



## Contributing to the Development of a Sustainable Society



**Customers**Striving to Bring *Kando* to Our Customers



Shareholders and Investors
Engaging in Active Communication



**Employees**Sharing Value from a Global Perspective



**Business Partners**A Spirit of Fairness and Cooperation



The Community

The Bonds for Creating and Sharing Kando



The Environment
Growth that Harmonizes with the Environment

#### **Latest News**

September 1, 2016 2016 CSR website PDF released

September 1, 2016
CSR website renewed

April 1, 2016 Green Procurement Guidelines (16th revision) uploaded



## Approach to and Basic Policies of CSR

Introducing Yamaha Motor Group's approach to CSR and its underlying principles



## **Corporate Governance**Aiming to be a Model Company Trusted by Society

- > The Code of Ethics PDF
- Please click here for details of our basic policies and implementation measures.



#### **Annual Report 2015**

> Download Back Number

> ISO26000 Reference Table

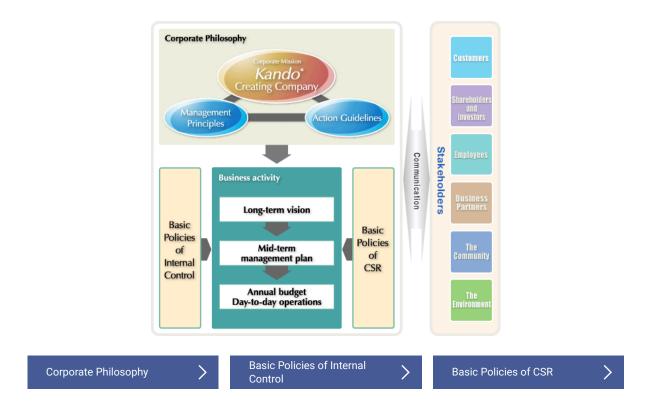
## **Approach to CSR**

List of news concerning the Yamaha Motor group CSR Report

Since our founding, our "Company Pledge" has called on all employees to contribute to society through our corporate activities.

The Yamaha Motor group has worked to create diverse value through engineering, manufacturing and marketing based on our Corporate Mission: Offering new excitement and a more fulfilling life for people all over the world. Our three Management Principles — surpassing our customers' expectations, fostering employee self-esteem and fulfilling global social responsibilities — embodies our stance towards our customers, employees, and society. Our Corporate Mission, Management Principles, and Action Guidelines add up to our "Corporate Philosophy."

The Yamaha Motor group believes the Corporate Social Responsibility (CSR) to be expected of us is a contribution to sustainable development of society through our business activities based on our "Corporate Philosophy." Our Basic Policies of CSR reflect the especially important social responsibility we owe to our stakeholders.



## **Basic Policies of CSR**

Introducing Yamaha Motor group's basic CSR policies

Yamaha Motor Group strives to contribute to the sustainable development of society through our business activities based on our corporate philosophy and to always abide by the letter and spirit of domestic and international laws and regulations. We are dedicated to earning the trust of the global community, and we place great value on communicating with all stakeholders. We expect all of our business partners to share our principles and to act in accordance.

Customers	<ul> <li>We offer new excitement and a more fulfilling life for people all over the world through high quality products and services that combine safety and innovation.</li> <li>We provide practical, helpful information about products and services to customers.</li> <li>We make every effort to protect the personal information of our customers and others involved in our business.</li> </ul>					
	business.					
Shareholders and Investors	We aim to deliver stable, long-term growth to enhance corporate value.      We disclose appropriate corporate approximate requirements and financial status in a timely manner.					
	We disclose appropriate corporate operational results and financial status in a timely manner.					
Employees	We provide equal employment opportunities to build a diverse and discrimination-free workforce.					
	<ul> <li>We provide fair working conditions while maintaining and improving a safe and healthy working environment.</li> </ul>					
	• We maintain respect for human rights and never tolerate child labor or forced labor in any form.					
	We work toward building success for both our employees and the company through honest communication and dialogue founded on mutual trust.					
Business Partners	We respect our suppliers, dealers and other business partners and aim to build mutual long-term growth founded on mutual trust.					
	<ul> <li>We maintain an open door to new business partners around the world and choose companies based on comprehensive value, regardless of nationality or size.</li> </ul>					
	We respect the competition laws of each nation and region and maintain fair business practices.					
The Community	We honor the culture and customs of every country and community, and we strive as a corporate citizen to act in balance with society.					
	<ul> <li>We work to contribute to the development of sound communities by providing means of mobility, creating employment opportunities and fulfilling our tax obligations.</li> </ul>					
	<ul> <li>We promote social action programs including personal mental and physical development, environmental preservation and safety activities, as well as supporting private initiatives undertaken by employees.</li> </ul>					
	We maintain honest and fair relationships with government agencies and public authorities.					
The Environment	<ul> <li>We develop environmental technologies to create products that balance economic needs with environmental well-being.</li> </ul>					
	<ul> <li>We aim to minimize the environmental impacts of our operations and make efficient use of limited natural resources.</li> </ul>					
	<ul> <li>We form wide-ranging partnerships with communities around the world to perform environmental conservation activities.</li> </ul>					

## **Corporate Governance**

Introducing some measures related to risk management and compliance

#### Corporate Governance

The Yamaha Motor group is engaged in strengthening and establishing corporate governance. In addition, we are working to promote CSR and manage risk as the foundation to earning society's trust; and to reinforce compliance.

> Please click here for details of our basic policies and implementation measures.

## **Initiatives for Advancing CSR**

Aiming for steadfast advancement of CSR, the Yamaha Motor Group shares our approach to CSR with all employees so that each and every one of them can implement it in their work. To this end, we include items in the Basic Policies of CSR which express the social responsibilities of each major stakeholder. In 2011, the Corporate Planning Division, which is responsible for driving management strategies, established supervisory departments for each stakeholder and compiled the main results and issues of initiatives conforming to the Basic Policies of CSR from each department's work plan. It then incorporated them into a CSR Activity Plan, striving to conduct CSR through business activities.

In addition, the Yamaha Motor Group prioritizes its CSR initiatives and undertakes all related activities based on ISO 26000, an international guidance on social responsibility launched in November 2010.



Risk Management

We have the Risk Management and Compliance Committee, chaired by the President and Chief Executive Officer, as a system for managing risk. The role of the Committee is to comprehensively manage risks faced by the Yamaha Motor group and it acts to prevent determined major risks by identifying and evaluating risk, as well as handling measures to deal with risk if it arises.

In addition, it has established risk management regulations and initial emergency response regulations as common risk management procedures across the group. Based upon these, the Committee endeavors to prevent or quickly identify compliance-related misconduct, disasters, accidents, etc., and to take swift and appropriate responses upon discovery or revelation of such matters.

#### **Revised Business Continuity Plan**

Yamaha Motor has revised its Business Continuity Plan (BCP) to reflect changes in the simulation estimates of damage caused by the Nankai Trough earthquake as well as its contingency plan to back up production systems and to quickly identify rehabilitation procedures for the early revival of business. To improve the effectiveness of planned procedures, we have conducted emergency response drills under our contingency plan since 2012. We have also revised the BCP with regard to measures for dealing with pandemic outbreaks.

The Yamaha Motor group is continually implementing compliance activities based on its annual plans. We aim to raise awareness and understanding of the Code of Ethics, which stipulates standards of behavior which should be adhered to in view of the Company Pledge, passed down since the company's foundation, and the Management Principles. In addition, we hope to serve as a model trusted by society through encouraging each and every employee to practice the Code in their daily work.



Yamaha Motor's the Code of Ethics

> Please click here to view the Code of Ethics. PDF

#### Implementation of Training in Compliance and Regulations

We regularly conduct rank and division-specific education and training for executives and employees of Yamaha Motor and group companies in Japan, with the intention of ensuring a thorough understanding of the Code of Ethics and the laws and regulations related to work practices.

#### FY2015

	Total participants	
Ethics seminars	Officers, managers, supervisors, general employees	17,909
Compliance seminars	Group training	6,031
	e-learning	37,618

#### Internal Reporting Systems (Hotlines)

At Yamaha Motor, we have established a Compliance Hotline for notification of behavior which violates the Code of Ethics, and for discussion or inquiry concerning compliance in general; as well as a Harassment Hotline. The Compliance Hotline is the common contact point for notifications and inquiries for group companies in Japan and strives to prevent illegal or improper behavior or enable its early detection.



Thorough Import and Export Management

Because a large proportion of the Yamaha Motor group's business activities are conducted outside of Japan, we are constantly engaged in activities which place importance upon the management of imports and exports.

As an initiative related to exports, at Yamaha Motor Co., Ltd., we conduct Security Trade Control (STC) study sessions and liaison meetings based upon compliance with the Foreign Exchange and Foreign Trade Act and other related laws and regulations. For relevant departments and group companies, regular and comprehensive educational training sessions are implemented. As one aspect of training for those engaged in trade, we encourage employees to take the STC Associate \*1 and STC Expert\*2 examinations and we have had successful candidates each year.

We continue our initiatives to prevent the order, import, transfer and supply of goods which are confirmed to contain substances prohibited for use in manufacturing \*3 or where the inclusion of such substances cannot be confirmed.

- \*1 The "STC Associate Examination" is a practical accreditation exam for security trade control conducted by the Center for Information on Security Trade Control (CISTEC), a non-profit and non-governmental organization.
- \*2 The "STC Expert Examination" is an accreditation exam demanding a higher level of ability compared to the "STC Associate Examination."
- \*3 Substances prohibited for use in manufacturing, etc. are substances indicated in item 1, Article 16 of the Enforcement Order of Industrial Safety and Health Law.

#### Initiatives for Protection of Personal Information

Under the "Privacy Policy" established in 2003, the Yamaha Motor group has created a system to appropriately manage personal information provided to us by customers and is promoting policies related to the protection of personal information. However, on November 22, 2011 it was determined that a portion of customer information managed by a group company had been leaked externally. As a result, in addition to making a formal apology to customers, we reaffirmed efforts to ensure consistent management of private information. In order to prevent a recurrence, we are reinforcing examination of case studies pertaining to the handling of personal information that are a part of the compliance training we conduct annually. Furthermore, we renewed a webpage regarding the handling of personal information on the company intranet and are strengthening measures to raise awareness among each and every employee. (No damage or unauthorized use of the leaked customer information has been confirmed.)

> Privacy Policy

#### Customers

Introducing the approach and policies related to customer relations

## Aiming to be an engineering, manufacturing and marketing enterprise that gives customers a sense of *Kando*\*

It is our constant pursuit of improvement built upon ongoing, close customer relationships that ensures not only the quality of Yamaha's products but also the excellence of our engineering, manufacturing and marketing. And as we strive to enhance product quality further, we will continue to put our customers first. Raising quality standards even higher requires each division to determinedly improve the quality of its own operations.

For the Yamaha Motor Group, nothing is more important than the safety of our customers. In addition to enhancing product quality, as part of our comprehensive efforts to enable customers to use our products safely and avoid having accidents when doing so, we carry out activities that effectively teach customers how to use our products correctly.

Below, we introduce some of the activities we offer to our customers based on our basic CSR policies.

\* Kando is a Japanese word for the simultaneous feelings of deep satisfaction and intense excitement that we experience when we encounter something of exceptional value.



Across the Group, Yamaha is driven to enhance product quality even more. Doing so will enable us to consistently offer our customers the peace of mind, confidence and *Kando* that they seek through safe, reliable and high-quality products and services that are rich in the emotion and spirit of the Yamaha Brand Charter.

### Providing New Excitement

Yamaha's corporate mission of being a "Kando Creating Company" is an expression of our desire to offer our customers around the world products and services that bring joy and unexpected exhilaration of the kind that enriches their lives with new fulfillment, in harmony with society and the environment.

Being such a company requires us to constantly uphold our standing as an excellent engineering, manufacturing and marketing enterprise with a prominent global presence. Product creation begins with the customer. Our task as a manufacturer is to enhance our competitiveness by maximizing and optimizing the value of the products we provide to customers, in terms of their appeal, reliability and cost performance, in ways that exceed customer expectations.

In this section, we introduce some of our initiatives that create a new sense of *Kando*, with a focus on products and technologies.



The Yamaha Motor Group believes that customers expect their opinions and wishes to be reflected in our products and services. We also believe that by sincerely responding to what each and every one of our customers say, we can increase customer satisfaction and trust. Driven by these beliefs, we never stop working to improve the quality of our customer service so that we can better understand how customers view and use our products, and utilize this knowledge to improve product quality and create new products in the future.

Here, we introduce some of the ways by which our various businesses serve customers.



Activities to Promote Safety Use

The Yamaha Motor Group places the highest priority on customer safety. Beyond enhancing the quality of our products, we make every effort to properly instruct customers on how to use them correctly.

We offer a wide range of materials and activities designed to promote the safe use of our products, such as catalogs and other promotional materials that highlight the appeal of our products; product manuals giving instructions on correct use; and riding schools and other safety promotion activities that give customers the chance to gain first-hand experience using our products safely.

Next, read about some of the activities organized by various businesses that are helping customers to use our products properly.

# Motorcycles > Personal Watercraft > SSV and ATV >

## **Promoting Safety**

Introducing the approach and policies related to customer relations

#### **Promoting Safety**



YRA: For safe riding, now and going forward

In addition to achieving its corporate mission of being a "Kando Creating Company," Yamaha Motor strives to fulfill its social responsibility to enable customers to ride safely. Testament to this commitment is Yamaha Riding Academy (YRA) which runs safe riding courses around the world.

To ensure that our products are used properly, safely and enjoyably, and serve our customers well, we offer a wide range of activities including safe riding courses for general customers, classroom instruction for companies and organizations that use our products commercially, and courses to train instructors at affiliates around the world.













YRA Instructor Hierarchy

We have established a YRA instructor hierarchy to support quality YRA activities around the world. In addition to riding ability, instructors are required to be certified in the following skills:

- Understanding and being able to explain YRA's philosophy and purpose
- Manners and rules for dealing with customers
- · Holding and conducting classroom lectures
- Knowledge and ability to explain safe riding
- Knowledge and ability to explain and demonstrate safe riding
- · Knowledge and ability to explain products and pre-ride checks

The YRA instructor hierarchy has three levels of certification:

#### YMC Trainers (YMC = Yamaha Motor Company)

YMC trainers are from YMC, and visit affiliates around the world to conduct training for and certify trainers and instructors.

#### **Trainers**

Trainers are located at affiliates around the world and have been promoted to the rank of instructor after being certified by YMC trainers.

They train and are authorized to certify instructors in their own companies.

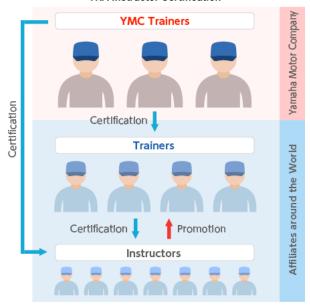
They also hold and conduct YRA classroom lectures for customers.

#### Instructors

Instructors are certified by YMC trainers or trainers from their own companies, and are located at affiliates around the world.

They hold and conduct YRA classroom lectures for customers.

#### YRA Instructor Certification



#### Basic YRA Programs

YRA has a broad range of students, from beginners, current riders, return riders and children to companies and organizations, that use motorcycles for commercial purposes.

Basic YRA programs are held based on the needs of the customers taking the course and the characteristics of the products being used.

Actual riding instruction is carried out in cooperation with local Yamaha affiliates, founded on basic YRA programs and taking into consideration customer needs, traffic safety issues, and other local circumstances.



**Taiwan**Safe riding instruction for purchasers of large motorcycles



Training for police officers

Brazil



Japan
Lessons for return riders and beginners



Courses for acquiring a rider's license

**Thailand** 



India
Children and family traffic safety program

#### **Taiwan**

Introducing the approach and policies related to customer relations

#### Taiwan

The market for large motorcycles in Taiwan is growing, but this increase is leading to concerns of a rise in traffic accidents.

Many of our customers have been riding 125cc-class scooters and are now moving up to large scooters or motorcycles, but are unfamiliar with handling larger vehicles or operating the clutch.

Yamaha Motor Taiwan Co., Ltd. (YMT) is selling the TMAX, MT-07, and YZF-R3, and offers YRA safe riding courses to customers who purchase these models.

This includes both classroom instruction (YSRS) and hands-on lessons in riding techniques, to raise customers' awareness of safe riding as well as their knowledge and ability to enjoy our products safely.

During 2015 we held 14 courses for 140 participants, many of whom said the course was very useful.







#### **Brazil**

Introducing the approach and policies related to customer relations

#### **Brazil**

In October 2015 we held the YRA Offroad Special Training for Police, where police officers and firefighters in Brazil were taught how to use motorcycles safely, correctly, and effectively.

With YMC Trainers and local trainers from our affiliate in Brazil, Yamaha Motor do Brasil Ltda. (YMDB), as instructors, 40 police officers and firefighters worked on developing their off-road riding skills.

Road surfaces and pavements in Brazil are often in poor condition, and there are many off-road situations in which motorcycles are suited for police and firefighting operations, creating a need for skills in fast, safe riding. The course consisted of the basic YRA program plus additional curricula in line with local requirements as determined by the local police and YMDB.

By teaching safe riding utilizing the special features of Yamaha products, we were able to contribute to the smooth operation of public activities.







### **Japan**

Introducing the approach and policies related to customer relations

#### Japan

In Japan, Yamaha Motor offers lessons to promote safe riding, primarily for return riders and beginners.

Return riders are mostly people in their 40s and 50s, who have taken up riding again after stopping because of factors like work, marriage and raising children. Such riders have been increasing in number in recent years.

During this long break, their physical strength and riding skills decline, and motorcycles change. Riding a motorcycle unaware of this decline raises concerns that accidents caused by simple mistakes will increase.

On the other hand, there are also customers who have obtained their motorcycle license but are not confident of their riding ability and are afraid to go out on public roads. These beginners are therefore hesitant to take the next step of purchasing a motorcycle. A problem that such people in Japan face is that despite obtaining their motorcycle license at a driving school, they do so without having riding experience on public roads, and therefore have to learn on public roads by themselves.

During 2015 we held 16 classes, where some 271 customers learned how to ride enjoyably and safely.

The most popular course is called "Lesson & Touring," where students first review riding basics on a course, and then go on a short ride on public roads supported by instructors. Students who have taken this course have said, "It has been a long time, and this was good practice," and "This was my first time to ride on public roads, but with the instructor's support I was able to ride with peace of mind, and now am confident of my ability."









## **Thailand**

Introducing the approach and policies related to customer relations

#### Thailand

Yamaha Riding Academy (YRA) is a training facility, located on the grounds of Thai Yamaha Motor in Samutprakarn province. At the time it was built, Thailand had more than 70,000 motorcycle accidents annually. Thai Yamaha Motor has been active in promoting safe motorcycle riding, since 2005, and has been offering safe riding courses 40 to 50 times per year, as well as holding official tests and issuing certificate of qualification for qualified riders. To expand and enhance the quality of these activities, Yamaha Riding Academy was established in August 2008 as the Group's first overseas training facility.



At YRA, we offer a wide range of programs for customers who have yet to obtain a rider's license and for veteran riders who already own a motorcycle, as well as programs on how to safety ride scooters and large capacity motorcycles.

One of these programs involves assisting riders to obtain a license.







In addition to providing instructions toward getting a license, this program has an online system connected to the Thai Ministry of Transport, allowing customers to take the license test on-site.







The instructors at YRA are also active outside the facility grounds, such as organizing activities to help promote safe riding at vocational schools and holding motorcycle classes for children at various events.

Yamaha dealerships and the Thai Ministry of Transport are also working together to help customers obtain a motorcycle license, especially in rural areas.





Introducing the approach and policies related to customer relations

#### India

#### YCSP (Yamaha Children Safety Program)

Yamaha riding academy is offering road safety program for children. Here in India, we developed this activity uniquely and more creative.

Zippy! A Mascot created by the kids, for the kids! Acts as a tutor to help them educate on sensible attitude towards road safety & traffic rules in a more fun & interactive way.







YCSP (Yamaha Children Safety Program) is to promote road safety and we are nurturing the Kids right from their budding stages.

Yes! We are more concerned about road safety of our future citizens. At Yamaha, we are committed to create and inculcate proper road safety awareness among the kids & to transform them into more responsible citizens thus paving a way for safer roads in India. Last year in 2015, We had more than 250,000 kids participation in 856 activities.

#### YFSP (Yamaha Family Safety Program)

A Corporate Social Responsibility (CSR) initiative by YMIS(Yamaha Motor of India Sales Private LTD), promotes and assists safety activities that help and prevent road accidents to larger extent. We connect with family and kids through our uniquely designed programs that strive to inculcate safe and responsible riding among all the sections of the society.







In YCSP (Yamaha Children Safety Program) is an integral part of YFSP (Yamaha Family Safety Program) is to promote road safety and we are nurturing the Kids right from their budding stages. Here, we encourage the kids to come up with more creative ways of incorporating road safety themes into their drawing. The idea is to induce safety into their subconscious mind.





## **Shareholders and Investors**

A page with links to IR information

#### Shareholders and Investors

In order to ensure accountability by providing shareholders and investors with appropriate, accurate and timely information, Yamaha Motor has established a specialized division which engages in IR activities inside as well as outside Japan.

In addition to quarterly earnings briefings and the annual shareholders' meeting, the division visited and held meetings with overseas investors, provided information via the IR website, and operated a website to provide information to individual investors. To even more proactively disseminate information, the division held a business briefing for analysts and journalists, and made a video of the briefing publicly available on the Company's website to enable all shareholders and investors better understand Yamaha Motor's business strategy.

- > New Medium-Term Management Plan (2016-2018)
- > PDF presentation of new Medium-Term Management Plan PDF
- > Video presentation of New Medium-Term Management Plan MOVIE



#### Information for shareholders and investors is available on the websites below

Disclosure Policy > Dividend Policy > For Investors (index page) >

## **Employees**

Introducing the approach and policies related to employees

#### **Employees**

## Creating an organization to facilitate co-ownership of value from a global perspective

The Yamaha Motor Group strives to create workplaces that respect diversity, with the aim of achieving an organizational structure based on sharing ideas and the same high ambitions and spirit, cooperation and joy in our work among the Company and its employees from a global perspective.



Nurturing Personnel and Supporting Their Careers

As our business becomes increasingly global in scale, we need to step up our efforts in areas including corporate governance and human resource development. In terms of human resource development in particular, we are enhancing our global development programs with the aim of hiring local persons for 60% of senior management positions at overseas locations by 2018.



Workplaces Thriving on Diversity

Based on our fundamental belief that "all corporate activity originates first of all with and for people," the Yamaha Motor Group has clearly defined its stance on human rights in its Basic Policies of CSR and Code of Ethics. Furthermore, to maintain continuous growth, we believe it is important that our workforce incorporates diverse viewpoints and values, reflecting different experiences, skills, and attributes. We have therefore established a Global Human Resources Development Division at our headquarters to develop and implement common management development programs around the world, and introduced global human resource systems to train and hire talented staff. We are also working to build an organization that utilizes global experience and knowledge.

As we promote global management, we are hiring superior management personnel regardless of their nationality or place of birth. At overseas subsidiaries in particular, we are proactively hiring local staff for management positions, with the aim of having 60% of these positions filled by local managers by 2018. We are also continuing human resource training at our headquarters to create an organization that maximizes management capabilities that are mutually complimentary with the experiences and skills of local staff.

In addition, to promote the participation of women, we have announced and are pursuing a goal of doubling the number of female managers from the 2014 level by 2020, and having three times the 2014 level by 2025. By hiring non-Japanese managers, and increasing the number of non-Japanese employees and female managers, we are striving to bring further diversity to our workforce and increase people's choices for how they work.

Yamaha Motor established a new company, Yamaha Motor MIRAI Co., Ltd., on October 1, 2015, to provide a place where people with disabilities can participate actively in accordance with their capabilities, and to promote their social independence.

To date, Yamaha has arranged its work environment to employ persons with disabilities in a variety of occupations based on the concept of enabling persons with and without disabilities to work side by side.

The new company will strive to promote hiring and ensure a workplace where people with intellectual or various other disabilities can express their individual potential, while also developing each employee's abilities and supporting their social independence.

Supporting Work-Life Balance-Aiming for a workplace environment that fosters autonomous creativity

The Yamaha Motor Group defines its relationship with employees as a business partnership, and the Company's role as providing an attractive workplace for autonomous individuals. We aim to create workplaces that maintain a diversity of working styles and a positive work—life balance by supporting career advancement plans based on mutual assumptions, providing programs for child and nursing care leave, among other efforts. We are also expanding the options for employees so that they can work in ways that suit their individual circumstances.

#### Main Child Care and Family Care Support Programs (Yamaha Motor Co., Ltd.)

Programs	Details
Child care leave	Employees may take leave until the child's second birthday.
Family care leave	Employees can take leave for up to one year on request.
Family illness leave	Employees taking care of preschool-aged children can take up to 5 days per year in the case of 1 child, and up to 10 days if they have two or more preschool-aged children.
Flexible work time system	Working hours* can be set at any time between 6:30 a.m. and 9:45 p.m. *Core working hours are from 10:15 a.m. to 3:00 p.m.
Workload reduction	Limits are placed on overtime, and night work is excused for employees with a child of preschool age and employees caring for a sick or aged family member.
Short-time work system	Employees may reduce their working hours by two hours each day.
Others	Designated "no overtime" days (every Wednesday; day preceding a company holiday; paydays; and bonus payment days).  Employees can take three consecutive days of paid leave every year (from age 30, employees can take a consecutive five-day paid leave every five years).

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Workplace Safety and Health-Creating a workplace environment that offers peace of mind and comfort

Led by its Central Safety and Health Committee, Yamaha Motor is promoting the establishment of safer working environments globally. Risk assessment is performed in accordance with the Occupational Safety and Health Management System (OSHMS) to detect potential dangers or harmful conditions at workplaces, and measures are taken to prevent occupational accidents. Through job-specific education and training, such as safety manager training programs and skill improvement programs for supervisors, as well as holding occupational safety and health meetings, we are focused on developing human resources that can support occupational safety.

#### **Business Partners**

Introducing procurement activities in line with CSR and environmental policy and partnership with our suppliers

#### **Business Partners**

## A Global Procurement and Sales Network based on a Spirit of Cooperation and Fairness

Yamaha Motor products are created through collaboration with numerous suppliers in Japan and other countries. As our procurement and sales structures expand with our increasingly global business, the Yamaha Motor Group is establishing cooperative relationships with suppliers and dealers in Japan and around the world based on a spirit of mutual trust and mutual benefit. For this reason, we strive to conduct fair business in compliance with the competition laws of all countries and regions while working to create partnerships that aim for mutual, sustainable growth.



**Activities in Supply Chains** 

The Yamaha Motor Group regards its relationship with the supply chain not just as conducting procurement, but as procurement that emphasizes the incorporation of both cost and quality into its engineering, manufacturing and marketing.

An example of these activities is the implementation of "theoretical-value-based production" with suppliers. This does not simply mean demanding cost reductions, but instead involves analyzing the absolute value of engineering, manufacturing and marketing together with suppliers and then working together to find more ways to improve cost competitiveness.

We have trained some of our employees to serve as "theoretical-value instructors" in order to promote the implementation of "theoretical-value-based production" at suppliers inside and outside Japan as an initiative to strengthen our cost competitiveness in concert with them. In addition, we are promoting fair and clean procurement activities globally through training programs covering our Green Procurement Guidelines (detailing how to reduce our environmental impact and ensure the efficient use of resources and energy) and CSR Guidelines for Suppliers (which cover areas related to safety, quality and compliance).



Activities at Dealerships

As our contact point with customers around the world, dealerships play an important role in conveying Yamaha's "next Kando." By strengthening relationships with dealers through regularly held dealer meetings and activities to promote safe driving and support local communities, the Yamaha Motor Group is building a sales network that provides common value.

In Japan, dealers mainly in Yamaha Sports Plaza (YSP), an official Yamaha sports bike dealer system, and Yamaha Motorcycle Sales Japan Co., Ltd. play an important role in building ties with local communities and society by cooperating in a range of measures including motorcycle infrastructure development, motorcycle etiquette training, motorcycle recycling, tree planting, and other environmental campaigns, as well as fundraising for seeing-eye dog training.

## **The Community**

Introducing the approach and policies related to local communities

## The Community

The Yamaha Motor Group operates in locations around the world, and our business activities help support those local communities. Our products also play a role in enriching the lives of people around the world. We recognize the importance of maintaining a sustainable relationship through which the Company and local communities can coexist and mutually prosper, and to achieve this, we place great importance on maintaining and enhancing a relationship of trust through daily communication with stakeholders in those communities.

#### Important Areas of Activities Contributing to Society

	Key Themes	Activities
Global Issues	Developing Future  Leaders	<ul> <li>Promoting mental/emotional and physical health through sports</li> <li>Promoting creativity through engineering, manufacturing, and marketing</li> </ul>
	Environmental Conservation	Environmental education for local communities     Respecting biodiversity
	Improving Traffic Safety	Providing traffic safety education to the community     Raising awareness
Local Issues	Community Issues	Supporting the community with Yamaha Motor's products, human resources, and know-how

## **Social Contribution Activities**

Introducing examples of activities that contribute to local communities and society at large

#### Social Contribution Activities

In addition to contributing to society through its business activities, the Yamaha Motor group also undertakes social contribution initiatives by communicating with stakeholders in all countries and regions where group companies operate.



**Developing Future Leaders** 

Japan Accepting interns



**Environmental Conservation** 

Japan Beach cleanup campaign



Improving Traffic Safety

Colombia Holding Yamaha Riding Academies around the world



**Community Issues** 

U.S.A. YMUS, a Feed The Children corporate partner

## **Developing Future Leaders**

Introducing examples of activities that contribute to the nurturing of future leaders in the communities

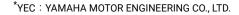
## **Developing Future Leaders**

Accepting interns in Japan

Through various corporate activities, the Yamaha Group is engaged in activities to develop future leaders in countries and regions around the world

At the headquarters of Yamaha Motor, we have been accepting roughly 10 students annually, for more than 20 years, from nearby medical schools as interns studying industrial hygiene.

Also, in Japan, YEC\* is in its 10th year of providing internships to students who want to become engineers, and has a total of 32 interns as of 2015





## **Environmental Conservation**

Introducing examples of activities that contribute to environmental preservation in the communities

#### **Environmental Conservation**



Beach cleanup campaign

Beach cleanup activities aim to preserve beach environments, which promote coastal fishing and marine sports. Group companies are continuously engaged in these activities around the world.

In Vietnam, 300 employees participated in YMVN's\* beach cleanup campaign in June 2015.

At beaches close to our headquarters in Japan, 2015 marked the 25th year since the commencement of our baby turtle observation tour and beach cleanup campaign. Roughly 500 people participated in this joint event with Yamaha Corporation to strengthen the bond of our common brand.

\*YMVN:Yamaha Motor Vietnam Co., Ltd.





## **Improving Traffic Safety**

Introducing examples of activities that contribute to riding safety in the communities

## Improving Traffic Safety

Holding Yamaha Riding Academies around the world

To reduce the number of traffic accidents involving motorcycles, the Yamaha Motor Group holds a variety of safe riding programs around the world.

In Colombia, Incolmotos\*1 holds YFRT\*2 programs to teach the basics of traffic rules, safe riding and the importance of hazard anticipation, and through 2015, more than 350 female riders had participated.



<sup>\*2</sup> YFRT: Yamaha Female Riding Academy



## **Community Issues**

Introducing examples of activities that contribute to solutions for community issues

## **Community Issues**



YMUS,\* a Feed The Children corporate partner

In the United States, YMUS has been a corporate partner of the U.S. nonprofit Feed The Children since 1994, and has been making donations to assist children living in poverty. In 2015, YMUS held a ceremony to present a donation of foodstuffs and other goods.

\*YMUS: Yamaha Motor Corporation, U.S.A.



#### **Volunteer Activities**

Introducing examples of employee volunteer activities in the communities

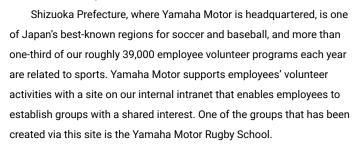
#### **Employee Volunteer Activities**

In addition to the social contribution initiatives that the Yamaha Motor Group conducts through its business activities, the Group also supports employee volunteer activities using a system that provides information via the Company intranet. Some specific initiatives from Japan are discussed below.



Volunteering through sports activities

The Yamaha Motor Group has held the "40,000 People's V Campaign" since 2004 to raise awareness among employees about volunteering and provide an impetus for participating in volunteer activities. The aim is for each employee to participate in one volunteer program annually, which translates to 40,000 people across the Group making a social contribution each year.

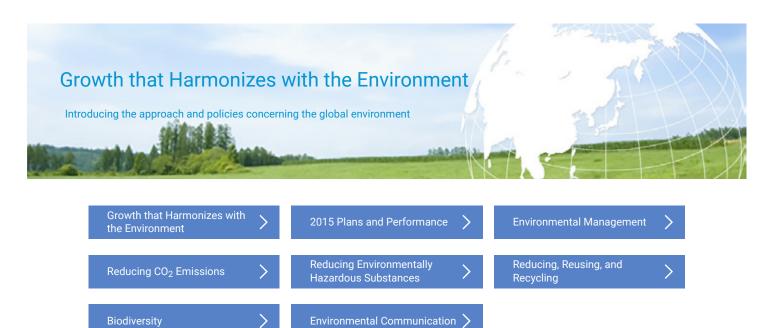


The Yamaha Motor Rugby School is primarily run by former members of the Yamaha Motor Rugby Club, and uses rugby instruction and activities to cultivate a sense of cooperation with friends and consideration of others, and promote physical fitness.



## The Environment

Introducing the approach and policies concerning the global environment



## **Growth That Harmonizes with the Environment**

We take into account harmony with the environment in all our business activities

#### Growth That Harmonizes with the Environment

Many environmental and resource-related issues which influence the realization of a sustainable society, such as advancing global warming, excessive energy and water consumption, and the loss of biodiversity, are becoming increasingly more serious on a global scale.

The Yamaha Motor Group believes that the social responsibility of enterprises involved in the global supply of products which support mobility requires substantive measures to address these issues. We recognize that personal mobility, which constitutes the core of our business, will play a substantial role and we take into account harmony with the environment in all our business activities. This includes the development of compact vehicles with little environmental impact through technological innovation, the spread of Smart Power\* products such as electrically power assisted bicycles and electric motorcycles, the research and development of next-generation power sources, and the implementation of programs that contribute to society by using the human resources, assets, and know-how accumulated through our business.

\*Smart Power: New power sources, primarily for electric vehicles, designed to create a new paradigm of mobility

Yamaha Motor Group Environmental Plan 2020					
	Action Areas	Priority Actions	2020 Targets		
Eco Products	Raise environmental attractiveness through product development from the perspectives of the environment	In the Eco Products area, implement the Frontier 2020 Groupwide long-term vision			
Eco	and customers  Environmental preservation	Reduce risks from environmentally hazardous substances Implement green procurement	Identify environmentally hazardous substances and support the use of alternatives		
Operations	through global business activities that aim to minimize environmental impact	Reduce emissions of greenhouse gases	Reduce CO <sub>2</sub> emissions per unit of sales by 1% (annual average)		
		Implement the 3 R's through the 3 E's Reduce water consumption (3 E's: Easy to make, Easy to repair, Easy to disassemble) (3 R's: Reduce, Reuse, Recycle)	Support the effective use and recycling of limited resources		
Eco Management	Environmental management through reinforcement of Group environmental governance systems	Create and operate Groupwide environmental management systems	Link Groupwide operations with local activities		
Eco Mind	Environmental contributions through diverse initiatives that seek to create a sustainable environment	Change attitudes through continuous environmental education	Have all Group employees actively undertake environmental measures with a high awareness of targets		
		Improve sensory environments (odors, noise, etc.) Communicate with local communities Preserve ecosystems	Be trusted and respected as a corporate citizen by local communities		
		Proactively disclose information from an environmental perspective	Well received by the community as an environmentally advanced company		

## **2015 Plans and Performance**

Presenting the list of FY2015 environmental

Action Areas	Priority Actions		Revision of 2015 plans	2015 Performance
Eco Products	Raise environmental attractiveness through product development from the perspectives of the environment and customers		Develop products to raise environmental attractiveness	Implemented in the medium-term plans of each business unit
Eco Operations  Environmental protection through global activities aimed at minimizing environmental impact	Reduce risks from environmentally hazardous substances	CO <sub>2</sub> emissions assessment and reduction	Each Group company to reduce CO <sub>2</sub> emissions by 1% per unit of sales per year	Group companies set a target of a 1% reduction in CO <sub>2</sub> emissions intensity per year and worked to reduce greenhouse gases in their overall business activities  Reduced by 10% per unit of sales compared with 2014 (goal achieved)
	Reduce emissions of greenhouse gases	Reduction of CO <sub>2</sub> emissions from manufacturing processes	Reduce by 6% per unit of sales compared with 2009	19% reduction in emissions intensity compared with 2009 (goal achieved)
		Reduction of CO <sub>2</sub> emissions from distribution operations	Reduce by 1% (annual average) per unit of sales	0.3% improvement (year on year), Not achieved
			Reduce by 9% compared with 2006	0.02% improvement (compared with 2006), Not achieved
		VOC reduction	Maintain level of VOC emissions per consumption rate to prevent deterioration from FY2010	Continuation of reduction activities
	Implement green procurement	Green procurement activities	Adhere to rules regarding prohibited or restricted substances (zero harmful substances in our products)	Continued to maintain green procurement activities

		i	1	<u> </u>
	Implement the 3Rs through the 3Es	Promotion of 3Rs in product development	Reusing/recycling initiatives	Continued initiatives
		Promotion of 3Rs in manufacturing	Keep waste materials for direct/indirect landfill disposal to 0 tons	0 tons
			Achieve recycling rate of 100% in manufacturing processes	100%
		Waste materials in manufacturing processes	Continue super-zero emissions	Achieved super-zero emissions again
		Establishment of recycling system for products in Japan	Voluntary initiatives to maintain a motorcycle recycling system	Proper handling and recycling of motorcycles were implemented through dealerships (Japan only)
		Reduction of parts packaging materials	Making 70% of packaging materials returnable	Goal achieved with 75% returnable rate
		Promoting recycling at sales channels		
	Reduce water consumption	Reduce water consumption	Understand actual water consumption status of Group companies	Investigation of water consumption status completed at 84 of 84 target companies (100%)
Eco Management  Environmental management through reinforcement of Group environmental governance systems	Create and operate Groupwide environmental management systems		Increase number of companies using integrated certification system (target: 7 companies)	Result: 7 companies Provided Group EMS activities to 33 companies using integrated certification system
			Using self- certification system for outsourcing of overseas examinations and customized examinations	Customized examinations through outsourcing: 2 companies (target: 4 companies)

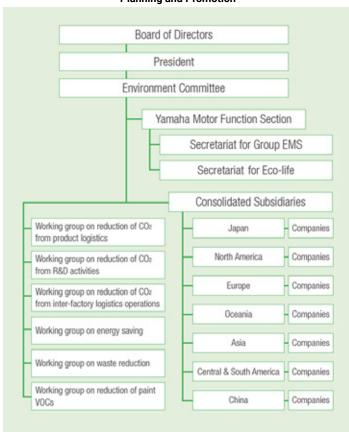
Eco Mind  Environmental contributions through diverse eco-activities targeting a sustainable	Expansion and support of diverse Eco activities	Achieve 67% participation rate in eco-commuting	Participation rate in eco-commuting reached 74.9%
		Establish the Eco Point system	Number of persons participated in activities under the Yamaha Eco Point system: 7,549 (system firmly in place)
global environment	Change attitudes through continuous environmental education	Provide environmental education in each segment	Implemented for new employees, general employees, supervisors and general managers (Distribution of environmental information)
	Communication with communities	Continue participation of a cumulative total of 40,000 Yamaha Motor Group people in the 40,000 People's V Campaign	Target not reached in 2015, with participation by 37,925 persons, 95.9% from 2014 (aim: 94.8%)
		Give lectures on corporate environmental initiatives at community events and schools	Gave lectures on corporate environmental initiatives at two universities in Shizuoka Prefecture
		Ongoing holding of various study trips to factories	Gave environmental lessons to local junior high schools students
	Preserve ecosystems	Continue environmental preservation activities in concert with local municipalities and other corporations	Participated in tree thinning and tree planting in areas planted by Iwata City; a beach cleanup campaign in Hamamatsu City; a cleanup campaign at Lake Hamana in Kosai City; a cleanup activity at Lake Hamana; tree planting to prevent weevil damage in Enshunada windbreak forest areas and other programs
		Participate in events intended to improve communication with local communities	Held dialogues with local governments  Participated at environmental events sponsored by local non-profit organizations (communication with non-profit organizations and local residents)
		Loggerhead sea turtle preservation activities  Eco-system monitoring activities	Cooperation in loggerhead sea turtle preservation activities and monitoring aimed at protecting endangered orchids and Penthorum chinense at Kikukawa Test Course site and in natural parks; Eradicating alien plant species at Nakatajima Sand Dunes; Pre-reforestation activities on companyowned land
	Communicating environmental information in relation to products, technologies, and services	Communicate environmental product information	Exhibited environmental products at Communication Plaza
		Promote environmental product information dissemination	Ongoing disclosure on the Company's website regarding environmental information for each motorcycle model and information on 3R designs and motorcycle/FRP recycling systems, etc.

## **Environmental Management**

Introducing information concerning environmental management activities

Organizational Structures for Promoting Environmental Management

The Yamaha Motor Group has established an Environment Committee, chaired by the Executive Vice President, as the central organization responsible for the Group's environmental activities in Japan and overseas. The committee deliberates on policies and visions for the future concerning environmental initiatives, medium- and long-term environmental policies, strategic investment proposals relating to environmental preservation, environmental monitoring topics and responses to issues, and other key issues relating to environmental management. The policies and activities discussed are reported to the Board of Directors.



The Yamaha Motor Group Organizational Structure for Environmental Planning and Promotion

"Eco management" is one of the action areas in Yamaha Motor Group Environmental Plan 2020, and based on this the Group has pursued global environmental ISO 14001 unified certification, which strengthens the Group's environmental governance framework and achieves efficient environmental management operations, at locations in Japan and overseas since April 2012.

This program covers main manufacturing centers representing 38 companies in Japan, Europe, the United States, ASEAN, China, Taiwan, India and South America, and as of the end of 2015, unified certification had been obtained by 33 companies (87%). We will continue to pursue 100% unified certification in 2016 and beyond.

The Yamaha Motor Group has also introduced an in-house environmental management certification system for companies that have a relatively smaller environmental impact, as part of our global environmental management system (EMS) activities. For overseas Group companies in particular, we have introduced customized audits using third-party institutions to develop activities that emphasize effectiveness and efficiency.

Through these activities, information is shared across the Group, and in addition to identifying environmental risks and EMS management issues at individual group companies, this has achieved significant progress regarding Groupwide environmental governance. In terms of efficiency, unified certification has also led to significant cost reductions.



Briefing on introduction of environmental ISO 14001 unified certification at YPMV\*

\* YPMV: Yamaha Motor Parts Manufacturing Vietnam Co., Ltd.

Global Environmental Information Network System (GYECOS)

The Yamaha Motor Group uses its proprietary global environment information network system, called G-YECOS, to promote two-way communication about environmental management system (EMS) activities within the Group. The volume of information handled by the Group is significantly increasing in line with expansion of unified certification, contributing to improved communication between Group companies.

Integrated Management System Operation

Thanks to its integrated environmental and safety management system, launched in 2011, Yamaha Motor has improved and increased the efficiency of on-site business processes. Furthermore, we are striving to improve corrective processes as a priority issue by laterally advancing initiatives globally and elevating the level of the entire Group.

Meanwhile, our integrated management system audits, which incorporate a process-oriented approach, focus on the various risks inherent in business processes to increase the effectiveness of on-site improvements.

Yamaha Motor discloses quantitative information concerning its environmental preservation measures and calculates environmental costs and the effects of these costs based on the Environmental Accounting Guidelines of Japan's Ministry of the Environment (2005 edition) so that it can conduct more effective environmental management.

Total environmental costs, including capital investment and operating costs, were approximately 32.1 billion yen in 2015, an increase of approximately 133% from the previous year.

Broken down by category, the impact of increases in resource recycling costs (59%) and R&D costs (60%) has been significant.

2015 Environmental Costs and Economic Effects

(The scope of environmental accounting is the YMC integrated management system.)

Category		Environmental Costs			Economic Effects		
			Investment	Cost	Total	Within FY	Full-Year Equivalent
Business area costs	Pollution prevention cost	Exhaust gas processing/test, water contamination prevention, odor prevention	154	351	505	1	4
	Global environment preservation cost	Energy preservation at plants, energy preservation in logistics	184	138	322	39	83
Resource recycling cost		Industrial waste processing (waste oil, sludge, waste plastic, grindstones, etc.), operation of incineration facility	24	194	218	20	23
		Subtotal	362	683	1,045	60	110
Upstream/Downstream costs		Implementation of decommissioned ship recycling system, reduction of packaging sent to Europe, green purchasing, and allowance for Eco-commuting	0	7	7	0	0
Administration costs		Implementation of environmental ISO, environmental staff costs	89	1,060	1,149	1	1
R&D costs		Development of eco power unit and lightweight materials, future development of environmental products	1,247	28,629	29,876	0	0
Social activity costs		Beach cleanup programs, events including the Baby Turtle Release program, and tree-planting management	0	6	6	0	0
Environme	ntal remediation	Cleanup of contaminated soil	0	69	69	0	0
		Total	1,698	30,454	32,152	61	111

Unit: Millions of yen. Figures may not add up due to rounding.

- R&D costs: Includes some estimates
- · Economic effects do not include deemed effects such as risk avoidance and enhancement of corporate image.
- ${}^{\bullet}\,$  Calculations are on a cash flow basis and do not include depreciation or reserves.

Environmental Preservation Effects				
Category	Within FY	Full-year equivalent		
Reduced energy (GJ)	17,217	38,880		
Reduced CO <sub>2</sub> (t-CO <sub>2</sub> )	2,368	3,815		
Conserved water (t)	40	780		
Reduced waste (t)	560	562		
Reduced VOC (t)	8	8		

All of the environmental preservation effects are estimated based on environmental conservation costs.

- Reduced energy: effects of reducing electricity, oil, gas, etc., are corrected in the unit of energy
- $\bullet\,$  Effect of reducing CO2: effect of reducing energy origin CO2

# Reducing CO<sub>2</sub> Emissions

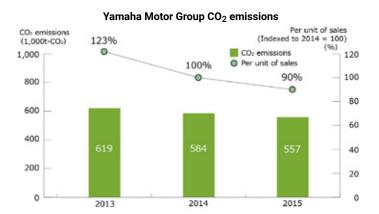
Introducing corporate efforts to reduce CO2 emissions

## CO<sup>2</sup> Emissions at the Yamaha Motor Group

As a manufacturer of motorcycles and other transportation machinery, the Yamaha Motor Group considers the reduction of greenhouse gas emissions to be the most critical environmental issue facing the world today.

We are targeting an annual 1% reduction in  $CO_2$  emissions per unit of sales as a common goal for the entire Group, and are working to reduce emissions in all of our business activities including product development and manufacturing.

In fiscal 2015, we achieved a 10% reduction in  $CO_2$  emissions per unit of sales compared with fiscal 2014. While production volumes are increasing, per-sales-unit emissions declined 27 thousand t- $CO_2$  year on year, to 557 thousand t- $CO_2$ . Going forward, we will continue monitoring the status of activities aimed at reducing the volume of energy consumed by Group companies in Japan and overseas. We will also provide support to Group companies and otherwise work to reduce greenhouse gases efficiently.

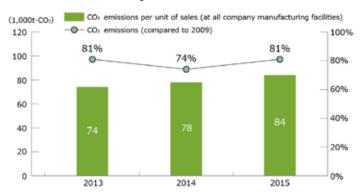




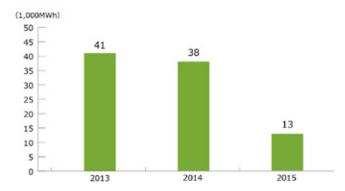


Yamaha Motor's original Groupwide target for fiscal 2015 was a 6% reduction in CO<sub>2</sub> emissions per unit of sales compared with fiscal 2009 (equivalent to 6.1 thousand t-CO<sub>2</sub>), but the actual result was a 19% reduction (equivalent to 20.2 thousand t-CO<sub>2</sub>). Despite achieving our targets, year-on-year CO<sub>2</sub> emissions per unit of sales increased due to the abolition of gas cogeneration at our headquarters. In addition, new energy sources such as solar power and natural gas cogeneration accounted for 13 thousand MWh (7% of total electric power consumption), resulting in a 4.2 thousand t-CO<sub>2</sub> reduction (thermal power generation conversion). We are committed to continuing the introduction of energy-saving devices and improving our operational management system.

# CO<sub>2</sub> emissions and CO<sub>2</sub> emissions per unit of sales at the manufacturing stage at Yamaha Motor



### Use of new energy sources\* by Yamaha Motor



<sup>\*</sup> In accordance with Japan's "Act on Special Measures for the Promotion of New Energy Use, etc.," Yamaha Motor regards solar power, wind power, and natural gas cogeneration as three innovative technologies with a high degree of application and refers to them as "new energy."

#### Power Generation System Using Solar and Wind Power at Factories

Yamaha Motor is installing power generation systems that use solar and wind power. The Nakaze Factory, which forms and paints motorcycle exterior parts, installed solar and wind power generation systems for concurrent operation in 2008, the first installation of its kind by Yamaha Motor. Along with the solar generation systems installed at other factories, 372 MWh of total power was generated, reducing CO<sub>2</sub> emissions by approximately 256 tons in FY2015. The power is used for lighting and air conditioning in the office buildings at the factories.



Solar generation system introduced through a joint research project with NEDO (Nakaze Factory)



Vertical wind power generation system, which is quieter than the propeller type (Nakaze Factory)



**Fukuroi Factory** 



Morimachi Factory

## Taking Our Know-How Accumulated in Japan Worldwide

In 2015, the entire Yamaha Motor Group pursued activities aimed at further reducing  ${\rm CO}_2$  emissions.

One main activity is a project for reducing CO<sub>2</sub> emissions through energy efficiency. This involves visits by Yamaha Motor energy efficiency technicians to manufacturing facilities around the world, including facilities of Group companies in Japan. Here, we deploy our energy efficiency know-how, accumulated in Japan, as a tool enabling us to inspect various facilities and identify areas of energy loss, and we engage in activities to cut such loss in cooperation with facility staff.

Initiatives during the year included reducing compressor operating loss, reducing air leakage, stopping operation of auxiliary machinery when not needed, and improving the combustion-air ratio of furnaces. These led to reductions in CO<sub>2</sub> emissions (5% below 2014 level) and lower emissions per unit of sales (10% below 2014 level).

Over the two-year period of 2014 and 2015, we visited 30 facilities in 13 nations, including those of Group companies in Japan. We have broadened the scope of these activities to cover facilities accounting for 98% of Groupwide  $CO_2$  emissions in our quest to minimize energy losses. Going forward, we will continue pursuing activities aimed at further reducing emission volumes at each factory and office in order to lower overall  $CO_2$  emissions.



Providing operational improvement guidance for air compressors at Yamaha Motor Parts Manufacturing Vietnam Co., Ltd.

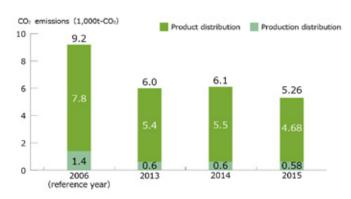


Addressing air leakage at Yamaha Motor Parts Manufacturing (Thailand) Co., Ltd.

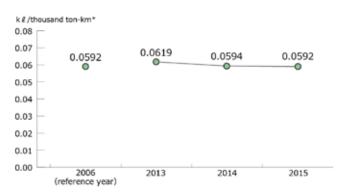
Yamaha Motor has established the goal of "Improving transportation efficiency by 1% a year (compared with 2006)" for all divisions. Yamaha Motor's basic approach is to implement measures beginning with those that will have the greatest CO<sub>2</sub>-limiting impact while balancing the energy conservation benefit with cost benefit. Yamaha Motor has also established a working group that centrally promotes CO<sub>2</sub> emissions reduction in distribution.

In 2015, we reduced  $CO_2$  emissions by improving and reassessing distribution of goods for long-distance transportation, leading to a 0.3% year-on-year improvement in transport efficiency. Going forward, we will continue to further improve the transport efficiency.

### CO<sub>2</sub> emissions in distribution at Yamaha Motor



#### Transport efficiency at Yamaha Motor



\*Unit volume calculated by converting the fuel energy necessary to move 1 ton of freight 1 km into crude oil



### New NMAX features style of MAX series in BLUE CORE engine-equipped 125cc global prestige city commuter

Yamaha Motor launched the new NMAX, with a water-cooled 4-stroke SOHC, 4-valve 124 cm<sup>3</sup> fuel injection BLUE CORE engine in a body that carries on the MAX series DNA, in March 2016.

The NMAX expresses a "global prestige city commuter" concept, in a two-wheel moped (125cc) with the superior style and handling of the MAX series, which also includes the popular TMAX line in Europe and Japan and the XMAX line in Europe.

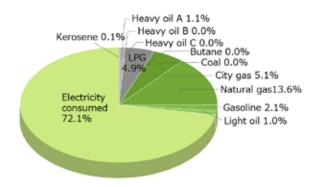
This is the first model for Japan featuring the BLUE CORE\* engine, which achieves new dimensions in the joy of riding, fuel efficiency and environmental performance. ABS is also included as a standard feature.

\* Yamaha Motor introduced the BLUE CORE engine in 2014, as an engine design concept that achieves new dimensions in terms of the joy of riding, fuel efficiency and environmental performance. This concept focuses on the three aspects of increasing combustion efficiency, increasing cooling efficiency, and reducing power loss. The engine for the NMAX125 was developed based on the BLUE CORE concept.



In fiscal 2015, the Yamaha Motor Group's total energy consumption was 10.51 million GJ, of which electricity accounted for 72%, or 7.58 million GJ. Around 80% of the Group's energy consumption was in Asia, including Japan. Seeking to reduce energy consumption, we are working in a deliberate manner on various initiatives. These include installation of melting furnace air-ratio control systems, introduction of thermal insulation in heat treatment furnaces, installation of power-saving equipment in factories, improvement of operational efficiency of compressors, and reduction of air usage.

### Yamaha Motor Group CO<sub>2</sub> Emissions Data (By Energy Source)



### Yamaha Motor Group CO<sub>2</sub> Emissions Data (By Area)

	Japan	North America	Europe	Oceania	Asia	Central and South America	China	Total Emissions
Manufacturing	136,944	55,310	6,723	0	297,299	6,053	35,680	538,010
Non- manufacturing	2,641	7,082	4,344	1,177	2,057	33	1,210	18,545
Total	139,585	62,392	11,067	1,177	299,357	6,087	36,891	556,556

(Unit: t-CO<sub>2</sub>)

Note: Totals may not add up due to rounding.

### Yamaha Motor Group CO<sub>2</sub> Emissions Data (Top 10 Countries)

Rank	Country	CO <sub>2</sub> Emissions	%
1	Japan	139,585	25.1%
2	Indonesia	138,141	24.8%
3	USA	61,213	11.0%
4	India	55,749	10.0%
5	Thailand	36,987	6.6%
6	China	36,891	6.6%
7	Vietnam	33,560	6.0%
8	Taiwan	28,390	5.1%
9	Malaysia	4,896	0.9%
10	France	4,735	0.9%

(Unit: t-CO<sub>2</sub>)

Note: Totals may not add up due to rounding.

## **Reducing Environmentally Hazardous Substances**

Introducing corporate efforts to reduce use of environmentally hazardous substances

## Reducing Environmentally Hazardous Substances



Reducing PRTR\* Substances

In accordance with various countries' regulations, the Yamaha Motor Group tracks and reports the content of chemical substances that may be harmful to human health or the environment in the waste materials it generates or discharges. More than 99% of the PRTR substances released by Yamaha Motor are VOCs\*\*, most of which are generated in painting processes.

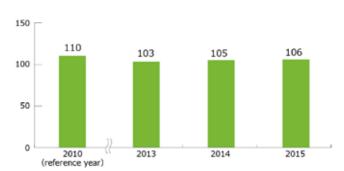
In 2013, we upgraded the painting booth at our main Iwata Factory, which now uses low-VOC paints. At other factories, as well, we are reducing VOC emissions through optimization of the paint robot system and other means.

We plan to continue reducing VOC volumes by promoting expanded use of low-VOC paints, improving coating efficiency, and reducing paint volumes.

- \* PRTR: Pollutant Release and Transfer Register
- \*\* VOCs: Volatile Organic Compounds

#### Trends in VOC release





## Complying with the REACH Regulation

In response to the enactment of Europe's Registration, Evaluation, Authorization and Restriction of Chemicals (REACH) regulation in June 2007, the Yamaha Motor Group is strengthening its chemical substance management. In addition to observing Substances of Very High Concern (SVHC\*), we are monitoring chemical substances used at plants both in Japan and overseas while expanding our environmental management activities. We will continue to share pertinent information throughout our entire supply chain, and strive to further enhance the management of chemical substance information.

\* SVHC: Substances that could significantly impact human health and the environment

# Reducing, Reusing, and Recycling

Introducing measures for recycling and limiting the use of natural resources

## Reducing, Reusing, and Recycling

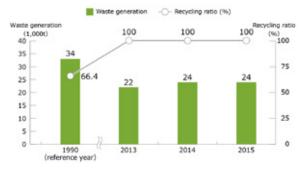
The 3R concept (Reduce, Reuse, Recycle) is becoming ever more important in all phases of product life cycles, from development and production to use and final disposal, in order to create a recycling- oriented society. The Yamaha Motor Group set "promoting recycling and the effective use of limited resources" as a goal and has undertaken various initiatives to meet it.

We are adopting various approaches to conserve natural resources and enhance recycling efficiency. In addition to actively utilizing recyclable materials, we are reducing the number of parts making them smaller by pursuing optimal size. We also use LED technologies to lengthen product life while adopting designs that facilitate dismantling and improving the recyclability of parts. Our aim is to improve the applicability of the 3R concept to our products.

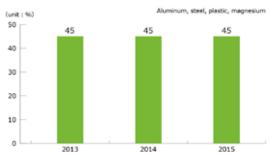
Measures to Reduce Waste and Conserve Resources at the Manufacturing Stage

In 2015, Yamaha Motor generated a total of 24 thousand tons of industrial waste. We separate metal, plastic, foundry sand, and other waste for reuse and recycling as raw materials. We also subject oil and some plastics to a thermal recycling process to create materials that can be used as combustion improvers. In addition, we use post-combustion residue as a raw material in cement and roadbeds. As a result, we have maintained our direct and indirect landfill record of "zero tons" (a 100% recycling rate).

# Waste generation at the manufacturing stage and recycling ratio at Yamaha Motor

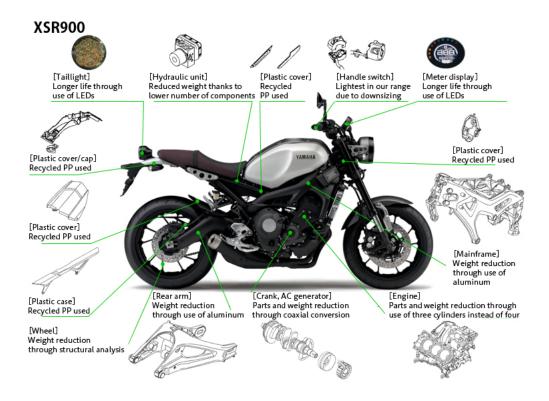


### Proportion of recycled materials procured by Yamaha Motor



The Yamaha Motor Group is actively adopting designs based on the 3R concept (Reduce, Reuse, Recycle) for various products. In Japan, we are continuing operation of the Motorcycle Recycling System in cooperation with other industry firms to facilitate appropriate processing of end-of-life motorcycles by dealers.

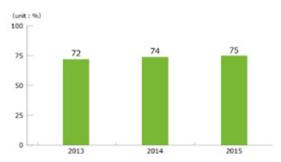
Example of 3R Design



Yamaha Motor's Spare Parts Section is working to save energy and resources through various 3R initiatives. These include "reducing" by improving the filling rate with respect to packaging for spare parts sent overseas, "recycling" through the introduction of dedicated returnable packaging, such as plastic pallets and buckets, for spare parts sent overseas, and "reusing" by increasing the number of overseas shipping destinations that use returnable materials.

Thanks to these initiatives, in 2015 we achieved a 75% returnable rate (percentage of total shipping cases sent overseas that use returnable materials), compared with our target of 70% or higher.

# Percentage of returnable Yamaha Motor parts containers for overseas shipment







Returnable pallet body

Returnable bucket body

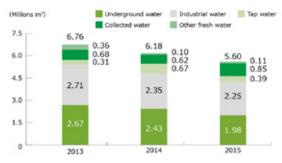
### Returnable Pallets/Buckets Used in 2015

Delivered to	Number of Pallets	Number of Buckets	
Europe	2,200	49,600	
North America	3,900	101,800	
Oceania	200	5,700	
Asia	500	28,900	
Total	6,800	186,000	

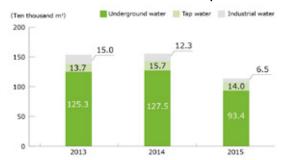
The Yamaha Motor Group endeavors to measure and reduce the amount of water resources it uses. The Group reduced its use of water resources in 2015 by 0.58 million  $m^3$  compared with 2013, to 5.60 million  $m^3$ , the main components of which were 1.99 million  $m^3$  (35%) of underground water and 2.25 million  $m^3$  (40%) of industrial water.

We strive to use limited water resources effectively, including through recycling. We will continue to strive to measure our global use of water resources, and reduce our water resource consumption through programs including the reuse of coolant water and water collection (rainwater and other sources) at factories.

### Water resource consumption at the Yamaha Motor Group



### Yamaha Motor water consumption



# **Biodiversity**

Introducing activities aimed at preserving biodiversity

## Biodiversity

In our activities aimed at promoting diversity, we are working in a systematic manner to preserve the diversity of ecosystems, species, genes, etc. These activities are based on the Yamaha Motor Group Basic CSR Policy and Environmental Plan 2020, with consideration for guidelines issued by the Ministry of the Environment.



Protecting rare plant species at the Yamaha Motor Kikukawa Test Course

Yamaha Motor is maintaining wildlife diversity as well as preserving the environment through measures such as protecting a certain swath of existing vegetation around the perimeter of the test course. In 2008, before construction started, the Company conducted an environmental assessment of the site and surrounding area. In the following year, 2009, a Natural Environment Conservation Agreement was prepared. This became the basis for the preservation of plants (six species), mammals (one species), birds (four species) and fish (one species) identified from amongst those species listed in the Shizuoka Prefecture Red Data Book (Classification: Vulnerable, and Near Threatened). Yamaha Motor submitted the agreement to the related department of the Shizuoka Prefectural Government in 2010. We continue to monitor the environmental impact of the test course, which began operation in 2013.



Monitoring activity



**Propagating flowering Chinese ground orchids** 





Biodegradable marking tape (gold brocades)

Since 1991, the Yamaha Motor Group has held a beach cleanup and baby loggerhead sea turtle watching event at Nakatajima Sand Dunes (in the southern part of Hamamatsu, Shizuoka Prefecture), where endangered loggerhead sea turtles come to lay their eggs.

Participation in the 26th loggerhead turtle cleanup campaign





Around 200 Yamaha Motor employees and their families and friends served as volunteers in a cleanup campaign at Nakatajima Sand Dunes.









During the loggerhead turtle habitat cleanup in May 2015, we participated in a campaign to remove alien plant species in cooperation with Coastal Control Division, Public Works Office of the Shizuoka Prefectural Government.

## Beach cleanup campaign













## Sand dunes recovery work









## Removing alien plant species

In cooperation with Coastal Control Division, Public Works Office of the Shizuoka Prefectural Government, in September 2015 we participated in a campaign to remove evening primrose and rough buttonweed, which are alien plant species that infest beach sand, to create an environment enabling the endangered riverside tiger beetle to survive.









We deployed our products to conduct marine cleanup activities at Lake Hamana (for the fifth time in May and the sixth time in October), with the aim of protecting the lake's natural beauty. For the year, a total of 220 employees, including members of Marine Business Operations, used our PWC, boats, and other craft to collect around 580kg of trash that had washed ashore.



We conducted pre-reforestation activities on company-owned land with the aim of creating a beautiful bamboo forest.



A total of 219 volunteers—Yamaha Motor Group employees, families, and friends—participated in a mangrove-planting campaign in Thailand.



## **Environmental Communication**

Introducing measures aimed at promoting environmental awareness and activities

## **Environmental Communication**

In order to help achieve sustainable growth for local communities and coexistence with the global environment while providing our products and services, the Yamaha Motor Group believes that it is important to promote environmental protection activities and to strengthen cooperation with all of our stakeholders through obtaining their understanding and participation. We also believe that clearly communicating to the world our approach to environmental preservation is one of our corporate social responsibilities.

With the goal of "being trusted and esteemed as a corporate citizen by local communities" in the Yamaha Motor Group Environmental Plan 2020, we are strengthening our communication with stakeholders by holding environmental symposiums in response to external requests regarding our environmental activities (such as eco-commuting, beach cleanups, and the Baby Turtle Watching Event) and by disseminating information through CSR Environmental Reports and other means.

Yamaha Motor has promoted eco-commuting initiatives since 2004. It now has 12 sites registered under the Excellent Eco-Commuting Business Site Accreditation System of Japan's Ministry of Land, Infrastructure, Transport and Tourism (MLIT). The Company's ongoing efforts were recognized by the Ministry, receiving an MLIT award for environmental protection excellence in the transport industry in December 2013.





Introduced an Eco Point System

One of the goals of the Yamaha Motor Group Environmental Plan 2020 is to have "every Group member strongly motivated to proactively participate in environmental programs." To help group members achieve this goal, Yamaha Motor introduced an Eco Point System in January 2008. This system established an index that assigns points to environmental activities and allows members to select eco prizes according to the number of activities conducted and the number of points earned in one year. In 2015, participation in this program reached 7,549 persons (the number of persons who participated in activities included in the system).



Participants in eco-commuting campaign



Volunteer neighborhood cleanup in Iwata City

Yamaha Motor uses its corporate intranet to report in a timely manner on the status of eco-commuting and employee volunteerism and to disseminate information on cleanup programs for beaches and areas in the vicinity of Company facilities as well as environmental communication with local communities and the public. These efforts serve to raise employee awareness concerning the environment and to encourage participation.



Arai Benten Beach, Lake Hamana cleanup campaign (June 2015)



Enshunada Coastal Park cleanup campaign (October 2015)



Marine fishing park cleanup campaign



Planting broad-leaved trees as windbreak



Collecting waste at Kosai City



Nametag attached to seedlings



"Green curtain" at Nakase

Yamaha Motor holds a regular event, displaying the installation of a "green curtain" made of bitter melon vines at its Nakase Factory as a global warming countermeasure. The curtain reduces the outside temperature by 5-6 degrees, which helps conserve electricity.





# ISO26000 Reference Table

Presenting a Table of ISO26000 concerning information in the Annual Report and CSR website

## ISO26000 Reference Table

ISO 26000 Core Subjects	Issues		Web Links	
Organizational Governance			*Approach to CSR     *Basic Policies of CSR     *Corporate Governance	
Human Rights		Due diligence  Human rights risk situations	•Workplaces Thriving on Diversity •Internal Reporting Systems	
	3	Avoidance of complicity	(Hotlines)  •Activities in Supply Chains	
	4	Resolving grievances		
	5	Discrimination and vulnerable groups		
	6	Civil and political rights		
	7	Economic, social and cultural rights		
	8	Fundamental principles and rights at work		
Labor Practices	2	Employment and employment relationships  Conditions of work and social protection	•Developing Human Resources •Supporting Work-Life Balance	
	3	Social dialogue	•Workplace Safety and Health	
	4	Health and safety at work		
	5	Human development and training in the workplace		
The Environment	1	Prevention of pollution	•Growth That Harmonizes with the Environment	
	2	Sustainable resource use	•Environmental Management  •Reducing CO <sub>2</sub> Emissions	
	3	Climate change mitigation and adaptation	•Reducing Environmentally  Hazardous Substances	
	4	Protection of the environment, biodiversity and restoration of natural habitats	•Reducing, Reusing, and Recycling •Biodiversity	
Fair Operating Practices		Anti-corruption	•Activities in Supply Chains •Activities at Dealerships	
		Responsible political involvement		
	3	Fair competition		
	4	Promoting social responsibility in the value chain		
	5	Respect for property rights		

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Consumer Issues		Fair marketing, factual and unbiased information and fair contractual practices	•Offering New Excitement •Customer Service	
	2	Protecting consumers' health and safety	•Riding Safety Promotion	
	3	Sustainable consumption	Activities  •Thorough Import and Export	
		Consumer service, support, and complaint and dispute resolution	Management  Initiatives for Protection of	
	5 Consumer data protection and privacy		Personal Information	
	6	Access to essential services		
		Education and awareness		
Community Involvement	1	Community involvement	•Important Areas of Activities	
and Development		Education and culture	Contributing to Society	
		Employment creation and skills development		
		Technology development and access		
		Wealth and income creation		
		Health		
		Social investment		