Committee, chaired initially by the Company's chairman and thereafter by the president and representative director. At the same time, steps were taken to put in place the Compliance Code of Conduct. Since June 2010, the Compliance Subcommittee has been aiming to implement more dynamic activities as the Working Group for Compliance under the Risk Management Committee following reorganization of the Corporate Governance Committees. A secretariat for this Subcommittee has been established in the Human Resources and General Administration Division. While collaborating closely with each department, the subcommittee is promoting Group-wide cross-sectional compliance.

Compliance Code of Conduct

The Yamaha Group formulated the Compliance Code of Conduct in 2003 and since then has made revisions and produced versions in foreign languages in line with changes to the business environment and social conditions.

Additions were made to the Compliance Code of Conduct in fiscal 2006 in line with global business expansion, including an article regarding the prohibition of forced and child labor, and other information essential for Group companies with overseas business interests. Taking into consideration revisions to various laws and regulations in five-year blocks since 2006 as well as changes in social conditions, the Yamaha Group revised the Japanese version of its Compliance Code of Conduct in April 2011. Detailed explanations were added covering such items as revisions to consumer, antitrust and labor legislation, changes to expectations in companies held by society and the general increase, society-wide, in whistle-blowing.

The Yamaha Group has formulated respective codes of conduct for 31 overseas companies that take into consideration local laws and regulations and are based on the Japanese version in order to promote compliance with a consistent philosophy and rules across the board worldwide. A code is currently being prepared for two companies that were recently established. Since fiscal 2012, the Yamaha Group has been revising local versions of the Compliance Code of Conduct to reflect changes in each region and in consideration of revisions made to the Japanese version. The revisions are made with the assistance of local outside experts who confirm content.



Versions of the Code of Conduct for Group companies overseas

- Initiatives in Compliance (Japanese only)
- Yamaha Compliance Code of Conduct (Japanese only)

Initiatives in Promoting Compliance

(1)Distributed and promoted third edition of Compliance Code of Conduct booklet

The Yamaha Group publishes and distributes to its employees a booklet that describes in detail the Group's Compliance Code of Conduct. As a part of human resource training according to career stage, compliance has been made a component of training programs, which provide a further look at the content of the Compliance Code of Conduct.

In order to spread awareness of the third revision to the Code of Conduct made in April 2011, the secretariat held briefings for approximately 800 managers responsible for each division and company. These managers then acted as facilitators at workplace briefings to pass on the information. Around 10,000 people took part in the briefings at respective workplaces in fiscal 2011, which covered almost all domestic Group company employees. In fiscal 2012, an internal survey was conducted to confirm the penetration of the revised version of the Code of Conduct and boost awareness.

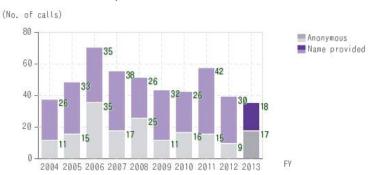
(2)Promoted October as Month to Bolster Compliance

The Yamaha Group has designated October as the month to bolster compliance every year in line with Keidanren's Corporate Ethics Promotion Month, and is working on initiatives to heighten awareness of compliance. Specific actions taken during fiscal 2013 include communicating to all employees the results of a survey conducted previous fiscal year and conducting six training programs concerning different laws closely connected to our businesses.

Results from Operation of Compliance Hotline (April 2013 to March 2014)

Yamaha set up and started operating a hotline in April 2003 to provide consultation and take internal reports related to compliance-related matters. In order to make the hotline easier to use, Yamaha is spreading awareness internally through such means as monthly posters emphasizing compliance, surveys and training. Hotline operating regulations have been formulated with provisions that concern the non-disclosure of information regarding the reporter and prohibition of unfair treatment. From April 2013 to the end of March 2014, the hotline was contacted on 35 occasions, representing a decrease over the 48-case average for past years. In July 2013, we began accepting e-mail inquiries via an outside hotline conducted by a corporate law firm.

The Status of Calls to the Compliance Hotline



Risk Management

Basic Policy for Risk Management

Yamaha has chosen "CREATING 'KANDO' TOGETHER" as its corporate objective that commands the highest position in the hierarchy of our corporate philosophy. The Yamaha Group perceives events that impede the attainment of the corporate objective as risks and implements risk management based on the following policy.

- We shall establish a structure and framework for risk management and work to enhance responsiveness to risk and maximize corporate value.
- We shall identify, evaluate and reduce risk through risk management activities during ordinary times, conduct awarenessraising activities such as education and training, and share information on risks in order to permeate risk awareness and foster risk sensitivity.
- 3. We shall prioritize people's safety when risk occurs, and coordinate with the local community to ensure sincere, appropriate and speedy response as a means to minimize the impact of risk. In addition, we shall strive to ensure the stable supply of products and services, continue business to the extent possible and contribute to the sustainable development of society.
- 4. We shall work to prevent reoccurrence of risk that we have resolved

Classification of Risk and Definition of Risk Management

The Yamaha Group classifies the various types of risks related to its business in the following manner and is working on measures to counter each type.

[External Management Environment Risk]: External risk that is difficult for a company to predict

[Business Process Risk]: Risk in which the impact can be reduced through internal control and factor analysis, etc.

[Business Strategy Risk]: Risk associated with business strategy and management judgment

The Yamaha Group broadly defines "risk management" as general activities implemented to properly control the various types of risk that occur in conducting business. In addition, risk management is divided into measures and response at ordinary times and during an emergency in the following manner.

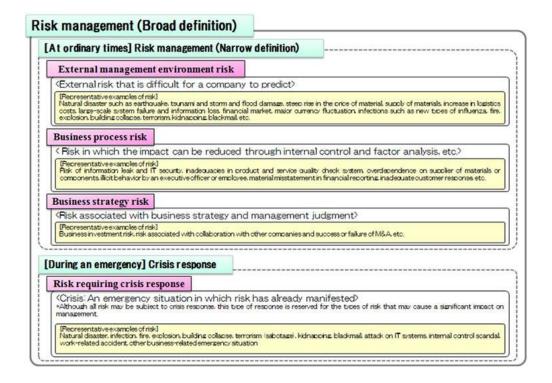
[At ordinary times]: Risk management (Narrow definition)

Yamaha implements measures to prevent the incidence of risk at ordinary times based on a narrow definition of risk in which risk can potentially manifest in any situation.

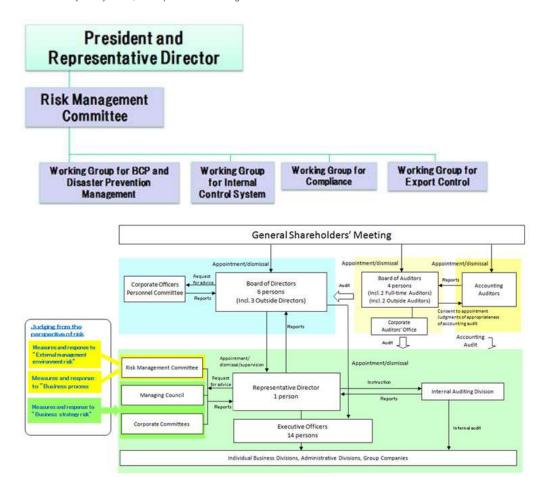
[During an emergency]: Crisis response

In case a crisis occurs, Yamaha will react quickly and accurately to minimize the impact and ensure immediate recovery based on a definition of crisis as an emergency situation in which risk has already manifested.

* Although all risk may be subject to crisis response, this type of response is reserved for the types of risk that may cause a significant impact on management.



Yamaha Corporation has established a Risk Management Committee as an advisory body to the President pursuant to the basic policy for risk management. This Committee deliberates on matters related to risk management from a Company-wide standpoint and reports its findings to the President and Representative Director. Working groups for BCP and disaster countermeasures, internal control, compliance and export screening have been established under the Risk Management Committee to deal with important matters that are difficult for individual business divisions and administrative divisions to cover during the execution of their basic day-to-day duties, and implement risk management activities.



Introduction to Concrete Initiatives

•Business Continuity Plan (BCP)

In fiscal 2009, The Yamaha Group formulated the BCP Guidelines, its basic Companywide policy for its business continuity plan, which is designed to enable the immediate resumption of operations in the event of an earthquake in Japan's Tokai region where Yamaha headquarters are located or another natural disaster, a fire or an infectious disease outbreak that could cause damage to its building or facilities. In 2012, Yamaha established various guidelines including the BCP/Disaster Basic Countermeasures, Earthquake Countermeasures, and Fire Countermeasures and Storm and Flood Damage Countermeasures,, which update and supersede the BCP Guidelines.

The Yamaha Group has been conducting BCP training assuming an emergency situation since fiscal 2010. In fiscal 2013, Yamaha installed a safety confirmation system that uses mobile phones to check on the safety of employees after a disaster. Centered on this safety confirmation system, Yamaha conducted simultaneous companywide safety confirmation training in May 2013 in which around 10,000 employees in group companies throughout Japan participated, making it the first such initiative in the Yamaha Group.





As a measure against earthquakes in the Tokai region, the Group has taken its efforts to reinforce earthquake resistance for its factories and other buildings. In fiscal 2013, the Group brought them one step further by performing renovations to improve earthquake resistance for Toyooka Factory Building NO.1, Yamaha Corporation's main production facility.

The Yamaha Group is also conducting production equipment earthquake resistance audits at production sites in Western Shizuoka Prefecture to ascertain risk and minimize damage done to humans and production equipment.





Improving earthquake resistance at the Toyooka Factory

•Safety Abroad

Yamaha is taking steps to ensure the safety of employees that are stationed overseas and that go overseas on business trips from the perspective of prevention and response in the event of an accident. Information concerning danger in each country and region is gathered from such sources as governmental agencies, private security companies, employees stationed at overseas Group companies and those that have returned from abroad. The information is then distributed internally in the form of reminders

Group companies and those that have returned from abroad. The information is then distributed internally in the form of reminders and business trip regulations. Safety-related education is also provided to employees that have been dispatched overseas and those taking business trips. In addition, Yamaha is developing a contact system for times of emergency and an emergency response manual as countermeasures for when risk arises.

[Fiscal 2013 results]

- Training prior to assignment overseas:
- (1) For employees: 38 employees over 9 sessions
- (2) For employees' families: 23 people over 6 sessions
- Overseas business trip orientation
- For those going on an overseas business trip for the first time: 182 people over 3 sessions

Yamaha Corporation's health and safety managers conduct audits and provide guidance as safety measures for overseas Group companies, while facility control managers conduct audits and provide guidance on facilities such as production equipment. In fiscal 2013, health and safety audits were performed at six locations in China, Indonesia and Malaysia and facility safety audits were performed at seven locations in China and Indonesia.



Health and safety audit in Indonesia (industrial doctor giving advice on protective equipment)





Auditing a facility at P.T. Yamaha Indonesia





•Export Control

Yamaha has established provisions for national security-related trade control in its Compliance Code of Conduct as rules pertaining to international trading.

8-3 National security-related trade control

Yamaha hopes for global peace. Yamaha observes the applicable security-related trade control regulations that have been set out to prevent proliferation of weapons of mass destruction and accumulation of other weapons. To that end, Yamaha will develop and comply with internal procedure rules.

A Working Group for Export Screening has been established under the Risk Management Committee at Yamaha Corporation, formulating export control regulations and regulations for import and export procedures among others, and establishing a work process related to export control. Yamaha is also working to educate its employees on and improve their awareness of the importance of export control in the company by conducting export control seminars led by industry experts.

•Environmental Risk Management

As a part of its CSR activities, the Yamaha Group actively works to promote the regional environment by reducing the environmental burden of its business activities, products and services, and effectively using energy and natural resources under the Yamaha Group Environmental Policy. Key initiatives for environmental risk management include regular monitoring, environmental audits and emergency response training.

>>Click here for details of environmental risk management

Information Disclosure and IR Activities

Information disclosure policy

Proper information disclosure is critical to the continued and transparent conduction of business with the true understanding of shareholders, investors, and other stakeholders. In its Compliance Code of Conduct, Yamaha Corporation states that it will truthfully report its financial conditions and business performance to stakeholders such as shareholders and government offices in accordance with laws and other rules, and that it will provide appropriate management information to its shareholders and investors.

Yamaha sets forth rules regarding information disclosure to shareholders and investors in its Disclosure Policy published on its website.

Yamaha Compliance Code of Conduct (excerpt)

2-1 Accurate accounting records and financial reports

Yamaha accurately prepares its accounting books in compliance with applicable laws and regulations and provides a true and accurate report of its financial condition and operational results to the required government entities and to its shareholders. Yamaha hereby declares that it will in no case dress up its reports motivated by unjust reasons, nor will it ngage in any inappropriate accounting practices.

2-2 Timely disclosure of information

In pursuit of establishing "transparency" in its operations, Yamaha regularly updates its shareholders and investors with appropriate business information in order to obtain their support for Yamaha's activities. In addition, Yamaha also promptly publishes any information that may have a material impact on its business operations.

→ Disclosure Policy

Proactive Investor Relations Efforts to Promote Understanding of the Company

Yamaha Corporation carries out fair and timely disclosure of information to institutional and individual investors around the world, in line with our Disclosure Policy.

In addition to holding quarterly results conferences for institutional investors in Japan, Yamaha conducts conferences and briefings on its management policies and individual business segments as well as factory and facility tours as required. For institutional investors in other countries, along with making available English translations of all information provided to institutional investors in Japan. Also, the Company's president and directors visit investors overseas several times a year to foster mutual understanding through direct communication that encompass explanations of the Company's management plans as well as the status of its businesses.

For individual investors, and as a part of efforts to expand its shareholder base, Yamaha gradually commenced conferences and briefings for individual investors in regional cities beginning in fiscal 2010. Briefing sessions have been held in Nagoya, Fukuoka, Hiroshima, Sapporo, and Kobe to date. Yamaha also runs a special benefit plan for shareholders every year.

Yamaha aims to bolster communication with shareholders through these activities as well as share opinions and information gathered with related departments inside the Company to be used for everyday IR* activities and in management execution.

Major IR Activities in the Fiscal Year Ended March 31, 2014

(Regularly Scheduled Events)

Quarterly results conferences	Each quarter (four annually)	
One-on-one meetings	250 times	
Visits to overseas investors	Three times annually (U.S.,U.K.,Asia)	

(Other Events)

Conference for the mid-term Management plan	Briefing on the musical Instruments business
Facility tour	Corporate briefing session for individual investors

 $^{^{\}ast}$ IR: Investor Relations(corporate communication for shareholders and investors)







A conference for institutional investors



Special products provided to shareholders (who hold 1,000 or more shares)

Inclusion in Socially Responsible Investment Indexes

Socially Responsible Investment (SRI) indexes ² and funds in Japan and other countries evaluate potential investments not only from a financial perspective, but from CSR environmental viewpoints as well. Yamaha Corporation continues to be listed in some of the world's most prominent SRI indexes, including the FTSE4Good Global Index (managed by Britain's FTSE), and the Morningstar Social Responsibility Index (MS-SRI).



As one way of measuring financial soundness, each year Yamaha Corporation requests a long-term bond credit assessment from bond ratings agencies. The results are shown below.

*2 SRI (Socially Responsible Investment) Index: An index that monitors movements in the share prices of companies grouped together selected for their outstanding financial and CSR qualities.

Credit Ratings (As of March 31,2014)

Rating and Investment Information, Inc.(R&I)	А
Japan Credit Rating Agency, Ltd.(JCR)	A+

Policies for Retained Earnings and Returns to Shareholders

Yamaha Corporation has adopted a basic profit allocation policy linked to the level of consolidated net income in the medium term that provides for increasing return on equity (ROE) by retaining earnings as appropriate for strengthening the Company's management position through investments in R&D, sales capabilities, capital equipment and facilities, and other areas, while also emphasizing shareholder returns to reflect consolidated performance. Specifically, Yamaha endeavors to provide continuous, stable dividends and has set a target consolidated dividend payout ratio of 30%.



Dividends per Share

Human Rights and Labor Practices





Promotion of Human Rights Awareness | →



Promotion of Diversity



Measures to Prevent Harassment | ▶



Hiring and Employment | ⇒



Promoting a Better Work-Life Balance



Dialogue with Employees



Health and Safety



Initiatives for Human Resource Development | →

Promotion of Human Rights Awareness

Basic Principles Concerning Human Rights

The Yamaha Group explicitly states in its Compliance Code of Conduct its respect for basic human rights, its prohibition of forced and child labor, its assurance of the three rights of work, and other stipulations, and its commitment to upholding these principles. The Group also became a signatory to the United Nations Global Compact in 2011 and upholds the 10 principles, one of which concerns human rights.

Yamaha Compliance Code of Conduct (excerpt)

4-1 Respect for human rights and prohibition against discrimination

Yamaha respects fundamental human rights and endeavors to observe internationally recognized standards in its business activities. Yamaha especially objects to any discrimination based on race, gender, religion, language or ethnic background, and will not discriminate based on ideology, creed or political opinion.

3-7 Prohibition against forced labor and child labor

Yamaha prohibits any form of forced labor or labor by children under the minimum age permissible by law. In addition, Yamaha supports international efforts to exclude and abolish such child labor and endeavors to realize this ideal.

3-3 Favorable employer-employee relationships

Yamaha adheres to the protection of employees' rights prescribed by international treaties, law, collective labor agreement and other agreements between the employer and "employees". We promote the creation of an environment where employees and the employer can cooperate to achieve the corporate objectives.

Initiatives in Respect of Human Rights

As part of its Compliance Code of Conduct, the Yamaha Group forbids sexual harassment, power harassment, or any behavior that could be construed as harassment, as well as unjust discrimination.

The Group also requests that its business partners comply with its policy concerning procurement and CSR in the interest of furthering its policy concerning human rights not only within the Group but also throughout its supply chain. When concluding agreements with new business partners, The Group conducts surveys to ascertain these companies' degree of commitment to upholding human rights and other CSR issues.

Yamaha Compliance Code of Conduct (excerpt)

3-2 Prohibition against harassment

Yamaha prohibits unjustified discrimination by language or behavior that may be construed as harassment, including sexual harassment and power harassment of subordinates or any other employees.

Education Concerning Human Rights

The Yamaha Group disseminates information to employees and conducts seminars to improve understanding concerning human rights issues in the Group's business activities. In fiscal 2013, the Yamaha Group provided explanations through its intranet of its guiding principles concerning the issue of conflict minerals and human rights in the Group's business. It also held expert-led CSR seminars for its employees and CSR procurement seminars for personnel in charge of purchasing, where discussions were held on themes such as human rights issues in the supply chain.

Promotion of Diversity

Policy and Action Plan for Promoting Diversity

"Through the promotion of diversity management, the Yamaha Group seeks to strengthen, grow, and develop its corporate competitiveness by respecting and making the most of employee diversity (including age, gender, nationality, various lifestyles that involve time constraints due to childcare or nursing care, etc.)" (operating principle from the Yamaha Group's Action Plan for promotion of diversity management)

Based on this principle, The Group has created an action plan to promote diversity management at all Yamaha Group companies in Japan. For the three years from 2013 through 2015, the Group will undertake various efforts in the interest of improving employees' skills and expanding the their opportunities, getting more people active on the global stage, making work environments easier to work in, and fostering a good corporate culture.

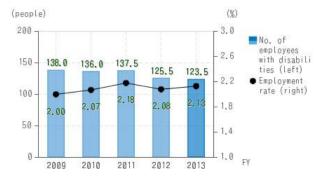
Employing People with Disabilities

Yamaha Corporation established a special subsidiary 1 in 1989, Yamaha Ai Works Co., Ltd. Yamaha Ai Works offers opportunities in general office work including data input, enclosing and sealing envelopes as well as printing together with administrative tasks relating to employee benefit programs. In this manner, the company is promoting employment for people with disabilities as well as the development of conducive working conditions. As of March 1, 2014, 85 people with disabilities were employed at Yamaha Corporation and Yamaha Ai Works combined. Of this number, 36 are now working at Yamaha Ai Works. The employment rate has hovered around 2% since fiscal 2009, reliably achieving standards set for April 2013 and beyond in the Act on Employment Promotion etc. of Persons with Disabilities.

In order to encourage the employment of people with disabilities in society at large, Yamaha provides workplace tours and accepts apprenticeships while also dispatching instructors to workshops as qualified consultants on occupational life for those with disabilities.

*1 Subsidiaries recognized under the Act for Employment Promotion, etc. of Persons with Disabilities. Special subsidiaries must meet certain criteria in connection with the number and ratio of employees with disabilities. People with disabilities employed by such subsidiaries are counted as employees of the parent company when calculating its employment ratio.

Employment Numbers and Rate for People with Disabilities



Promoting employment of foreign employees

Yamaha Corporation had 53 foreign employees on its books as of March 1, 2014. In order to enhance the role of diverse personnel regardless of nationality, we set numerical target for new graduates from foreign countries and provide information on our employment related website in English.

Utilizing the Senior Partner System

Yamaha Corporation instituted an employment extension program in April 2004 called the Senior Partner System that provides willing employees with the opportunity to work beyond age 60, the normal retirement age. There were 228 people working under the system as of the end of March 2014. The system allows us to effectively utilize personnel with a wealth of operational knowledge, skills and experience, while it enables younger employees to receive instruction and training as well as leads to more active participation in society post-retirement and more motivation in life. Group companies have also established similar programs in an effort to provide employment to people beyond the normal retirement age. In order to make more extensive use of this system, Yamaha Corporation revised the process and conditions in fiscal 2008, holding interviews with applicants early on and preferential reemployment in the place where one is working at the time of retirement. Also, Yamaha has provided work to all applicants arriving at the retirement age in fiscal 2013 based on the Revised Law concerning Stabilization of Employment of Older Persons enacted in April 2013. There are now 111 working individuals.

Group companies have adopted similar measures and are hiring retired workers.

Assisting Women's Careers

The Yamaha Group holds the diversity of its employees in high regard, and aims to be a place where all employees can make the most of their abilities, regardless of their gender, nationality or other factors. In this regard, the Group strives to promote a workplace environment in which women can excel and creates systems to make this a reality.

Yamaha Corporation launched the Positive Action Project in May 2004. The project group initiated various enlightenment related activities such as examining the situation of women at Yamaha and other companies, holding lectures and creating a website. Other activities recommended the creation of systems that promote the role of women, the employment and hiring of female employees and the establishment of training programs. Based on these recommendations, Yamaha established a dedicated organization within the Human Resources Division in March 2006. The department is carrying out wide-ranging measures, which include further broadening opportunities for women to develop their abilities and play an active role and creating a more comfortable working environment. In recognition of these efforts, Yamaha Corporation was awarded the "2008 Shizuoka Labor Secretariat Prize, Corporation Award for the Promotion of Gender Equality in the Business Division." In fiscal 2013, Yamaha Corporation released a Positive Action Declaration on a portal site for information on the Positive Action Project commissioned by the Ministry of Health, Labour and Welfare.

The Company is also expanding systems for work-life balance such as the childcare leave system and promoting their use. Yamaha Corporation was awarded the Fiscal 2005 Family Friendly Company Award from the Ministry of Health, Labour and Welfare in 2005 and acquired the "Kurumin" mark for its support for the development of the next generation in 2008. Through these initiatives, Yamaha Corporation currently boasts nearly an equal average number of years of continuous employment for male and female employees with the proportion of women taking maternity leave and childcare leave as well as the proportion of women returning to work after childcare leave at almost 100% in fiscal 2013.

Major Measures to Assist Women's Careers

Proactive hiring of female employees

Increase the ratio of female new graduate hires, targeting 30% for the immediate future

Hiring activities that include information about the active roles played by female employees and creating a more comfortable working environment for women

Active promotion of and expansion of opportunities to develop the abilities of female employees

Increasing the promotion of women for managerial positions

Planning and implementing various training program

Providing various education and training opportunities and expanding Positive Action training

Creating comfortable environments for women

Responding to next-generation laws on gender equality in employment, childcare and nursing leave

Creating and implementing Yamaha Action Plans

Promoting the operation of a balanced support system and the revision and creation of structures

Changing workplace awareness and fostering a corporate culture

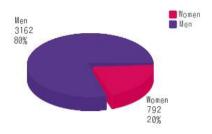
Conducting educational activities through training and seminars

Providing information through the My Yamaha Life - For a Better Career and Work-Life Balance, an intranet service

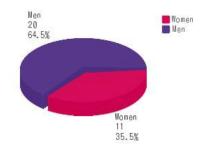
Launched in January 2008 as a communication site designed to promote optimal balance between a career, work and family life, the site is generally updated once a month and is accessed by more than 500 employees each month. The work-life balance aspect of the site was added in fiscal 2012, and Yamaha Corporation made efforts to further enhance the site as a tool for improving diversity and work-life balance in fiscal 2013. By serving as a forum through which information can be dispensed and shared, the site provides support for female employees as well as all manner of employees to enhance their working and private lives allowing them to work in an active and lively manner.



Principal Indicators Related to Female Employees at Yamaha Corporation Ratio of Female Employees (as of March 2014)



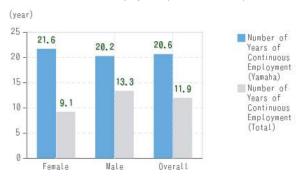
Ratio of Female New Graduate Hires (as of April 1, 2014)



Average Age of Employees at Yamaha Corporation (as of March 2014)



Number of Years of Continuous Employment (as of March 2014)



*Source: Ministry of Health, Labour and Welfare 2011 Basic Survey on Wage Structure

Female Manager Ratio

FY 2013:4.7%

FY 2012:**4.4%** FY 2011:**4.1%** FY2010:**3.4%**

Number of Employ Taking Child Care Leave



Measures to Prevent Harassment

The Yamaha Group Compliance Code of Conduct prohibits any language, behavior, or unfair discrimination that could be construed as sexual harassment or other impropriety. Yamaha has distributed the Code of Conduct in the form of a booklet which includes detailed explanations to all employees. Employment regulations also clarify and make all employees aware of the consequences for failure to comply with company rules and regulations relating to harassment. We also work to thoroughly prevent harassment through workplace meetings and management training to better educate employees about the issues involved.

In addition, we have set up a helpline that deals with requests for advice and notifications concerning compliance issues in general from employees and business partners. Every effort is made to respond as promptly as possible and to solve any problems that are brought up through these channels. We have also created a dedicated counseling desk for sexual harassment issues. These issues are investigated and corrective action is taken and guidance given when a problem is identified. Details of both the counseling desk and helpline are outlined in the Compliance Code of Conduct. Working to further promote awareness, The Group also provides further details in its internal newsletters and magazines.

Going forward, the Yamaha Group remains committed to establishing a workplace environment that is completely free of any gender bias or human rights infringement and that enables employees to fully utilize their skills.

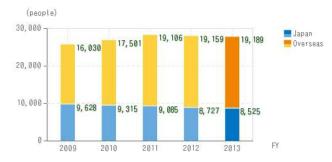
Hiring and Employment

Yamaha Philosophy Concerning Hiring and Employment

The Yamaha Group respect human rights in hiring and employment and work to maintain fair hiring practices and provide employment opportunities to a diverse range of people. For example, information relating to the Company's hiring and employment practices and opportunities is aired openly and publicly through the Internet. Yamaha regularly recruits university graduates and it is possible for graduates to enter the Company with less than one year's work experience. We also actively employ people with disabilities, people from foreign countries and the elderly. We also observe employment and labors laws in the countries where we do business and conduct appropriate labor management based on labor practices and labormanagement relations. Employee evaluations and conditions are decided based on fair rules that take into consideration individual work execution capabilities and the responsibilities and results of work.

Employment Data (As of March 31, 2014)

Consolidated Employment Figures



Consolidated Employment Figures by Region (Unit: People)

Domestic and Overseas Total	Japan	North America	Europe	China	Asia Pacific	Total
Number of Employees	6,830	524	1,047	4,949	6,501	19,851
Number of Temporary Employees (Yearly Average)	1,695	15	86	1,104	4,963	7,863
Total	8,525	539	1,133	6,053	11,464	27,714

Total employees according to gender (Yamaha)

3,954 (Men 3,112 Women 792)

Total employees according to employment contract and gender (Yamaha Corporation)

Regular employees 3,954 (Men 3,112 Women 792)

Non-regular employeesContract employees 263 (Men 234 Women 29)

Fixed-term employees 15 (Men 4 Women 11)

Total 278 (Men 238 Women 40)

Total employees according to employment type and gender (Yamaha Corporation)

 Full-time (regular employees)3,954 (Men 3,112 Women 792)

 Full-time (SP)
 212 (Men 196 Women 16)

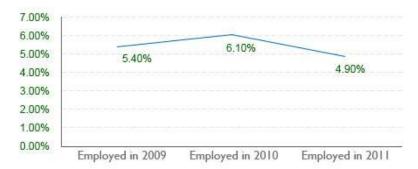
 Total
 4,166 (Men 3,308 Women 808)

 Non-full-time (SP)
 16 (Men 14 Women 2)

Total labor force according to employee/temporary employee and gender (Yamaha Corporation)

Temporary 523 (Men 371 Women 152)

Rate of turnover within three years of employment (including college graduate and mid-career hires)



Promoting a Better Work-Life Balance

Initiatives for a Better Work-Life Balance

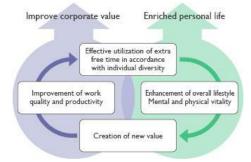
The Yamaha Group has continued to actively cooperate with labor in its efforts to promote a better work-life balance. In this manner, the Group strives to realize corporate growth in concert with a fuller life for all employees.

In addition to efforts over many years to shorten overall working hours, Yamaha Corporation introduced child care leave in 1990, followed by a system of nursing care leave in 1992, both ahead of statutory requirements. In this way employees and management are working together to improve company support systems. In fiscal 2006, Yamaha Corporation established the Work-Life Balance (WLB) Promotion Committee. It is endeavoring to reduce working hours and implement and improve work-family support systems for the variety of circumstances encountered by individual employees. Work-Life Balance Action Plans were developed and implemented in each department in fiscal 2012 to achieve more efficient work-styles. In addition to executing Phase II of the Action Plans from fiscal 2013, the Company provided training to the Work-Life Balance Promotion Officers of each department.

Basic Policy on Work-Life Balance

In order to realize both expanded business activities and lifestyles that offer personal fulfillment, we will proactively promote work-life balance that respects a wide range of values and lifestyles.

People can use the extra time created by increases in the quality and productivity of work in many different ways, which in doing so leads to the enhancement of the overall quality of life while energizing the body and mind. This energy can provide the power for new value creation, and serves as a source of continued good work, the enhancement of corporate value, and the realization of a fulfilling life. We will work toward the creation of this type of virtuous cycle at Yamaha.



Initiatives to Reduce Working Hours

In an effort to shorten total work hours and to prevent overwork, management and labor have jointly established guidelines for overtime. Based on these guidelines, employees are encouraged to utilize paid holidays, take special leave and revise their work styles. Yamaha has put in place a structure and systems aimed at shortening the work hours of each individual employee while allowing for a self-directed, highly productive work style. At the same time, the Company conducts ongoing operational checks to ensure that its structure and systems are effectively implemented.

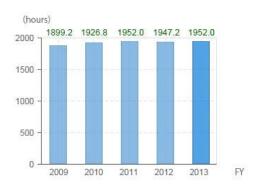
In light of the success achieved when a system allowing employees to take their accumulated paid vacation time all at once was provisionally introduced during the 1990s, Yamaha reintroduced the system in fiscal 2007. As a result, the average number of holidays taken by all employees increased by two days year on year. And for the four years since fiscal 2010, as a priority measure, we have checked the written vacation plans of employees who took few vacation days the previous fiscal year and followed up at the beginning of the year, encouraging them to take vacation days. As a result, 70 percent of the employees in question took more vacation days than they had the previous fiscal year. In order to realize a more self-directed and productive style of work, we are focused on raising awareness among individual employees and managers through work-life balance seminars by experts and information dissemination through an intranet website. Yamaha Corporation also introduced at the end of August 2011 the "Go Home at the Same Time Day" system in which all employees in a given plant leave the workplace at a fixed time, and is otherwise working to instill a time-conscious style of work. The "Go Home at the Same Time Day" system has proven very successful to date and Yamaha will continue with this initiative going forward.

The Work-Life Balance Seminar so far

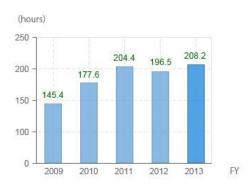
Month	Theme	Target	Participants
July 2011 (First time)	Work-life balance and reforming work style —Making time for yourself and creating a risk-responsive work environment	Employees (Mainly key management)	Approx. 340
February 2012 (Second time)	Ways to achieve a good work-life balance —Highly productive work style with good results	Same as above	Approx. 390
September 2012 (Third time)	Work-life balance and time management —Working so that you can get home on time	Same as above	Approx. 400

Results of questionnaire concerning "Go Home at the Same Time Day" (Examples)

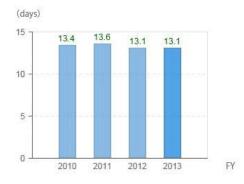
- I thought it was normal to do overtime but upon consideration of work efficiency I started trying to go home early.
 Meetings tend not to drag on "Go Home at the Same Time Day."
 I can play with my kids for longer if I go home early so it's a great way to alleviate tiredness from work and get refreshed.



Employees' work hours (Yamaha Corporation)



Overtime work hours (Yamaha Corporation)



Paid vacation days taken (Yamaha Corporation)

Building and Improving Work-Life Balance Support Systems

Yamaha Corporation is creating and improving its support systems for work-life balance by building flexible work systems responsive to the varied circumstances of individual employees with the aim of enabling a dynamic organization in which all employees enjoy a fuller life. In response to the enactment in 2003 of the Act for Measures to Support the Development of the Next Generation, Yamaha Corporation created a three-year action plan that incorporates such initiatives as an upgraded and expanded child care leave system as well as measures aimed at promoting the take-up of annual paid leave starting in fiscal 2005 and submitted it to the Ministry of Health, Labour and Welfare. Furthermore, through consultations with labor, the Company established concrete goals for the three-year period, and began working to achieve its objectives, receiving Ministry recognition for its support in the development of the next generation in 2008. The second phase of the plan, which spans five years, started in fiscal 2008. The third phase, which spans two years, started in fiscal 2013. Among the efforts made in 2010 were revisions to the plan in order to promote child care leave for male employees and revisions and new provisions related family member nursing care leave. Initiatives in 2012 included revisions to the shortened work hour for childcare program and the nursing care leave program. During the spring 2008 labor negotiations, management and labor reached an agreement on further expanding systems for a work-life balance. We extended the period of eligibility for shortened work hours for employees with small children, and established a new shortened work hour system. We also introduced an employee assistance program (EAP)*1 and revised the leave system. In addition, we provided information that included the introduction of role models via seminars by outside instructors and on the intranet to foster a workplace environment with heightened understanding and awareness of work-life balance.

Yamaha will continue to pursue measures to develop its corporate culture and implement programs responsive to the varied situation of individual employees, promoting the establishment of a friendlier work environment and seeking to create a truly dynamic organization.

*1 EAP (Employee Assistance Program): An employee support program that allows employees and their families to discuss their anxieties and seek advice directly from external counselors.



"Kurumin" mark certification recognizing support for the development of the next generation.

Number of Employ Taking Child Care LeaveNumber of Employ Taking Child Care Leave

Dialogue with Employees

Dialogue with Employees

The Yamaha Group encourages thorough dialogue between labor and management in order to create working environments where both can work together towards achieving corporate goals.

Critical management issues are examined and discussed between labor and management at regularly-held joint management councils and other such opportunities that allow participants to hear from labor unions about current working onditions and engage in lively discussions. The administration and revision of various programs related to human resources and labor are conducted after thorough discussion based on the perceptions of labor and management on the issues at hand.

The Group also works to improve relationships between labor and management by providing regular opportunities for dialogue and jointly-organized recreation activities.

Relationship with Labor Unions

Labor and management hold a variety of dialogues aimed at improving mutual relations and facilitating business activities.

Yamaha Corporation explains matters concerning various corporate policies to labor unions whenever necessary, labor and management each publish reports from the discussions, and the Group otherwise works to keep employees informed. In addition to organizing regular discussions between labor and management and committee meetings, Yamaha Corporation organizes meetings between labor and management based on company and departmental policies and discussions between labor and management concerning how to address issues that have come to light through things such as union meetings. Labor union directors also participate in the running of things such as corporate pension funds, health insurance societies, and employee stock ownership plans.

Labor unions have established a union shop system at the Company. Labor unions or employee associations have been set up at each Yamaha Group company in Japan and hold dialogues between labor and management. These organizations coordinate with each other as the Yamaha Union Conference^{*1}.

*1 Yamaha Union Conference (established in September 1990)

Along with deepening solidarity among those working within the Yamaha Group, the Council works to develop each organization, create better working environments, maintain and improve labor conditions, conduct social contribution activities, and exchange a wide range of information aimed at enriching personal lives.

Regular labor/management conferences and committee meetings conducted in fiscal 2013

Name	Frequency Held	Participants	Main Topics
Joint management Council	Twice/year (August and February)	Company: President, directors, etc. Union: Central Executive Committee	Company-wide management issues
Company-wide Production and Sales Committee	Monthly	Company: Director in charge of labor administration, Human Resources Division (department managers and personnel in charge of labor administration), personnel in charge of corporate development Unions: Central Executive Committee	Monthly topics (reports and labor conditions)
Branch Office Production and Sales Committee	Monthly	Company: Business office managers, business office division managers, administrators Unions: Branch Executive Committee (Central Executive Committee)	Monthly production and sales conditions within each division; reports on labor conditions
Allocation Committee	Twice/year (May and November)	Company: Human Resources Division (department managers and personnel in charge of compensation) Unions: Central Executive Committee	Pay raise and lump-sum allocations
Work-Life Balance (WLB) Promotion Committee	Any time Reports published at least once a year	Company: Human Resources Division (personnel in charge of labor administration) Unions: Central Executive Committee	Reducing long working hours, encouraging the taking of paid vacation days, and other initiatives related to WLB

Other Meetings

Overseas Work Committee, Calendar Meeting, Labor-Management Discussions Regarding Company/Division Policy, etc.

Health and Safety

Yamaha Group's Basic Policy on Health and Safety

The Yamaha Group believes that its most important management issue is ensuring the health and safety of the people we work with, our employees, based on the principle of valuing people. In 2009, we created the Group Health and Safety Management Policy to lay out our basic philosophy on health and safety issues for the Yamaha Group. We aim to enhance the level of health and safety through ongoing companywide initiatives.

Group Safety and Health Management Policies

This policy sets for the Yamaha Group's basic philosophy regarding health and safety, recognizing that ensuring the health and safety of everyone involved in Yamaha's business activities constitutes the foundation of those activities, that all employees should work together to promote the formation of a healthy, safe, and comfortable working environment, while also maintaining our health and safety management standards with respect to our customers.

Formal Agreement with Labor Union Concerning Safety and Health

The labor agreement sets forth that "The Company must take all necessary measures to ensure safe, healthy conditions at its factories and improve its work environments while union members must uphold all rules concerning safety and health. The company and union shall also work together to improve union members' knowledge of safety and health." The agreement also establishes provisions concerning issues such as the Safety and Health Committee, Dangerous and Injurious Work, Medical Examinations, Compulsory Leave, and Accident Compensation.

Health and Safety Management Structure and Activity Guideline

Yamaha Corporation formed in 1987 an Industrial Safety and Health Committee, headed by the Director in Charge of Industrial Safety and Health, with membership comprising branch managers, area leaders, and the chairs of various subcommittees including occupational health and safety, health promotion, traffic safety and international safety (organizational structure has been changed since). This committee engages in a variety of activities related to managing health and safety throughout the Yamaha Group. Each year in April at the start of the period, Yamaha Corporation and Yamaha Group companies regularly hold a Group-wide Health and Safety Convention, attended by managers and employees in charge of occupational health and safety. At the Convention, there is a general overview of health and safety activities in the previous fiscal year, confirmation of policy and activities for the current fiscal year as well as targets for preventing occupational accidents. A total of about 350 people participated in the regular Group-wide Health and Safety Convention held in April 2014. In addition, each business location and Group company formulates action topics, objectives and plans in light of these contents.

Fiscal 2014 Action Plan

- Occupational safety: Conduct the following in order to maintain and improve the level of safety and health throughout the Group:
- Standardize safety and health activities at Group production facilities in Japan and overseas.
- Related departments utilize all resources and prioritize issues at business sites suffering frequent disasters, then work to prevent accidents.
- Perform full review of and consolidate proactive safety activities.
- 2) Traffic safety: Maintain and improve awareness of safe driving among employees through continued traffic safety education and by promoting thorough observance of vehicle operation rules.
- 3) Health management: In the interest of improving work productivity, provide support for employees in looking after their own health and ascertain health risks as well as creating measures to address such risks so that the entire Group can fulfill its obligation to prioritizing safety.



Group Safety and Health Convention

1. Frequency*1 of work-related accidents over the past three years

	2011	2012	2013
Yamaha Corporation	0.25	1.34*2	0.42
Group companies in Japan	3.47	2.94	3.19
Group companies overseas	0.91	0.86	1.46

Incidents in FY 2013: 4 at Yamaha Corporation, 34 at Group companies in Japan, 48 at Group companies overseas

2.Primary Health and Safety Activities

(1) Promoting risk assessment based on Occupational Health and Safety Work Standards Checklist (mainly at Yamaha Corporation)

Management needs to start emphasizing measures to prevent accidents from happening in the future in addition to measures in response to specific accidents. At Yamaha Corporation, risk assessment is the fundamental tool used to prevent accidents from happening. Since fiscal 2010, we revised our evaluation methods based on an Occupational Health and Safety Work Standards Checklist and conducted training for managers and supervisors, who conduct assessments, in order to entrench the risk assessment method Company-wide. Going forward, Yamaha Corporation is looking into re-creating its assessment framework based on methods currently in use in order to further improve employees' sensitivity to risk.

(2) Comprehensive Health and Safety Audit (mainly at group companies in Japan and abroad)

Under the guidance of the Groupwide Health and Safety Management Lead Office (Human Resources Division & General Administration Division at Yamaha Corporation), comprehensive audits of health and safety are conducted at group companies in Japan and overseas. Audits were carried out at 3 bases in Japan and 2 bases overseas in fiscal 2013.

The audits use a health and safety management analysis table designed to quantitatively assess the level of health and safety at each base, quantifying more than 100 items examined including the level of compliance with rules and standards, and it also clarifies health and safety management systems and policies.

Progress is being made in setting down a safety and health management framework along with various rules and standards based on audits conducted in fiscal 2013. However, it has become clear that there are discrepancies among business sites concerning progress made in conducting safety and health education according to job rank and in carrying out various activities. To address these, we have begun conducting safety and health training for managers and supervisors at each business site, and risk prediction activities aimed at improving employees' sensitivity toward risk.

Table: General safety and health audits completed

	Japan	Overseas	Total
FY 2009	14	3	17bases
FY 2010	13	7	20bases
FY 2011	13	3	16bases
FY 2012	10	6	16bases
FY 2013	3	2	5bases

[Health and safety audits at production sites overseas]

In fiscal 2013, Yamaha examined the health and safety system, workplace and health and safety activities at five production sites in Indonesia and China, and provided guidance on corrective measures. Managers from the Groupwide Health and Safety Management Lead Office of Yamaha Corporation visit the sites to conduct audits. An industrial physician from Japan accompanied them to some of the sites and provided education and guidance primarily focused on occupational health.



Giving advice to local staff on wearing the appropriate protective equipment (Indonesia)

^{*1} Frequency = number of work related deaths/injuries ÷ total man hours×1,000,000

^{*2} The Yamaha Group updated its statistical method for counting the total number of accidents irrespective of their gravity from fiscal 2013. We are aiming to target "from zero accidents to zero danger" through thorough safety measures that include minor accidents.

The basic policy of our yearly health plan for fiscal 2012 states that the Yamaha Group will continue to precisely assess workplace health risks to employees, and plan and execute measures to address these risks. Based on this policy, we made efforts across the Yamaha Group related to heath checkups, mental healthcare and measures against smoking in fiscal 2012.

(A) Health checkups

We take a proactive stance on the prevention of lifestyle-related disease and work-related illness. Our aim is to effectively offer general and specialized health checkups as opportunities for employees to create healthier lifestyle choices, think about the relationship between their health and the workplace, and improve their work environment and way of working.

In fiscal 2013, we offered individualized training on health and sanitation to employees regarding particular chemicals based on the results of questionnaires about sanitation during their health checkups and data compiled for each workplace. The percentage of questions answered correctly was over 80% for all items concerning the harmful effects of particular chemicals and legal measures, demonstrating the high level of understanding among operators.

Also, we focused on taking appropriate measures based on the results of the general regular health checkup and made decisions on the best place for particular employees to be working based on advice from an industrial physician 100% of the time in the head office area.

(B) Mental healthcare

Yamaha is promoting mental health activities based on a policy to ensure workers remain mentally healthy based on the policies of the Health, Labour and Welfare Ministry. Specifically, we continued to implement several measures: (1) training for managers, supervisors and new recruits through an internal industrial physician and counselors; (2) operation of a return-to-work support program that connects occupational health and safety staff, supervisors and personnel; (3) a mental health counseling desk staffed by psychiatrists and clinical psychologists from outside medical institutions; and (4) counseling provided by outside institutions through an external Employee Assistance Program (EAP)^{*3}. We are working in coordination with EAP companies to enable training for production-line workers and appropriate return-to-work support throughout the Group going forward.

*3 EAP provides counseling to employees and their families for mental health issues, helps employees return to the workplace after leave for mental illness, and is also an employee support program that utilizes external specialists, such as ones that offer health-related training for managers in charge of with employees working under them.

(C) No smoking policy

To protect the health of all of our workers, smokers and non-smokers alike, since 1998 Yamaha Corporation has continued to advise employees to stop smoking at their health checkups, reduce the number of designated smoking areas, promote no-smoking days, and help employees quit the habit. In April 2011, we prohibited smoking during work hours throughout the premises. As a result of these initiatives, the percentage of smokers among all employees declined to 18.2% in 2013 from 35.7% in 2000

As shown in the diagram below, the ratio of both men and women smokers at Yamaha Corporation headquarters is clearly lower than the national average (based on data from Japan Tobacco). Going forward, we will aim to further reduce the ratio of smokers by promoting awareness such as of the World No Tobacco Day, reducing the number of smoking areas inside premises in order to prevent passive smoking, continuing to support individuals quitting smoking by taking advantage of health checkups through nursing staff, and providing information from medical institutions that conduct no-smoking clinics.



As the Group works to form a foundation for promotion of these aforementioned initiatives Group-wide, it is reassessing contracts with part-time industrial physicians in order to enhance their effectiveness at business locations, including Group companies dispersed throughout the country, taking thorough countermeasures after an accident occurs, and dispatching industrial physicians to production sites in Indonesia and China to conduct on site surveys and educational activities.

Initiatives for Human Resource Development

The Yamaha Group endeavors to encourage skill development of "employees" regardless of nationality, age, gender and other unrelated factors and aims to develop human resources that can put into practice the Yamaha values of being Customer-Oriented and Quality-Conscious. In addition, as part of efforts to create an environment that protects Yamaha technology and traditions as well as enables manufacturing that is revered around the world, we do our best to pass down skills and develop human resources in both Japan and abroad.

Job-Tailored Training and Education

Yamaha Corporation believes that creating a mutually beneficial relationship between the employee and the Company inspires motivation. Therefore, the Company works to create a system that is equally focused on education and training and career development as the basis for nurturing human resources that can act globally. Each training program is tailored to a specific objective in one of the following categories: Stratified Training, Strategic Personnel Development, Function-Specific Training and Self-Development Education.

The Stratified Training program provides training programs aligned to career turning points in order to raise the overall level of human resources by enhancing the skills of individual employees. The Strategic Personnel Development program includes the Yamaha Global Institute, the Yamaha Management Institute and the Manufacturing Management Training Program, which aim to develop the personnel who will be the backbone of the Company in the future, both in Japan and overseas. Other programs designed to cultivate the next generation of core employees include the Yamaha Advanced Skill School and Technology Training Center, in Japan. Under the Function-Specific Training program, employees are developed through a quality engineering course, international awareness training, and core technologies training. In the Self-Development Education program, Yamaha Corporation provides support for employees' self-directed studies, including through the Yamaha Business School, a distance learning-based program.

Yamaha Corporation also provides employees approaching the age of 50 with career support through opportunities and information to help them consider their individual life paths, and offers "Life Design Seminars" to support their future careers. For employee two years prior to reaching retirement age, Yamaha Corporation provides seminars in preparation for a second life covering lifestyle themes for people over 60.

Going forward, the Yamaha Group will further strengthen its programs for providing employees with the highly specialized job-specific training and education they need to perform at a higher level in fulfilling the Yamaha values of being Customer-Oriented and Quality-Conscious.

Life Design Seminar and Second Life Preparatory Seminar

<Life Design Seminar> Number of times held: 3 l

Number of times held: 3 Number of participants: 122

<Second Life Preparatory Seminar> Number of times held: 8 Number of participants: 294 + 100 accompanying persons

Total: 416

Hours a year spent on human resources development (Yamaha Corporation)

Fiscal 2013: about 3,000 hours

An Environment that Supports Manufacturing and Transmission of Skills

The Yamaha Group aims to create an optimal production structure while clarifying the roles and functions of each of its bases in Japan and overseas. China and Indonesia, for example, are designated as key manufacturing bases for affordably priced products, including pianos, string, percussion and wind instruments, and electronic musical instruments. We dispatch many technicians and supervisors from Japan to provide support and guidance at these sites. In Japan, we consolidated our production bases for pianos into Kakegawa Factory in August 2010. In March 2012, we finished integrating wind instrument production into the Toyooka Factory. Both the Kakegawa Factory and the Toyooka Factory have been positioned as bases for the production of high-value-added products. We will work to develop technologies that are highly competitive in the global market and continue to steadily pass down essential skills for musical instrument production.

Fair Business Practices





Prevention of Corruption



Participation in Politics



Fair Trade Practices



CSR Procurement Activities



Protection of Intellectual Property | ⇒

Prevention of Corruption

Pollution Prevention Policy

Yamaha stipulates in its Compliance Code of Conduct that it rejects improper relationships with customers, governments, local governments and public institutions and that it will engage only in fair dealings.

Compliance Code of Conduct (excerpts)

5-4 Elimination of improper relationships (gift giving, business entertainment, etc.)

"Yamaha" prohibits any "employee" from abusing his/her position by accepting entertainment, money and goods, or any other tangible/intangible benefits from business partners, etc., or accepting personal compensation or commissions in relation to the business.

7-1 Transactions with governments, local governments and public institutions

Yamaha conducts transactions with governments, local governments and other public institutions fairly and in accordance with public bidding rules and other prescribed rules and procedures. Furthermore, Yamaha strictly refrains from such behavior that could be deemed as bribery of government officials or quasi-government officials.

7-2 Prohibition against gift giving to and entertainment of government officials, etc.

In principle, "Yamaha" does not offer gifts, entertainment or other items of value to officers or employees of governments and/or public institutions. Yamaha acts in compliance with the rules and regulations of the governments and/or public institutions, including, but not limited to the National Public Service Ethic Act etc.

8-5 Prohibition against gift giving to foreign government officials

Yamaha, in principle, prohibits providing illicit benefits including corporate entertainment of and gift giving to foreign governmental officials. Such prohibition is not limited to cases where local laws of the relevant countries prohibit such entertainment and/or giving to their government officials, but rather it is the general rule of Yamaha.

Efforts to Be Thorough in Preventing Corruption

Yamaha has established and implements rules on entertainment and gift-giving for each department, based on the Yamaha Compliance Code of Conduct.

In fiscal 2013, each department verified and reviewed these rules. In addition, Yamaha's legal department conducts awarenessraising activities concerning international conventions and regulations to prevent corruption, such as the prohibition of bribery of foreign public servants.

Participation in Politics

Relationships with Governments, Local Governments and Public Institutions

The Compliance Code of Conduct provides for fair transactions with public institutions (7-1), prohibition against gift giving to and entertainment of government officials, etc. (7-2), legal political contributions (7-3) and appropriate cooperation with investigations by public institutions (7-4).

Political Contributions

The Yamaha Group takes a neutral stance toward political parties and politicians, and it complies with the Public Office Election Law, the Political Funds Control Law and other laws and ordinances related to politics. It prohibits contributions to an individual politician since it is prohibited by law, and to a political organization or party in excess of the permissible amount under the law (Compliance Code of Conduct 7-3). Under the Group company

management rules, for political contributions of 500,000 yen or less approval of executive managing officers is mandated, along with a consultation with the Human Resources and General Affairs Departments, the Corporate Planning Office and the auditors, and the Group Management Charter establishes that Group companies must consult in advance with the Yamaha Corporation department in charge of political contributions.

Furthermore, the auditors carry out an audit of political contributions every April and audit whether these rules are being appropriately obeyed throughout the Group.

Fair Trade Practices

Adhering Strictly to Open and Fair Transactions

The Yamaha Group considers business partners to be partners in its effort to live up to the Group's business philosophy. Accordingly, the Group strives to build relationships of growing mutual trust based on open and fair business dealings. On this basis, the Group has worked diligently to incorporate this concept into its Compliance Code of Conduct and to implement education and training programs for its employees while gaining the understanding of business partners. These endeavors are aimed at avoiding any abuse of a dominant bargaining position and to ensure that transactions remain open and fair adhering strictly to statutory requirements as well as internal regulations and standards.

Fair Competition

Yamaha's Compliance Code of Conduct clearly lays out regulations relating to corporate behavior and market competition and regulations relating to fair relations with business partners.

Regarding corporate behavior, it provides for compliance with antitrust law, fair advertising activities including compliance with the Act Against Unjustifiable Premiums and Misleading Representations, respect for intellectual property rights and rejection of unfair competition

Regarding fair dealings with business partners, it provides for building relationships based on partnership, reasonable selection of suppliers, fair dealing, rejection of questionable relationships and compliance with the Act against Delay in Payment of Subcontract Proceeds, etc., to Subcontractors.

Regarding the Act against Delay in Payment of Subcontract Proceeds, etc., to Subcontractors, Yamaha makes its dealings with subcontractors easy to understand in its accounting system, ensures appropriate dealings and gives reminders in Procurement Department manager meetings.

In fiscal 2013, Yamaha conducted in-house training related to consumer laws, including the Act against Delay in Payment of Subcontract Proceeds, etc., to Subcontractors, antitrust law and the Act Against Unjustifiable Premiums and Misleading Representations. And we take up these themes as part of our human resource training every year and explain them.

Yamaha Compliance Code of Conduct (excerpt)

5.Relationship with business partners

5-1 Relationships based on partnership

Yamaha considers its business partners as true partners who work with Yamaha to carry out Yamaha's business activities and contribute to the realization of Yamaha's corporate objectives, and therefore deals with them based on mutual trust.

5-2 Selection of suppliers

Yamaha selects its suppliers from the pool of suppliers who satisfy its objective procurement standards based on its fair and reasonable decisions.

5-3 Fair trade

Yamaha will not engage in unfair dealings with its suppliers and customers.

5-4 Elimination of improper relationships (gift giving, business entertainment, etc.)

"Yamaha" prohibits any "employee" from abusing his/her position by accepting entertainment, money and goods, or any other tangible/intangible benefits from business partners, etc., or accepting personal compensation or commissions in relation to the business.

5-5 Transactions with subcontractors

With respect to subcontracting, Yamaha will observe its obligation as a primary subcontracting entrepreneur as defined in the Act against Delay in Payment of Subcontract Proceeds, Etc, to Subcontractors, and shall not engage in prohibited unfair conduct by abusing its dominant bargaining position.

6.Relationship with competitors

6-1 Compliance with antitrust law

Yamaha will not engage in unreasonable restrictions of competition and/or unfair practices prohibited by applicable antitrust law.

6-2 Prohibition against inappropriate comparative advertising

Yamaha will not knowingly injure the reputation of the products and/or services of other companies nor use false or deceptive forms of comparison in its advertisements.

6-3 Respect for intellectual property rights

Yamaha will respect intellectual property rights owned by others and will follow legitimate means and procedures for the acquisition when it seeks to use such intellectual property.

6-4 Legitimate and appropriate acquisition of information

Yamaha takes legitimate and appropriate measures when it obtains undisclosed information of its competitors (e.g., corporate information, marketing information, patent information, etc.) and uses such information appropriately.

CSR Procurement Activities

Yamaha Corporation promotes CSR initiatives throughout the supply chain and conducts procurement in line with the Company's various policies including the Yamaha Material and Component Procurement Policy. Yamaha's policies regarding procurement and CSR are explained to suppliers, who are requested to comply with concepts related to respect for human rights, labor, health and safety and fair trading. If a supplier breaches the procurement policy, they are requested to implement improvements and submit a report; in some cases, we may even downsize or curtail transactions if necessary.

We also conduct surveys of the CSR measures implemented by business partners when concluding new contracts. Drawing on the results of the surveys, Yamaha Corporation requests that suppliers implement improvement measures when it has been determined that such measures are required. Hen requesting improvement measures, Yamaha meets directly with suppliers to explain and help them gain an understanding of its policies. These meetings also serve as an opportunity to provide feedback on survey score results. Before entering new contracts with suppliers, we not only make sure that they are not required to implement improvements, but also review the content of basic transaction agreements in line with a Japanese ordinance related to the expulsion of organized crime groups and enter into contracts anew with suppliers.

*1 If the client in question is a trading company, improvement measures are requested from component or material manufacturers in Japan and overseas.

Key Survey Confirmation Items of CSR

Key Survey Confirmation Items of CSR

Category	Confirmation Items
Human rights and labor	Prohibition of forced labor Prohibition of inhumane treatment Prohibition of child labor Prohibition of discrimination Decent wages Decent work hours Respect the right of employees to form groups
Health and safety	Safety measures for machines and equipment Safety in the workplace Hygiene in the workplace Response to occupational accidents and illness Response to emergencies such as disasters and accidents Consideration of physical load in work Safety and health in facilities Employee health management
Environment	Management of chemical substances contained in products Management of chemical substances used in manufacturing processes Environmental management system Minimizing environmental impact (effluent, polluted sludge, emissions, etc.) Environmental certification/administrative approval Effective use of resources and energy (3Rs) Reduction of greenhouse gas emissions Reduction of waste Disclosure of the status of environmental preservation initiatives
Fair trading	Prohibition of corrupt practices and bribery Prohibition of abuse of superior bargaining position Prohibition of improper payoffs and receipt Prohibition of actions restricting competition Provision of accurate products and service information Respect of intellectual property Appropriate export control Information disclosure (provision and disclosure of risk-related information) Prevention and early detection of improper behavior
Quality and Safety	Guarantee of product safety Quality management system
Information Security	Defense against computer network threat Prevention of leaks of personal information Prevention of leaks of confidential information from customers and third parties

[•] Survey slips comply with the Supply Chain CSR Promotion Guidebook issued in 2006 by the Japan Electronics and Information Technology Industries Association (JEITA).

Education for Employees in Charge of Procurement Managers

Yamaha is working to boost awareness of CSR among managers in the Procurement Division through training and seminars. In training for employees newly in charge of procurement, we are conducting training with such themes as CSR procurement and green procurement as well as compliance with laws governing subcontractors and the dispatch of workers, and information protection and personal information security in procurement activities. In fiscal 2013, we held seminars at three locations on conflict minerals and other human rights issues in the supply chain, which were attended by approximately 100 people.

See here for Yamaha's report on Green Procurement Activities.

Sharing Information with Business Partners

The Yamaha Group implements activities to share various types of information aimed at maintaining healthy and sound relationships with business partners. The Group is also working to strengthen partnerships by explaining Yamaha's management policy as well as environmental, procurement and CSR policies to suppliers.

•Information Sharing with Component and Material Processing Subcontractors

Yamaha conducts debriefing sessions concerning production and sales trends as well as seminars related to management and occupational health and safety, and it also publishes a mini informational magazine and conducts workshops, for its partners in manufacturing, namely companies contracted for component and material processing. Through health and safety inspections and patrols as well as environmental safety competitions, Yamaha helps prevent industrial accidents and environmental pollution at these contracted companies.

Events held in fiscal 2013

Annual general meeting (briefing session) - 44 companies participated
Briefing session on trends in production and sales - 39 companies participated
Safety and health inspection patrol - 42 factories visited
Environmental safety contest - three companies recognized for having a year of no accidents

Making Public the Yamaha Material and Component Procurement Policy

In order to ensure a better understanding of its stance toward the procurement of materials and components, the Yamaha Group makes public the Yamaha Material and Component Procurement Policy, the Green Procurement Standards and the Yamaha Timber Procurement and Usage Guidelines. Every effort is also made to obtain the cooperation of suppliers.

- Yamaha Material and Component Procurement Policy
- → Yamaha Lumber Procurement and Use Guideline
- Green Procurement Standards

Combating conflict minerals

Mineral resources such as tin, tantalum, tungsten, gold and others mined in the Republic of the Congo and neighboring countries are called "conflict minerals" as they may be the source of funds for armed groups violating human rights through inhumane acts including violence and plunder. Aiming to procure minerals that play no part in the violation of human rights or environmental destruction, Yamaha promotes efforts to stop the use of conflict minerals. To satisfy our business partners procuring Yamaha products who demand that we investigate the origin of raw materials, from fiscal 2013, Yamaha started examining the status of conflict mineral utilization mostly focusing on products comprising of electronic components. If, as a result of this examination, conflict minerals that are associated with environmental destruction or in violation of human rights are discovered to be included in certain products, we will implement measures to eliminate them.

Protection of Intellectual Property

Fundamental Thinking and Structure Relating to the Protection of Intellectual Property

Since its founding, Yamaha has been working to acquire such intellectual property rights as patents while engaging in intellectual property activities to respect the intellectual property rights of third parties. Yamaha stipulated respect for third parties' intellectual property rights in its Compliance Code of Conduct and follows it.

In recent years, Yamaha has been working to unify its business strategy, research and development strategy and intellectual property strategy, and is taking a range of measures to maximize the business contribution of intellectual property.

At Yamaha, the Yamaha Corporation Intellectual Property Department centrally manages the intellectual property of all companies in the Group and has placed intellectual property personnel in all development departments to work to unify business strategy, research and development strategy and intellectual property strategy. And the Intellectual Property Department and each department's intellectual property manager work together to promote intellectual property activities from the standpoints of both the Group as a whole and of each business area. Moreover, it has provisions for handling rights (such as patents and design rights) related to creation that occurs in the course of business duties and a compensation system in place.

Compliance Code of Conduct (excerpt)

6-3 Respect for intellectual property rights

Yamaha will respect intellectual property rights owned by others and will follow legitimate means and procedures for acquisition when it seeks to use such intellectual property.

Measures to Protect Intellectual Property

Yamaha works to protect intellectual property based on respect for third parties' intellectual property rights while proactively acquiring rights to new intellectual property that is created in the course of business activities.

1. Patents

We have formulated a patent strategy to match the characteristics of our business, established themes to emphasize in acquiring patents within that strategy and are aiming to build a strong patent network through selection and concentration.

And with regard to each business, we are engaged in patent activities with the main aims of differentiation from other companies as well as acquisition and maintenance of business superiority, and we are moving forward with licensing to third parties in some

What's more, regarding all rights retained in Japan and overseas, every year we are working to optimize our property by evaluating our rights, including the state of current utilization and future possibilities, and rigorously categorizing rights held.

The total number of patents and new designs for practical use held by the Yamaha Group in Japan as of March 31, 2013 was approximately 5,800. The total number it holds overseas, principally in the United States, European Union, and China, is 5,200.

2. Design

At Yamaha, we see design as an important element of product differentiation and are working to protect and use it appropriately. In recent years, we have been strengthening our acquisition of design rights in China as an anti-counterfeiting measure. The total number of design rights held by the Yamaha Group in Japan and overseas as of March 31, 2013 was approximately 855.

3. Copyright

In addition to the industrial property rights of patents, designs, and trademarks, Yamaha creates and owns a large number of copyright works in sound, music, and other fields. In particular, music-related copyrights are important intellectual property, and Yamaha manages and enforces these rights (including through legal action). Education is also provided to employees on the proper use of copyright works.



In-house educational tools related to copyright

4. Brand

In 1986, Yamaha established a management procedure related to the Yamaha brand, and it concurrently established a companywide brand management organization (committee). Ever since, we have been advancing the creation of display rules and working to maintain and improve brand value by achieving appropriate use.

In the future, we will strengthen management of product and service sub-brands in addition to the Yamaha brand, and move forward with strategic cultivation and use thereof.

5. Measures to fight counterfeit goods

We are taking countermeasures against counterfeit goods by exposing them as counterfeit, as well as through the governmental and administration of justice routes. To maintain the Yamaha brand and the faith consumers have in it, we are taking appropriate legal steps, including legal action.

The Environment





Promotion of Environmental Management | →



Material Balance



Goals and Achievements



Environmental Accounting



Environmental Education and Training | →



Environmental Risk Management | →



Chemical Substance
Management



Environmentally Friendly Products | →



Initiatives in Energy-Conserving Products | →



Initiatives in Resource-Conserving Products | →



Conservation and Effective Use of Wood Resources | →





Waste Reduction and Resource Recycling | →



Effective Use and Conservation of Water Re sources | ▶



Preventing Global Warming



Forests/biodiversity
Preservation Initiatives



Regional Activities

Promotion of Environmental Management

As a part of its CSR activities, the Yamaha Group actively works to reduce the environmental burden of its business activities, products and services, effectively using energy and natural resources, and conduct activities to help the regional environment under the Yamaha Group Environmental Policy.

Yamaha Group Environmental Policy

The Yamaha Group established "Yamaha's Policy on the Environment" in fiscal 1993, and has used this policy as a guide in pursuing its environmental protection activities. Each business site has set its own environmental policies, goals and targets in light of their own business conditions, and engages in specific activities to protect the environment.

We created the Yamaha Group Environmental Policy as a unified policy for Group companies in a step toward acquiring ISO 14001 certification for the entire Group in Japan. In fiscal 2010, we are working to systematically transform the ISO 14001 environmental management systems at individually certified business offices into a standardized Groupwide system.

This new environmental policy was designed to satisfy ISO 14001 requirements, adding the president's signature, and other enhancements, with the ultimate aim of creating a better global environment under the slogan "Sustaining the Concerto of Yamaha with the Earth."

In order to spread the word about this policy, we communicated extensively about it internally during its formulation, created and distributed personal cards each fiscal year with the policy and its goals clearly stated for all Group employees to carry around, and published it on our website for viewing at any time.

Yamaha Group Environmental Policy (created on March 17, 2010)

Acquisition of Groupwide ISO 14001 Certification

In fiscal 1997, the Yamaha Group introduced its ISO 14001 environment management system as the centerpiece of its environmental protection initiative. By fiscal 2006, Yamaha Corporation and Group manufacturing companies both in Japan and overseas, as well as resort facilities and major sales offices, had completed certification in 37 business sites representing 78% of total employees. Thereafter these entities have worked diligently to protect the environment by setting environmental goals and targets in view of their unique business environments.

From fiscal 2010, we have been steadily advancing efforts at Group companies in Japan to integrate ISO 14001 environmental management systems at business sites that have already been certified, in the aim of promoting environmental preservation in our business activities and improving the efficiency of activities to protect the environment on a Groupwide basis. In November 2010, we received certification of our first steps at integration, and finished the unification at Group companies in Japan in August 2011.

Environmental Management Systems

The Yamaha Group periodically convened the Environmental Management Promotion Committee as a part of its Groupwide environmental management system, to debate and reach decisions on key issues such as environmental strategy.

From fiscal 2010, in accordance with the acquisition of Groupwide certification and the formulation of Groupwide environmental policy, the Environmental Management Promotion Committee was succeeded by the Yamaha Group Environment Committee, which formulated environmental goals and targets for the Group as a whole and promoting initiatives for the environment through business activities. In addition, working groups was established under the committee's direction in order to advance specific measures, such as energy conservation and waste reduction.

The Yamaha Group Environment Committee convenes once every quarter with the division director in charge of environment management at Yamaha Corporation as the committee chairman, and participants comprising persons in charge of environmental management at Group companies, business sites, working group leaders, and internal environmental audit team leaders. The minutes of the meetings, including debates and decisions, are communicated to business sites and core business divisions within the Group to share. Efforts are being made to promote the introduction of the Yamaha Energy Management System (YEMS), which applies to the entire Yamaha Group worldwide, from fiscal 2013. The YEMS establishes the basic articles under the Group's environmental management policy and prescribes Group rules under, for example, "standards for using chemical substances" and "environmental equipment management standards".

Environmental Management Structure

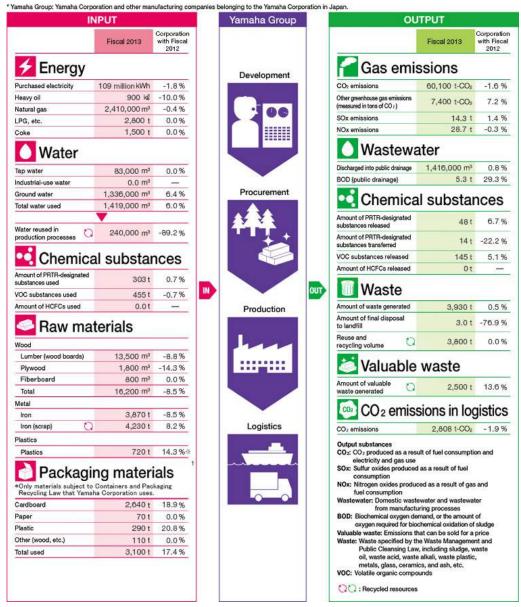


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Material Balance

The Yamaha Group produces a wide variety of products and services, including musical instruments, AV/IT equipment, semiconductors and automobile interior components. Understanding the flow of materials in these varied business activities is essential in further clarifying the relationship between the Company and the environment and in promoting the environmental conservation activities needed for the development of a sustainable society. We actively pursue energy and resource conservation, waste reduction, hazardous substance reduction or replacement, and other such activities in all phases of the lifecycle of a product or service.

Material Balance Performance in Fiscal 2013



^{*1} Implemented aggregate data from fiscal 2010

Goals and Achievements

○=Completed **X**=Incomplete

	Goal	Achievements in FY2013	Status	Future Initiatives
Environmental Management System	Examine the Group-wide environmental management system	Introduce the Yamaha Environmental Management System (YEMS) for application throughout the Group	0	Introduce YEMS to sites in Japan and overseas
	Expand the Yamaha Environment-Related Information System (Yecos)	Operate a waste system in line with making manufacturing divisions into subsidiaries	0	Operate waste system operations
	Promote environmental training and education activities	Provided internal environmental auditor training	0	Hold internal environmental auditor training seminars
		Held brush-up seminars for internal environmental auditors	0	Hold brush-up seminars for internal environmental auditors in response to ISO 14001 integration
Product development	Promote environmentally friendly product development	Continued to implement regular education incorporating environmentally friendly design	0	Continue to manage and implement regular employee education about environmentally friendly design Further promote, and continue to operate the internal recognition system for environmentally friendly products
	Promote product recycling	Continued to manage the recycling of certain products, such as used electronic musical instruments and packaging materials	0	Continue to manage the recycling of certain products, such as used electronic musical instruments and packaging materials Promote design of easy-to-recycle products
	Comply with limitation of hazardous chemical materials in products as stated in EU RoHS Directive and similar standards	Enhanced internal system for ensuring products' compliance with environmental regulations	0	Strengthen functions for ensuring products' compliance with environmental regulations Respond swiftly to environmental laws and regulations in new products

Prevention of Global Warming	Continue ongoing reduction	CO2 emissions volume down 45% compared to FY1990 (60,100 tons of CO2 per year; 1.6% reduction year on year)	0	Consider targets for CO2 emissions reduction
	1% reduction in CO ₂ emissions per unit of sales on FY2012	CO2 emissions per unit of sales increased by 1.5% year on year (to 242,000 tons-CO2 per year per ¥100 million) (impact due to decline in sales)	×	1% reduction in CO ₂ emissions per unit of sales in FY2013
Waste reduction	Maintain Zero Emissions and improve recycling quality	Achieved 0.05% landfill disposal, compared to Zero Emissions target of under 1%	0	Maintain Zero Emissions and improve recycling quality
Protection of the ozone layer	Maintain elimination of CFCs and HCFCs from manufacturing processes*	Completely eliminated in April 2005; not used since then	0	Maintain complete elimination
Management of chemical substances	Reduce VOC emissions by 30% on FY2000 levels*	VOC emissions volume reduced by 71% compared to FY2000 (145 tons per year, 5% reduction year on year)	0	Reduce VOC emissions by 30% on FY2000 levels*
Groundwater purification	Continue ongoing purification of groundwater (1 site)	Continued to purify groundwater via circulated aeration method and the activated carbon adsorption method	0	Continue using pumped water aeration and activated carbon absorption methods for groundwater purification
Biodiversity	Consider relationship between business activities and biodiversity	Continued to promote procurement based on Timber Procurement and Usage Guidelines	0	Continue to promote procurement based on Timber Procurement and Usage Guidelines
Social contribution	Conservation of forests outside of Japan: Implement tree-planting activities in Phase 2 of the "Yamaha Forest" in Indonesia between FY2010 and FY2014	Continued tree-planting initiative as a part of Phase 2 of the "Yamaha Forest" in Indonesia	0	Continue further tree-planting activities as a part of Phase 2 of the "Yamaha Forest" in Indonesia (final fiscal year)
	Conservation of forests in Japan: Provide support for regeneration of the Enshunada coastal forest under Phase 2 (FY2012- FY2016)	Activities have been postponed as they may overlap with the seawall construction zone	_	Resume support activities for Phase 2 regeneration of the Enshunada coastal forest
	Conduct and participate in local cleanup campaigns	Approximately 751 people participated in local cleanup campaigns	0	Continue to engage in local cleanup campaigns

Environmental communication	Disclose information through CSR report and website	Published a printed CSR Report introducing activities and a Web-based report containing full information on activities and data	0	Continue publishing a printed and a web-based CSR Report
	Disclose information through participation in various events	Won the Grand Prix (CSR and Eco Offices Division) Fujinokuni Eco Challenge" organized by Shizuoka Prefecture Won the grand prize in the Rengo Eco Grand Prize Awards 2013 Continued "Kakegawa STOP Global Warming Partnership Agreement" (Kakegawa Factory) Kakegawa City - Concluded "Kibo no Mori Zukuri (Forest of Hope) Partnership Agreement" (Kakegawa Factory and the Yamaha Resort Inc. Tsumagoi™)	0	Disclose information through participation in various events

^{*} Yamaha Corporation Headquarters and factories, and Yamaha Group manufacturing companies in Japan

Environmental Accounting

Yamaha Corporation introduced environmental accounting in fiscal 1999 as a means of quantitatively evaluating the effectiveness of its environmental conservation activities. These environmental accounting practices were then implemented at Yamaha Group manufacturing companies and resort facilities in Japan, and since fiscal 2004 they have also been implemented at some overseas Group production sites.

Yamaha Group (Yamaha Corporation and Group Production Companies in Japan)

Environmental Expenses

The Yamaha Group's environmental equipment investment in fiscal 2013 decreased by ¥66 million to ¥84 million.

Principal investments were for air conditioner upgrades and other utility refinement.

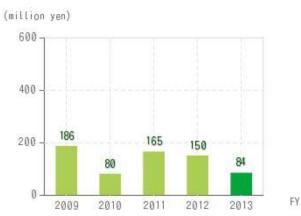
Environmental Expenses

(million yen)

		Details	Investment*1	Expenses*2
Business area	Pollution prevention	Prevention of air, water and soil pollution, etc.	26.6	238.0
costs	Energy conservation, etc.	Prevention of global warming, protection of the ozone layer, etc.	46.5	63.9
	Waste, etc.	Waste recycling, resource saving, conservation of water, etc.	3.0	344.8
Upstream/downst	ream costs	Recycling of products, improvements in logistics, etc.	2.7	43.6
Management costs		Environmental education, ISO 14001, greening of premises, etc.	4.9	276.8
Research and development costs		Development of environmentally friendly products, prototypes, etc.	-	114.6
Social activity costs		Social contributions, etc.	0.0	14.0
Environmental damage costs		Groundwater purification, SOx levies, etc.	0.0	14.5
Total			83.7 (-66.2)	1110.1 (-90.8)

() Indicates comparison with the previous year

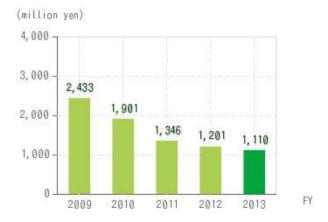
Environmental Investment



^{*1} Equipment investment refers to investment in factories and equipment made for environmental conservation objectives. The figure is calculated by multiplying the purchase price of individual pieces of equipment by a figure determined by the proportion of the environmental conservation purpose to the whole purpose of the purchase of such equipment (e.g., 0.1, 0.5, 1.0).

^{*2} Expenses refer to personnel and other costs expended for environmental conservation activities. Personnel expenses are calculated by multiplying the time spent on environmental conservation activities determined by the manager of each department by a common unit cost of personnel expenses set in each company. Costs are determined by multiplying the amounts paid externally by a certain figure calculated using a proportional distribution method as in the case of investment amounts (e.g., 0.1, 0.5, 1.0). Depreciation costs are not included.

Environmental Expenses



Environmental Effects

1. Environmental Conservation Effects

The Yamaha Group's CO₂ emissions fell by 1,000 tons compared with the previous fiscal year to 60,100 tons. Water usage increased by 80,000 m³ year on year to 1,420,000 m³

Also, final disposal at landfills was 3.2 tons, a reduction of 10.2 tons, and emissions of chemical substances increased by 3 tons.

Environmental Conservation Effects

Details	Unit	FY2012	FY2013	Reduction
CO ₂ emissions	10,000tons-CO ₂	6.11	6.01	0.10
Greenhouse gas emissions	10,000tons-CO ₂	0.74	0.74	-0.01
Water consumption	10,000m ³	134	142	-8
Waste treated or disposed of	tons	13.5	3.2	10.2
Chemical substances released*3	tons	45	48	-3
CFC substitutes emissions	tons	0.0	0.0	0.0

^{*3 &}quot;Chemical substances" refers to those substances subject to the PRTR Law that the Yamaha Group in Japan uses.

2. Economic Effects

Electricity and heating costs increased by roughly ¥98 million to ¥2.41 billion compared with the previous fiscal year. Water costs remained ¥18 million as unchanged from the previous year, and sewerage costs increased by ¥2 million to ¥32 million. Waste treatment costs decreased by approximately ¥4 million to ¥143 million.

Through the conversion of waste to valuable materials, the Group gained ¥277 million in income from the sale of valuable materials, resulting in a total economic effect of ¥181 million.

Economic Effects (million yen)

Details	FY2012	FY2013	Savings
Total savings			-96
Electricity and heating costs	2,303	2,401	-98
Water costs	18	18	0
Sewerage costs	30	32	-2
Waste disposal costs	147	143	4
Income from sales of valuable wastes	255	277	277
Economic effects			181

Minus (-) indicates an increase

Environmental Performance Data, Environmental Accounting (2): Resort Facilities

Environmental Performance Data, Environmental Accounting (3): Group Manufacturing Companies Located Overseas

Environmental Education and Training

The Yamaha Group offers a variety of training and education opportunities to Company employees in an effort to raise their knowledge and skills with respect to the environment. We categorize environmental training into "General," "Specialty," "Emergency Response Training," and other courses that meet the needs of the local Yamaha entity and their work-related duties. Group-sponsored training and brush-up seminars for internal environmental auditors are another way to improve Group-wide environmental preservation activities. We also support training to help increase environmental awareness among our employees.

Debriefing Sessions on Environmental Activities

In order to share and enable the mutual use of information on environmental activities among business locations, divisions and Group companies, the Yamaha Group has been holding debriefing sessions on the activities through the Environment Committee since fiscal 2011. These debriefing sessions allow the Group's production companies to report on a variety of subjects including efforts to make improvements through energy conservation diagnoses, efforts to reduce waste generated in production processes, and efforts to reduce CO₂ emissions from logistics operations. Sharing information such as this among employees in charge of environmental management at business locations, divisions and Group companies as well as staff members from the secretariats raises the level of environmental management and helps improve activities at each location.



Report on activities at an Environment Committee meeting

Specialized Training for Environmental Preservation Staff

The Group has established curriculum for employees engaged in operations that require specialized knowledge, including personnel involved in waste management, water treatment, and chemical substance handling operations.

Since fiscal 2011, Yamaha Corporation's environment department has been conducting surveys and providing guidance to correct problems related to waste management conditions at Group sales sites in Japan. In fiscal 2013, surveys of management conditions were conducted at 36 sales-related subsidiaries.

In addition, lectures are held regularly using DVDs to educate new managers in order to enhance waste management.

We also reviewed rules concerning the management of chemical substances used at factories and established new Yamaha Group Chemical Substance Usage Standards in order to further reduce environmental impact and improve work environments. Including overseas locations, we have finished conducting training for and implemented these usage standards at six factories.

Training and Brush-Up for Internal Environmental Auditors

Training the staff who actually perform our self-regulated activities with respect to environmental preservation is essential for improving the operations of our environmental management system. The Yamaha Group holds annual seminars conducted by external organizations to train internal environmental auditors.

A total of 27 auditors participated in the seminar in March fiscal 2013 held at Yamaha headquarters. Since our first such training in March 1998, we have held 39 seminars, with more than 1,000 cumulative participants who are registered as internal environmental auditors.

With the migration to an ISO integrated management system since fiscal 2010, we have held an Internal Environmental Auditor Brush-Up Seminar to improve the skill set of staff members responsible for internal audits. We held this seminar in October 2013 at the Yamaha headquarters, where 35 individuals were able to build stronger audit skills related to environmental activities that are linked directly to our business.



Seminar to train internal environmental auditors



Internal Environmental Auditor Brush-Up

The Yamaha Group provides support and training to improve the environmental awareness of our employees and to promote eco activities that employees can perform as part of their daily routines.

(1) Environmental Awareness Activities in the Home: Smart Life in My Home Commitment and My Eco Commitment Coloring Page

Since fiscal 2003, the Yamaha Group has worked with the Yamaha labor union to promote environmental activities in daily life such as the keeping of Smart Life Guide Eco-Account Books. We have been helping households make "Smart Life in My Home Commitments" to voluntarily improve the environment since fiscal 2011.

Under this commitment, employees establish, and commit to, eco-activity themes according to their individual circumstances for a period of four months from June to September. Yamaha received over 500 reports on the activities in fiscal 2013 and gave awards to the most exceptional initiatives.

Besides this initiative, we continued to implement the My Eco Commitment Coloring Page to enhance communication related to the environment in homes with children through coloring pages.





The Smart Life in My Home Commitment and My Eco Commitment coloring page

Examples of Initiatives under the Smart Life in My Home Commitment (Fiscal 2013)

Details of Commitment	Report on Activity
Grow a Green Eco Curtain	Plant the seeds in mid April and then move them to a planter at the beginning of May. They grow quickly during June. Our Eco Curtain will be ready in July for harvesting fruits. Enjoy banana juice, steamed bread, and cake all made from bitter gourd.
Aim for zero air-conditioning usage using an Eco Curtain made with bitter gourd	Just like last year, we made an Eco Curtain with bitter gourd. This year saw the new addition of balloon vine to the curtain. Although we didn't achieve zero air-conditioning, we saved a lot of energy.
Energy-saving efforts made at home	Set the thermostat to no less than 28°C and use fans. Use more LED lighting. Turn refrigerator temperature up one level and use a plastic curtain inside. Families try to stay in one place as much as possible. This nets a 20% energy usage reduction.
Cut electricity usage	1. Turn the TV on only when something is on that we want to watch 2. Set thermostat to no less than 28°C 3. Sleep with windows open when nights are cool 4. Cut down on dryer usage 5. Limit unnecessary refrigerator door opening and closing Result: 0.2 kWh per day saved
Effectively sort re-usable resources and reduce household waste	We held on to envelopes, and boxes for such things as tissues, candy, and curry, along with cardboard tubes from aluminum foil and plastic wrap and put them in our neighborhood wastepaper collection boxes. We cut down on 4 kg of waste over four months.
Use products from 100 yen shops to create hygienic and comfortable bathrooms!	By hanging things on our bathroom walls using products from a 100 yen shop, we prevented water scale and mold, creating a more hygienic and comfortable bathroom. This let us use fewer detergents to clean the bathtub and made for bathing that was more pleasant and eco-friendly.
At least two days a week, walk instead of drive to work	When my car broke down, I took the opportunity to walk the 7 km to work and then back. It has now become routine. This lets me do something good for my health while cutting CO ₂ at the same time.
Reduce CO ₂ emissions by not driving to places close to home for shopping, etc.	I almost always walked to go shopping every weekend between July and September. I got fuel-efficient tires and regularly get my tire pressure checked. This improved fuel efficiency by 1.5 km/liter.
I always keep energy-saving in mind and actually do it	I post a memo reminding me to turn off the lights in my entryway and check it before going to work. I leave a checkmark each time to prevent me from starting to ignore the memo.
I use my air conditioner less frequently by using a combination of fans and other items	I bought freezable gel bag products that can be attached to fans. Using them has helped me get by without any air conditioning.

(2) Promoting Green Eco Curtains in Employee Homes

Beginning in fiscal 2009, the Yamaha Group has encouraged employees to create Green Eco-Curtain in their homes, in parallel with <u>Green Eco Curtain activities at Yamaha business locations.</u>

In addition to providing how-to instructions, Yamaha distributed seeds for morning glories and Goya to those interested.

Every year we receive over 100 reports from families that have practiced Green Eco Curtain activities as part of the Smart Life in My Home Commitment since fiscal 2011.



Green Eco Curtain initiatives at the home of an employee, who received an Outstanding Award for his effort



Photos of Green Eco Curtains collected from employees

Environmental Risk Management

Scheduled Monitoring and Compliance with Environmental Laws

The goals of the Yamaha Group include reducing the environmental impact of our business activities and ensuring compliance with environmental laws. We regularly monitor emissions, wastewater, noise, odors, and other byproducts of our activities at each of our places of business, confirming our management status and strictly assessing compliance.

We perform our monitoring activities according to the annual plan made by Yamaha Corporation's environmental department and the management of each business location. Monitoring activities are performed by the departments in charge of environmental measurements at each location.

We assess our monitoring results according to our own standards, which exceed existing legal standards. In the event that measurements exceed standards or are unusual in some way, we take immediate emergency measures and initiate corrective actions, doing our utmost to prevent environmental contamination.

Based on the ISO14001 integrated management system, the entire Yamaha Group collects the latest legal and regulatory information, disseminating the information throughout each relevant Group location to ensure the consistent compliance for the Group as a whole.

In fiscal 2013, we examined ways to reduce risk at environmental facilities through the newly-established Working Group for Risk Reduction. This led the way to coordinating with the administration and production departments at each business site. These efforts let us achieve compliance with revisions to the Water Pollution Prevention Act, which lays down standards concerning things such as facility structures, two years before the law goes into effect.



Taking environmental measurements

Environmental Audits

The Yamaha Group conducts internal environmental audits according to the ISO14001 integrated management system. We also conduct Group-wide environmental audits to prevent environmental accidents or violations of law. These activities serve to reduce our environmental risk as a corporate group.

The Yamaha Corporation's Environment, Health & Safety Administration Department conducts these audits, using audit staff who have skills and expertise in environmental preservation. In addition to certification as an internal environmental auditor based on ISO standards, Yamaha audit staff have also received official Pollution Control Manager, Working Environment Measurement Expert and other relevant certifications.

During fiscal 2013, we conducted environmental audits at two domestic factories (Iwata and D.S. 1) and two overseas factories (P.T. Yamaha Music Manufacturing Indonesia and Xiaoshan Yamaha Musical Instrument Co., Ltd.), as well as follow-up audits at two overseas factories (P.T. Yamaha Indonesia and P.T. Yamaha Music Manufacturing Asia). We did not note any significant risks or non-compliance in the process of checking our environmental facilities management, legal compliance, or waste management at the locations noted above. However, we did offer guidance and suggestions for improvements to reduce the level of risk to as close to zero as possible.

^{*1} Renamed to Yamaha Music Electronics Japan Co., Ltd. in April 2014









Conducting an environmental audit









Environmental Accidents/Litigation

During fiscal 2013, the Yamaha Group did not violate any laws, receive fines, pay fees, or be named in any lawsuits with respect to environmental concerns. The Yamaha Group did not experience any accidents having an effect on the outside environment, nor did we receive any significant complaints.

Emergency Response and Training

The Yamaha Group is working to prevent environmental pollution caused by the leak of harmful substances and oils from business locations by assuming emergency situations.

In light of the integration of ISO 14001 certification for environmental management systems at all production sites in Japan, Yamaha started integrating risk assessment standards related to emergency situations across the Group in fiscal 2011 and has been uncovering latent risk through repeated on-site studies. As a result, the Yamaha Group is striving to prevent accidents during assumed emergency situations at business locations. Each site has put procedures, equipment and tools in place to respond to such emergency situations should they occur and is conducting emergency response training.



Emergency response training at the Toyooka Factory

Soil/Groundwater Cleanup and Management

During fiscal 1997, the Yamaha Group conducted a soil and groundwater survey at all Group manufacturing facilities. We confirmed contamination due to chlorine-based organic solvents at two locations.

Having initiated cleanup measures based on these findings, we completed groundwater cleanup at the Yamaha Corporation Toyooka Factory at the end of fiscal 2008. We reported our status to the prefecture authorities and held a meeting with the local citizens. The Yamaha Headquarters business site has been restored to near-standard levels, and we continue cleanup activities at present.

By fiscal 2000, we had completed cleanup activities at all locations with confirmed soil contamination.



Groundwater purification equipment at the headquarters business site

In fiscal 2011, as a result of soil and groundwater surveys on the premises of Yamaha Corporation's Shinzu factory (Hamamatsu, Shizuoka Prefecture) in line with the end of business, it was found that part of the soil was contaminated with volatile organic compounds and heavy metals. The data was released on the Yamaha website and steps were taken to purify the soil through excavation and removal. Purification was completed in June 2012 and the site was delisted as a zone requiring remediation.

Results of a survey of soil and groundwater conducted in fiscal 2012 at Yamaha Corporation's Saitama Factory (Fujimino City, Saitama Pref.) after that facility was taken out of service showed that contamination from heavy metals was found to be present in part of the soil and groundwater on the premises. However, contamination did not extend to the perimeter of the premises where the groundwater flows. Yamaha also believes there is no impact from this groundwater on external areas as a Saitama Prefecture survey has found no wells for drinking water near the facility. As a result, it is believed that the contamination has not impacted the groundwater outside the premises. Yamaha will begin conducting soil decontamination measures alongside its building demolition efforts. Yamaha reported the situation to the relevant authorities, provided an explanation to residents in the area and put out a news release in order to ensure appropriate disclosure.

Protecting the Ozone Layer

The Yamaha Group has historically worked to reduce usage of fluorocarbons to protect the ozone layer. We eliminated the use of all chlorofluorocarbons (CFC) in our manufacturing processes during fiscal 1993. After 1993, we used hydrochlorofluorocarbons (HCFC) as cleaning agents in the degreasing process for metal materials. Compared to CFCs, HCFCs have a smaller impact on ozone layer destruction. However, we also eliminated the use of all HCFCs during fiscal 2005. As of the end of fiscal 2005, we use no CFCs or HCFCs in our manufacturing process.

Chemical Substance Management

Chemical Substance Management and Reduction of Emissions

When utilizing chemical substances, the Yamaha Group strives to minimize adverse impact on people and the environment by thoroughly managing chemical substances such as those designated under the PRTR*1 Law, and reducing emissions of substances from production processes and products. For these reasons, the Group has launched the Chemical Substances Management and Reduction Working Group (Risk Reduction Working Group from fiscal 2013) as a cross-sectional organization under its Yamaha Group Environment Committee to direct the Subcommittee on Chemical Substances at each of the Group's business sites toward the implementation of specific measures.

At present, the chemical emissions that occur in the course of production processes at the Yamaha Group mainly consist of volatile organic compounds (VOCs)*2. In fiscal 2006, the Group conducted a survey of domestic manufacturing companies in the Yamaha Group regarding usage and emissions of VOCs, followed by the establishment of a reduction plan in fiscal 2008 with a set target of a 30% reduction in emissions by fiscal 2010 compared with fiscal 2000. Yamaha has remained committed to its efforts to substitute or reduce chemical substances throughout the Group.

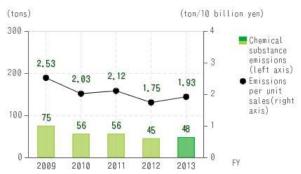
In fiscal 2013, a total of 48 tons (a 7% increase on last year) of substances designated under the PRTR Law were emitted during the course of operations at the Yamaha Group. VOC emissions increased by 5% year-on-year for a 71% decrease relative to fiscal 2000. The Group has continued to achieve a 30% reduction in VOC emissions since 2008 relative to the fiscal 2000 level. Things that contributed to these achievements were emission reduction measures such as rationalizing production processes and using alternative materials, in addition to consolidating factories, which even included reducing production output.

Moreover, the Yamaha Group will comply with the standards independently set by the Japan Musical Instruments Association, while continuing to take steps to consistently meet the target for a 30% reduction of emissions compared to fiscal 2000.

(For information about the management of chemical substances in products please visit the following website.)

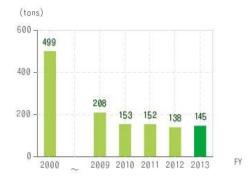
- *1 PRTR: An abbreviation for Pollutant Release and Transfer Register. The PRTR Law is an abbreviation of the Law Concerning Reporting, etc. of Releases to the Environment of Specific Chemical Substances and Promoting Improvements in Their Management.
- *2 VOCs (volatile organic compounds): These compounds, contained as thinning agents for coatings and adhesives, are believed to be one factor in the release of photochemical oxidants and suspended particulate matter (SPM).

Amount of PRTR-designated Substances Released



- * Yamaha Corporation Headquarters and factories, and Yamaha Group manufacturing companies in Japan
- * Values in previous fiscal years were revised.

VOC Atmospheric Emissions



- * Yamaha Corporation Headquarters and factories, and Yamaha Group manufacturing companies in Japan
- * Values in previous fiscal years were revised.

Environmental Effects of Piano Production Operations

Kakegawa Factory, P.T. Yamaha Music Indonesia and Hangzhou Yamaha Musical Instruments Co., Ltd.

The Yamaha Group is working to reduce emissions of chemical substances at its overseas factories as well.

The design division is promoting shift to water-based paints and paints that contain no PRTR-designated substances for parts that have been certified to have no impact on product quality.

Within each process, which includes the Group's overseas factories, the Group is improving production efficiency (defect rate reduction measures) and optimizing painting conditions, and continues to engage in reducing chemical substance usage and waste generation.

Since fiscal 2010, the Kakegawa Factory has been switching from an organic solvent-based product to a water-based product for painting piano parts. As a result, PRTR-designated substances and VOCs emitted from the paint drying process have each year been reduced by over 2% over the preceding years. Additionally, a further reduction of about 1% year over year was realized as a result of initiatives including the reduction of the defect rate and optimization of painting conditions.

Water-based paints are now used in the coloring processes for many piano part at P.T. Yamaha Music Indonesia. The same transition has also been made for some of the piano part paints at Hangzhou Yamaha musical instruments Co. Ltd.

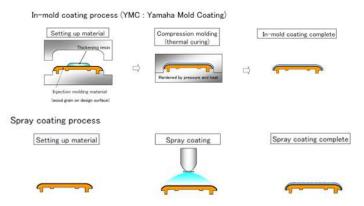
Through the process of using a water-based paint, local ventilation facilities have become unnecessary, contributing to an improvement in the working environment as well as increased energy efficiency.

Reducing Chemical Substance Emissions by Improving Coating Process

The Yamaha Group administers an array of different coatings to pianos and other musical instruments and automotive interior components, and as such, is committed to devising ways to draw out the maximum beauty of each product and to help ensure it can be used for a long period. We continue to research coating methods that have the least environmental impact, which includes reducing the amount of coating and organic solvent used as well as minimizing emission to the environment. To date, we have developed applications for electrostatic coating, powder coating and flow coater in accord with each product and are making use of them in our production process.

Yamaha Fine Technologies Co., Ltd.

Yamaha Fine Technologies Co., Ltd. has been steadily employing in-mold coating for automotive interior components since fiscal 2006, and is working to reduce the amount of coating used as well as the amount of emissions of organic solvents into the atmosphere. Previously, paints for products with a three-dimensional configuration had to be atomized as with spray application before being applied. The new method enables the coating to be applied to products in liquid form without atomization. In addition, the company newly developed film-forming equipment and clear resin for use with in-mold coating. This facilitated a switch to styrene-free coating, which has resulted in zero emissions of styrene in the coating process. Also, shifting from conventional open spray type coating to sealed in-mold coating has led to coating transfer efficiency of over 90%, which resulted in a reduction in the amount of coating used and emission of organic solvents. A further benefit is the significant reduction to the amount of ventilation required in the workplace, which contributes to energy conservation. Going forward, the company will strive to reduce styrene emissions and save energy by increasing the number of components that employ in-mold coating.



Formulation of Standards for and the Management of Hazardous Chemical Substances in Products

Some chemical substances contained in products have an environmental impact and therefore require proper treatment on disposal. Other substances may have potential health impacts to their users depending on application. For that reason, countries around the world have been strengthening restrictions for chemical substances contained in products and requiring data disclosure.

In response to these regulatory moves, the Yamaha Group established its own Standards for Chemical Content in Products in February 2003. These standards have been used to manage chemical substances in products during design and development and have helped facilitate legal compliance as well as minimize the environmental impact of products.

The standards undergo revisions as and when necessary, in response to legislative change, the accession of voluntary standards, and other factors

Improving Chemical Substance Management Systems

In order to manage chemical substances contained in products, it is imperative to identify and control the chemical substances contained in the parts and materials making up finished products. In 2008, the Yamaha Group established a system for the management of chemical substances contained in Yamaha products' parts and materials. Additionally, as part of the its green procurement activities, the Yamaha Group conducted a survey of its chemical containing parts and materials with the cooperation of its suppliers, thereby contributing to improved management of these substances.

From fiscal 2010, Yamaha renewed its chemical substance management system, adding compliance with AIS^{*1}, a standard industry format for the identification of chemical substances in products. The new system was likewise designed to comply flexibly with the European Union's ever-growing chemical substance regulations, such as SVHC^{*2} under REACH, for example, while simultaneously helping to reduce the work load of our suppliers.

Yamaha will hold briefing sessions in Japan and internationally to explain to and gain the cooperation of suppliers in implementing its new chemical management system. In fiscal 2013, the Yamaha Group conducted briefing sessions for plating manufacturers and suppliers dealing in soundproofing products.

About green procurement activities

- *1 AIS: An abbreviation for Article Information Sheet. A basic communication sheet standardized by JAMP (Joint Article Management Promotion Consortium) for providing information on chemical substances contained in products. Parts makers can use the chemical information they receive from material makers to pass on to those they supply, ensuring the fluid transmission of information downstream.
- *2 SVHC: An abbreviation for Substance of Very High Concern such as carcinogens. Under the REACH regulations, if a product contains more than a certain amount of an SVHC-designated substance, there is an obligation to report and manage the product.

Example of a product with reduced environmental load

Wind instruments using lead-free soldering



Yamaha is also making progress in the utilization of alternatives to lead and other hazardous substances contained in products not designated by the RoHS Directive. Yamaha was also the first in the world to realize a lead-free solder wind instrument.

Environmentally Friendly Products

The Yamaha Group has positioned efforts to develop technologies and provide products that are friendlier to the environment as major environment management theme under its Yamaha Group Environmental Policy.

To respond to this policy and with respect to the various product groups that the Yamaha Group manufactures, steps are taken to conduct product life cycle assessments (LCA) that cover all product life cycle stages, including material procurement to production, transport, use, and disposal to identify what aspect of a product group life cycle has the largest environmental impact and to tackle environmentally friendly design from multiple angles. In addition, in order to further confirm the environmental friendliness of products, Yamaha promotes the management of chemical substances contained in products, as well as the green procurement of materials, parts and components.

- → Management of chemical substances contained in products
- → Green procurement

	Material production stage	Usage stage	Disposal stage	Product examples
Energy conservation		•Reduce power consumption •Reduce standby power consumption		Routers, AV products, Digitalc musical instruments
Resource conservation	Miniaturization in design Integrated design	Long-life design Re-application utilizing added functions	•Promotion of reuse •Promotion of recycling	Electone™, Synthesizer, Home theater package, Silent Piano™
Resource maintenance	Yamaha Timber Procurement and Usage Guidelines published Reduce use of scarce materials	•Long-life design	Promotion of reuse Promotion of recycling	Electric guitar, System drums, Marimba, White and black keys, A.R.E. products
Reducing substances with significant environmental loads	Management of chemical substances in products Promotion of green procurement	•Reduce VOC*1 emissions from products •Reduce harmful substances come into direct contact with customers	Promotion of reuse Promotion of recycling Reduce the environmental load of substances in waste	Wind instruments
Products that support the environment		•Reduce the environmental load generated by customer business sites •Reduce the environmental load created when using products manufactured by customers		Micro-prober, Helium leak tester

^{*1} VOC: Volatile organic compounds. When generated in large volumes, these substances can affect human health and the environment.

(Note: The size of each circle indicates the relative environmental load associated with that stage in the product life cycle.)

Acoustic Instruments



9

Characteristics:

- There is no energy consumption during use, and products may be used for decades.
- The environmental load at the materials production stage is low since lumber is the primary material, and little CO₂ is emitted. However, there is a need to consider deforestation and to protect scarce natural materials to prevent resource depletion, which means the environmental load of producing raw materials is higher than other stages.
- During product use, VOCs emitted from wood materials may have an environmental impact.
- "While products are characterized by their long life, products may be left idle depending on the circumstances of customers and later disposed of.

Measures:

- In order to ensure appropriate lumber procurement, "Yamaha Timber Procurement and Usage Guidelines" are to be established and efforts strengthened.
- Reduce VOC emissions from wood materials during use and take steps to establish a mechanism for reuse.
- Add functions and continue use.

Electronic Musical Instruments



Characteristics:

- Growing demand for products that do not consume unwanted electricity.
 Large products require a lot of materials in the
- Large products require a lot of materials in the material production phase, creating a large environmental load. Difficulties may also occur at local bodies and elsewhere at the time of disposal, necessitating consideration of how better to promote recycling.
- The many different materials used in these products necessitates chemical management in material production and efforts to promote recycling at time of disposal.
- Need to take measures for environmental pollution due to substances that exert environmental load in waste materials.



Measures

- Resource-saving design that allows longer use of electronic instruments with upgrade kits, and energy-saving design using new technologies such as digital amplifiers and switching power supplies.
- Stricter efforts to control substances with an environmental impact in products via green procurement
- Reduce the amount of substances that exert environmental load when products become waste.

AV Equipment, IT Equipment



Characteristics:

- Use and standby phases consume a great deal of energy, making the environmental load of the use phase comparatively large.
- The many materials contained in these products make necessary chemical management in material production and efforts to promote recycling at time of disposal.
- The environmental load is comparatively small during material production because there are not that many large products.



Measures:

- Stricter efforts to control substances with an environmental impact in products via green procurement.
- Miniaturization, integration and other resource-saving designs, new technologies such as digital amplifiers and switching power supplies; the use of energy-saving designs to reduce standby power consumption.



Initiatives in Energy-Conserving Products

With the goal of reducing the environmental load of products' energy usage while in operation, the Yamaha Group continues to improve on its products' energy conservation features.

The following energy-conserving products not only contribute to energy savings for customers, but also for society as a whole. The Group is likewise doing its best to comply with energy-saving regulations taking effect in countries around the world.

(1) Router



Example Router (RTX5000)

Routers that operate on a 24-hour basis require a high level of performance and reliability while using little power. The RTX5000 and RTX3500 feature a high-efficiency power supply designed by Yamaha that supports 200 V AC power input, making them perfect for the low energy usage demands of data centers.

(2) AV products



Example AV product (RX-V577)

In addition to developing AV models that keep energy consumption at 0.5W or below in standby mode, by using high-efficiency amps and a high-efficiency switching power supply, Yamaha's AV equipment also realizes reduced energy consumption when in operation. The RX-V575/RX-V477 AV receivers, for example, boasts standby energy consumption at a low 0.1W, while also being loaded with an automatic power-down feature to save energy when temporarily not in use. The energy savings realized by these products is significant compared to previous models. These functions also comply with ErP directives.*

In addition, Yamaha has incorporated the ECO mode and Input Selection in HDMI Standby Through Mode as new functions to save power. The ECO mode enables around a 20% saving in power consumption when using any function at ordinary times. Input Selection in HDMI Standby Through Mode allows for switching inputs even when the receiver's power is off (RX-V577/RX-V477).

(3) Electronic musical instruments



Electronic musical instruments are also loaded with several environmental conscious design features that meet ErP directives. For example, instruments are equipped with automatic power-off functioning to avoid using energy unnecessarily when mistakenly left on. Also, by using an external switching power supply, energy consumption is reduced both when the product in use and in standby mode.

^{*} Directive on Eco-Design of Energy related Products: EU-wide rules for improving environmental performance

Initiatives in Resource-Conserving Products

The Yamaha Group strives to conserve resources used in its products from a variety of standpoints, such as reducing product size and weight, integration of several products into one and by reducing product packaging. Further, with waste reduction in mind, the Group also focuses on the longevity of its products that will ultimately lead to less use of resources.

Yamaha sends a variety of used instruments back to its factories for recycling of materials. Electone™ whose roles have been fulfilled in the classroom, used trade-in electronic instruments and others that are no longer suitable for playing are among those recycled.

Examples of resource-saving products

(1) Electone™ STAGEA™ (Long-life)



Resource conservation example (ELS-02)

It's not uncommon for Electone owners to continually purchase higher functioning models as they become more proficient players. The Electone STAGEA ELS-02 Series launched in 2014 features the "vitalize system" which increases the performance of an existing model to that of a new model through attachment of the "vitalize unit." This contributes to conservation of resources and reduction of waste by allowing a customer to continue using their electone for many years.

*1 This unit was named the "STAGEA vitalize unit" for its ability to breathe new life into — to "vitalize" — the ELS-01 series.

(2) Refurbished Yamaha pianos (Long-life)

Considering the life of some pianos whose use spans several generations after having been passed down to one's children and grandchildren, the piano is a long-life product. At Yamaha Piano Service Co., Ltd., pianos that have been left dormant are repaired, restored, retuned, and sold as quality guaranteed refurbished products at authorized Yamaha stores.

(3) RSG Series of silent piano units (Long-life) (Eco Mark*2 certification number: 12148001)



Pianos are long-life products that can be handed down from parents to children, but for certain reasons they may become disused in the home at times. Yamaha's Silent Piano can incorporate an add-on silent function that does not compromise conventional piano functions. Adding this function encourages greater use through an all-new style. The product name and number can be found on the Yamaha website or at any designated dealer.

*2 Eco Mark is a registered trademark of Japan Environment Association.

(4) Synthesizer/Workstation MX49 and MX61 (Lightweight)



Resource conservation example (MX49)

The MX 49, at 3.8 kg, is roughly as light as most electric guitars, while the MX 61 is also lightweight at 4.8 kg. Their light weight and minimal depth makes them easy to take into studios or use for live performances. Their designs make them easier to use while also conserving resources.



Resource conservation example (YAS-103)

Previously, surround sound system required multiple speakers and an AV amp. Yamaha first realized a two-unit home theater package that consists of a slim-body speaker and a center unit, which integrates the subwoofer and AV amp. Going one step further, Yamaha newly introduced the YAS-103/YAS-93, which integrates those two units into a single slim body, enabling us to reduce the amount of materials used by 60% compared with home theater packages launched in fiscal 2009. Further, equipped with the latest energy-saving technologies, it utilizes 37% less energy when in use than our previous model. The YAS-103 was one of the first devices to be compliant with revised standby power consumption regulations that are part of the European ErP directive that will take effect in 2015.

*3 The revised regulations are based on the current standby power consumption regulations and has newly incorporated requirements for when devices are in potwork standby.

Conservation and Effective Use of Wood Resources

As one of earth's depleting natural resources the scarcity of wood remains an ongoing concern. Forests that give birth to this vital resource also serve as CO₂ sinks while simultaneously supporting biodiversity. Ironically, as important as we know forests to be to environmental protection, their rapid depletion is alarming.

Among the instruments that the Yamaha Group produces, including pianos as well as string, percussion, and woodwind instruments, many require a primarily wood construction for acoustic reasons. Large amounts of wood are also used when making electronic musical instruments, speakers and soundproof rooms, due to the merits of wood in terms of acoustic performance, function, design, and texture.

Considering the large amount of timber used in our business operations, the Group established the Yamaha Timber Procurement and Usage Guidelines in fiscal 2007. The guidelines indicate the direction of our timber usage in order to better conserve this precious resource as well as ensure its availability for continued use.

The guidelines help the Group accomplish procurement that is friendly to the environment and the biodiversity within its ecosystems, and meet it aims to maximize the use of timber without waste.

→ Yamaha Timber Procurement and Usage Guidelines

Use of Timber Resources in Environmentally Friendly Products

The decline of timber resources makes it more difficult each year to stably acquire the wood materials needed for musical instruments and other products in good condition. The Yamaha Group strives to eliminate waste, while making full and efficient use of wooden materials, and to proactively introduce wood cultivated specifically for industrial purposes on sustainably planned plantations.

In addition, while developing alternative materials that accurately reproduce the sound quality of rare wood materials best suited for making instruments, we are focusing on technological developments that contribute to the effective use of wood resources. One such development is A.R.E.*1, a new technology for realistically aging new wood by artificial means to create the ideal quality that old instruments possess.

Moreover, since no organic solvents or chemical substances are required, this technology reduces Yamaha's environmental load. Artists have also praised instruments made from wood modified using A.R.E. technology for the tones they produce that are as rich and deep as those of instruments well used for many years.

Praised for these features, A.R.E. was presented with top honors by the Prime Minister of Japan at the third Monozukuri (Manufacturing) Nippon Grand Awards in 2009. Additionally, it was awarded the special prize at the nationwide Asahi Shimbun Invention Awards in 2011. Changes to the L Series of acoustic guitars in March 2014 saw the implementation of A.R.E. in all models.

*1 A.R.E.: Acoustic Resonance Enhancement Yamaha's proprietary technology for aging wood in a short time to improve its acoustic characteristics

Examples of Products Created in Response to Resource Depletion

(1) Examples of Products Made Using Afforested Timber (Preserving Native Forests)







The ROCK TOUR series system drums

(2) Examples of Products Made Using Rare Wood Alternatives



The acoustic quality of Acoustalon™ marimba bars, produced from fiberglass-reinforced plastic, is equal to bars made of traditional rare wood, a depleting resource.



Ebony-style natural wood sharps made with a proprietary wood plastic composite (WPC) reproduce sound on par with optimum ebony sharps.



A bow made of carbon, an alternative to the Brazilwood and other rare woods often used. Allows for control over weight, center of gravity, hardness, and vibration characteristics, something difficult to achieve with wood. The YBN100 carbon bow for violins also achieves a timbre that is close to a wooden bow while emulating wood's elasticity and appearance

(3) Examples of A.R.E. Products



The YVN500S acoustic violin



The BB2000 Series electric bass



The L Series acoustic guitar



The NCX2000 Series electronic nylon string guitar



Used for stage flooring in Yamaha Hall in the Yamaha Ginza Building, opened February 2010

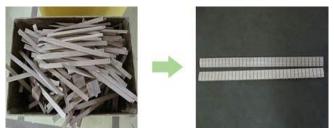
Making Effective Use of Wood Resources in Manufacturing Processes

In the manufacture of pianos and guitars at Hangzhou Yamaha Musical Instruments Co., Ltd. (China), Yamaha has made the reduction of wood resources used a priority since fiscal 2012 and is working to make effective use of wood in every manufacturing process.

For pianos, the company has cut down on the waste generated by leftover wood by making parts that have traditionally been liberally measured and processed into those of sizes that creates as little waste as possible. The effective use of wood resources is also achieved by taking certain parts that have traditionally been achieved by procuring and processing dimension lumber and instead creating them by using unused byproducts generated when creating other parts.

For guitars, the company collects usable materials from among those designated as waste due to cracks or knots and processes them into glued laminated timber to make certain parts. Furthermore, consideration of how to use timber offcuts, which Yamaha has traditionally designated as waste, has allowed for their reuse in multiple products.

These efforts have led to reductions in timber usage in fiscal 2013 of more than 1% for pianos and more than 5% for guitars.



Some timber offcuts previously disposed of as waste are instead reused as angle rafters (reinforcing materials inside guitar bodies)

Green Procurement Activities

In order to better reduce the environmental burden of its products, the Yamaha Group engages in green procurement activities in partnership with suppliers.

In this context, the Group has positioned the reduction of environmental load substances that are a major hazard to human health and cause of environmental pollution at the heart of its green procurement activities. The Group is doing its utmost to procure materials and components that exert minimal environmental load.

Putting in Place and Applying the Green Procurement Standard

In order to provide a constant stream of environmentally friendly products, the Yamaha Group collaborates with business partners who supply components and materials. The Group put in place and openly disclosed its Green Procurement Standards in June 2002, and based on these standards, is monitoring and managing the status of efforts by suppliers to conduct environmentally friendly business activities as well as the procurement of components and materials containing chemical substances.

In addition, Yamaha reviews its Green Procurement Standards as required in line with changes in global environmental regulations.

Green Procurement Standards

Waste Reduction and Resource Recycling

Waste Reduction and Resource Recycling

The Yamaha Group is engaged in the manufacture of a variety of acoustic and electric instruments, as well as other electronic devices and components used in automobile interiors. Naturally, we use a wide variety of raw materials, and we generate a wide variety of waste.

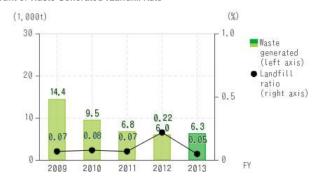
Given the nature of our business, we have established systems to reduce the volume of waste produced and perform recovery/separation to promote the most effective use of limited resources.

The total Yamaha Group domestic waste generated for fiscal 2013 amounted to 6,300 tons, a 300-ton increase over the prior fiscal year. A change in tabulation method in fiscal 2011 meant that the amount of recycling inside factories was not recorded as waste generated, which led to a significant reduction (1,510 tons).

Meanwhile, waste going to land fill amounted to 0.05% of total waste generated, maintaining a zero-emission status for the Group^{*1}. The rise in the landfill usage rate for fiscal 2012 is a result of efforts to eliminate asbestos from equipment and building materials inside Yamaha factories

*1 The Yamaha Group defines zero emissions as less than 1% of total waste sent to land fill.

Amount of Waste Generated */Landfill Rate



 $^{^{\}star}$ Yamaha Corporation Headquarters and factories, and Yamaha Group manufacturing companies in Japan

Waste Risk Management

The Yamaha Group adopted a waste information management system within our Yecos environmental information management system in fiscal 2005. This marked a major step in reducing various environmental risks related to waste processing. The scope of management system adoption, heretofore centered on production-related business sites, was expanded to sales facilities. Waste management is now being done in line with Group-wide standards and management conditions are being monitored through internal environmental audits and other efforts. Since fiscal 2011, the Group has also worked to improve management precision by launching a system to centrally manage and execute information, documents, and operations pertaining to waste management.

Also during fiscal 2005, we began publishing waste data sheets (WDS) summarizing substance property and other information related to waste. This was another step in preventing accidents during the waste disposal process, and in ensuring proper disposal. With the cooperation of the waste management departments in our business locations, we were able to complete and publish WDS for all specially controlled industrial waste* during fiscal 2010. Going forward, the Yamaha Group will also publish WSDs for sludge, waste oil, waste acid, and waste alkali.

*2 Specially controlled industrial waste includes industrial waste products that may potentially harm human health or damage the environment due to explosive volatility, toxicity, potential for infection, etc.

Reducing Specially Controlled Industrial Waste in the Wind Instrument Manufacturing Process

Toyooka Factory, Yamaha Corporation

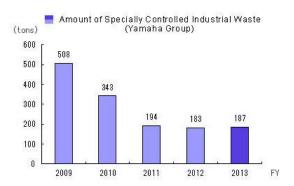
Yamaha's Toyooka Factory is working to reduce the levels of specially controlled industrial waste, including waste acids and waste alkali that are generated during the wind instrument manufacturing process. In November 2010, we put new vacuum concentration equipment into operation for targeted liquid waste. As a result, we were able to reduce output by 80% in fiscal 2011 compared to fiscal 2009. Total factory output amounted to 49 tons, meaning we achieved output of below 50 tons, the level set for high-volume emission businesses as defined in the Waste Disposal Law. Through these initiatives, the Toyooka Factory contributed to a significant reduction in the levels of Specially Controlled Industrial Waste throughout the Yamaha Group in Japan.



Vacuum concentration equipment



Concentrated sludge



Waste Reduction and Advanced Organic Material Processing through Added Wastewater Processing Equipment

Kakegawa Factory, Yamaha Corporation

During September 2009, we installed more wastewater processing equipment to reduce waste and improve the disposal of organic matter at the Yamaha Kakegawa Factory. The additional equipment made it possible to treat wastewater (which includes glue that is left over from the piano manufacturing process) within the facility, every year we have reduced 900t of waste generated from fiscal 2010.

We also installed a Membrane Bioreactor (MBR) behind the existing contact aeration vat of the wastewater treatment system, which has led to more stable wastewater processing. In order to respond to the increase in processing, we renewed traditional wastewater treatment facilities in September 2012 to enable treatment of wastewater from the new processes. At the same time, we increased wastewater treatment capacity by around five-fold, including for adhesive agents. As a result, we were able to process this waste internally, which led to a reduction in waste of approximately 270 tons annually.

In addition, we worked to make effective use of equipment such as by reusing idle equipment from other factories as equipment for wastewater processing facilities.



Wastewater treatment facility at the Kakegawa Factory

^{*3} A method using a membrane (usually a microfiltration membrane) for solid-liquid separation of activated sludge. Benefits of this method include the fact that no settling tank is needed, there is no bacteria coliform or suspended particulates in the processed water, and that the high concentration of mixed liquor suspended solids allows for quick processing.

Efforts to Reduce Waste from Paint Booths in Xiaoshan

Wind instrument manufacturer Xiaoshan Yamaha Musical Instrument Co., Ltd. performs paint finishing during the process of manufacturing certain wind instruments. It is continuously working to reduce waste generated in this painting process.

By maintaining the purity of circulation water used in the paint booth and using it for long periods, the company cut paint process waste in fiscal 2012 by over 50% compared to the previous fiscal year (from 202 tons to 95 tons). Efforts to cut waste were stepped up even further for fiscal 2013, with a more than 10% reduction over fiscal 2012 (95 tons to 85 tons).





Reduction and Effective Utilization of Process Waste

Yamaha Fine Technologies Co., Ltd. is working to reduce process waste ^{*4} in the production of car parts. The company placed emphasis on improving faulty equipment and defects, the cause of process waste, in fiscal 2011, strengthening equipment maintenance, managing process waste data and introducing quality-related education through a standardized program. As a result, the ratio of process waste ^{*5} was reduced by 56 points, exceeding the target of a 6-point reduction, and the amount of waste generated from the entire factory was reduced by 16%. Efforts continued in fiscal 2012 and beyond, with a 70-point drop in fiscal 2013 over fiscal 2010 in process waste for existing models due to the introduction of weekly equipment maintenance and inspection patrols. Productivity increases with a reduction in process waste, which leads to greater efficiency in energy and resource use.

- *4 Defects in work processes
- *5 Proportion of process waste to the number of production units



Time-based management of process waste generated (using production analysis board)



Employees are taught about quality using a standardized program (This photo shows OJT related to passing along skills in inspection)

Yamaha Kagoshima Semiconductor Inc. worked to effectively utilize waste oil through recycling in fiscal 2012. Waste oil that was previously treated as industrial waste subject to special control was separated for its recycling potential and around 10 tons has been effectively utilized as fuel every year since then.

Yamaha Corporation's Toyooka Factory has been making efficient use of waste, including rare metals, since fiscal 2011. Waste containing rare metals generated from the Research and Development Department, which was previously outsourced for waste processing, is now sold to outside contractors for refining and recycling, which has led to effective use of resources.

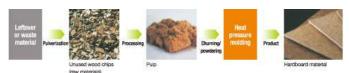
Effectively Using Wood Scrap

The Yamaha Group is making better use of the wood scrap that is a byproduct of the manufacturing process. At the Yamaha Kakegawa Factory, we sell wood scraps (scraps cast off from the wood cutting process) to building materials manufacturers, who use the scraps as raw materials for hardboard. Hardboard is produced by further cutting up the wood scraps, breaking them down into fibers, and then agitating in water. The mixture is heat-pressure molded into boards. Hardboard offers superior workability, including die processing and bending. Hardboard is also an environmentally friendly recycled product, designated under the Green Purchasing Law. Hardboard is used in building interiors, furniture, as industrial materials, and in various other applications.



Wood scraps segmented for sale

Hardboard Production Method



Other Case Studies

(1)Reusing wood scrap from piano shipping materials (skids) as planters for Green Eco-Curtains



Used in Green Eco-Curtains



Briquettes made from sawdust left over from the piano manufacturing process

Pet litter (cat litter) made from sawdust briquettes

Planters made from skid scrap wood

(3)Commemorative products for factory visitors made from wood scrap







Coasters made from guitar sound hole cutout scrap



Key chains made from piano hammer ends



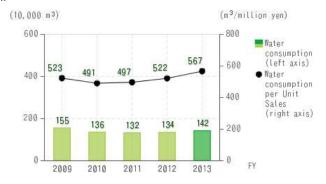


Wood from marimba keys shaped into chopsticks

Effective Use and Conservation of Water Re sources

Since the first half of the 1970s, Yamaha Group has been recycling cooling water and recycling wastewater from production processes by means of a reverse osmosis (RO membrane) device, as well as actively pursuing a policy to prevent leakage. Yamaha's domestic water consumption in recent years has remained stable at a specific level. Fiscal 2013 consumption increased 6% over fiscal 2012 to 1.42 million m³. The increase was due to an increase in production and the trouble of facilities.

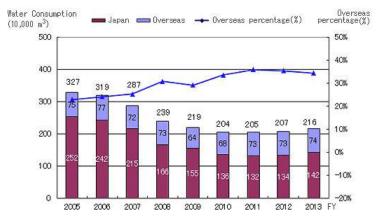
Water Consumption



^{*} Yamaha Corporation Headquarters and factories, and Yamaha Group manufacturing companies in Japan

The overseas proportion of Yamaha's water consumption is gradually increasing as production shifts to foreign countries. Yamaha is working to use water resources effectively by introducing water recycling systems in wind instrument production bases in China and Indonesia, and other measures.

Overseas percentage Water Consumption



Major Activities

Facilities that recycle the effluent discharged during wafer production processes were installed at Yamaha Kagoshima

Semiconductor Inc. around 1999. This has helped reduce the well-water pump displacement used in pure water production. In addition, the company undertook a complete renewal of all effluent treatment facilities in fiscal 2003 significantly enhancing effluent treatment capacity. As a result, the annual amount of water being reused totals 200,000 cubic meters.

At Yamaha Corporation's Toyooka Factory, RO membranes and ion-exchange resins are used to remove impurities from wastewater discharged during the manufacture of wind instruments. As a result, the Company successfully reuses 70,000 cubic meters of wastewater annually. In addition, steps have been taken to relocate underground tanks and pipes above ground as a part of efforts to prevent well-water leakage used by the Factory. Further, Yamaha started reviewing water supply in line with the shifting of production process for wind instruments from the Yamaha Corporation Saitama Factory to the Toyooka Factory in 2011. Investigations are continuing for more efficient water use.



Reverse osmosis (RO) membrane device (Toyooka Factory)

Yamaha Corporation's Kakegawa Factory has been recycling processed wastewater used by onsite wastewater treatment facilities since fiscal 2004. Steps are being taken to reduce water consumption by reusing 1,000 cubic meters as wet painting

booth recycling water annually.



Wet painting booth(Kakegawa Factory)

In line with the relocation and new establishment of the Factory at Xiaoshan Yamaha Musical Instrument Co., Ltd., which manufactures wind instruments and percussion instruments, a newly installed state-of-the-art wastewater treatment facility came online in October 2010. These facilities enable the reuse of wastewater to a level equivalent to pure water. Over 90% of the Factory's wastewater is reused in manufacturing processes. Improvements were made in January 2013 to improve treatment capacity to conform with legal provisions for the inspection and improvement of corporate pollution resulting from electroplating in Zhejiang Province*1.

*1 Legislation passed in Zhejiang Province aimed at enhancing environmental preservation in electroplating factories. Companies engaged in electroplating processes must conform to 56 items related to environmental preservation system and equipment. Standards for metals such as copper and nickel are stricter than those for general factory wastewater.



Wastewater treatment facility (Xiaoshan Yamaha)

The Group is also adopting a new wastewater treatment facility at wind instrument manufacturer P.T. Yamaha Musical Products Indonesia (YMPI).

The new facility is being designed and built to allow the reuse of 80% or more of water used. By using some of the wastewater as an alternative to the treatment chemicals, the facility will cut down on its chemical usage. Operation is set to begin by the end of fiscal 2014.



Wastewater treatment facility at YMPI

Preventing Global Warming

Preventing Global Warming

Measures to Address Global Warming

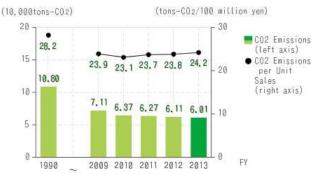
As part of its measures to counter global warming, the Yamaha Group has worked to reduce its greenhouse gas emissions through the use of optimal production methods and equipment configuration, improvements to how air conditioning equipment is operated, installation of equipment with high energy efficiency, and extensive energy management, including adjustments to facility operating hours and thermostat settings. The Group has also introduced cogeneration systems and converted to more environmentally friendly fuel sources.

In December 2003, we set the target of reducing greenhouse gas emissions by 6% of fiscal 1990 levels by fiscal 2010, and we worked Group-wide to achieve this target.

In fiscal 2010, we reduced CO₂ emissions by 41% relative to fiscal 1990 levels and greatly exceeded our target. In fiscal 2013 as well, we reduced emissions by 45% relative to fiscal 1990 levels with a total of 60,100 tons-CO₂. In addition to the measures described above, this achievement is attributable to the sale of certain businesses, and a decrease in production due to the worsening economy. We plan to formulate a new target for beyond, while referring to relevant government targets.

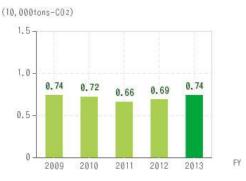
We also aim to continuously reduce CO₂ emissions per unit of sales, and target a 1% reduction compared with the previous fiscal year. In fiscal 2013, we failed to achieve our target, reaching 24.2 tons per ¥100 million, an increase of 1.5% year on year, which was partly attributable to a decrease in sales. Due to fluctuation in the types of gases used, CO₂ equivalent emissions of other greenhouse gases totaled 7,400 tons, an increase of 500 tons from the previous fiscal year.

CO₂ Emissions (from energy consumption)



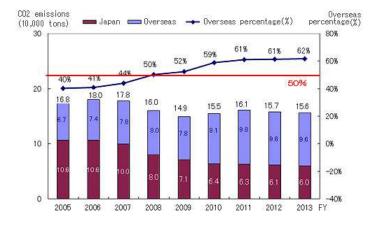
* Yamaha Corporation Headquarters and factories, and Yamaha Group manufacturing companies in Japan

Non-CO₂ Emissions of Greenhouse Gases



- * Yamaha Corporation Headquarters and factories, and Yamaha Group manufacturing companies in Japan
- * Values in previous fiscal years were revised.

In recent years the percentage of CO₂ emissions generated at overseas production facilities has seen a gradual rise. Amid this trend, the Group will continue to promote energy conservation and other measures to reduce greenhouse gas emissions.



Energy Conservation Through Integration of Wind Instrument Production Process in Japan

We implemented a variety of energy conservation activities as we integrated the wind instrument production process at Saitama into Yamaha Corporation's Toyooka Factory. Specifically, the factory saved space by integrating production lines and enhancing the equipment layout, while also reducing power consumption through the renewal of electric annealing furnaces and the consolidation and reduction of dust collectors. This allowed us to achieve a 7% reduction in electricity consumption for fiscal 2012 compared to pre-integration, a trend that continues for fiscal 2013.



An upgraded electric annealing furnace

Energy Conservation Activities at String and Percussion Instrument Factory

String and percussion instrument manufacturer 'Yamaha Musical Products Japan Co., Ltd. Shinden Factory (renamed from the Yamaha Music Craft Corporation in April 2014) set up an internal energy conservation promotion committee. The company considered concrete measures following a diagnosis of energy conservation by The Energy Conservation Center, Japan. In fiscal 2011, measures were taken which included ensuring the appropriate pressure for compressors, partitioning work booths, introducing power usage monitors and installing mosquito screens in offices, which resulted in a further 11% reduction in CO2 emissions relative to the target. Under its motto of "factories as moving showrooms," fiscal 2013 saw the company save space by consolidating equipment inside factories and implementing more rational equipment layouts. It also began operations based on improved energy efficiency. The company will continue to conserve energy through appropriate management of air conditioning and process integration.

* 2014.4 - Yamaha Musical Products Japan Co.,Ltd.lida Factory



Yamaha Musical Products Japan Co., Ltd. Shinden Factory



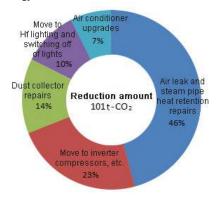
Compressor in which the pressure has been set at an appropriate level

Energy Conservation Measures at Piano Factories

The Yamaha Kakegawa Factory, which manufactures pianos, is conducting a range of ongoing efforts to conserve energy.

In fiscal 2013, the factory repaired air leaks from piping and corrected a heat loss problem by revamping the heat retention of steam pipes. It also replaced compressors with inverter compressors, efficiently managed their number, and repaired dust collectors, among other efforts. This allowed the factory to achieve energy conservation equivalent to a reduction of more than 100 tons of CO₂, equal to 1.2% of the factory's total CO₂ emissions.

Energy conservation measures and reduction results (Kakegawa Factory)



Energy Conservation Activities at a Factory in China

Hangzhou Yamaha Musical Instruments Co., Ltd. has taken various steps that include making technological improvements and enhancing everyday management to suppress growing energy consumption resulting from an increase in production.

In fiscal 2011, these measures let the factory reduce energy consumption by 15% per unit of sales on a year-on-year basis. Recognizing these efforts to help the environment, Hangzhou City officials presented the company with "Cleaner Production Certification*1" in accordance with China's Cleaner Production Promotion Law at the end of 2011. The company also received ISO 14001 certification in fiscal 2012. Following on the appropriate operation management of dust collectors in fiscal 2012, fiscal 2013 saw the company shorten water supply operation times, strategically deploy lighting, and reduce lighting time to limit energy usage.

(Examples of Energy-Saving Measures)

- Improved equipment
 Introduced automated control equipment for compressors (resulted in realization of unmanned control and a reduction in idle time, etc.)
 Equalized steam pipe pressure balance for presses (resulted in an improvement in energy efficiency)
 Introduced energy-saving equipment when building new facilities and when replacing machinery
 Strengthened equipment maintenance
 Reduced air and steam leaks through timely maintenance
 Improved electricity contracting practices
 Switched to contract details in line with forecast consumption per month (resulted in energy savings by implementing consumption forecasts and ensuring awareness of limits)
 - **Energy Consumption** Consumption 1,000t at Hangzhou Yamaha Musical Instruments Per unit 0.10 Energy consumption 0.083 0.08 (ton of coal equivalent) 6 (left axis) 0.069 0.054 0.055 Per unit of sales (TCE / 10,000 yuan) 0.06 4 4.59 0.04 2 0.02 0 0.00 2009 2010 2011 2012 2013 F)

(4) Enhanced awareness toward energy conservation at workplaces through energy-conservation patrols



Hangzhou Yamaha Musical Instruments Co., Ltd



Environmental education for employees



Notice board of environmental activities such as those for saving energy



Cleaner Production Certification

*1 Cleaner Production Certification

Cleaner Production Certification is granted by a government agency in each region to companies recognized as promoting clean manufacturing as defined in the Cleaner Production Promotion Law, improving resource usage efficiency, reducing and preventing pollutant emissions, protecting the environment, safeguarding people's health and promoting societal development, with the aim of reducing environmental impact in the manufacturing industry. China's Cleaner Production Promotion Law was enacted in China in 2003 with the aim of preventing environmental pollution through the realization of clean product manufacturing using clean energy, raw materials and production technology. The key feature of this law is the objective of preventing pollution before it happens rather than taking care of it afterward such as by regulating emissions, which is the traditional approach.

Environmental Initiatives at Resort Facilities

The Yamaha Resort Katsuragi has been replacing the gasoline-powered golf carts used on its premises with electric models that minimize CO2 emissions since fiscal 2008. This conversion was completed in March 2013. This effort has allowed the resort to eliminate more than 8 tons of CO2 emissions a year and avoid the risk of gasoline leaks into the ground through the demolition of gas stations. The facility has also been moving to LED lighting since fiscal 2011, resulting in yearly reductions of around 20,000 kWh, or roughly 10 tons of CO2, as the company prioritized areas where its business necessitates keeping lighting on. In addition to efforts such as these, the resort will be making improvements that include enhancing methods for operating water purification tank blowers based on results of energy audits conducted in 2013.

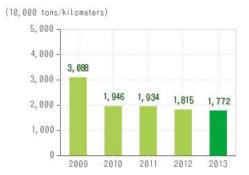
Reducing CO₂ Emissions in Logistics

The Yamaha Group is actively working to increase energy efficiency and reduce CO₂ emissions in logistics operations. Guided by a basic policy of raising transport efficiency, we continually review transport routes, adopt routes that incorporate more efficient modes of transport, raise container loading ratios, streamline loading sites and warehouse facilities, and conduct joint transport with other companies. Efforts are also being made to reduce CO₂ emissions by disposing of waste locally and switching from air to sea for international shipping.

The Yamaha Group's total domestic transport volume and CO₂ emissions in fiscal 2013 decreased 2.3% compared with the previous fiscal year to 17.72 million ton- kilometers while CO₂ emissions also decreased 1.9% to 2,808 tons.

Reducing CO₂ emissions from logistics requires the cooperation of transport companies, so we are working with them to develop appropriate systems. Specific measures include requesting participation in environmental efforts at meetings with the companies and incorporating environmental matters into questionnaires.

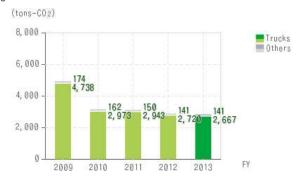
Transport Volume



 $^{^{*}\} Yamaha\ Corporation\ Headquarters\ and\ factories,\ and\ Yamaha\ Group\ manufacturing\ companies\ in\ Japan$

FY

Logistics CO₂ Emissions



^{*} Yamaha Corporation Headquarters and factories, and Yamaha Group manufacturing companies in Japan

Reduced Resources and CO₂ Emissions in Piano Frame

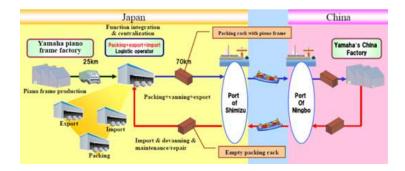
Previously, Yamaha used disposable iron packing racks when transporting piano frames from Japan to Hangzhou Yamaha Musical Instruments Co., Ltd. To eliminate this waste, we introduced returnable packing racks and created a management system that can be used multiple times, and shifted to returnable packing racks for all piano frames bound for China in October 2011. At the same time, we shortened the transport route. These efforts resulted in a 100-ton reduction in CO₂ emissions associated with the disposal of iron packing and a 1,600-ton reduction in iron resource consumption for the year. Going forward, we will examine the possibility of shortening transport distance and reducing disposable packing materials, including for parts aside from piano frames.



Newly-introduced returnable packing rack for GP frames



Folded packing rack (when being returned)



Flow of returnable packing racks in logistics

Conserving Resources and Reducing CO₂ Emissions by Standardizing Packing Materials for Shipping Components and Materials

The Yamaha Group has traditionally shipped components and materials (KD materials) from Japan to Hangzhou Yamaha Musical Instruments Co., Ltd. (China) and P.T. Yamaha Indonesia using variously-sized packing boxes. Since October 2013, however, we have designed and standardized packing boxes according to container size to improve container loading efficiency. This has let us reduce the number of containers used and eliminate 3 tons of associated CO₂ emissions a year. The Group has also cut down on paper resource usage by designing packaging that uses as little cushioning and other packaging material as possible.

Due to the increasing supply of materials and components from overseas locations to Japan, the Group will also be looking into the usage of standard packing boxes to and from these locations.



Outside Praise for Yamaha

Yamaha Corporation acquired the highest rank, S rank, in the Eco-Friendly Business Category of the fiscal 2013 Hamamatsu City New Energy/Energy Conservation Top Runner Certification Program ². This was in recognition of Yamaha initiatives that included the adoption of cogeneration equipment at the Tenryu Factory, adoption of energy-saving equipment at various business sites, the installation of Green Curtains, and the promotion of environmental efforts at employees' homes.

"2 Hamamatsu City New Energy/Energy Conservation Top Runner Certification Program. A system instituted by Hamamatsu city in order to encourage businesses to implement new energy sources and energy conservation measures on their own initiative, recognizing those that work efficiently to reduce energy consumption as Top Runners. This system targets businesses within Hamamatsu City, dividing them into two categories; the "Eco-Friendly Business Category" for businesses that are reducing energy consumed by their facilities, and the "Eco-Drive Category" for businesses that are reducing energy consumed by vehicles. Businesses are awarded S Rank, AAA Rank, AA Rank, and A Rank certification according to the nature of the initiatives they are pursuing.



Initiatives at Offices

Alongside efforts to preserve the environment in production processes at factories, the Yamaha Group also engages in activities to conserve energy and resource and reduce waste at administrative offices, sales offices and other non-production business sites.

Activities to Reduce CO₂ Emissions from Offices

The Yamaha Group takes measures to reduce CO2 emissions at offices as part of measures against global warming.

Initiatives to Conserve Electricity

The Yamaha Group worked to conserve electricity at business sites throughout Japan in fiscal 2011 in light of a power supply shortage due to the impact of the Great East Japan Earthquake. This initiative was continued in fiscal 2012.

[Key Measures to Conserve Electricity]

Efforts included reducing the amount of lighting (after examination of luminance), introducing LED lighting, turning off advertising lights, suspending elevators and notifying employees of power consumption to raise awareness.

The Move to LED Lighting

The Yamaha Corporation headquarters saved 10,000 kWh of power by replacing more than 100 florescent lights with LED lights in fiscal 2013. Further efforts will be taken to systematically install more LED lighting in the future.

Implemented "Cool Biz" and "Warm Biz" initiatives (since 2005)

Summer (May to October): Encourage light attire such as no necktie and set air conditioning temperature to over 28°C

Winter (November to March): Wear warmer clothes so as not to rely too heavily on heating equipment and set temperature of heaters to under 20°C





In-house educational posters promoting the Cool Biz and Warm Biz programs

Participated in the Ministry of the Environment's Lightdown Campaign (since 2006)

The Yamaha Group's offices and facilities have participated on an individual basis in the Lightdown Campaign, where businesses turn off illuminated outdoor advertising. The campaign raises awareness of saving electricity and realizing use of daily lighting. Performance of fiscal 2013: 24facilities conducted and cut back electric power consumption by 2,560kwh while reducing CO2 emissions by 970kg.

Green Eco Curtain Activities (since 2009)

These activities conserve energy and boost awareness by planting "curtains" of morning glories and other vine-type plants along the windows and walls of office and factory buildings. Every year some 10 business sites in Japan participate in these Green Eco Curtain activities. In addition to being a point of observation for the National Green Curtain Forum held in Hamamatsu City in August 2011, the general public also came to view the Green Eco Curtain at Yamaha Corporation's headquarters during leader training to promote the greening of Hamamatsu City in September 2012.



Green Eco Curtain at Yamaha Corporation's headquarters



Green Eco Curtain at Yamaha Kagoshima Semiconductor Inc.



Green Eco Curtain at Yamaha Labor Union office



Observation group listen to a Yamaha staff in training to promote greening activities in Hamamatsu City

Yamaha Resort Corporation's Tsumagoi resort and Yamaha Music Retailing Co., Ltd.'s Kurashiki store installed Green Eco Curtains on the outside of windows in the lobby and the store, respectively. Customers enjoyed the cooling effects of the curtains.



Green Eco Curtains in front of the lobby at Yamaha Resort Corporation's Tsumagoi



Green Eco Curtain at Yamaha Music Retailing Co., Ltd.'s Kurashiki store

Forests/biodiversity Preservation Initiatives

The Yamaha Group uses wood as a raw material to make a variety of products including acoustic musical instruments. To fulfill the social obligation as a user of wood, and based on its commitments for preservation of forests and biodiversity as stated in our corporate social responsibility and environmental policies, the Yamaha Group conducts tree-planting activities both in Japan and around the world.

- → Yamaha Corporation Group CSR Policy
- → Yamaha Group Environmental Policy

Yamaha Forest Phase II: Planting Trees in Indonesia



Yamaha Corporation and Six Local Indonesian Subsidiaries*1

Since fiscal 2005, the Yamaha Corporation and six local Indonesian subsidiaries have continued to carry out the Yamaha Forest tree-planting activities in Indonesia. 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 2005-2009) of the Yamaha Forest project involved planting approximately 110,000 saplings over approximately 127 hectares of public land in Sukabumi, West Java in efforts to restore the functionality of the forest. These activities have also been effective in educating local Yamaha subsidiary employees, elementary, and middle-school students on environmental issues.

Phase II (fiscal 2010 to the present) has seen Yamaha work with the Japan International Cooperation Agency (JICA), the Ministry of Forestry of the Republic of Indonesia, and the Forestry Department of the University of Kuningan to plant trees in an area of approximately 50 hectares in a national park, located in West Java. These efforts involve the selection of tree types and the planning of planting activities based on academic studies in order to restore natural forests and rehabilitate ecosystems in accordance with regional characteristics.

An annual treeplanting event, held in December for fiscal 2013, had people involved in the project plant trees. Some 230 people gathered, which included people from Yamaha Corporation, local subsidiary employees, government officials, local residents and elementary school students. In addition to a ceremony that included greetings from different related persons and an activity report, as well as a commemorative tree-planting, children that participated were taught about the environment.

Yamaha planted approximately 37,750 trees representing 18 local species selected based on a survey by the end of fiscal 2013 and plans to plant around 50,000 trees by the end of fiscal 2014. Yamaha Forest activities enter their 10th year in fiscal 2013 since the first event and a forest is gradually starting to form in the area where the trees were initially planted.







Participants planting trees

Enshunada Coastal Forest Recovery Support

Yamaha Corporation

As one part of our environmental preservation activities, Yamaha Corporation signed on as a "Shizuoka Forests of the Future Supporter" with Shizuoka Prefecture and Hamamatsu City in March 2007. Based on this agreement, Yamaha has agreed to support for the Enshunada coastal forest, which has been severely damaged by wood-boring ambrosia beetles.

In October 2012, some 150 Yamaha Group employees and family members as well as volunteers from the general public and other related persons participated in the sixth round of tree-planting activities. A total of 200 trees were planted of five different varieties, including bayberry, round leaf holly and Japanese cheesewood. After the tree-planting was complete, an official Hamamatsu City staff member gave a discourse on the environment, mainly concerning how to combat exotic species of trees, and all participants learned about creating a local, green environment. The culture soil made using wood-based waste material generated from the system kitchen process at Yamaha Livingtec Corporation was again provided by that company for the third

^{*1} Six local Indonesian subsidiaries: Yamaha Indonesia, Yamaha Music Manufacturing Indonesia, Yamaha Music Indonesia (Distributor), Yamaha Music Manufacturing Asia, Yamaha Musical Products Indonesia, Yamaha Electronics Manufacturing Indonesia

time since 2009 and used to plant the seedlings. The culture soil was also distributed as a commemorative gift to participants for them to use at home. Going forward, the Company will continue with activities to plant trees and manage forests with participation from employees and the general public and in cooperation with the local community.



Lecture about the environment



Participants gather for a group photo

Regional Activities

The Yamaha Group engages is activities to preserve the environment in regions where it has factories, marketing bases and other business offices, such as through clean-up activities and tree planting. We also help prevent global warming in these regions.

Local Clean-Up Activities

Every June is the Yamaha Group "Environment Month" in Japan, during which employees at manufacturing bases set out on a campaign to clean up the local area as a part of our efforts to preserve the environment and contribute to society. Every year, many employees and their families pick up trash and clean areas around Yamaha business offices and group companies. In fiscal 2013, 751 people participated at ten business locations.















Local Tree Planting Activities

The Yamaha Group plants trees in Japan and Indonesia, where several of its key business bases are located.

- About the "Yamaha Forest" project to plant trees in Indonesia
- About the "Shizuoka Forests of the Future Supporter System" for restoring coastal forests

Working in Partnership with Local Communities to Preserve the Environment

The Yamaha Group is involved in activities to preserve the environment at local business offices, including measures to prevent global warming.

(1) Cooperated with Global Warming Prevention Activities in Shizuoka Prefecture

Since fiscal 2007, Yamaha Corporation has been a member of the executive committee for the "Fujinokuni Eco Challenge" (before 2010, "STOP Global Warming Action Campaign") - a participatory campaign in Shizuoka Prefecture involving citizen groups, individuals, corporations, and student clubs. Yamaha awards prizes to the best global warming prevention initiative implemented by ordinary households and registers activities being undertaken at Yamaha Group companies with the Fujinokuni Eco Challenge in order to promote them further.

Five initiatives from throughout the Group were submitted for consideration in fiscal 2013, and the Yamaha Group's environmental initiatives won the Grand Prix in the CSR and Eco Offices Division. The award gave high acclaim to the Yamaha Group's 40 years of continued environmental initiatives, as well as Yamaha original initiatives such as the Smart Life in My Home Commitment and Cool and Warm Biz posters with built-in thermometers.



Fujinokuni award certificate



Awards ceremony



Presentation on activities

(2) Cooperating with Environmental Activities in Kakegawa City, Shizuoka Prefecture

Yamaha's Kakegawa Factory has been a co-sponsor of Kakegawa City's Environmental Fund since fiscal 2007, as a part of our activities to contribute locally and preserve the environment. The Kakegawa Factory emits about 20 tons of waste paper annually, and this waste paper is given to an environmental organization that sells it, and the proceeds are given to the Environmental Fund.





The Environmental Fund was used to install solar power equipment at elementary and junior high schools in Kakegawa City. In February 2011, all 31 schools completed the installation, and in appreciation Yamaha Corporation and 14 other sponsor companies received a letter of thanks from the city. In October 2012, we concluded a Kibo no Mori Partnership Agreement for forest preservation activities with Kakegawa City and started participating in related activities in support. Yamaha Resort Tsumagoi, which is inside the city, has also signed the agreement.



Making acorn seedlings at the Kakegawa Factory

Promoting Environmentally Conscious Events

The Yamaha Group strives diligently to promote environmental awareness in the events that its hosts or sponsors.

«Environmentally Friendly Golf Tournament» Yamaha Corporation

Each year, Yamaha Corporation and Yamaha Motor Co., Ltd. jointly host the Yamaha Ladies Open Katsuragi golf tournament. In planning the event, a number of measures are taken to ensure environmentally friendly tournament management. As a global warming countermeasure, we have introduced green energy certification for electricity used during the tournament, and spectators are asked in advance to use public transportation or car sharing to attend the event.

In addition, with the help of spectators we take active steps to reduce waste and promote the recycling of resources by collecting and separating garbage, using recyclable plastic bottles and disposable chopsticks made from wood produced through

forest maintenance operations.



Green Power Certification introduced at the second tournament (2009)



Spectators who arrived using car sharing were eligible for a raffle to win goods



Separating recyclables and waste at an eco-station

Consumer Issues





Product Information Disclosure | ▶



Ensuring Product Safety



Quality Assurance



Sustainable Consumption



Improving Customer Satisfaction | →



Initiatives for Improved Customer Response and Support ▶



Personal Information Protection



Enhancing Products and Services | →

Product Information Disclosure

Information Disclosure regarding Product Safety and Defects

In the event that the products, services and facilities provided by the Yamaha Group inflict damage on the mental or physical well-being or the belongings of customers, steps are immediately taken to provide the appropriate relief and to prevent any recurrence. As a part of efforts to halt any possibility of further damage, the Group notifies the relevant authorities, undertakes a product recall and contacts customers without delay.

We painstakingly convey information to customers using methods that range from information posted on the Company's website to press releases, notification through newspapers and industry magazines, direct mail and telephone. While adhering strictly to a policy of disclosure, the type of customer contact is determined by the level of gravity and urgency as well as the status of customer product use.

In February 2013, Yamaha began recalling the golf club driver inpresX RMX. Non-standard screws are mixed in with the RTS weight screws attached to the head part, which makes it possible for the head itself to fall off. We informed people on our website and reported the incident in the newspaper and a professional journal. As of July 31, 2014, we had provided free inspections or replaced the parts for 96% of total sales.

In August 2013, we disclosed that the GC32S and GC32C classical guitars were defective products whose bridge might come off because of insufficient bonding strength. We notified customers by direct mail of the models subject to the recall and of how we were responding. As of July 31, 2014, we had provided free inspections of or repaired 75% of total sales.

Providing Information to Promote Safe Product Use

The Yamaha Group provides information through media that is easy for customers to access such as instruction manuals, catalogues as well as its website to promote the safe use of its products, and works to enlighten people on safety to prevent accidents from occurring.

In its catalogue targeting schools and educational facilities beginning with the fiscal 2011 issue, Yamaha introduced a feature on safety education with respect to musical instruments in general. The Company also posts safety information on its website to help educate customers in the safe use of its products. Products currently listed are as follows.

- The safe use of pianos (posted since November 2010)
- The safe use of electronic keyboards (posted since December 2010)
- The safe use of power supply adapters and cords (posted since May 2011)
- The safe use of batteries (posted since December 2012)
- The safe use of home theater and audio equipment (posted since February 2013)

This information is reviewed and revised as deemed necessary based on cases of accidents and other factors.

Proper Product Labeling and Advertising

The Yamaha Group conducts advertising and promotions that accurately convey the details of products and services to customers. At the same time, we strive to provide accurate information related to our products and services in accordance with laws and regulations. To achieve this, we have formulated and are implementing internal regulations concerning basic labeling and prohibition of inappropriate labeling. The labeling is validated based on the quality management system. Yamaha Corporation's Quality Assurance Division conducts checks and reviews of labels on products that are actually being sold, and provides feedback of the results to the department in charge of the product.

Ensuring Product Safety

Philosophy on Ensuring Product and Service Safety

The Yamaha Group believes that the safety of its products, services and facilities falls under the concept of "fundamental quality" that must be provided. We take all possible measures to ensure that its products, services and facilities do not in any way damage the mental and physical well-being as well as the belongings of its customers by providing products, services and facilities that adhere to the Group's Code of Conduct. If by some chance, the Company's customers are in any way inconvenienced, steps are immediately taken to provide appropriate relief and to prevent any recurrence. In order to put this into practice, we are working to strengthen design process toward essential safety design and to swiftly respond Company-wide when an accident occurs.

Taking Immediate Action When Faced with a Product Safety Issue

The Yamaha Group has put in place a system that enables a faster response to ensure the safety of customers. In the event of a product safety issue in the marketplace, employees who receive notification of a safety problem report it immediately to the applicable department and the Quality Assurance Division. The division that receives the report notifies top management of the occurrence of a product issue. At the same time, the head of the Quality Assurance Division promptly convenes the relevant departments from across the company, moving to respond to affected customers, notify the appropriate government authorities, and initiate measures aimed at preventing recurrence.

Responding to Product Safety Issues

In February 2013, Yamaha began recalling the golf club driver inpresX RMX. Non-standard screws are mixed in with the weight screws attached to the head part, which makes it possible for the head itself to fall off. As of July 31, 2014, free inspections or part replacements had been carried out for 96% of total sales.

In August 2013, a recall of GC32S/GC32C classical guitars was begun. The defect was that its bridge might come off because of insufficient bonding strength. As of July 31, 2014, we had provided free inspections of or repaired 75% of total sales.

Complying with Product Regulations and Standards Worldwide

Yamaha monitors trends in information for regulations and has decided on an internal policy and developed a structure for full compliance with regulations and standards worldwide pertaining to product quality and safety as well as environmental protection.

In recent years international standards that apply to electromagnetic waves have become increasingly stringent, and Yamaha Corporation has installed electromagnetic wave measurement equipment and various other kinds of measurement, analysis and evaluation equipment. The design division plays a leading role in evaluating product and component prototypes for compliance with respect to the regulations of relevant countries at this facility. Regulations for chemical substances have also become more stringent in different countries worldwide, and in line with this, Yamaha has created and implemented a management system for chemical substances contained in products and established its own Standards for Chemical Content in Products. These standards have been used to manage chemical substances in products during design and development and have helped facilitate legal compliance as well as minimize the environmental impact of products. The standards undergo revisions as and when necessary, in response to legislative expansion and change, the accession of voluntary standards and other factors.



An anechoic chamber used for electromagnetic wave measurement

Product Safety Training

In fiscal 2010, The Yamaha Group has initiated human resource training as well as product safety courses in efforts to prevent product safety issues from arising. In addition to introducing case studies of specific safety issues, the Group has commenced training courses in essential safety design policies as well as statutory and regulatory requirements with respect to product safety. During four years between fiscal 2010 and fiscal 2013, these courses were attended by a total of 122 employees comprising mainly engineers and personnel from development areas.

Risk assessment for Product Safety

From fiscal 2010, in order to emphasize product safety during the development, design and production stages, the Yamaha Group has reinforced its design review procedures with respect to product safety, which includes incorporating a risk assessment process into the design review at the time of development.

Through a risk assessment process we are promoting product safety from the standpoint of the product design process, such as by identifying and hypothesizing potential risks involved in each product and manner of using it and pursuing an inherently safe design that removes the causes of these risks.

Quality Assurance

Guided by a key component of its overarching philosophy, the Yamaha Group engages in Customer-Oriented and Quality-Conscious Management. In its efforts to fully satisfy its customers, the Group offers quality products and services that incorporate new and traditional technologies as well as refined creativity and artistry.

Quality Management System

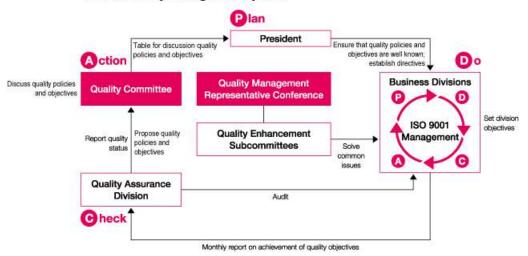
The Yamaha Group has put in place a Group-wide quality management system to ensure the production of high quality products and the provision of high quality services (see the Yamaha Group Quality Management System diagram).

Under this system, quality policies and targets as well as important quality-related measures being implemented by the Yamaha Group are deliberated by the Quality Committee and then issued from the president to operating divisions. Each business division sets its own divisional targets in line with the quality policies and objectives set by the president. All production bases both inside and outside Japan follow ISO 9001 international standards for quality management systems or operate a management system in compliance with this and engage in activities designed to achieve quality targets.

The Quality Assurance Division confirms the status of achievement based on monthly quality reports submitted by each business division, conducts monitoring based on the quality audits (see next item) and submits the results to the Quality Committee.

The Quality Management Representative Conference, which comprises officers in charge of quality management from each business and sales division, reports on initiatives in each division, shares information and reflects this in examinations of policy aimed at resolving common challenges.

Yamaha Quality Management System



* Plan, Do, Check and Act

Quality Audit

Yamaha Corporation's Quality Assurance Division conducts audits to check whether the quality assurance systems of each business division as well as nd checks that the quality of products and services meets the standard to which the Yamaha Group aspires. While urging the necessary improvements, the results of these audits are taken into account in improving the Company-wide quality management system.

Each business division instructs and audits the factories both inside and outside Japan over which they have control. Every effort is made to further enhance product quality.

Acquiring ISO 9001 Certification

As of March 31, 2014, the Yamaha Group had acquired certification under the ISO 9001 international standard for quality management systems at 24 business divisions spanning the entire Group in Japan and overseas. These 24 divisions make up 66% of the entire Yamaha Group on an employee numbers basis.

Quality Management Training

In order to develop human resources capable of contributing to improvements in quality, the Yamaha Group's personnel training system is comprised of expert training related to "quality assurance," as well as training tailored to individual job positions. The goals of this system are to raise awareness and enhance skills with respect to quality management. The Group has prepared offered courses covering a wide range of such topics in fiscal 2012 including as quality engineering, FMEA and FTA*1, with 68 people taking part in fiscal 2013. Over a six-year period a cumulative total of 832 employees have attended these courses.

FTA: Fault Tree Analysis

Methods of systematically analyzing potential malfunctions and defects in products and other items

^{*1} FMEA : Failure Mode and Effect Analysis

Sustainable Consumption

Provision of Information Related to Environmental Consideration in Products

In order to meet rising awareness toward environmental preservation among customers, the Yamaha Group discloses examples of environmental consideration in the "Environmental Initiatives" section of its website, such as efforts to conserve energy in its products.

Initiatives in Energy-Conserving Products/Initiatives in Resource-Conserving Products/Products that Support the Environment

Products that Support the Environment

The Yamaha Group not only manufactures products for the end user, but also for corporations. Within its product lineup, the Group boasts items that help reduce environmental load in the conduct of customers' business activities as well as in the production of products.

The Group will continue to help reduce environmental load imposed by society as a whole through the development and promotion of products that support the environment.

Examples of Devices and Instruments that Support the Environment

(1) Micro prober (a conduction and insulation inspection device)



In inspecting fine pattern flexible printed circuit boards (FPC), micro prober helps to reduce waste while contributing to the conservation of resources by accurately judging which are defective and improving the yield rate.

(2) Helium Leak Tester



Leak tester for lithium-ion batteries

The helium leak tester accurately measures in a short period of time the airtightness of such products as automobile fuel tanks, air conditioners and lithium-ion batteries, and by preventing minute leaks of fuel and coolant, it is useful for compliance with automobile environmental regulations including those covering the reduction of global warming material, and for helping to reduce environmental load during driving.

Improving Customer Satisfaction

Philosophy on Realizing Customer Satisfaction

At Yamaha, we do our utmost to develop, manufacture, and sell the type of leading products that delight and satisfy our customers.

Aiming to Realize a Truly Customer-Oriented Stance

The Yamaha Group declares a customer-oriented approach in its corporate philosophy. A card explaining the need to implement this approach in the course of daily activities is distributed to every employee.



Aiming for Products that Satisfy Customers

The Yamaha Group has created a Quality Assurance Officers Committee that consists of staff responsible for quality management in our operating and sales departments. We have set up the CS Subcommittee which forms a part of several subordinate Quality Enhancement Subcommittees.

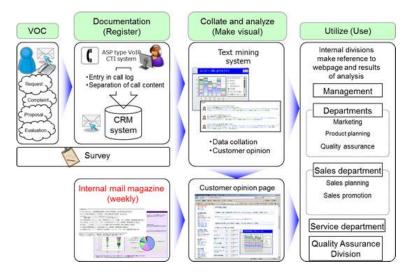
The CS Subcommittee promotes research with a main emphasis on creating planning and design systems that realize products that satisfy customers. At present, initiatives are under way that incorporate customer feedback into products and services even more than usual and efforts are being made to plan and design products in accord with the concept of considering every person from every angle, which is based on the idea of universal design, with the Musical Instruments and Audio Equipment divisions taking the leading role.

Sharing and Using Customer Feedback

The Yamaha Group works to make effective use of our customer relationship management system in order to reflect customer opinion in products and services with the aim of enhancing customer satisfaction.

In Japan, we collect in a database then collate and analyze opinions and requests from customers in our customer support department, discussing the results in monthly meetings attended by product development and quality assurance managers from each business division. In fiscal 2010, we established a system to visualize VOC (Voice of Customer), which shares information on customer opinion and requests internally in real time, and started operating the system in fiscal 2011. As a result, we have been able to better use this information in related sales and product development activities, rapidly reflecting customer feedback in our business models.

Our creation of this VOC visualization system has been recognized with an award in the technology division of the Contact Center Awards 2012, administered by the computer telephony editorial department of Ric Telecom, Inc.



Overall Image of VOC Visualization

Product development example

Yamaha Corporation AV Products Division analyzes the opinion of users regarding its product manuals using a text mining tool 1, and has made improvements in line with this feedback. In order to meet the different demands of general users without any particularly special knowledge and users with specialist knowledge that have mastered the sophisticated functions, the AV Products Division has shifted to two distinct types of manual - a illustration-heavy quick guide and a detailed manual with exceptional search-ability.

Going forward, Yamaha will further develop the system to make VOC more visible and utilize tools such as text mining to build in customer opinion to product development in even more detail.

*1 Text mining refers to an analytical method for text data in which ordinary text is analyzed and useful information extracted.

Improving Usability

The Yamaha Group works to develop products from the customer's point of view. As part of these efforts, we conduct usability tests '2 with the aim of improving the user-friendliness of our products and making manuals easier to understand, and we conduct product evaluations with the cooperation of actual customers. Results are reflected in our product specifications and manuals. In particular, it is important whether or not the operating procedures and manuals are easy to use for customers since products with an electric or electronic structure such as digital instruments, AV devices and PA products have various functions not found in acoustic instruments.

The development and other departments involved in products and services work together to conduct usability tests and product evaluations by users in order to swiftly share information about problem areas. This makes it possible to quickly take the steps necessary for improving the usability of existing products and uncovering operability issues with new products in development.

*2 Usability test: Having likely customers actually use a product to determine the product's ease of use (usability). Yamaha uses employees as volunteer testers.

« Product development example»

For example, we received cooperation from professional mixing engineers on product evaluation from the development stage for the digital mixing console CL5 that was launched in April 2012. We collected opinions after they had actually handled the product regarding ease of installation, connectivity, operability, aesthetic appeal, sound quality and design, and reflected them in products.

« Product development example»

In addition, usability tests were performed repeatedly for the MG Series of analog mixers that went on sale in February 2013 and their manuals during the development stage. We also analyzed the content of inquiries to our customer service line. As a result, we were able to achieve layouts, operability and manuals that are easy to understand for customers unaccustomed to PA systems.

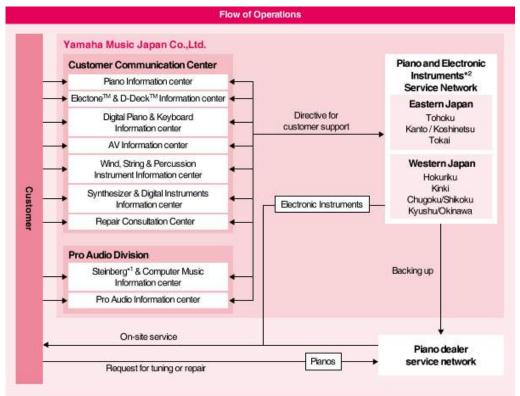
Initiatives for Improved Customer Response and Support

Improving Customer Support Structure

The Yamaha Group has established an after-sales service system for customers that have purchased our products and services and is working to respond to customer inquiries and requests. In April 2008 we set up a Customer Support Department within the Domestic Sales & Marketing Division (currently Yamaha Music Japan Co., Ltd.). At the same time, we opened our Customer Communications Center, which houses a help desk for each of our products. These changes have improved a support structure designed to strengthen customer convenience. Overseas, we have created an after-sales service network for each region as a customer support system for musical instruments and acoustic products. This network serves as a point of contact for customers and includes Yamaha Group service centers, Yamaha Authorized Service Centers, distributors and contracted engineers.

The customer support departments develop customer support systems that make use of telephone, website and social networking services in order to respond smoothly to inquiries. Some of these departments have introduced a customer management system using cloud computing.

Customer response and support system in Japan



- *1 Steinberg: Music production software
- *2 Electronic instruments includes electronic and electric acoustic instruments

Support departments



Customer Communications Center (Yamaha Music Japan Co., Ltd.)





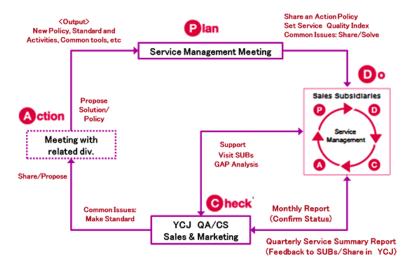
Yamaha Corporation of America (right: supporting materials)



Yamaha Music Europe

Yamaha After-Sales Service Management System

Yamaha Service Management System



Initiatives for Improved Customer Response and Support

The Yamaha Group has created an after-sales service management system and is working to continually improve the quality of our customer response and support based on the slogan "ONE YAMAHA." We share policies related to after-sales service at the Global Service Management Meeting, an international meeting made up of Yamaha Corporation's quality assurance, and business planning divisions as well as sales subsidiaries in Japan and abroad. The meeting also serves to set targets for each company and to formulate action plans. Quality assurance division monitor the implementation of the plans, take corrective measures when necessary, and use the information gained to draw up targets and plans for the next period. Through the operation of a management system, each company shares challenges and, by way of setting benchmarks from exceptional cases, works to enhance their level of customer support and mutual understanding.





Global Service Management Meeting (November 2013)

As an initiative to increase service skills, we hold the Global Technical Service Seminar, which involves the technical training of service engineers within the Yamaha Group primarily for new musical instruments and audio products. Technical training is provided to technicians, who convey the information to service stores in their particular area of jurisdiction, to dealers, and to Authorized Service Centers, while Yamaha Corporation's Corporate Sales Division holds service seminars for importers in areas without an overseas local sales subsidiary. In this way, we are striving to develop an after-sales service network so that customers can continue to use our products with peace-of-mind.

[Initiative] Improve ease of contacting by phone and response to email inquiries

Yamaha Music Japan Co., Ltd. has adopted targets such as Response Rate 1 (ease of contacting us by telephone at the call center) and time taken to respond to email inquiries. Using these indices helps us maintain and improve customer service quality. Navi-dial 2 and other methods have allowed us to reach a fiscal 2013 telephone response rate of 95.4%, vis-à-vis our goal of 90% or greater. Our target for email response is to answer over 97% or more of incoming mail on each operating day within 24 hours of its receipt (excluding Sundays and public holidays), and we achieved this target in fiscal 2013 with 97.9%. We aim to increase our target even further. Looking for even higher standards of customer service, we have committed resources to communicator training in our call centers. To quickly resolve customer concerns or confusion, we have published a frequently asked questions section on our website, which we update regularly.

^{*1} Ratio of incoming calls answered by an operator.

^{*2} Navi-dial Telephone System: A system that allows customers to call into our help desk at local phone calling rates from any location in Japan

Personal Information Protection

Policies and System for the Protection of Personal Information

Yamaha Corporation appropriately protects and manages the personal information of its customers in accordance with its privacy policy, complying with laws, ordinances and regulations relating to the protection of personal information.

In 2004, the Company put in place a system of Personal Information Protection Regulations for appropriately handling important information we have in our custody, such as the personal information of customers using its products and services. At the same time, the Company appointed an officer to assume overall responsibility for the handling of personal information and an officer responsible for managing personal information in each department that handles it. A system was established to promote personal information protection and management and to swiftly respond in case an accident occurs. At the same time, a secretariat to supervise this activity was established within Yamaha's Legal Affairs Department, and it monitors the operational situation of the aforementioned regulations and system and collects accident reports and the like.

Based on the aforementioned regulations, we have formulated a manual that explains key considerations when handling personal information and have put it into practice. Each year we also conduct education, training and audits for departments handling personal information. At the same time, measures are implemented in an effort to enhance awareness of and make improvements in personal information protection, particularly through training for new employees.

Enhancing Products and Services

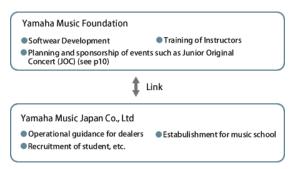
Music Education Business

Unlocking Musical Potential in More People

Conveying the joy of playing music to people throughout the world, the Yamaha Group operates a music education business both in and outside Japan as a part of efforts to contribute to the enrichment of society. Since opening an experimental organ class (a predecessor of Yamaha Music Schools) in Tokyo in 1954, the Yamaha Group has provided music education to help enrich the growth of children and established and developed the Yamaha Music Education System, a unique education method. Yamaha provides courses that meet the needs of each generation. These include Yamaha Music Schools for children between age 1 and junior high school age, Yamaha's Music Lessons for Adults for both music enthusiasts and individuals interested in learning to play a musical instrument as a hobby, and Yamaha's Wellness Program, which aims to maintain good health and improve fitness in older people in a fun way.

Operating Structure of Education Business

The Yamaha Group's music education business is essentially conducted by the Yamaha Music Foundation, which is responsible for developing a curriculum as well as teaching materials, and basic operations such as nurturing instructors, and Yamaha Music Japan Co., Ltd. "1, whose activities extend to the actual operation of the schools and the recruitment of students as well as other areas aimed at business development. Both work to develop educational software, nurture human resources and create new schools while bolstering ties as inseparable aspects of the music school business. In addition, Yamaha Music Japan Co., Ltd. contracts 450 dealers nationwide to run the Yamaha Music Schools and educates the staff at each dealer in charge of reception services.



*1 A sales company established in April 2013 that is 100% owned by Yamaha Corporation. It engages in the wholesale of such products as musical instruments, home theater and audio systems, music production equipment, professional audio equipment and soundproof rooms in Japan, as well as the import and sale of music instruments, and the operation of music schools and English language schools.

Position in the Yamaha Group : Japanese only

Yamaha Music School Nurtures Love of Music

Promoting Physical and Mental Development in Children by Fostering Rich Musical Talent

Yamaha Music School provides lessons that focus on nurturing a love of music based on the three features of comprehensive music education, timely education and group lessons. Comprehensive Music Education entails lessons that encompass a full range of musical pursuits including listening, singing, playing, reading and creating. Through these means, children are encouraged to express themselves by thinking freely. The concept behind Timely Education is to give children appropriate guidance in accordance with the degree of their physical and mental development to nurture growth potential during times of growth. Curriculums are developed together with specialists in developmental psychology and other fields. Group Lessons enable children to enjoy rich musical experiences through participation in ensembles while fostering a sense of cooperation as well as respect for each other's individuality.



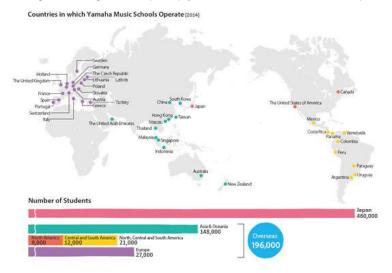
Emphasizing Relationships and Communication Between Parents and Children

As a general rule, pre-school children are to be accompanied by a parent or guardian at Yamaha Music School lessons. When parents and children take lessons together, the children not only feel more comfortable and uninhibited in the learning environment, but their interest deepens after seeing the fun their parents are also having. Receiving praise from both instructor and guardian during a lesson makes children happy, providing the impetus for further growth. The lessons also provide an opportunity for the adult to track the development of the child, while conversations about the lessons and music at home serve to strengthen communication.



Around 200,000 Students in Over 40 Countries and Regions Worldwide Take Music Classes

Overseas, around 200,000 students are given the opportunity to learn the joy of music at a Yamaha Music School in over 40 countries and regions, including Asia, Europe, North America and Latin America. Each course is developed in light of the culture and character of each region while being based on a philosophy and curriculum for music education developed in Japan.



Spreading Yamaha's Music Education Philosophy Around the World

Yamaha's Junior Original Concert (JOC) Activities' offer children studying at Yamaha Music Schools the chance to create and perform their own compositions. We now receive around 35,000 original compositions from children every year. Concerts are held not only in Japan but throughout Asia, Europe and other regions as well. In addition, the International JOC event is held in Japan once a year. Through the common language of music, Yamaha's philosophy of music education is spreading throughout the world. Yamaha also does its utmost to nurture its music instructors overseas. This includes holding the Yamaha World Teachers' Forum'², which leading instructors from Yamaha Music Schools worldwide participate in and which provides an excellent platform for group discussions on music education and instruction.

*2 JOC and Yamaha World Teachers' Forum are both sponsored by Yamaha Music Foundation

Freedom to Enjoy Performing with Yamaha Music Lessons for Adults

Helping Enrich Lives Through Music

Yamaha provides music lessons Yamaha Music Lessons for Adults for a wide range of age groups, from junior high school students to adults, at around 1,400 locations throughout Japan. Currently, 37 different courses are on offer with some 110,000 students enrolled. It aims to enhance the range and quality of the courses, which include saxophone, drums, flute and other instruments, and to develop exceptional instructors to achieve this. Each course is basically comprised of group lessons, which provide a platform for sharing the joy of music and performing with others. Students are also encouraged to form their own bands and perform at events organized by Yamaha.

Yamaha Wellness Program Enhances Health Through Music

Maximizing the Effects of Music for a Healthier Mind and Body

Yamaha provides a wellness program that aims to improve health through the power of music. A trial run of the program was introduced in 2003 based on recommendations from medical experts, with a full-fledged version of the Music and Health program going nationwide in 2008. The aim of the program is to help people maintain good health in their entire body, including the brain, by combining simple exercise with music. There are currently around 3,000 people enrolled in the program. Sing for Health program was introduced throughout Japan in 2012, which links the benefits of singing with enhanced health. Students have commented that the programs have made their lives brighter, made them more positive and made it easier for them to walk up the stairs.

Promoting Universal Design

Yamaha Corporation is keen to help create an environment in which any and all people can enjoy the pleasures of music. With this in mind, we are considering the merits of incorporating the universal design concept into our products and services. In putting forward this concept, we participated as a supporting company in the 3rd International Conference for Universal Design in HAMAMATSU 2010 held between October 30, 2010 and November 3, 2010 in Hamamatsu City in 2010. Based on the slogan and pledge of "music for you, music with all," we showcased several universal design prototype products at the corporate exhibition corner of the Conference. Buoyed by this sponsorship and exhibition, the Yamaha Group will again consider adopting a universal design approach. Looking ahead, we will put forward proposals that take full advantage of the power and strength of music to help realize a society that is both rich in communication and that allows people of diverse backgrounds and attributes to live in harmonious comfort.



The Yamaha Group promotes initiatives that give product developers and designers a better understanding and greater awareness of universal design. As one of these initiatives, we held an exhibition on universal design for company employees in July 2013.

The exhibition included digital musical instruments and PA products employing universal design, simulation tools by which to experience the difference in vision due to partial color-blindness, a corner to simulate the physical conditions of elderly people and pregnant women, and a large amount of literature and materials on such matters. By means of simulations and the like, attendees at the exhibition experienced the diversity in user characteristics.



A lecture on the differences in the vision of the partial color-blind





Electronic musical instruments and PA equipment that takes visibility into consideration such as through color schemes easy for partial colorblind individuals to distinguish (left) and goods for experiencing partial color-blindness (right)



Participants listen to explanations

Proposing Solutions that Utilize Sound Technologies

Creating Better Sound Environments

The Yamaha Speech Privacy System™ that Helps Prevent Conversation Leakage

Yamaha Corporation has continued to create better listening environments through research and development regarding sound fields and related control systems while offering superior sound-generating products such as musical instruments.

Yamaha's endeavors to create new businesses in the sound domain have extended to efforts to better protect personal information. In this context, Yamaha has developed its Speech Privacy System™ VSP-1 in order to help provide an environment in which private conversations can be protected in public places.

The VSP-1 is equipped with Yamaha's proprietary information masking technology. This technology enables important conversations to be masked using a unique, newly developed masker synthesized from human speech. Even at lower volume levels, this "information masker" is far more effective than conventional noise maskers. In addition, this new masker can be used in combination with environmental sounds such as a babbling river or birdsong, as well as with sound produced by musical instruments, resulting in a more pleasant overall sound.

As awareness towards privacy, crime prevention, and information security heightens, more and more people are becoming concerned about the content of their conversation, including personal information, being overheard by a third party. The Yamaha Speech Privacy System™ meets society's needs by providing a secure sound environment for different locations such as medical institutions, financial institutions, and company offices.









Speech Privacy System Product Information : Japanese only

Acoustic Conditioning Panels bring a More Comfortable Sound Space

Ringing and boomy reverberations around the home or office make listening difficult, quickly rendering a space less relaxing and increasing stress levels. Such uncomfortable sound environments tend to be neglected as they are not perceived as a social issue, and thus few people are willing to expend time or money on countermeasures.

In order to provide a resolution to this problem, Yamaha Corporation has developed and is now supplying "Acoustic Conditioning Panels" that enable the reverberations in a room to be altered. The panels provide a clear and comfortable sound field by the action of acoustic resonance tubes. They can alter sound fields for a given purpose, making it easier to hear people's voices in conference and meeting rooms while also being suitable for audio rooms and music practice rooms. The panels are easy to install due to their thin form and light weight, and are seeing increasing use at music schools, event spaces, and pianists' homes.



A sound-field control panel is composed of multiple tubes with different resonance frequencies.

This means that sound absorption and scattering effect can be obtained over a wide frequency band.



Example of use in a meeting room

Avitecs™ Soundproof Rooms Meet Diverse Sound Insulation Needs

Yamaha Corporation has spent many years cultivating sound insulation technology to create designs for concert halls and studios that prevent sound leakage. Developed using this technology, Avitecs™ soundproof rooms meet a diverse range of sound insulation needs due to their design flexibility and ease of set-up, not only for music practice rooms but also for company laboratories, hospital examination rooms and recording booths. Using Avitecs, it is possible to respond the societal need to avoid sounds in one home leaking into neighboring homes such as in housing complexes. Yamaha Corporation will continue to promote its soundproofing business to eliminate concerns related to sound and support more comfortable living.



→ Avitecs™ Soundproof Rooms and Acoustic Conditioning Panels Product Information : Japanese only

Proposing Applications of Sound Technology

SoundSignage™ Helping to Enhance the Effectiveness of Information Displays Through Sound

In recent years, digital signage or electronic billboards that deliver images and information using flat-panel displays and projectors have attracted considerable attention for their ability to provide timely information in the advertising and promotional media fields. Yamaha Corporation has put forward the SoundSignage™ System solution, a new concept in presenting information that is based on Thin Light Flexible Speaker (TLF-SP) technology and INFOSOUND, a new information distribution method using acoustic waves. Sales of TLF-SP commenced in 2011.

TLF speakers are electrostatic speakers with the special characteristics of being thin (T), light (L) and flexible (F), and by using them in combination with advertising posters and other visual information, information can be communicated effectively. They can deliver whisper-like sound with clarity at the same sound volume whether near or far thanks to exceptional directivity and projection beyond that of conventional speakers. For this reason, it is possible to use multiple TLF speakers to present information using multiple sounds and to provide sound in limited areas without dispersion.

INFOSOUND is Yamaha's proprietary technology that converts digital information into acoustic signals and then transmits them over radio waves. Information such as a URL or images can easily be sent to a smartphone through the microphone. The new sound transmission technology is expected to have applications in a wide range of fields, from advertising, broadcasting and store promotions to events and packaging media, thereby expanding the possibility of never-seen-before services. As acoustic communication will come into wider use going forward, it is only natural that there should be requirements that the sound signals used not have an adverse effect on the human body. Yamaha Corporation conducted joint research with Showa University School of Medicine into the effect of INFOSOUND on the human body, and discovered that INFOSOUND signals do not cause an unacceptable increase in stress at the volume levels normally used in communication. Yamaha Corporation has released these findings.

→ SoundSignage™ Product Information : Japanese only

Joint Development of Safety Signs That Use Sound Signage with Shimizu Corporation

Yamaha has jointly developed and commercialized a "directional PA safety sign" for construction sites in cooperation with Shimizu Corporation. This SoundSignageTM product increases the effectiveness of information provision by means of a "Thin-Light-Flexible Speaker," a built in directional flat speaker.

In addition to traffic control provided by security guards, signs and sounds are used to make pedestrians aware of vehicle entrances to construction sites to protect their safety. However, signs alone can be ineffective and regular speakers broadcast sound across a wide area, disturbing local residents.

In response to this issue, the "directional PA safety sign" can alert pedestrians of dangers more effectively, because it emits a clear sound only in the front of the sign where pedestrians pass.



A construction site where the developed product is installed



Tsuzurabuchi First Tunnel construction site







Pedestrian only crossing in Tokyo Outer Ring Road's Tajiri District part

Yamaha Corporation's "directional PA safety signs" have already been installed in multiple locations. As a recent example, they have been installed in pedestrian only crossings residents use to cross at the No. 6 worksite in the box culvert construction site in Tajiri District, part of the Ministry of Land, Infrastructure, Transport and Tourism's work in the Tokyo Outer Ring Road's Chiba Prefecture section.

SilentBrass™ Makes Possible Performances Anywhere and at Any Time.

SilentBrass[™] is a silencing system for brass musical instruments that makes it possible to practice or perform anywhere and at any time. Based on the concept "anytime, anywhere and more fun," it achieves small size, light weight, and silencing ability. Its sound is also comfortable when listening with headphones. The pickup mute[™], with a functional shape that reduces the sound of a performance to a whisper, comes in four types - trumpet, flugelhorn, trombone, and French horn - to meet the needs of large numbers of brass instrument performers.

In fiscal 2013, the SilentBrass SB3X, SB5X, and SB7X won Good Design Gold Award (Ministry of Economy, Trade and Industry Award) for their high-quality designs that solved modern problems in an advanced manner at the 2013 Good Design Awards (sponsored by Japan Institute of Design Promotion). They were recognized for their high silencing ability, the presence of their sound, and their design that allows bells to be easily attached and detached. They also received the iF product design award at the 2014 iF design award in Germany (sponsored by the Industrie Forum Design Hannover), as well as a Red Dot Award: Product Design at the 2014 Red Dot Design Awards (sponsored by the Design Zentrum Nordrhein Westfalen), also a German award.

Moreover, Yamaha's Silent Series is winning accolades and design awards in Japan and abroad in recognition of its excellent performance, including a Good Design Long Life Design Award for the Silent Cello in the 2013 Good Design Awards.



SilentBrass™





The Good Design Gold Award (Ministry of Economy, Trade and Industry Award) logo



iF product design award logo



Red Dot Award: Product Design 2014 logo

Supporting Research in the Field of "Health and Music"

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Yamaha Music and Wellness Institute

Community Participation and Community Development





Connection to Local Communities | →



Promoting Music Culture



Community Support Activities



Support that Helps Foster the Next Generation | →



Donations and Social Welfare Activities



Expenditures for social contributions

Connection to Local Communities

Connection to Local Communities

The Yamaha Group makes routine efforts to communicate with local governments and local residents to maintain good relations with the communities that are home to its business offices and factories. Along with exchanging information regularly with neighborhood councils, The Group helps with and participates in events organized by local governments and other organizations while taking part in a range of environmental preservation activities that include regional cleanup efforts and green campaigns.

The Yamaha Group also invites local residents to summer festivals it holds every year at all of its factories to show its appreciation for their continual cooperation and understanding.

Examples of the communication efforts conducted at business sites and factories in fiscal 2013

- Accepting factory tour visitors (manufacturing lines)
- Accepting middle and high school visitors for hands-on workplace experiences and tours
- Holding summer festivals to strengthen relationships with communities
- Lending of facility, parking lot, etc.
- Participation in regional cleanup efforts by employees
- Regular holding of information exchange sessions with neighborhood councils
- Signing of memorandums to open up facilities to the public during disasters

The Yamaha Group also demonstrates a regard for the environment in local communities, ensuring no toxic substances are released by building wastewater treatment facilities and producing products with minimal environmental impacts.

→ Yamaha's environmental initiatives



Summer festival



Regional cleanup effort





Information exchange session with neighborhood councils at the headquarters

Promoting Music Culture

Supporting Music Contests and Clinics

The Yamaha Group contributes to the development of music culture by supporting various music contests and clinics. Yamaha Corporation not only provides musical instruments but also assists with the running of the events that include the Hamamatsu International Wind Instrument Academy and Festival, Japan Band Clinic, the Shizuoka International Opera Competition and Hamamatsu International Piano Competition, in all of which participants, from both Japan and other countries, pursue a high artistic standard.



The 18th Hamamatsu International Wind Instrument Academy and Festival



43rd Japan Band Clinic

Since 2012, Yamaha Music & Electronics (China) Co., Ltd. has been holding the Yamaha International Piano Competition. The aim of the competition, which is at one of the highest levels in the country, is to nurture promising students.





Moreover, since 2010, Yamaha Music & Electronics (China) Co., Ltd. has been holding training workshops across major cities in China for the wind orchestras of leading schools in each region. The number of workshops and participants are increasing every year, with 35 workshops held in fiscal 2012 and 2,780 students receiving guidance from prominent instructors. Some schools achieve great success in music contests after having students attend the workshops.



Taidongliu elementary school in Tsingtao



Jiangxi Normal University in Nanchang City



Jiefangqiao elementary school in Guiyang City



Experimental middle school in Zhuhai

Support Related to Scholarships and Music Education Institutions

The Yamaha Group has set up scholarship systems in different regions of the world as support for aspiring musicians. Yamaha also teams up with music education institutions and continues to support the educational curriculum and with the provision of seminars for instructors.



Yamaha has provided scholarships to over 100 university music students in Thailand to date





Yamaha introduced a scholarship system in China in 2000 (Central Conservatory of Music (left) and Shanghai Conservatory of Music (right))



Scholarships granted to students in Korea in fiscal 2013

Propping Up School Music Education

The Yamaha Group supports music education at schools in various regions of the world. Efforts are made to contribute to the enrichment of course content by donating instruments, giving courses to instructors and providing music-related information.

Siam Music Yamaha Co., Ltd. has made the curriculum instructors in charge of classes free of charge and held courses since 2002 as part of efforts to create music education foundations in Thailand. Some 3,000 instructors have participated at around 800 locations.





Providing instruction on recorders for teachers to use in their music course (Siam Music Yamaha Co., Ltd., Thailand)

In Korea, the formation of orchestras at schools is recommended as a government policy. To support that kind of music performing environment, Yamaha Music Korea Ltd. offers a service in which wind instrument technicians visit schools that have established an orchestra, teach the students how to care for their instruments, and tune instruments free of charge. It also supports the sending of wind instrument instructors to schools, contributing to the vitality of wind instrument activities in Korea, where there is a shortage of instructors.





Student orchestra maintenance seminar (Yamaha Music Korea)

Yamaha Corporation has started the website "Music pal" to support school music education. The site provides content that is

useful for music coursework and investigative learning such as the history of music, musical composition, the origin and makeup of instruments, and a full encyclopedia of musical instruments including playing style.

"Music pal" website supporting school music education: Japanese only

Contributing to Community Revitalization Through Music

The Yamaha Group aims to contribute to community revitalization by planning and holding music events in different regions.

(1) Hamamatsu Jazz Week

Each year, Yamaha Corporation holds "Hamamatsu Jazz Week" in cooperation with the city of Hamamatsu and other co-organizers. The event has a variety of programs that can be enjoyed by people of all ages, whereby Yamaha is cooperating with the Hamamatsu city government's effort to create a city with music at its core.

The 22nd Hamamatsu Jazz Week in 2013 included concerts that featured global artists as well as those by outstanding big bands from junior and senior high schools throughout Japan, combined with events organized in collaboration with citizens' groups and region's jazz clubs, a concert for parents with children, and "American Rhapsody," a combination of piano and storytelling that fuses jazz and theatrical performance.



Yamaha Jazz Festival, which concluded the Jazz Week

(2) Urban Development Project Through Music

Yamaha's urban development project based on music proposes cultural activities such as events that involve local citizens using the region's cultural assets as well as festivals and workshops in support of building a music-oriented community.



<u>Urban Development Project Through Music</u>: Japanese only

Efforts to Spread Music Through Events and Contests

The Yamaha Group takes steps to spread music in the different regions of the world through events and contests. This includes proposing new ways to enjoy music for all ages as well as planning and providing spaces for performances by amateur musicians looking to make the next step up.

(1) Music Revolution

Over the years, the Yamaha Group has provided the opportunity for amateur musicians to perform through a variety of music events, namely the Yamaha Popular Song Contest (1969-1986) and the Teen's Music Festival (1987-2006). Japan's largest music contest "Music Revolution," where any amateur musician under the age of 23 is welcome to take part, started in 2007. In the seventh nationwide Japan Final held in January 2014, 14 groups of young musicians that advanced as winners of the regional preliminary competitions gave performances. The competition supports the sound musical development of youth and the Japan Final receives backing from the Ministry of Education, Culture, Sports, Science and Technology (MEXT). The overall winner is presented with a prize from the ministry.

Music Revolution : Japanese only





(2) Asian Beat

Yamaha plans and runs "Asian Beat", which aims to promote popular music and develop amateur musicians in the Asia region. The winning bands from the regional competitions in each country go on to the grand final where they perform and compete to be the top amateur band in Asia.

🖪 Asian Beat

(3) Brass Jamboree

The Yamaha Group holds the Brass Jamboree, in which wind instrument enthusiasts gather together in one large venue to enjoy playing music together. The participants hold a large concert together after meeting face to face for the first time at the venue. Every year around 500 participants from elementary students to people in their 70s gather from all over Japan. The Brass Jamboree offers a place to perform to people who want to casually enjoy playing musical instruments. With experienced people, beginners, parents and children, families and friends participating, it is a day for everyone to enjoy brass and aimed at enthusiasts of all wind and percussion instruments.







Brass Jamboree 2014

Brass Jamboree : Japanese only

(4) Wind Instrument Karaoke Contest (China)

Yamaha Music & Electronics (China) Co., Ltd. holds a wind instrument karaoke competition, which provides an opportunity for beginners and others that have just started learning music to enjoy playing simple tunes with a wind instrument on stage. The music is played together with a sound source as musical accompaniment that has been made solely using wind instruments. Some 3,300 children took part in 13 cities nationwide in 2013.



Wind Instrument Karaoke Contest (China)



(1) Cooperating with El Sistema

Yamaha Music Latin America, S.A. (YMLA) sponsors "El Sistema^{*1}", a music education project promoted by the Venezuelan government. YMLA has supported "FESNOJIV^{*2}", which runs the project, for more than 15 years through the provision of musical instruments and technical seminars.





Children with El Sistema founder José Antonio Abreu



Gustavo Dudamel*2 and the Orquesta Sinfónica Simón Bolívar

Courtesy of FUNDAMUSICAL

- *1 A music education system that started in 1975 to promote the sound development of less fortunate youngsters through the practice of music in symphony orchestras by providing free lessons and instrument rental.
- *2 After studying with El Sistema, today he is one of the most active conductors in the world. He is the musical director of the Los Angeles Philharmonic at present. His success could be considered an accomplishment of El Sistema.

(2) Supporting the Activities of Cauca Wind Orchestra*3

YMLA established the Cauca Wind Orchestra (OCV) in cooperation with the Polifonia Foundation^{*4} and Incolmotos S.A.^{*5} and supports its activities. Cauca Department, Colombia, is a region with much coca cultivation centered on rural areas, and in addition to being a route for smuggling cocaine through the Pacific Ocean, the Revolutionary Armed Forces of Colombia (FARC) are active there and it sees frequent FARC terrorist bombings and kidnappings that involve police officers and citizens.

Given this situation, the aim of OCV's activities is to change the lives and hearts of children through music, to protect the daily lives of general citizens, and to give children positive futures. OCV aims to advance the sound development of youngsters in the Cauca region of Colombia through orchestra activities.

- *3 FESNOJIV: Fundacion del Estado para el Sistema Nacional de Orquestas Juveniles e Infantiles de Venezuela
- *4 This foundation in Popayan in the southern part of Colombia works toward the sound development of youth by drawing them into musical activities.
- *5 This company is a group company of Yamaha Motor Co., Ltd. and sells products from Yamaha Motor Co., Ltd. as well as musical instruments from Yamaha Corporation.







Concert with Cauca Wind Orchestra (OCV)

(3) Recorder Music Popularization Seminar by Sopro Novo

Yamaha Musical do Brasil (YMDB) formed the volunteer organization Sopro Novo in 2005, and it is holding seminars all over the country to train music teachers and popularize recorder music. By receiving lessons on teaching methods a total of five times for 81 hours, participants learn music performance techniques, starting with how to read music and ending, ultimately, with ensemble performance. After completing the lessons, they can begin giving music instruction to beginners. In Brazil, where there is no music education structure in place for the compulsory education curriculum, this activity is a precious opportunity to offer many people from children to adults their first music learning experience.

In the eight years leading up to 2014, YMDB held seminars nearly 1,000 times in 145 cities. It has trained some 3,300 teachers. The number of children taught by those teachers has reached nearly 400,000. And because this activity offers the total package including instruments, textbooks, and teaching methods, it is easy to start, and it functions as a regional social activity for NGOs and churches all over Brazil and as a course on how to teach children.





Teacher training seminar

Annual national gathering

Tours of Grand Piano Manufacturing Process

Kakegawa Factory, Yamaha Corporation

At Yamaha Corporation's Kakegawa Factory, the facility for grand pianos opens its doors to the public and a wide variety of people go there to visit, from musicians to families, school students and corporate personnel. Around 8,292 people took the grand piano tour in fiscal 2013.

Visitors to the factory pass through Harmony Plaza, where we display an early model grand piano that has been recognized as part of Japan's Heritage of Industrial Modernization. In the factory we introduce them to the assembly process for grand pianos using the latest equipment and craftsmanship, as well as our environmental protection initiatives.

Our goal in running these tours is to deepen the general public's understanding of Yamaha Corporation, and to provide the opportunity to experience the appeal of instruments and music. We also take requests from schools for tours and try to present different aspects to suit students of all ages, from elementary school to university, with themes including factories, industry and manufacturing.



Visitors observe a grand piano being made at the Kakegawa Factory



An exhibition at Harmony Plaza



Regional Contribution Activities by the Yamaha Symphonic Band

The Yamaha Symphonic Band, which was established in 1961, holds regular musical performances and pop concerts and supports the Yamaha Baseball Club at the National Intercity Nonpro Baseball Championship Series tournament and elsewhere. In addition, the Band performs regularly in Japan and overseas, and appears in contests. It also performs to make a regional contribution and support the areas affected by the Great East Japan Earthquake. In fiscal 2013, in addition to participating in a Wind Instrument Parade as part of the Hamamatsu Matsuri festival in May and performing at a memorial ceremony for the founding of a local elementary school in November, it held a workshop for junior high and high school students in Hamamatsu in April, as a first-time experiment.



The Wind Instrument Parade, part of the Hamamatsu Matsuri festival



Hamamatsu Municipal Motoshiro Elementary School 140th Anniversary Ceremony performance



Workshop for junior high and high school students



Charity concert in Ofunato

Yamaha Symphonic Band website

Consisting of employee volunteers from the Yamaha Corporation Kakegawa Factory, the Kakegawa All Stars concert band gives concerts for associations for the elderly in deepening ties with the local community.



Every September the band visits associations for the elderly in the region.



Performing at an event in Kakegawa City

Community Support Activities

Contributing Locally through the Yamaha Ladies Open Katsuragi

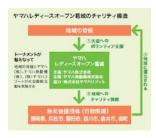
Each year, Yamaha Corporation and Yamaha Motor Co., Ltd. jointly host the Yamaha Ladies Open Katsuragi golf tournament at the Katsuragi Golf Club operated by Yamaha Resort Corporation in Fukuroi, Shizuoka. This major event is made possible with the support of volunteer staff that record and carry out the tournament as well as prepare the gallery, and also the support of local residents and regional governments.

Since the 2008 tournament, Yamaha have given donations to local governments that have backed the tournament as a token of our appreciation to local residents for their cooperation and support of the event. At the April 2014 tournament, we donated a total of ¥6 million, comprising ¥1 million each to Shizuoka Prefecture, Hamamatsu City, Iwata City, Kakegawa City, Fukuroi City, and Mori Town. These donations will be used to revitalize the region and improve social welfare, such as maintaining sports facilities and buying vehicles for volunteer activities. The total amount donated to date stands at ¥35 million.In addition, some 157 new employees from Yamaha Motor Co., Ltd. and Yamaha Corporation took part as tournament operations staff alongside 1,143 volunteer staff.



Volunteer staff at the tournament in 2014





Charity donation presentation ceremony conducted after the tournament award ceremony



New employees at Yamaha Corporation that participated in the tournament as operations staff (Sun-Ju Ahn, winner of the tournament, can be seen in the center of the front row)

Regional Education Support Activities

The Yamaha Group supports education in various ways throughout the areas it has operations in, including factories and sales sites, through workplace experiential learning, tours of its facilities and dispatching employees to conduct lessons.

Support that Helps Foster the Next Generation

Support that Helps Foster the Next Generation

Accepting Students for Workplace Hands-On Learning and Factory Tours

The Yamaha Group accepts requests from local and regional educational facilities and offers workplace hands-on learning, internships, and workplace and factory tours. In Japan, Yamaha Corporation, Yamaha Music Craft Corporation, Yamaha Fine Technologies Co. Ltd., and the Hamamatsu Branch of Yamaha Music Retailing Co., Ltd. provided workplace hands-on learning and conducted workplace tours for a total of 26 children over 12 occasions in fiscal 2013.

Overseas, Yamaha often receives requests from educational facilities in each region and we do our best to cooperate by accepting people for work experience and tours. P.T. Yamaha Indonesia has taken on 60 to 80 a year people from industrial high schools and universities to date for internships. P.T. Yamaha Musical Products Indonesia accepts students from Japanese school in Surabaya who come to visit as part of a program for children to experience different company settings. At Yamaha Electronics (Suzhou) Co., Ltd., 100 students from an industrial technology institute in Suzhou Industrial Park were invited in June and given an introduction to the company's activities along with a factory tour.



Students participating in on-the-job experience and how to manufacture musical instruments



Hands-on experience at a sales store

Manufacturing Classes and On-site Lessons

Yamaha Corporation provides programs for children focused on the themes of manufacturing and science in response to the requests of the local community. In fiscal 2013, Yamaha held several events that provided an opportunity for youngsters to experience the mechanisms of sound through musical instruments. Such events included a handmade guitar class held in collaboration with university students from the NPO CSN Hamamatsu in which children created their own handmade one-string guitars that they then had fun playing together. Another class taught children how to make a folk instrument from Africa called a kalimba. In February 2014, managers from Yamaha Corporation's Production Technology Department visited junior high schools to give a lesson in ion plating. The managers gave the lesson in response to the following classroom issue: "We teach about ions in classroom lessons, but their workings are hard to connect to daily life and to grasp." It was the second year of the lesson, following their start in 2012.

In the lessons, the managers carried out an experiment that recreates the process of plating wind instruments, one practical use of ions as well as gave an explanation for ion. Students learned the industrial innovation of leveraging the qualities of ions to make products even better.

These kinds of initiatives are being carried out overseas as well. In March 2014, Tianjin Yamaha Electronic Musical Instruments, Inc. and YMEC jointly dispatched musical performers to five elementary schools in Beijing and Tianjin to which they had donated instruments the previous year, and the performers gave keyboard concerts.



Handmade guitar class



(Playing with the handmade guitars (left), making guitars (right))





A class for making kalimbas (the assembly kit uses off-cuts of wood from the production process for musical instruments)





Yamaha staff conduct a lesson on "plating" at a junior high school



A mini concert at a school for the children of migrant farmers to which instruments had been donated

Support for Learning Facilities and School Supplies

Yamaha Corporation is helping Hamamatsu Science Museum (Hamamatsu City, Shizuoka Prefecture) with its display items. The museum opened in 1986 to develop science-oriented minds and includes a planetarium and a participation-type exhibition that people can touch to aid in learning. Many of the exhibitions can be attributed to the participation and support of regional companies and groups, and Yamaha Corporation has also played a role since the museum opened. The following items are currently on display in the "sound" corner. (They were donated in 2012.)

Section	Details
Variable acoustic room	Exhibit using audio signal processing technology. Visitors can experience sound vibrations virtually in such simulated settings as a theater, echo room, cave and church simply by flicking a switch.
Cutaway models of musical instruments	Exhibit where the cross-section of eight different kinds of musical instrument, including wind, string and percussion instruments, can be observed close-up.

Held Baseball Classes for Youth Baseball Teams

The Yamaha Baseball Club regularly holds baseball classes for local youth baseball teams in the western region of Shizuoka Prefecture as part of efforts to contribute to the community and the development of young people in the area. It has held 39 such classes so far, with club members providing guidance and showing the basics of pitching, fielding (catching and throwing) and batting. In fiscal 2013, in addition to ones in Hamamatsu City, Kakegawa City and Iwata City in the western part of Shizuoka Prefecture, classes were held for the first time in the central region of the prefecture. Five classes were held with a total of 86 teams and 1,281 people participating. At the classes in Hamamatsu, Kakegawa and Iwata, former members of the Yamaha Baseball Club gave baseball health examinations in cooperation with sports physicians and worked to help prevent injuries and accidents.

The Yamaha Baseball Club will continue contributing to the dreams and development of young people through these youth baseball classes



Donations and Social Welfare Activities

Voluntary Philanthropic Activities by Employees

Yamaha Corporation of America launched Yamaha Cares in 2003 as a way for employees to implement voluntary philanthropic activities. Yamaha Cares aims to contribute to the regions in which employees live and work primarily through activities that spread the joy of music, as well as through other philanthropic activities with themes in education, the arts, welfare and community revitalization. Among these is an activity benefitting a children's hospital researching the treatment of Type 1 juvenile diabetes. Every year employees participate in the Southern California Half Marathon and solicit contributions, which have exceeded \$60,000 total. Yamaha Cares continues to support the hospital, one of the few institutions researching the treatment of childhood diabetes. Yamaha Cares is also active in fundraising efforts and donating the Company's products for many other programs, including the Special Olympics for people with intellectual disabilities, The Boys and Girls Club after school sports programs, American Cancer Society, and several other charities in support of children battling disease and people in poverty.





Funds raised from a half marathon were donated to Children's Hospital of Orange County (CHOC)





Yamaha supported the opening of the Special Olympics through donations and volunteer activities

Regional welfare activity

The Yamaha Group conducts social welfare related activities such as supporting the medical field as well as sickness and injury care and child welfare. Employees also undertake voluntary charity-based activities, provide products and cooperate with charity organizations to contribute to the local community.



Donating blood as part of regional contribution activities (Yamaha Music (Malaysia) Sdn. Bhd.)









Visiting an orphanage (Yamaha Music (Malaysia) Sdn. Bhd.)



Presenting "TENORI-ON" to alleviate stress before an operation (Yamaha Music Europe GmbH /France)





Cooperation to bringing relief to children undergoing cancer treatment (Yamaha Music Europe GmbH /Spain)





Cooperating with a charity event run by a cancer association (Yamaha Music Europe GmbH / Holland)





Donation of a piano aid the little girl who is at present undergoing therapy to overcome her traumatic experience (Yamaha Music Europe GmbH / Belgium)

Support for Areas Devastated by the Great East Japan Earthquake

The Yamaha Group continues its support for restoration and recovery in areas affected by the Great East Japan Earthquake through the activities of School Music Revival. These activities are part of a three-year project started in July 2011 by Japan Musical Instruments Association together with musician Ryuichi Sakamoto, under the theme "Use the power of music and musical instruments to bring smiles to children's faces."

(1) Support Through the School Music Revival Fund

«School Music Revival Live»

In the affected regions, School Music Revival sponsors events such as concerts and music appreciation classes at kindergartens and elementary schools, carrying out activities to make children aware of the fun of music and musical instruments. In August 2013, School Music Revival Live was held in Natori City, Miyagi Prefecture, which was damaged by the tsunami, and more than 300 Tohoku region high school students put on stage performances full of the energy of youth. What's more, the third School Music Revival Live will be held in Sendai City in August 2014, wrapping up the Fund's activities.



School Music Revival Live, in which Ryuichi Sakamoto also performed

Fundraising Activities at the Yamaha Group

The Yamaha Group contributed the amounts listed below in fiscal 2013 to School Music Revival, whose objectives are as follows: supporting the inspection, maintenance, and repair of school musical instruments at schools in areas affected by the Great East Japan Earthquake and concomitant support for music activities in the affected areas.

Source of donation revenue	Amount
Part of the proceeds from the entrance fees for the 22nd Hamamatsu Jazz Week	¥550,550
Part of the proceeds from Yamaha Baseball Club original towels	¥43,800
Money contributed by employees in the headquarters of Yamaha Corporation	¥36,752

The 22nd Hamamatsu Jazz Week was held for nine days from October 19 to 27, 2013 in conjunction with the city of Hamamatsu, Hamamatsu Cultural Foundation, The Shizuoka Shimbun and Shizuoka Broadcasting System, Yamaha Corporation and Yamaha Music Foundation. Part of the proceeds, from the entrance fees for the entire event (excluding City jazz club) were donated to the School Music Revival Fund.

Also, a portion of the proceeds from Yamaha Baseball Club original towels sold there and money contributed by employees were donated to the School Music Revival Fund.

(2) Assistance to the Affected Area of Ofunato City through the Yamaha Symphonic Band

The Yamaha Symphonic Band is proactively involved in support for reconstruction of areas affected by the Great East Japan Earthquake.

It performed in the Great East Japan Earthquake Recovery and Prayer Charity Concert (sponsored by the Aichi Prefecture Wind Instrument Music Federation) held in Aichi Prefecture in August 2013, and in October it held the Ofunato Special Concert with Yamaha Symphonic Band and Nobuya Sugawa. This was a charity concert held in Ofunato City, Iwate Prefecture, which the Yamaha Symphonic Band has continually supported since the earthquake.

And at the Pop Concert 2013, which the band put on in December, funds were collected in the venue to assist the affected areas, just like the previous year, and the 110,000 yen collected from those in attendance was donated to Ofunato City.



Charity concert in Ofunato City



Fundraising at the pop concert

Donation of Musical Instruments and a Concert for Schools for the Children of Migrant Farmers

Yamaha Music & Electronics (China) Co., Ltd. began donating instruments to schools for the children of migrant farmers all over China in 2012 as a gesture of gratitude toward local areas for the development of its business in China and the development of its business there

This activity began with the idea that by donating upright pianos, portable keyboards, AV equipment and more for music classes in the schools, it could offer more children the opportunity to experience music and teach as many children as possible about the wonder of music.

In fiscal 2013, it donated musical instruments to 27 schools, including elementary schools, middle schools and elementary schools for the children of migrant farmers in Beijing, Tianjin, and Hangzhou.

It is also putting effort into music education support activities in China. For example, in March 2014 it sent portable keyboard performers to a school for the children of migrant farmers it had donated instruments to the previous year. They gave a mini concert to students. It also provided performance coaching to music teachers.



Musical instrument presentation ceremony (Beijing)



Concert at a school

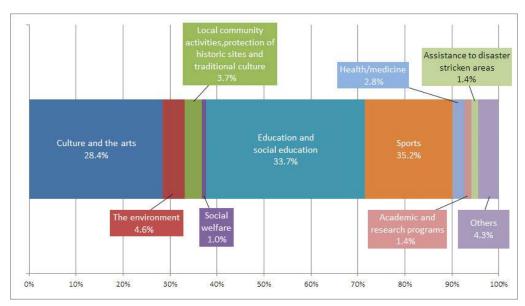


Expenditures for social contributions

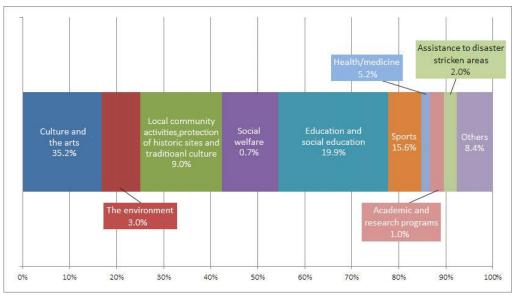
In fiscal 2013, the Yamaha Group spent 498.78 million yen on social contributions, including activities contributing to the popularization and development of music and music culture, and contributions to the region and to welfare of society.

*The above expenditures do not include actions taken by the Yamaha Music Foundation.

Expenditures for social contributions made: 498.78 million yen



Number of social contributions made: 415



^{*} Classification of expenditure is based on surveys of social contribution activities performed by the Keidanren One-Percent Club.

Environmental Performance Data





Environmental Accounting

- → (Environmental Accounting)Yamaha Group
- → (Environmental Accounting)Resort Facilities
- → (Environmental Accounting)Overseas Affiliates(Manufacturing Bases)



Environmental Data

- → (Environmental Data)Yamaha Group(1)
- → (Environmental Data)Yamaha Group(2)
- → (Environmental Data)Resort Facilities
- → (Environmental Data)Group

Manufacturing Companies Located Overseas



Environmental Data by Site

- → (Environmental Data by Site)(1)
- → (Environmental Data by Site)(2)
- → (Environmental Data by Site)Resort

Facilities

→ (Environmental Data by

Site)Overseas(1)

→ (Environmental Data by Site)Overseas(2)



ISO 14001-Certified Sites ▶



History of Environmental Initiatives

(Environmental Accounting)Yamaha Group

Yamaha Corporation introduced environmental accounting in fiscal 1999 as a means of quantitatively evaluating the effectiveness of its environmental conservation activities. These environmental accounting practices were then implemented at Yamaha Group manufacturing companies and resort facilities in Japan, and since fiscal 2004 they have also been implemented at some overseas Group production sites.

Yamaha Group (Yamaha Corporation and Group Production Companies in Japan)

Environmental Expenses

The Yamaha Group's environmental equipment investment in fiscal 2013 decreased by ¥66 million to ¥84 million.

Principal investments were for air conditioner upgrades and other utility refinement.

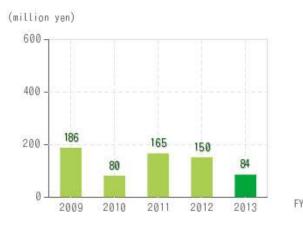
Environmental Expenses

(million yen)

		Details	Investment*1	Expenses*2
'	Pollution prevention	Prevention of air, water and soil pollution, etc.	26.6	238
costs	Energy conservation, etc.	Prevention of global warming, protection of the ozone layer, etc.	46.5	63.9
	Waste, etc.	Waste recycling, resource saving, conservation of water, etc.	3.0	344.8
Upstream/downstr	ream costs	Recycling of products, improvements in logistics, etc.	2.7	43.6
Management costs		Environmental education, ISO 14001, greening of premises, etc.	4.9	276.8
Research and development costs		Development of environmentally friendly products, prototypes, etc.	-	114.6
Social activity costs		Social contributions, etc		14.0
Environmental damage costs		Groundwater purification, SOx levies, etc.	0.0	14.5
Total			83.7 (-66.0)	1110.1 (-90.8)

() Indicates comparison with the previous year

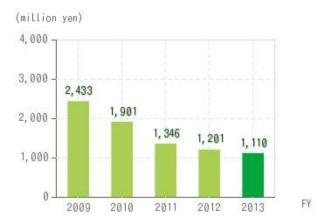
Environmental Investment



^{*1} Equipment investment refers to investment in factories and equipment made for environmental conservation objectives. The figure is calculated by multiplying the purchase price of individual pieces of equipment by a figure determined by the proportion of the environmental conservation purpose to the whole purpose of the purchase of such equipment (e.g., 0.1, 0.5, 1.0).

^{*2} Expenses refer to personnel and other costs expended for environmental conservation activities. Personnel expenses are calculated by multiplying the time spent on environmental conservation activities determined by the manager of each department by a common unit cost of personnel expenses set in each company. Costs are determined by multiplying the amounts paid externally by a certain figure calculated using a proportional distribution method as in the case of investment amounts (e.g., 0.1, 0.5, 1.0). Depreciation costs are not included.

Environmental Expenses



Environmental Effects

1. Environmental Conservation Effects

The Yamaha Group's CO2 emissions fell by 1,000 tons compared with the previous fiscal year to 60,100 tons.

Water usage increased by $80,000 \text{ m}^3$ year on year to $1,420,000 \text{ m}^3$.

Also, final disposal at landfills was 3.2 tons, a reduction of 10.2 tons, and emissions of chemical substances increased by 3 tons.

Environmental Conservation Effects

Details	Unit	FY2012	FY2013	Reduction
CO ₂ emissions	10,000tons-CO2	6.11	6.01	0.10
Greenhouse gas emissions	10,000tons-CO2	0.74	0.74	-0.01
Water consumption	10,000m ³	134	142	-8
Waste treated or disposed of	tons	13.5	3.2	10.2
Chemical substances released*3	tons	45	48	-3
CFC substitutes emissions	tons	0.0	0.0	0.0

^{*3 &}quot;Chemical substances" refers to those substances subject to the PRTR Law that the Yamaha Group in Japan uses.

2. Economic Effects

Electricity and heating costs increased by roughly ¥98 million to ¥2.41 billion compared with the previous fiscal year. Water costs remained ¥18 million as unchanged from the previous year, and sewerage costs increased by ¥2 million to ¥32 million. Waste treatment costs decreased by approximately ¥4 million to ¥143 million.

Through the conversion of waste to valuable materials, the Group gained ¥277 million in income from the sale of valuable materials, resulting in a total economic effect of ¥181 million.

All figures presented are actual figures from the accounting register, and include no estimates.

Economic Effects (million yen)

Details	FY2012	FY2013	Savings
Total savings			-96
Electricity and heating costs	2,303	2,401	-98
Water costs	18	18	0
Sewerage costs	30	32	-2
Waste disposal costs	147	143	4
Income from sales of valuable wastes	255	277	277
Economic effects			181

A minus sign (-) indicates an increase.

Environmental Performance Data, Environmental Accounting (2): Resort Facilities

Environmental Performance Data, Environmental Accounting (3): Group Manufacturing Companies Located Overseas

(Environmental Accounting)Resort Facilities

Resort Facilities

Environmental Expenses

In fiscal 2013, environmental capital investment decreased by ¥0.9 million compared with the previous fiscal year to ¥14.9 million. Principal investments included converting to LED lighting (Tsumagoi™) and water supply and drainage improvements (Katsuragi™). Environmental expenses primarily consisted of greening of facility premises.

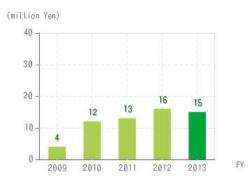
Environmental Expenses

(million yen)

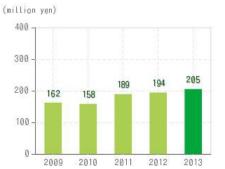
		Details	Investment*1	Expenses*2
Business area	Pollution prevention	Prevention of air, water and soil pollution, etc.	9.6	21.6
costs	Energy conservation, etc.	Prevention of global warming, protection of the ozone layer, etc.	4.9	5.0
	Waste, etc.	Waste recycling, resource saving, conservation of water, etc.	0.0	52.5
Upstream/downstr	ream costs	Recycling of products, improvements in logistics, etc.	0.0	2.2
Management costs		Environmental education, ISO 14001, greening of premises, etc.	0.4	121.5
Research and development costs		Development of environmentally friendly products and services, etc.	-	1.0
Social activity costs		Social contributions, etc.	0.0	0.7
Environmental damage costs		Groundwater purification, etc.	0.0	0.2
Total			14.9 (-0.9)	204.7 (10.6)

() indicates comparison with the previous year.

Environmental Investment



Environmental Expenses



^{*1} Equipment investment refers to investment in factories and equipment made for environmental conservation objectives. The figure is calculated by multiplying the purchase price of individual pieces of equipment by a figure determined by the proportion of the environmental conservation purpose to the whole purpose of the purchase of such equipment (e.g., 0.1, 0.5, 1.0).

^{*2} Expenses refer to personnel and other costs expended for environmental conservation activities. Personnel expenses are calculated by multiplying the time spent on environmental conservation activities determined by the manager of each department by a common unit cost of personnel expenses set in each company. Costs are determined by multiplying the amounts paid externally by a certain figure calculated using a proportional distribution method as in the case of investment amounts (e.g., 0.1, 0.5, 1.0). Depreciation costs are not included.

Environmental Effects

1. Environmental Conservation Effects

In fiscal 2013, CO_2 emissions increased by 200 tons, water usage increased by 26,000 m³ and the amount of disposed waste declined by 3 tons.

Environmental Conservation Effects

Details	Unit	FY2012	FY2013	Change
CO ₂ emissions	10,000tons-CO ₂	0.90	0.92	-0.02
Water consumption	10,000m ³	60.9	63.5	-2.6
Waste treated or disposed of	1,000tons	0.017	0.014	0.003

Minus (-) indicates an increase.

2. Economic Effects

In fiscal 2013, electricity and heating costs increased by ¥20.2 million, water costs decreased by approximately ¥2.8 million and waste disposal costs decreased by ¥7.9 million. The result was a total negative economic effect of ¥9.1 million compared with the previous fiscal year, including sales profit of 400,000 yen from the conversion of waste to valuables.

Economic Effects (million yen)

Details	FY2012	FY2013	Savings
Total savings			-9.5
Electricity and heating costs	328.3	348.4	-20.2
Water costs	82.0	79.2	2.8
Waste disposal costs	27.5	19.6	7.9
Income from sale of valuable waste	0.3	0.4	0.4
Economic effects			-9.1

Minus (-) indicates an increase.

(Environmental Accounting) Overseas Affiliates (Manufacturing Bases)

Overseas Affiliates (Manufacturing Bases)

Of the Yamaha Group's overseas affiliates (manufacturing bases), two companies in Indonesia introduced environmental accounting in fiscal 2004. Three more introduced environmental accounting in fiscal 2006, bringing all manufacturing companies in Indonesia into the system.

Target companies:

- T. Yamaha Electronics Manufacturing Indonesia
- PT. Yamaha Indonesia
- PT. Yamaha Music Manufacturing Asia PT. Yamaha Music Manufacturing Indonesia
- and PT. Yamaha Musical Products Indonesia

Environmental Expenses

Environmental capital investment in fiscal 2013 was ¥43.3 million. Major investments included dust collection equipment, air distribution systems, solvent recovery equipment and effluent treatment facility renovation. Environmental expenses amounted to ¥68.2 million.

Environmental Expenses

(million yen)

		Details	Investment*1	Expenses*2
Management cost Research and dev Social activity cos	Pollution prevention	Prevention of air, water and soil pollution, etc.	17.0	30.7
costs	Energy conservation, etc.	Prevention of global warming, protection of the ozone layer, etc.	3.0	1.3
	Waste, etc.	Waste recycling, resource saving, conservation of water, etc.	5.8	28.6
Upstream/downstr	ream costs	Recycling of products, improvements in logistics, etc.	7.2	0.5
Management costs		Environmental education, ISO 14001, greening of premises, etc.	2.5	6.9
Research and development costs		Development of environmentally friendly products, prototypes, etc.	_	0.1
Social activity costs		Social contributions, etc	0.0	0.0
Environmental damage costs		Groundwater purification, SOx levies, etc.	7.8	0.0
Total			43.3 (6.1)	68.2 (8.7)

() Indicates comparison with the previous year

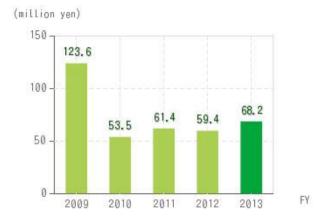
Environmental Investment

(million yen) 80 60 43.3 37.2 40 24.7 23.4 14.9 20 2009 2010 2011 2012 2013

^{*1} Equipment investment refers to investment in factories and equipment made for environmental conservation objectives. The figure is calculated by multiplying the purchase price of individual pieces of equipment by a figure determined by the proportion of the environmental conservation purpose to the whole purpose of the purchase of such equipment (e.g., 0.1, 0.5, 1.0).

^{*2} Expenses refer to personnel and other costs expended for environmental conservation activities. Personnel expenses are calculated by multiplying the time spent on environmental conservation activities determined by the manager of each department by a common unit cost of personnel expenses set in each company. Costs are determined by multiplying the amounts paid externally by a certain figure calculated using a proportional distribution method as in the case of investment amounts (e.g., 0.1, 0.5, 1.0). Depreciation costs are not included.

Environmental Expenses



Environmental Effects

1. Environmental Conservation Effects

In fiscal 2013, CO₂ emissions decreased by 300 tons, water usage increased by 39,000m³ and the amount of disposed waste decreased by 20 tons, compared with the previous fiscal year.

Environmental Conservation Effects

Details	Unit	FY2012	FY2013	Change
CO ₂ emissions	10,000tons-CO ₂	4.22	4.19	0.03
Water consumption	10,000m ³	35.8	39.7	-3.9
Waste treated or disposed of	1,000tons	0.46	0.44	0.02

Minus(-)indicates an increase.

2. Economic Effects

In fiscal 2013, electricity and heating costs increased by ¥50.0 million and water costs increased by ¥1.9 million, sewerage costs grew by ¥2.4 million while waste disposal costs were down ¥3.6 million from the previous fiscal year. Added income from the sale of valuable wastes amounted to ¥14.8 million resulting in a total negative economic effect figure of ¥35.9 million, which was a decline from the previous fiscal year.

Economic Effects (million yen)

Details	FY2012	FY2013	Saving
Total savings			-50.7
Electricity and heating costs	437.7	487.6	-50.0
Water costs	27.1	29.0	-1.9
Sewerage costs	9.2	11.6	-2.4
Waste disposal costs	11.1	7.5	3.6
Income from sales of valuable wastes	32.5	14.8	14.8
Economic effects			-35.9

Minus(-)indicates an increase.

(Environmental Data)Yamaha Group(1)

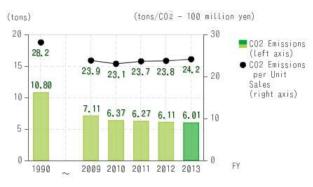
Yamaha Corporation and Group Manufacturing Companies in Japan

CO₂ Emissions (from energy consumption)

CO2 emissions of the Yamaha Group in Japan declined by 1,000 tons of CO2 compared with the previous fiscal year to 60,100 tons of CO2 in fiscal 2013. This was 45% lower than levels recorded in fiscal 1990, and largely exceeded our fiscal 2010 objective of 6%. In addition to a host of measures encompassing the integration of headquarters factory grand piano manufacturing processes to the Kakegawa Factory and the integration of wind instrument manufacturing plants in Saitama to the Toyooka Factory, this result is largely attributable to the drop in production volume due mainly to the sale of certain businesses and deterioration in the economic environment.

In addition, CO₂ emissions per unit of sales were 24.2 tons of CO₂ per ¥100 million, an increase of 1.5% compared with the previous fiscal year.

CO₂ Emissions (from energy consumption)

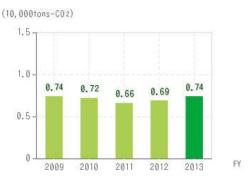


Non-CO₂ Greenhouse Gas Emissions^{*1}

Emissions of greenhouse gases other than CO₂ were 7,400 tons in fiscal 2013, a 500 ton increase compared with the previous fiscal year. The major factor behind this increase was a change in the type of gas consumption owing to a change in production item.

*1 Primarily sulfur hexafluoride (SF6) and perfluorocarbons (PFCs)

Non-CO2 Greenhouse Gas Emissions

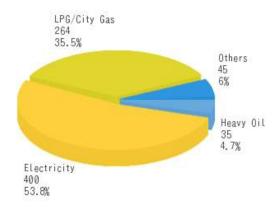


Breakdown of Energy Consumption

Energy use in fiscal 2013 fell 2 TJ compared with the previous fiscal year to 745TJ.

Electricity and gas (city gas, LPG, LNG) accounts for 89% of the total.

Breakdown of Energy Consumption



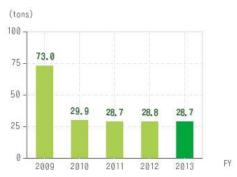
Amount of HCFCs Used

By the end of 1993, the Yamaha Group in Japan stopped using specified CFCs in an effort to protect the ozone layer. The Group then worked to reduce the amount of HCFC used as washing agents in metal cleaning processes, eliminating their use completely in fiscal 2005.

NOx (nitrogen oxide) Emissions

NOx is generated by the burning of fuels such as heavy oil, coke and LPG. In fiscal 2013, Yamaha Group NOx emissions in Japan were on par with the previous fiscal year at 28.7 tons.

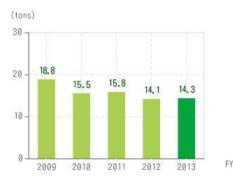
NOx (Nitrogen Oxide) Emissions



SOx(sulfur oxide) Emissions

SOx is generated primarily through the burning of heavy oil, coke, and other fuels. Because the sulfur content of fuel contributes to these emissions, the Yamaha Group in Japan has adopted low-sulfur fuels. In fiscal 2013, emissions were on par with the previous fiscal year at 14.3 tons.

SOx (Sulfur Oxide) Emissions



Complying with the PRTR*3 Law

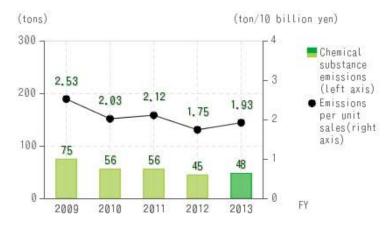
In fiscal 2013, the Yamaha Group handled a total of 303 tons of substances designated under the PRTR Law, about the same amount as the previous fiscal year. Emissions released into the environment were on par with the previous fiscal year at 48 tons.

Of the 48 tons released into the environment, about 80% comprises styrene, toluene and xylene from painting processes. Going forward, Yamaha will continue efforts to reduce VOC emissions.

*3 PRTR: An abbreviation for Pollutant Release and Transfer Register.

The PRTR Law is an abbreviation of the Law Concerning Reporting, etc. of Releases to the Environment of Specific Chemical Substances and Promoting Improvements in their Management.

Amount of PRTR-designated Substances Released



^{*} Values in previous fiscal years were revised.

	Oloup I Itil	r results (i	12010.00	puii)						(tons)
Class 1 I Substant	Designated C ces	hemical	Total amount handled	Amount re	leased into	the environn	nent	Amount tra	nsferred	Others
Order	Ordinanc e No.	Substanc e name	nanuieu	Into air	Into public water	Into soil	Buried on facility premises	Waste transferre d	To sewerag e system	Consum ption, products, etc.
1	240	styrene	220.4	19.8	0.0	0.0	0.0	2.2	0.0	198.4
2	300	toluene	14.3	14.2	0.0	0.0	0.0	0.1	0.0	0.0
3	374	hydrogen fluoride and its water- soluble salts	11.8	0.0	0.0	0.0	0.0	0.0	0.0	11.8
4	438	methylna phthalen e	10.6	0.1	0.0	0.0	0.0	0.0	0.0	10.6
5	232	N,N-dime thylforma mide	9.1	0.0	0.0	0.0	0.0	2.9	0.0	6.2
6	20	2-aminoe thanol	6.3	0.0	0.0	0.0	0.0	5.9	0.0	0.3
7	80	xylene	4.9	4.6	0.0	0.0	0.0	0.2	0.0	0.0
8	420	methyl methacryl ate	4.0	3.0	0.0	0.0	0.0	0.0	0.0	0.9
9	384	1-bromo propane	3.0	2.3	0.0	0.0	0.0	0.0	0.0	0.7
10	53	ethylbenz ene	2.7	2.7	0.0	0.0	0.0	0.0	0.0	0.0
11	309	nickel compoun ds	2.1	0.0	0.0	0.0	0.0	0.2	0.0	1.9
12	308	nickel	1.9	0.0	0.0	0.0	0.0	0.0	0.0	1.9
13	71	ferric chloride	1.6	0.0	0.0	0.0	0.0	0.0	0.0	1.6
14	354	di-n-butyl phthalate	1.4	0.0	0.0	0.0	0.0	1.0	0.0	0.4
15	144	inorganic cyanide compoun ds (except complex salts and cyanates)	1.2	0.0	0.0	0.0	0.0	0.0	0.0	1.2
16	407	poly(oxye thylene)al kyl ether(alky I C=12-15)	1.1	0.0	0.0	0.0	0.0	0.0	0.0	1.1
17	134	vinyl acetate	0.8	0.8	0.0	0.0	0.0	0.0	0.0	0.1
18	87	chromiu m and chromiu m(III) compoun ds	0.8	0.0	0.0	0.0	0.0	0.8	0.0	0.0
19	82	silver and its water- soluble compoun ds	0.7	0.0	0.0	0.0	0.0	0.0	0.0	0.7
20	132	cobalt and its compoun ds poly(oxye thylene) nonylphe	0.6	0.0	0.0	0.0	0.0	0.0	0.0	0.6

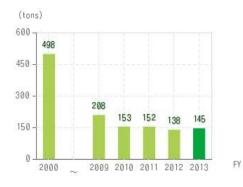
Class 1 Designated Chemical Substances			Total amount	Amount released into the environment				Amount transferred		Others
Order	Ordinanc e No.	Substanc e name	handled	Into air	Into public water	Into soil	Buried on facility premises	Waste transferre d	To sewerage system	Consump tion, products, etc.
		nyl ether								
21	276	3,6,9- triazaund ecane -1,11- diamine poly(oxye thylene)al kyl ether(alky I C=12-15)	0.6	0.0	0.0	0.0	0.0	0.4	0.0	0.2
22	297	1,3,5- trimethylb enzene	0.5	0.5	0.0	0.0	0.0	0.0	0.0	0.0
23	395	water- soluble salts of peroxodi sulfuric acid	0.3	0.0	0.0	0.0	0.0	0.0	0.0	0.3
24	88	chromiu m(VI) compoun ds	0.3	0.0	0.0	0.0	0.0	0.0	0.0	0.3
25	448	methylen ebis(4,1- phenylen e) diisocyan ate	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.2
26	349	phenol	0.2	0.1	0.0	0.0	0.0	0.0	0.0	0.1
27	333	hydrazine	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.2
28	411	formalde hyde	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.2
29	258	1,3,5,7- tetraazatri cyclo [3.3.1.13. 7]decane	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.2
30	405	boron compoun ds	0.2	0.0	0.1	0.0	0.0	0.0	0.0	0.0
31	76	epsilon- caprolact am	0.2	0.0	0.0	0.0	0.0	0.2	0.0	0.0
32	59	ethylene diamine n-hexane	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.1
33	410	poly(oxye thylene) nonylphe nyl ether	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.1
		Others	0.6	0.2	0.0	0.0	0.0	0.2	0.0	0.3
		Total	303.3	48.3	0.1	0.0	0.0	14.2	0.0	240.8

Note: The above list includes those of the 462 Class 1 substances that Yamaha handled in a volume of 0.1 tons or greater. In some cases the total values may appear not to match due to rounding of numbers.

The Yamaha Group is working to reduce the emission of volatile organic compounds (VOCs) released during product coating, adhesion and other processes. VOCs, which include a wide range of substances such as toluene, xylene and ethyl acetate, are believed to be one of the sources of air pollutants such as optical oxidants and suspended particulate matter.

In fiscal 2006, the Yamaha Group formed a working group to address VOC emissions reduction, conducted studies of VOC use and emission at each business site and investigated methods for reducing emissions. As a result of working to meet our goal of a 30% reduction in emissions compared to fiscal 2000 levels by fiscal 2010, we were able to reduce emissions by some 70%.

VOC Atmospheric Emissions



^{*} Values in previous fiscal years were revised.

(Environmental Data) Yamaha Group(2)

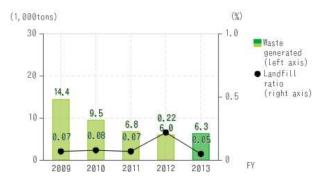
Yamaha Corporation and Group Manufacturing Companies in Japan

Amount of Waste Generated*1, Landfill Rate

The Yamaha Group in Japan generated 6,300 tons of waste in fiscal 2013, a 300 ton increase compared with the previous fiscal year. We are promoting the in-house treatment of such waste materials as sludge acid and waste alkali utilizing internal effluent treatment facilities as well as valuable wastes through sorting activities and measures aimed at reducing waste by enhancing extraction rates, but waste increased because of changes in the amount of production and changes in the work process. The overall landfill rate was 0.05%, as we continued to achieve zero emissions of following the success in fiscal 2012. Note that the increase in landfill rate in fiscal year 2012 is due to the impact of efforts to eliminate asbestos in equipment and building materials inside the premises.

- *1 Beginning in fiscal 2011, we stopped including the amount recycled in factories in the amount of waste generated.
- *2 Zero Emissions is defined by the Yamaha Group as limiting the weight of final waste sent to landfill to less than 1% of waste generated

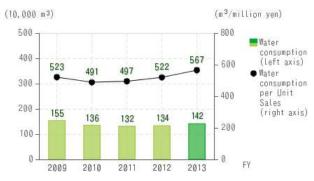
Amount of Waste Generated



Water Usage

Yamaha Group domestic water use in fiscal 2013 increased by 6% over the previous fiscal year to 1.42 million cubic meters. The increase was due to an increase in production and the trouble of facilities.

Water Consumption



Containers and Packaging Material Used

Yamaha Corporation used 3,104 tons of containers and packaging materials in fiscal 2013, up 461 tons from the previous fiscal year.

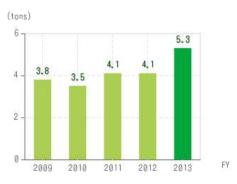
Containers and Packaging Material Used



BOD (Biochemical Oxygen Demand) Emissions

Water discharged into public water by the Yamaha Group in Japan contained 5.3 tons of BOD in fiscal 2013, which represents a 1.2 ton increase compared with the previous fiscal year.

BOD (Biochemical Oxygen Demand) Emissions



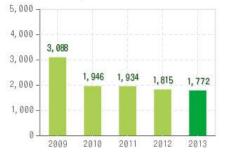
* Energy consumption in the previous fiscal year was adjusted because of a change in the calculation method. This figure represents the difference with the revised value.

Logistics-related CO₂ Emissions

In fiscal 2013, transportation volume for the Yamaha Group in Japan was down 2.3% compared with the previous fiscal year to 17.72 million tons-kilometers. CO₂ emissions in fiscal 2013 amounted to 2,808 tons of CO₂, a 1.9% decrease compared with the previous fiscal year.

Transport Volume (Total)

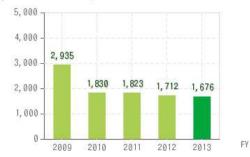
(10,000tons-kilimeters)



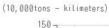
FY

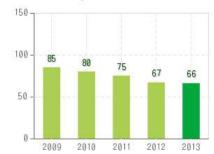
Transportation Volume (Short- and medium-distance) Breakdown: Road

(10,000tons - kilimeters)



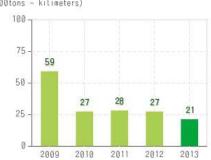
Transportation Volume (Long-distance) Breakdown: Rail





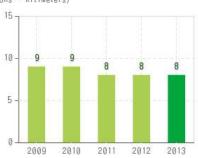
Transportation Volume (Long-distance) Breakdown: Sea

(10,000tons - kilimeters)



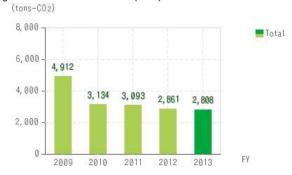
Transportation Volume (Long-distance) Breakdown: Air

(10,000tons - kilimeters)

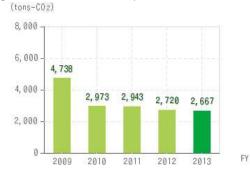


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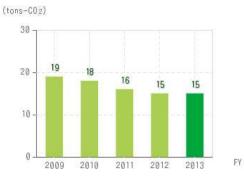
Logistics-related CO₂ Emissions (Total)



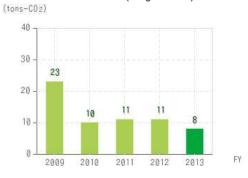
Logistics-related CO₂ Emissions (Short- and medium-distance) Breakdown: Road



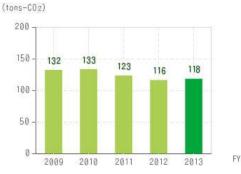
Logistics-related CO2 Emissions (Long-distance) Breakdown: Rail



Logistics-related CO₂ Emissions (Long-distance) Breakdown: Sea



Logistics-related CO₂ Emissions (Long-distance) Breakdown: Air

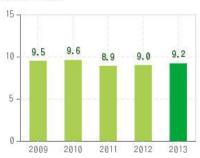


(Environmental Data)Resort Facilities

Resort Facilities

CO₂ Emissions (from energy consumption)

(1,000tons - CO2)

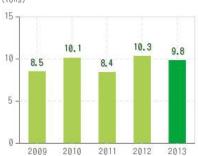


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* Values in previous fiscal years were revised.

NOx (Nitrogen Oxide) Emissions

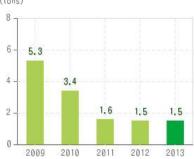
(tons)



E١

SOx (Sulfur Oxide) Emissions

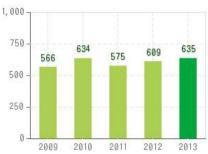
(tons)



FY

Water Consumption

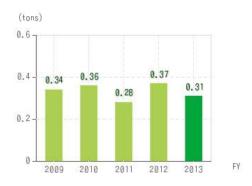
 $(1,000m^3)$



FY

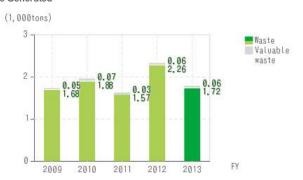
^{*} Values in previous fiscal years were revised.

BOD (Biochemical Oxygen Demand) Emissions



* Values in previous fiscal years were revised.

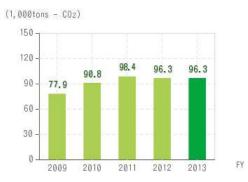
Waste Generated



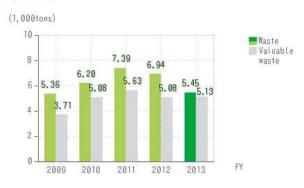
(Environmental Data) Group Manufacturing Companies Located Overseas

Group Manufacturing Companies Located Overseas

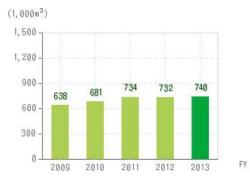
CO₂ Emissions (from energy consumption)



Waste Generated



Water Consumption



^{*} Values in previous fiscal years were revised.

(Environmental Data by Site)(1)

Headquarters Area

Including Yamaha Corporation headquarters, Yamaha Music Japan Co., Ltd., Yamaha Business Support Corporation, Yamaha Travel Service Co., Ltd., Yamaha Ai Works Co., Ltd., YAMAHA UNION and various other organizations.

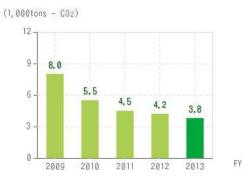
Business Development, design and sales of pianos, audio visual equipment, ICT devices, electronic devices, wind, string lines and percussion instruments, PA equipment, and sound proof chambers; as well as administrative functions

Location Hamamatsu City, Shizuoka Prefecture

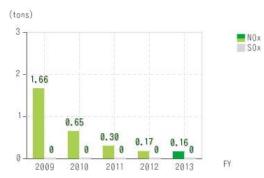
No. of Employees 2,519 Site area 225,600m²

< Summary of Environmental Data >

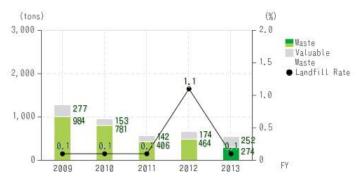
Headquarters Area: CO₂ Emissions (from energy consumption)



Headquarters Area: NOx/SOx Emissions

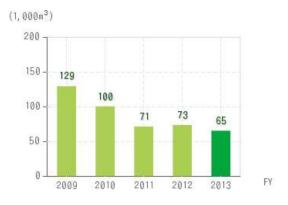


Headquarters Area: Waste Generated

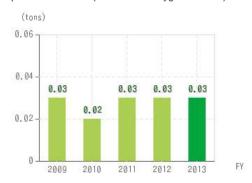


^{*} The amounts of waste in previous fiscal years were revised.

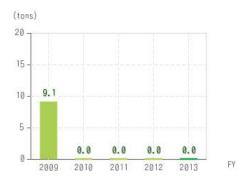
Headquarters Area: Water Consumption



Headquarters Area:BOD (Biochemical Oxygen Demand)



Headquarters Area:PRTR-designated Substances Released



PRTR Results (FY2013)

There are no notifications under the PRTR Law.

Toyooka Factory

(2014/4 - Yamaha Corporation Toyooka Factory, Yamaha Musical Products Japan Co., Ltd. Main Factory, Yamaha Music Electronics Japan Co., Ltd. Main Factory)

Business Manufacture of electronic instruments, wind, string and percussions instrument, PA equipment and electronic

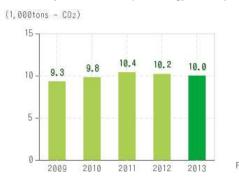
lines components

Location Iwata City, Shizuoka Prefecture

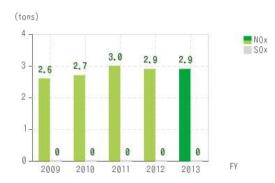
No. of Employees 1,600 Site area 184,197m²

< Summary of Environmental Data>

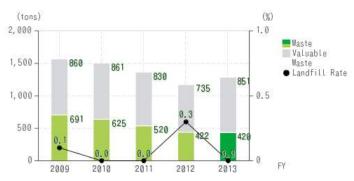
Toyooka Factory:CO₂ Emissions (from energy consumption)



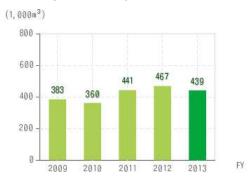
Toyooka Factory:NOx/SOx Emissions



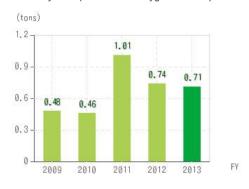
Toyooka Factory: Waste Generated



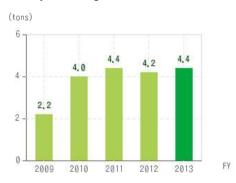
Toyooka Factory:Water Consumption



Toyooka Factory:BOD (Biochemical Oxygen Demand)



Toyooka Factory:PRTR-designated Substances Released



PRTR Results(FY2013) (tons)

	,								(10110)
Ordinance	Class 1	Total	Amount rele	eased into the	environmen	t	Amount tran	Others	
No.	Designate amount handled Chemical Substance s		Into air	Into public water	Into soil	Buried on Facility premises	Waste transferre d	To sewerage system	Consumpti on, products, etc.
384	1-bromopr opane	3.0	2.3	0.0	0.0	0.0	0.0	0.0	0.7
144	inorganic cyanide compound s (except complex salts and cyanates)	1.2	0.0	0.0	0.0	0.0	0.3	0.0	1.2
407	poly(oxyet hylene)alk yl ether (alkyl C=12-15)	1.1	0.0	0.0	0.0	0.0	0.0	0.0	1.1
80	xylene	1.1	0.8	0.0	0.0	0.0	0.2	0.0	0.0
	Others	5.4	1.2	0.1	0.0	0.0	1.1	0.0	2.9
	Total	11.8	4.3	0.1	0.0	0.0	1.4	0.0	6.0

Kakegawa Factory

(2014/4 - Yamaha Corporation Kakegawa Factory, Yamaha Piano Manufacturing Japan Co., Ltd. Headquarters Factory, Yamaha Piano Manufacturing Japan Co., Ltd. Iwata Factory)

Business Manufacture of pianos, hybrid pianos, electric pianos and piano parts; manufacture of piano frames; and

lines manufacture of furniture and wood products

Location Kakegawa Factory : Kakegawa City, Shizuoka Prefecture

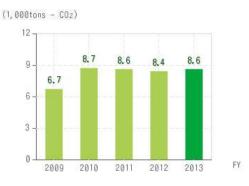
Iwata Factory: Iwata City, Shizuoka Prefecture

No. of Employees 761

Site area Kakegawa Factory:222,410m², Iwata Factory:47,855m²

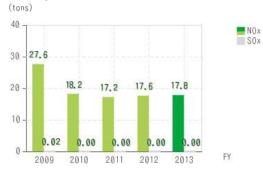
< Summary of Environmental Data (Kakegawa Factory) >

Kakegawa Factory: CO₂ Emissions (from energy consumption)

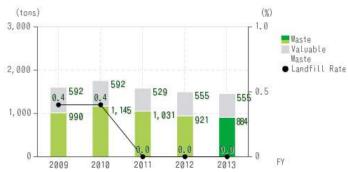


^{*} Values in previous fiscal years were revised

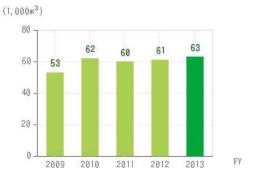
Kakegawa Factory: NOx/SOx Emissions



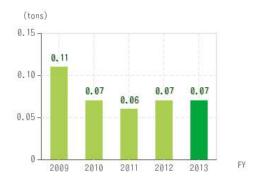
Kakegawa Factory: Waste Generated



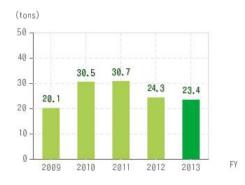
Kakegawa Factory: Water Consumption



Kakegawa Factory: BOD (Biochemical Oxygen Demand)



Kakegawa Factory:PRTR-designated Substances Released



^{*} Values in previous fiscal years were revised.

PRTR Results(FY2013)

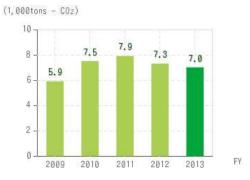
(tons)

		Total amount	Amount rele	ased into the	environmen	Amount tran	Others		
No.	Designate am d ha Chemical Substance s		Into air	Into public water	Into soil	Buried on Facility premises	Waste transferre d	To sewerage system	Consumpti on, products, etc.
240	styrene	86.0	12.2	0.0	0.0	0.0	2.2	0.0	71.6
300	toluene	7.7	7.7	0.0	0.0	0.0	0.0	0.0	0.0
80	xylene	2.3	2.3	0.0	0.0	0.0	0.0	0.0	0.0
309	nickel compound s	1.9	0.0	0.0	0.0	0.0	0.2	0.0	1.7
308	nickel	1.8	0.0	0.0	0.0	0.0	0.0	0.0	1.8
71	ferric chloride	1.6	0.0	0.0	0.0	0.0	0.0	0.0	1.6
354	di-n-butyl phthalate	1.4	0.0	0.0	0.0	0.0	1.0	0.0	0.4
	Others	3.2	1.2	0.0	0.0	0.0	0.5	0.0	1.5
	Total	105.9	23.4	0.0	0.0	0.0	3.9	0.0	78.6

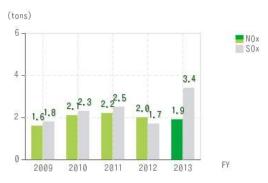
< Summary of Environmental Data (Iwata Factory) >

(2014/4 - Yamaha Piano Manufacturing Japan Co., Ltd. Iwata Factory)

Iwata Factory:CO2 Emissions (from energy consumption)



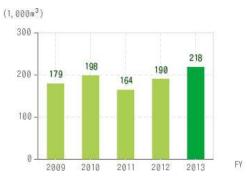
Iwata Factory:NOx/SOx Emissions



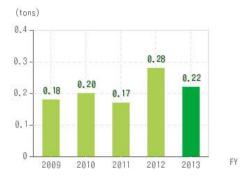
Iwata Factory: Waste Generated



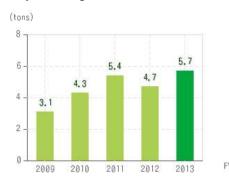
Iwata Factory: Water Consumption



Iwata Factory:BOD (Biochemical Oxygen Demand)



Iwata Factory:PRTR-designated Substances Released



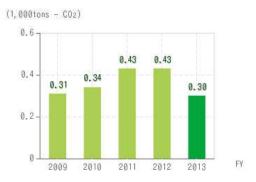
PRTR Results(FY2013) (tons)

Ordinance			Amount rele	ased into the	environment	Amount tran	Others		
No.	Designate d Chemical Substance s	amount handled	Into air	Into public water	Into soil	Buried on Facility premises	Waste transferre d	To sewerage system	Consumpti on, products, etc.
300	toluene	3.9	3.9	0.0	0.0	0.0	0.0	0.0	0.0
240	styrene	2.8	0.9	0.0	0.0	0.0	0.0	0.0	2.0
	Others	1.3	0.9	0.0	0.0	0.0	0.0	0.0	0.3
	Total	8.0	5.7	0.0	0.0	0.0	0.0	0.0	2.3

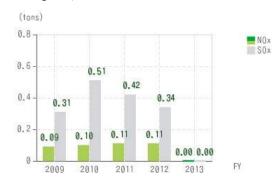
< Summary of Environmental Data (Yamanashi Kogei Co., Ltd.) >

(2014/4 - Yamaha Piano Manufacturing Japan Co., Ltd. Main Factory)

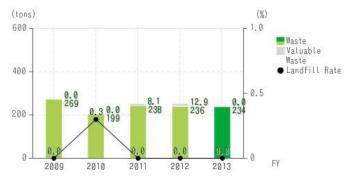
Yamanashi Kogei Co., Ltd.:CO2 Emissions (from energy consumption)



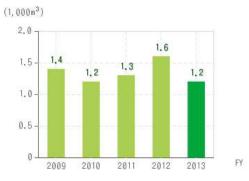
Yamanashi Kogei Co., Ltd.:NOx/SOx Emissions



Yamanashi Kogei Co., Ltd.:Waste Generated



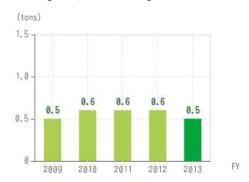
Yamanashi Kogei Co., Ltd.:Water Consumption



Yamanashi Kogei Co., Ltd.:BOD (Biochemical Oxygen Demand)

The company did not discharge any BODs into public watersheds.

Yamanashi Kogei Co., Ltd.:PRTR-designated Substances Released



PRTR Results(FY2013) (tons)

Ordinance	Class 1	Total	Amount released into the environment				Amount tran	Others	
No.	Designate d Chemical Substance s	amount handled	Into air	Into public water	Into soil	Buried on Facility premises	Waste transferre d	To sewerage system	Consumpti on, products, etc.
240	styrene	1.4	0.4	0.0	0.0	0.0	0.0	0.0	1.1
	Others	0.2	0.1	0.0	0.0	0.0	0.0	0.0	0.0
	Total	1.6	0.5	0.0	0.0	0.0	0.0	0.0	1.1

(Environmental Data by Site)(2)

Yamaha Fine Technologies Co., Ltd. (including Yamaha Wood Technology Group of Yamaha Corporation)

Manufacture of automobile interior components, development, manufacture and sale of factory automation (FA) lines

equipment, development of golf products, and business activities based mainly on production technologies for

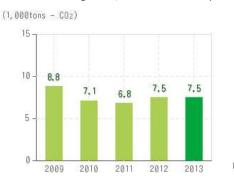
the Yamaha Group as a whole

Hamamatsu City, Shizuoka Prefecture Location

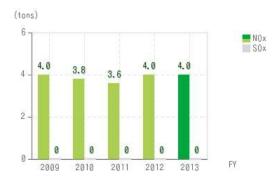
No. of Employees 835 **Site area** 182,829m²

< Summary of Environmental Data >

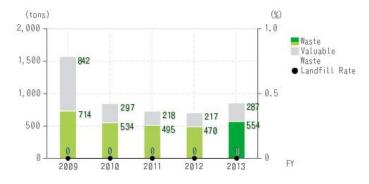
Yamaha Fine Technologies Co., Ltd.: CO2 Emissions (from energy consumption)



Yamaha Fine Technologies Co., Ltd.: NOx/SOx Emissions

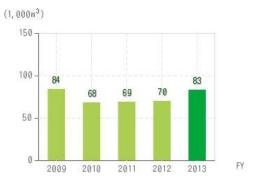


Yamaha Fine Technologies Co., Ltd.: Waste Generated

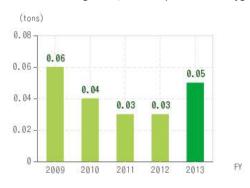


^{*} The amount of waste generated in previous fiscal years was revised.

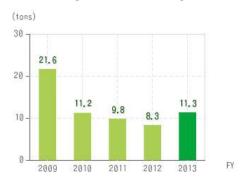
Yamaha Fine Technologies Co., Ltd.: Water Consumption



Yamaha Fine Technologies Co., Ltd.:BOD (Biochemical Oxygen Demand)



Yamaha Fine Technologies Co., Ltd.:PRTR-designated Substances Released



PRTR Results(FY2013) (tons)

(tens)										
Ordinance No.	Class 1 Designated	Designated	Total amount		int release	d into	the	Amount trans	ferred	Others
	Chemical Substances	handled	Into air	Into public water	Into soil	Buried on Facility premises	Waste transferred	To sewerage system	Consumption, products, etc.	
240	styrene	129.8	6.2	0.0	0.0	0.0	0.0	0.0	123.7	
420	methyl methacrylate	3.0	3.0	0.0	0.0	0.0	0.0	0.0	0.0	
300	toluene	1.0	1.0	0.0	0.0	0.0	0.0	0.0	0.0	
	Others	1.6	1.0	0.0	0.0	0.0	0.0	0.0	0.5	
	Total	135.5	11.3	0.0	0.0	0.0	0.0	0.0	124.2	

Yamaha Kagoshima Semiconductor Inc.

Business lines Manufacturing of LSI's for specific semiconductor applications

Location Aira-gun, Kagoshima Prefecture

No. of Employees 365
Site area 56,000m²

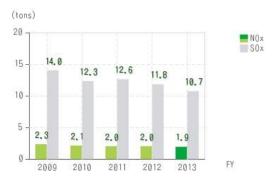
< Summary of Environmental Data >

Yamaha Kagoshima Semiconductor Inc.: CO2 Emissions

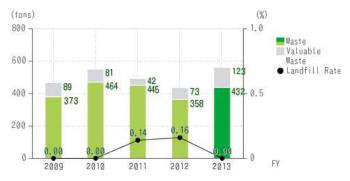


^{*} Primarily sulfur hexafluoride and perfluorocarbon.

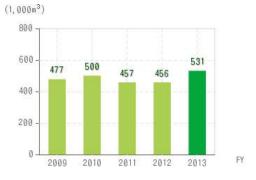
Yamaha Kagoshima Semiconductor Inc.: NOx/SOx Emissions



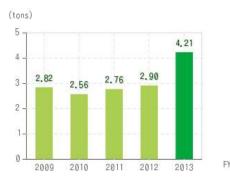
Yamaha Kagoshima Semiconductor Inc.: Waste Generated



Yamaha Kagoshima Semiconductor Inc.: Water Consumption

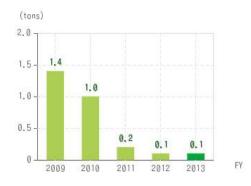


Yamaha Kagoshima Semiconductor Inc.:BOD (Biochemical Oxygen Demand)



* Values in previous fiscal years were revised.

Yamaha Kagoshima Semiconductor Inc.:PRTR-designated Substances Released



PRTR Results(FY2013) (tons)

		1							` ,
Ordinance No.			Amount rele	ased into the	environmen	Amount tran	Others		
INU.	Designate d Chemical Substance s	amount handled	Into air	Into public water	Into soil	Buried on Facility premises	Waste transferre d	To sewerage system	Consumpti on, products, etc.
374	hydrogen fluoride and its water- soluble salts	11.3	0.0	0.0	0.0	0.0	0.0	0.0	11.3
438	methylnap hthalene	10.6	0.1	0.0	0.0	0.0	0.0	0.0	10.6
232	N,N-dimet hylformam ide	9.1	0.0	0.0	0.0	0.0	2.9	0.0	6.2
20	2-aminoet hanol	6.0	0.0	0.0	0.0	0.0	5.9	0.0	0.0
333	hydrazine	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.2
	Othes	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	Total	37.3	0.1	0.0	0.0	0.0	8.9	0.0	28.3

D.S. Corporation

(2014/4 - Yamaha Music Electronics Japan Co., Ltd. Fukuroi Factory)

Business Manufacture of printed circuit board products, audio, visual, and instrument related devices, and ICT device

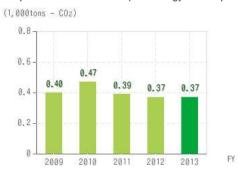
lines products

Location Fukuroi City , Shizuoka Prefecture

No. of Employees 126 Site area 8,900m²

< Summary of Environmental Data >

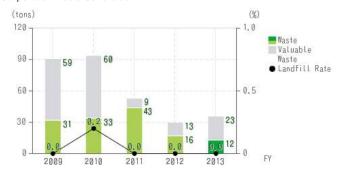
D.S. Corporation: CO₂ Emissions (from energy consumption)



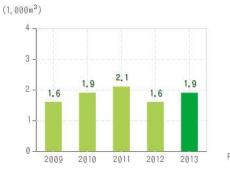
D.S. Corporation:NOx/SOx Emissions

The company did not emit any NOx or SOx.

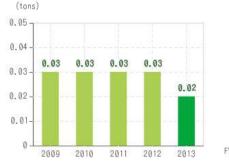
D.S. Corporation: Waste Generated



D.S. Corporation: Water Consumption



D.S. Corporation:BOD (Biochemical Oxygen Demand)



PRTR Results (FY2013)

There are no notifications under the PRTR Law.

Yamaha Music Craft Corporation Main Factory

(2014/4 - Yamaha Musical Products Matsunokijima Factory)

Business lines
Location | wata City, Shizuoka Prefecture

No. of Employees

Site area 4,742m²

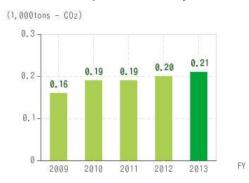
Processing, assembly, packing and shipping of wind instrument parts

shipping of wind instrument parts

shipping of wind instrument parts

< Summary of Environmental Data >

Yamaha Music Craft Corporation Main Factory: CO2 Emissions (from energy consumption)



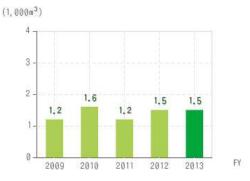
Yamaha Music Craft Corporation Main Factory: NOx/SOx Emissions

The company did not emit any NOx or SOx.

Yamaha Music Craft Corporation Main Factory: Waste Generated



Yamaha Music Craft Corporation Main Factory: Water Consumption



Yamaha Music Craft Corporation Main Factory: BOD (Biochemical Oxygen Demand)

The company did not discharge any BODs into public watersheds.

PRTR Results (FY2013)

There are no notifications under the PRTR Law.

Yamaha Music Craft Corporation Shinden Factory

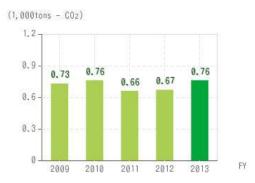
(2014.4 - Yamaha Musical Products Japan Co.,Ltd.lida Factory)

Business lines
Location
No. of Employees
Site area 14,474m²

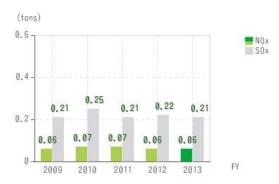
Manufacture of string, and percussion instruments
Parameters
Insurance of string, and percussion instruments
Profession instruments
Insurance of string, and percussion insurance of string, and an accordance of string, and

< Summary of Environmental Data >

Yamaha Music Craft Corporation Shinden Factory: CO2 Emissions (from energy consumption)

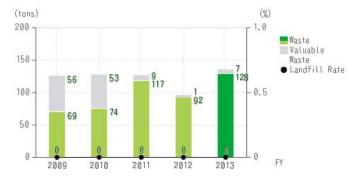


Yamaha Music Craft Corporation Shinden Factory: NOx/SOx Emissions



^{*} Sox values in previous fiscal years were revised.

Yamaha Music Craft Corporation Shinden Factory: Waste Generated



Yamaha Music Craft Corporation Shinden Factory: Water Consumption

(1,000m³)

4

2,6

2,1

1,8

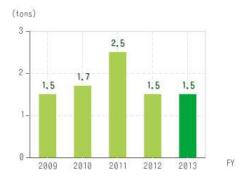
0,2
0,3

2009 2010 2011 2012 2013 FY

Yamaha Music Craft Corporation Shinden Factory:BOD (Biochemical Oxygen Demand)

The company did not discharge any BODs into public watersheds.

Yamaha Music Craft Corporation Shinden Factory: PRTR-designated Substances Released



PRTR Results (FY2013)

There are no notifications under the PRTR Law.

^{*} The Company started measurement of the amount of the groundwater used from FY2011.

Business Lumber manufacturing for musical instruments, processing of wooden parts, and manufacturing of other

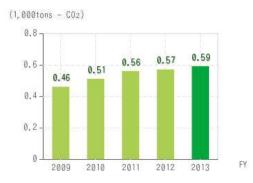
lines woodwork.

Location Kitaakita City , Akita Prefecture

No. of Employees 66 Site area 52,854m 2

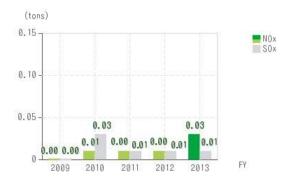
< Summary of Environmental Data >

Sakuraba Mokuzai Co., Ltd.:CO2 Emissions (from energy consumption)



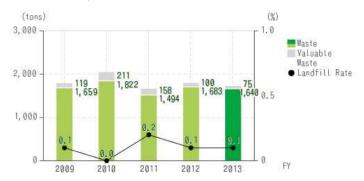
* Values in previous fiscal years were revised.

Sakuraba Mokuzai Co., Ltd.:NOx/SOx Emissions



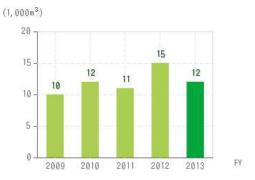
* Values in previous fiscal years were revised.

Sakuraba Mokuzai Co., Ltd.: Waste Generated

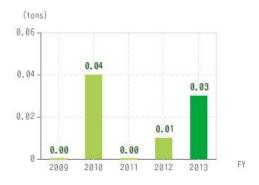


^{*} Recycle volume at the factory was included in value of waste generated.

Sakuraba Mokuzai Co., Ltd.: Water Consumption



Sakuraba Mokuzai Co., Ltd.:BOD (Biochemical Oxygen Demand)



PRTR Results (FY2013)

There are no notifications under the PRTR Law.

(Environmental Data by Site)Resort Facilities

Yamaha Resort Inc. — Tsumagoi™ —

Business lines Operation of lodging facilities, restaurants, relaxation and related facilities

Location Kakegawa City, Shizuoka Prefecture

No. of Employees 248

0

Site area 1,290,000m²

Yamaha Resort Inc. — Tsumagoi $^{\text{TM}}$ —: CO₂ Emissions (from energy consumption)

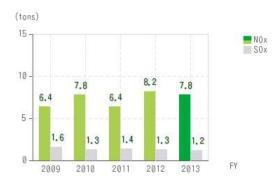
2012



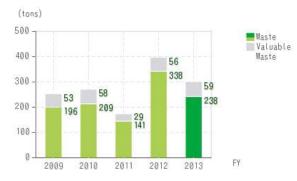
Yamaha Resort Inc. — Tsumagoi™ —: NOx/SOx Emissions

2011

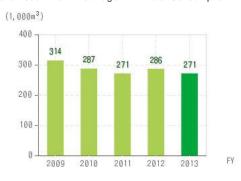
2010



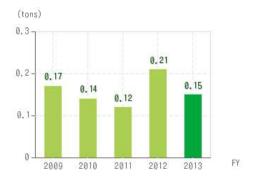
Yamaha Resort Inc. — Tsumagoi $^{\text{TM}}$ —: Waste Generated



Yamaha Resort Inc. — Tsumagoi™ —: Water Consumption



Yamaha Resort Inc. — Tsumagoi $^{\text{TM}}$ —:BOD (Biochemical Oxygen Demand)



^{*} Values in previous fiscal years were revised.

Yamaha Resort Inc. — Katsuragi™ —

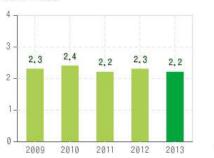
Business lines Operation of lodging facilities, restaurants, golf courses and related facilities

Location Fukuroi City, Shizuoka Prefecture

No. of Employees 207 Site area $^{1,380,000\text{m}^2}$

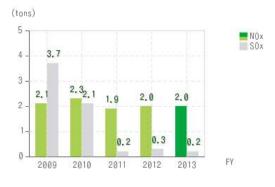
Yamaha Resort Inc. — Katsuragi™—:CO₂ Emissions (from energy consumption)

(1,000tons - CO2)



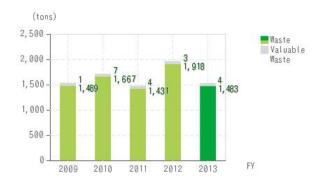
^{*} Values in previous fiscal years were revised.

Yamaha Resort Inc. — Katsuragi $^{\text{TM}}$ —: NOx/SOx Emissions

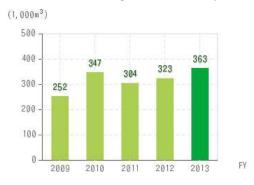


^{*} Values in previous fiscal years were revised.

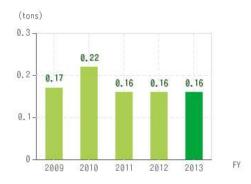
Yamaha Resort Inc. — Katsuragi™ —: Waste Generated



Yamaha Resort Inc. — Katsuragi $^{\text{TM}}$ —: Water Consumption



Yamaha Resort Inc. — Katsuragi™ —:BOD (Biochemical Oxygen Demand)



(Environmental Data by Site)Overseas(1)

Tianjin Yamaha Electronic Musical Instruments, Inc.

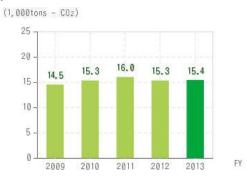
Business
lines
Location China
No. of
Employees
Site area 30,729m²

Manufacture of electronic musical instruments

Location China

No. of
Employees
30,729m²

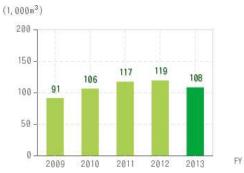
Tianjin Yamaha Electronic Musical Instruments, Inc.:CO2 Emissions (from energy consumption)



Tianjin Yamaha Electronic Musical Instruments, Inc.: Waste Generated



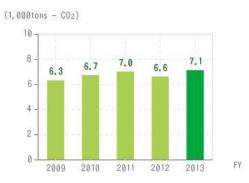
Tianjin Yamaha Electronic Musical Instruments, Inc.: Water Consumption



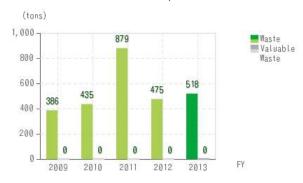
Xiaoshan Yamaha Musical Instruments Co., Ltd.

Business lines
Location China
No. of
Employees
Site area 56,000m²

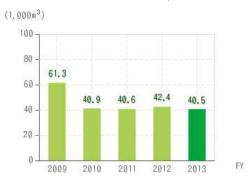
Xiaoshan Yamaha Musical Instruments Co., Ltd.:CO2 Emissions (from energy consumption)



Xiaoshan Yamaha Musical Instruments Co., Ltd.: Waste Generated



Xiaoshan Yamaha Musical Instruments Co., Ltd.: Water Consumption



Yamaha Electronics (Suzhou) Co., Ltd.

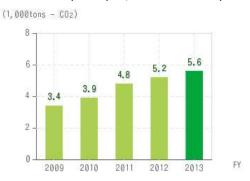
 Business lines
 Manufacture of AV, PA and sound network products, and manufacture and sales of AV service parts

 Location
 China

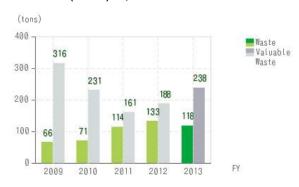
 No. of Employees
 925

 Site area
 120,000m²

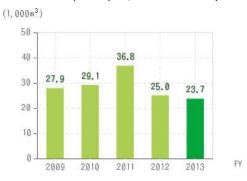
Yamaha Electronics (Suzhou) Co., Ltd.:CO2 Emissions (from energy consumption)



Yamaha Electronics (Suzhou) Co., Ltd.: Waste Generated



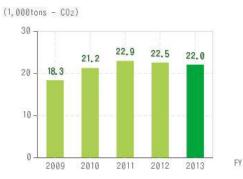
Yamaha Electronics (Suzhou) Co., Ltd.: Water Consumption



Hangzhou Yamaha Musical Instruments Co., Ltd.

Business Ines
Location China
No. of
Employees
Site area 150,000m²

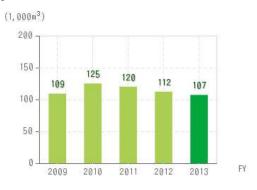
Hangzhou Yamaha Musical Instruments Co., Ltd.:CO2 Emissions (from energy consumption)



Hangzhou Yamaha Musical Instruments Co., Ltd.: Waste Generated



Hangzhou Yamaha Musical Instruments Co., Ltd.: Water Consumption



^{*} Values in previous fiscal years were revised.

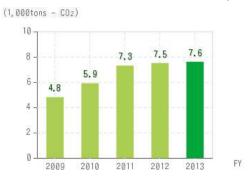
(Environmental Data by Site)Overseas(2)

PT. Yamaha Musical Products Indonesia

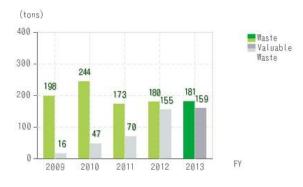
Business lines
Location Indonesia
No. of
Employees
Site area 58,500m²

Manufacture and assembly of wind instruments, pianicas™, recorders, etc
instruments, pianicas™, recorders, etc
instruments, pianicas™, recorders, etc

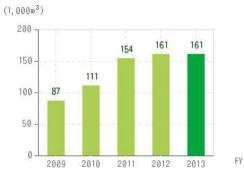
PT. Yamaha Musical Products Indonesia:CO₂ Emissions (from energy consumption)



PT. Yamaha Musical Products Indonesia: Waste Generated



PT. Yamaha Musical Products Indonesia: Water Consumption



PT. Yamaha Music Manufacturing Indonesia

Business Ines Manufacture of guitars

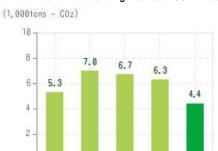
2009

2010

Location Indonesia No. of Employees 1,896 Site area 22,500m²

PT. Yamaha Music Manufacturing Indonesia: CO₂ Emissions (from energy consumption)

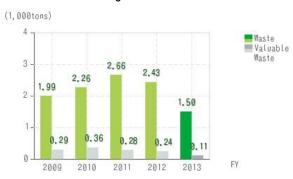
F٧



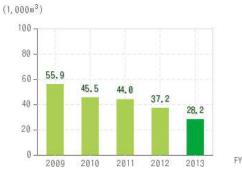
PT. Yamaha Music Manufacturing Indonesia: Waste Generated

2011

2012



PT. Yamaha Music Manufacturing Indonesia:Water Consumption



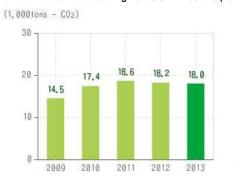
PT. Yamaha Music Manufacturing Asia

Business
Manufacture of electronic musical instruments and PA equipment

Location Indonesia
No. of

No. of 3,999 Employees Site area 120,000m²

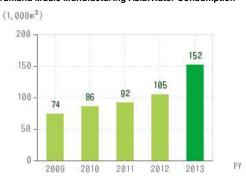
PT. Yamaha Music Manufacturing Asia:CO₂ Emissions (from energy consumption)



PT. Yamaha Music Manufacturing Asia: Waste Generated



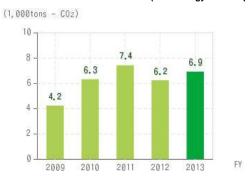
PT. Yamaha Music Manufacturing Asia:Water Consumption



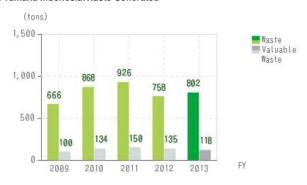
PT. Yamaha Indonesia

Business Innes
Location Indonesia
No. of Employees
Site area 19,542m²

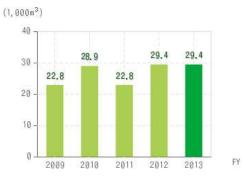
PT. Yamaha Indonesia:CO₂ Emissions (from energy consumption)



PT. Yamaha Indonesia: Waste Generated



PT. Yamaha Indonesia: Water Consumption



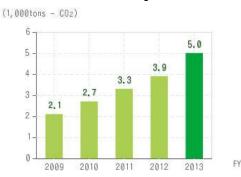
PT. Yamaha Electronics Manufacturing Indonesia

Business lines

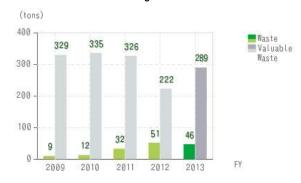
Location
No. of
Employees
Site area 50,000m²

Manufacture of AV and PA products, manufacture and sale of AV service parts

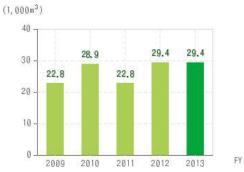
PT. Yamaha Electronics Manufacturing Indonesia: CO₂ Emissions (from energy consumption)



PT. Yamaha Electronics Manufacturing Indonesia: Waste Generated



PT. Yamaha Electronics Manufacturing Indonesia: Water Consumption

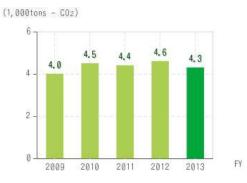


Yamaha Electronics Manufacturing Malaysia Sdn. Bhd.

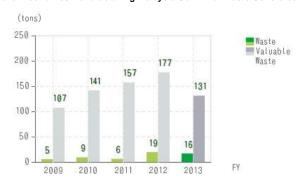
Business lines
Location
No. of
Employees
Site area

Manufacture of AV products, manufacture and sale of AV service parts

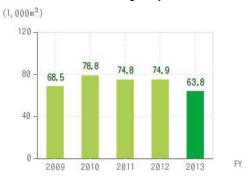
Yamaha Electronics Manufacturing Malaysia Sdn. Bhd.:CO2 Emissions (from energy consumption)



Yamaha Electronics Manufacturing Malaysia Sdn. Bhd.: Waste Generated



Yamaha Electronics Manufacturing Malaysia Sdn. Bhd.:Water Consumption



ISO 14001-Certified Sites

Yamaha Corporation Factories in Japan

Site	Acquisition Date	Integration Date
Kakegawa Factory (including Iwata Factory and Yamanashi Kogei Co.,Ltd.)	Nov. 1998	Nov. 2010
Toyooka Factory (including Yamaha Hi-Tech Design Corporation)	Jun. 2000	Nov. 2010
Headquarters area ^{*1}	Feb. 2001	Nov. 2010

^{*1} Headquarters area: Yamaha Corporation headquarters, Yamaha Music Japan Co., Ltd., Yamaha Credit Corporation, the Headquarters Sales office of Yamaha Travel Service Co., Ltd., Yamaha Al Works Co., Ltd., Yamaha Business Support Corporation, Yamaha Pension Fund, and Yamaha Union.

Group Manufacturing Companies in Japan

Site	Acquisition Date	Integration Date
Yamaha Kagoshima Semiconductor Inc.	Nov. 1997	Aug. 2011
Yamaha Music Craft Corporation Shinden Factory	Jul. 2000	Nov. 2010
D.S. Corporation	Feb. 2001	Nov. 2010
Yamaha Fine Technologies Co.,Ltd. *2	Mar. 2001	Nov. 2010
Yamaha Music Craft Corporation Main Factory	Feb. 2002	Nov. 2010
Sakuraba Mokuzai Co.,Ltd.	Sep. 2002	Nov. 2010

^{*2} Includes a part of Yamaha Corporation

Resort Facilities

Site	Acquisition Date	Integration Date
Yamaha Resort Inc. — Katsuragi™ —	Nov. 2001	Aug. 2011
Yamaha Resort Inc. — Tsumagoi™ —	Jan. 2003	Aug. 2011

Group Manufacturing Companies Located Overseas

Site	Acquisition Date
Yamaha Electronics Manufacturing (M) Sdn Bhd	Dec. 1998
Tianjin Yamaha Electronic Musical Instruments, Inc.	Dec. 1999
PT. Yamaha Musical Products Indonesia	Jan. 2001
PT. Yamaha Music Manufacturing Indonesia	Dec. 2001
PT. Yamaha Indonesia	May. 2002
PT. Yamaha Music Manufacturing Asia	Jul. 2002
PT. Yamaha Electronics Manufacturing Indonesia	Jan. 2003
Xiaoshan Yamaha Musical Instruments Co., Ltd.	Apr. 2003
Yamaha Electronics (Suzhou) Co., Ltd.	Mar. 2004
Hangzhou Yamaha Musical Instruments Co., Ltd.	May. 2012

History of Environmental Initiatives

History of Environmental Initiatives

FY 1974	Environment Management Division established
FY 1975	Company-wide rationalization of energy consumption begins
	Local clean-up activities start
FY 1981	Wood-waste fueled electric power generation at Tenryu Factory begins
FY 1983	Hamanako Lake Clean Brigade begins
FY 1990	Use of trichloroethylene and tetrachloroethylene eliminated
FY 1993	Use of specified CFCs and trichloroethane eliminated
	The Silent PianoTM, an instrument designed specifically for the residential environment, released This was the first of a series of SilentTM instruments to be developed and released
	"Yamaha's Policy on the Environment" and "The Six Principles of Yamaha's Corporate Environmental Activity" enacted
	Environmental Committee and five other related specialist groups established
FY 1995	Recycling and reuse of sand from casting waste starts
FY 1996	Intention to acquire ISO 14001 certification announced
FY 1997	Yamaha Kagoshima Semiconductor Inc. acquires ISO 14001 certification, the first organization in the Group to do so
FY 1998	Yamaha Corporation announces contamination of soil and groundwater by chlorinated organic solvents at the Headquarters factory, Toyooka Factory, and Yamaha Metanix Corporation, and begins cleanup operations
	Kakegawa Factory acquires ISO 14001 certification
	Yamaha Electronics Manufacturing Malaysia (YEM) becomes the first of the Group's manufacturing companies located overseas to receive ISO 14001 certification
FY 1999	New business supporting the acquisition of ISO 14001 certification begins
FY 2000	First Environmental Report published
	Environmental accounting introduced
	Purification of soil in the factory at Yamaha Headquarters, Yamaha Toyooka Factory, and Yamaha Metanix Corporation completed. Purification of groundwater continues
	All factories of Yamaha Corporation achieve ISO 14001 certification
FY 2001	Wood-waste-fueled electric power generation at Tenryu Factory halted
FY 2002	Green Procurement Standards and Standards for Chemical Content in Products issued
	VOC filtering equipment installed at Tenryu Factory
	All the group manufacturing companies in Japan acquire ISO 14001 certification
FY 2003	Yamaha Kagoshima Semiconductor Inc. achieves Yamaha's "Zero Emissions" standard with regard to waste output
	The first annual "Smart Life Guide" home environmental ledger issued
	Wastewater treatment system at Yamaha Kagoshima Semiconductor Inc. upgraded
	Gas emissions treatment equipment installed at Yamaha Kagoshima Semiconductor Inc.
	All Group resort facilities acquire ISO 14001 certification
	Toyooka Factory is the first Yamaha Corporation factory to achieve Zero Emissions
FY 2004	Exhaust/effluent filtering devices at Yamaha Kagoshima Semiconductor Inc. upgraded
	Second set of VOC filtering equipment installed at Tenryu Factory
	Fuel for boiler at factory at Yamaha headquarters switched from heavy oil to natural gas
	Photovoltaic power generating system installed in the factory at Yamaha Headquarters
	Use of HCFC eliminated from all manufacturing processes in the Yamaha Group
FY 2005	All Yamaha Corporation factories achieve Zero Emissions
	The Tokyo office becomes the first Yamaha Group sales office to acquire ISO 14001 certification
	Yamaha Corporation and Yamaha Motor Co., Ltd. begin collaboration on the "Yamaha Forest" project in Indonesia
	Exhaust/effluent filtering devices at Yamaha Kagoshima Semiconductor Inc. installed
	Yamaha Livingtec Corporation installs a cogeneration system

FY 2006	Logistics Energy Conservation Working Group established
	Wastewater treatment system at Saitama Factory upgraded
	All major sales offices complete ISO 14001 certification
	The entire Yamaha Group completes compliance with the RoHS directive
	Transition to lead-free production of wind instruments completed
	Cogeneration system installed at the Tenryu Factory
	Gas emissions treatment equipment installed at Yamaha Kagoshima Semiconductor Inc.
	VOC Emission Reduction Working Group established
	Completion of ISO 14001 certification for support businesses
FY 2007	Yamaha Timber Procurement and Usage Guidelines enacted
	Green Power Certification introduced at Yamaha Resort Tsumagoi
	Yamaha joins the STOP Global Warming Campaign in Shizuoka
	Provision of support for Enshunada's coastal forests began with the establishment of a support system for participating in a scheme run by Shizuoka Prefecture in aid of its forest
	Yamaha joins Musicwood Campaign (Greenpeace)
	All factories of the Yamaha Group in Japan achieve Zero Emissions of waste
	Fuel for boiler at Toyooka Factory switched from heavy oil to natural gas
	"Project Phone" teleconferencing system developed
	On-site disposal system for used ElectoneTM keyboards begins operation
	Acoustic guitar developed using the A.R.E. (Acoustic Resonance Enhancement) low-environmental impact wood reforming technology
FY 2008	Yamaha materials and components procurement policy enacted
	Yamaha Livingtec Corporation begins developing and selling wood chips made from waste wood
	The SN Business Division marks Yamaha Corporation's first exhibition at EcoProducts 2008
	Yamaha exhibits at "Shizuoka Environment and Forests Fair" for the first time
	Natural gas cogeneration system installed at the Kakegawa Factory
	Gas emissions treatment equipment installed at Yamaha Kagoshima Semiconductor Inc.
	Purification of groundwater contamination by chlorinated organic solvents at the Toyooka Factory completed
	Kakegawa Factory receives an honorable mention in the fiscal 2008 PRTR Awards competition
FY 2009	The Yamaha Ladies Open Katsuragi golf tournament introduces Green Power certification
	Yamaha concludes the fifth and final year of the "Yamaha Forest" project in Indonesia
	Yamaha Group CSR Policy formulated
	Yamaha Environmental Policy formulation (Yamaha's Policy on the Environment revised to make it suitable for ISO 14001 certification)
FY 2010	Introduction of a system to manage chemical substances in products (to comply with the E.U. REACH Directive and other regulations)
	Certified green power supplied under the Project for Local Production and Local Consumption of Energy promoted by Kakegawa City used for the ap bank fes '10 event held at Yamaha Resort Tsumagoi
	In line with the relocation and new establishment of the Factory, Xiaoshan Yamaha Musical Instrument Co., Ltd. installed state-of-the-art wastewater treatment facility
	Yamaha Group companies in Japan acquire integrated (step 1) ISO 14001 certification
	Stage 2 Yamaha Forest tree-planting activities commenced in Indonesia (five-year plan)
	Kakegawa Factory receives letter of appreciation from the City of Kakegawa acknowledging the Factory's support for the Kakegawa City Environment Fund
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FY 2011	Adopted returnable packing racks when transporting piano frames from Japan to Hangzhou Yamaha Musical Instruments Co., Ltd
	Participated in the Global Compact
	Our smart life pledge commenced (shift from the household accounting smart life guide)
	Implemented saving electricity within the country, an issue that has been in the spotlight since the Great East Japan Earthquake
	Certified green power supplied under the Project for Local Production and Local Consumption of Energy promoted by Kakegawa City used for the ap bank fes '11 event held at Yamaha Resort Tsumagoi
	Disclosed soil contamination due to chlorine-based organic solvents and heavy metal at Shinzu Factory
	Yamaha Group companies in Japan acquire integrated ISO 14001 certification (domestic integration completed)
	Hangzhou Yamaha Musical Instruments Co., Ltd. passed a Cleaner Production Audit conducted by its host city of Hangzhou.
FY 2012	Hangzhou Yamaha Musical Instruments Co., Ltd. attained ISO 14001 certification
	Completed cleanup activities such as replacement of confirmed soil contamination at Shinzu Factory
	RSG Series piano silencer units acquired Eco Mark certification
	Upgraded wastewater treatment facilities at Kakegawa Factory
	Yamaha Electronics (Suzhou) Co., Ltd. (China) passed a Cleaner Production Audit conducted by Suzhou New District.
	Held 6th regeneration activity in support of Enshunada's coastal forests participating in a scheme run by Shizuoka Prefecture in aid of its forest (commenced phase 2 activities)
	Kakegawa Factory and Yamaha Resort Tsumagoi concluded Partnership for promoting forestation with Kakegawa City and commenced activities
	Disclosed results of the soil survey at former Saitama Factory site
	Upgraded waste water treatment facilities at Tianjin Yamaha Electronic Musical Instruments, Inc. (China)
	Xaioshan Yamaha Musical Instrument Co., Ltd. (China) passed a Cleaner Production Audit conducted by Xiaoshan district, Hangzhou.
FY 2013	The Yamaha Group Environmental Management System (YEMS) began being implemented at all Group locations in Japan.
	Yamaha Corporation (headquarters and Tenryu Factory) was awarded S Rank, the top ranking, in the Hamamatsu City New Energy/Energy Conservation Top Runner Certification Program. (Eco-Friendly Business Category)
	Yamaha Corporation's environmental contribution activities took the Grand Prix in the Shizuoka Prefecture's Fujinokuni Eco Challenge ACTION.
FY 2014	Yamaha Corporation's environmental contribution activities was awarded the Rengo Eco Grand Prize.

Third-Party Opinion

The Yamaha Group is focused on ensuring better communication with all stakeholders in order to respond to various CSR-related issues globally. This year, Ms. Makiko Akabane shares her opinion on Yamaha's CSR activities and the Yamaha CSR Report 2014 in order to make improvements going forward.



Makiko Akabane Director, Japan CSR Asia Tokyo Office

I am pleased to be giving a third party opinion in continuation to last year. I feel that this year's CSR report shows exceptional progress from 2013. In addition to a more detailed content, the report has been designed with a structure in line with the core subjects of ISO 26000 "Social responsibility." The broad range of Yamaha's CSR activities has been fully compiled, and I think that Yamaha is demonstrating magnificent efforts to convey information to diverse stakeholders.

The Message from the President refers to initiatives concerning rare woods, supplier labor practices, and conflict minerals, which could be a future risk as a result of the globalization of procurement. Yamaha has a history extending over 125 years. In order for the company to continue to grow for the next 125 years, it must assertively come to grips with sustainability risk in relation to the products that form the core of the corporation's activities. This is a trend common to all international corporations. The recognition and response to such sustainability-related risks have been declared to be the foundation to business management in the Message from the President. Such a stance by the president communicates the intention of the company to be a global pioneer in the sound and music market.

There are factors that I would very much like to see the company work on in order to develop its global business, as it accelerates the expansion of its sales network in China and emerging nations as detailed in the medium-term management plan, and globalizes procurement as I mentioned above. These include setting goals in areas of CSR other than the environment, and constructing and applying mechanisms for their achievement. In other words, elements of CSR need to be incorporated into the area of responsibility of each employee and mechanisms created by which everyone can be proactively involved in implementing CSR management across the company. Although it may not be simple to incorporate such elements into the work of the relevant departments, it is important that the CSR mechanisms are embedded into the practice of business in order to respond swiftly and flexibly to diverse CSR issues throughout the world.

In last year's third-party opinion, I touched on stakeholder engagement. I feel that this year's report has improved a great deal in this respect. The fact that the item "Dialogue with employees" has been added from this year warrants special mention. Still, with regards to these employees, who are important stakeholders for Yamaha, the ratio of overseas to Japanese employees stands at 2:1. There are many overseas employees, of which the China and Asia-Pacific region alone makes up around 60% of the total workforce. Initiatives to prevent industrial accidents and promote health and safety overseas are mentioned in the report, but when a comparison is made with descriptions of the company's interactions with employees in Japan, interactions between the company and employees overseas seem to be lower in terms of both quality and quantity. The medium-term management plan states that the employment of local human resources is indispensable for the accelerated expansion of the sales network in China and emerging nations. I look forward to further initiatives to develop the relationship between the company and employees overseas in order that Yamaha employees around the world may better demonstrate their abilities and contribute to the growth of the company.

(June 2014)

Response to Third-Party Opinion



Motoki Takahashi Director and Managing Executive Officer Yamaha Corporation

Following on from last year, we received feedback from Ms. Makiko Akabane, Director, Japan, CSR Asia Tokyo Office, a think tank with the largest network in Asia specializing in CSR and sustainability, on our CSR activities and CSR report. We are indeed grateful to Ms. Akabane for her opinion.

Ms. Akabane gave us high marks for having made exceptional progress in our CSR reporting, while also giving reassuring encouragement concerning our stance for future CSR initiatives. With regards to setting goals and creating mechanisms for areas of CSR other than the environment pointed out by Ms. Akabane, we were able to verify the status of company's activities and management concerning each aspect of CSR through inspections using ISO 26000.Moving forward, we would like to incorporate these into the operations of sections in charge, and set goals and conduct reviews from a CSR perspective.

With regards to the relationship between employees and the company, we will focus our efforts on mechanisms for dialogue and creating a corporate climate for day-to-day communication. We believe our ongoing promotion of diversity to be important points in accepting various ways of thinking and value systems, and activating dialogue. Based on Ms. Akabane's point on the necessity of engaging with employees overseas and the scarcity of disclosure in this regard, we will implement measures across the Group to rectify this moving forward. Having earnestly taken on board Ms. Akabane's comments, the Yamaha Group aims to be a global leader in the sound and music market, and will continue to contribute to the building of a sustainable society through our business activities.