



Yoshihiro Hidaka

President, Chief Executive Officer and Representative Director

We will overcome the challenging external environment and aim to create prosperity and happiness for people while working in harmony with society and the environment.

Overview of Fiscal 2019

In fiscal 2019, ended December 31, 2019—the first year of our current three-year Medium-Term Management Plan set to conclude in fiscal 2021, net sales increased in the Marine Products and Financial Services businesses but fell in the Land Mobility and Robotics businesses (excluding the impact of M&As), resulting in an overall net sales decline. Despite an improvement in profitability thanks to 1) structural reforms and heightened operational efficiency at factories producing developed market motorcycles in Europe and our headquarters, and 2) more premium-segment motorcycle models in Indonesia, operating income also contracted overall due to the aforementioned decrease in net sales in the Robotics business and other segments, an increase in expenses for implementing growth strategies, the impact of foreign currency exchange rates, and other factors.

Our Medium-Term Management Plan was rolled out looking to achieve earnings by securing and improving the profitability of existing businesses and then making investments and embarking on challenges for future growth. However, balancing these differing goals has proved difficult. Excluding the expenses for strategic growth and the impact of foreign currency exchange rates, we were able to secure earnings on a par with the previous fiscal year for the former, but were unable to achieve the results we wanted. However, we succeeded in sowing various seeds for the latter. The Medium-Term Management Plan's policies are to further advance the growth strategies we have pursued thus far and allocate the management resources to accelerate them. However, we currently have not been able to raise the performance of our existing businesses to the extent necessary to facilitate this. With our results for fiscal 2019, expenses for corporate growth and reinforcing our business

platforms proved to be a burden and the increase in expenses greatly exceeded the rise in marginal profit.

Looking at individual businesses, we saw an improvement in earnings with developed market motorcycles in the Land Mobility business from greater unit sales in Europe and the accompanying increase in marginal profit at our headquarters. However, profits declined in the emerging market motorcycle business due to falling unit sales in Vietnam, Taiwan, and India stemming from the market and competitor environment, and the impact of issues with logistical operations in the Philippines. In addition, during the current Medium-Term Management Plan, we will move toward implementing specific measures for structural reform in the developed market motorcycle business, an issue present since the Lehman Brothers bankruptcy triggered the 2008 global financial crisis.

In the Marine Products business, the shift toward large outboard motors continues and while net sales proceeded broadly in line with our expectations, profits fell due to the heavy impact of foreign currency exchange rates.

In the Robotics business, sales increased due to the establishment of Yamaha Motor Robotics Holdings Co., Ltd. (YMRH) through the business integration of Yamaha Motor, SHINKAWA LTD., and APIC YAMADA CORPORATION in February 2019, but lasting stagnant market conditions from U.S.–China trade friction led to a significant decrease in profits. Furthermore, in April 2020 we converted YMRH into a wholly owned subsidiary. Going forward, Yamaha Motor will expedite post-merger integration (PMI) and raise YMRH's management speed to create a more integrated management channel with the Company from which to improve the Robotics business' profitability as a whole.

Promoting Medium- to Long-Term Strategies

In fiscal 2018, Yamaha Motor formulated its Long-Term Vision for 2030 under the slogan of “ART for Human Possibilities.” This vision clearly states the objectives and values Yamaha Motor would like to offer society amid the dramatic changes in the external environment and faster diversification of people’s values. I believe that the range of fields in which the Company can make a contribution is broadening due to societal changes that include the tightening of regulations on exhaust emissions, electrification, aging populations in developed countries, and the advances in information technology (IT) and artificial intelligence (AI) technology. By combining the core technological competencies we have developed to date with cutting-edge technologies and pursuing co-creation with our business partners, we will seek to create a better society and better daily lives by offering products and services that build on people’s innate capabilities and possibilities.

The strategy for achieving this goal is “ART for Human Possibilities.” The “robotics” in the strategy broadly refers

to advanced technologies such as electronic control and AI, and forms the foundation for the next stage of growth in all our business activities. Another aspect of the strategy is “Uniquely Yamaha Solutions.” This refers to systems like the automated low-speed mobility (LSM) service we are conducting real-world testing for and the provision of non-hardware solutions. “Transforming Mobility,” another component of the strategy, concerns the offering of hardware solutions, headed by our Leaning Multi-Wheel (LMW)* technology and electric vehicles (EVs).

The current Medium-Term Management Plan is positioned as the first three years for advancing reforms aimed at realizing our Long-Term Vision, and we are working to reform our management platforms and promote growth strategies. Although our aforementioned business results in fiscal 2019 were unfavorable, we were still able to move our growth strategies forward according to plan.

* Yamaha Motor’s designation for vehicles with three or more wheels that lean like a motorcycle through turns

Reforming Our Management Platforms

We are reforming our management platforms using the latest digital technologies and data in our R&D, manufacturing, and corporate fields.

In the R&D field, we are advancing model-based systems engineering (MBSE). Utilizing simulation models in the development process covering initial design to verification, we can perform strength and fluid analyses, etc., to identify and solve problems at an early stage and thereby conduct more efficient development and manufacturing.

In the manufacturing field, we are moving toward the use of smart factories. This entails using a variety of sensors to collect digital data on the operational status of a factory,

carrying out big data analysis, and then feeding the results back into the operation of the factory. Doing so enables the early detection and prediction of irregularities, and in turn leads to more efficient management.

In the corporate field, we will promote the overhaul of enterprise resource planning (ERP). In seeking the best arrangement for a global corporation, we will standardize and unify our core systems. We will work to reduce costs and implement our growth strategies by increasing the efficiency of indirect processes and shifting resources to growth fields.

Promoting Growth Strategies

Taking on new challenges in our core businesses

We have been taking on—and beginning to see the results of—a variety of challenges, such as our quest “To someday create bikes that lean but do not fall” showcased by our MOTORiD and LMW models, efforts to promote the development and commercialization of EVs, and efforts aimed at more automated watercraft operation in the Marine Products business.

Today, responding to the trend for “connected, autonomous, shared & services, and electric” (CASE) vehicles has become an urgent priority in the transportation equipment industry. In this context, electrification has become a key word and Yamaha Motor has set a target of reducing CO₂ emissions from its products by 50% by 2050 (compared with 2010). As part of these efforts, we are promoting the manufacture and sale of electric products, including the electrification of motorcycles. Given that engine development is our traditional strength and that it remains an important element of differentiation for us, electrification in the transportation equipment industry has the potential to threaten our survival.

However, while the mobility needs of people may change, those needs are not likely to disappear. Although I feel that a diverse change will come to the values regarding mobility, due partly to the global COVID-19 pandemic, I would like to establish as soon as possible a model for generating steady

earnings even when electric products become the norm, while ascertaining market and customer needs. To that end, we have positioned EV-related investments as an issue of the highest priority for our core business framework and will undertake these without constraint.

Promoting the development of new businesses

With an eye on developing prominent new businesses by 2030, I envisioned a three-phase process: the three years of the current Medium-Term Management Plan as a period for identifying opportunities; a subsequent three-year period for investing management resources in a focused manner in the chosen fields; and another three-year period in which the newly developed businesses begin to contribute to earnings. I believed that these periods were realistic based on my own personal experience. However, the incredibly impactful changes to the external environment brought by the global COVID-19 pandemic has brought to the fore various societal issues, and amid this we have fast-tracked our new business opportunity identification plan and narrowed down the fields to pursue to four: mobility services, LSM, agriculture, and medical. Going forward, we will focus on these four fields and invest our management resources to create new businesses and grow their scale.

Forecast for Fiscal 2020

At the financial results briefing in February 2020, I conveyed our intention to focus in fiscal 2020 on restoring the profitability of our existing businesses and moving forward in coordination with each business and corporate function, in light of growing uncertainty about the global economic outlook, the signs of a recessionary environment, and our business performance in fiscal 2019.

However, the global COVID-19 pandemic is having an enormous impact not only on economies and business but also human life. Yamaha Motor has also implemented countermeasures, including production control based on careful assessment of demand and extensive cuts to expenses and investment spending.

In addition, we have proactively and quickly provided donations and carried out support activities in our various regions of operation. In Japan, we manufactured plastic face shields and sterilizing detergent and distributed them to medical institutions as well as donating and offering free motorcycle rentals to physicians overseas (Thailand, Germany, and Sweden).

In recent years, the Company has overcome several crises that have cut off its supply chain, from the large-scale floods in Thailand to the Great East Japan Earthquake and heavy rains in Japan. In the process, the level of the Company’s various initiatives related to our Business Continuity Plan (BCP), such as the preservation of our supply chain, has risen considerably. Accordingly, when an event occurs in a

given region, we have become able to swiftly determine how it will affect us and how best to deal with it.

Nevertheless, the global spread of COVID-19 marked the first time that we have been forced to suspend operations simultaneously around the world. Based on this experience, we are implementing three countermeasures. The first is the promotion of e-commerce. As it becomes increasingly difficult to maintain our physical touchpoints with customers due to limits or restrictions on people leaving their homes, we will broaden our businesses' digital touchpoints with customers and establish an optimal combination of digital and face-to-face customer interaction.

The second is transitioning to new work styles. The extent to which we can ensure production efficiency at our plants while taking all possible measures to prevent infection on the frontlines will be vital. For our office-based employees, we must also revise our personnel systems so that they can achieve results while working from home. I believe that once this new work style becomes established, we will see each employee place greater value on the time they are able to save on commuting or make the most of their spare time.

The third measure is further strengthening our supply chain. Yamaha Motor products are sold around the world and many are manufactured in countries outside of their destination market. Our production structure is such that when manufacturing—including parts and components—ceases in one country, many other countries where our products are sold are significantly affected. In light of current circumstances, we are working to stabilize and strengthen our supply chain by

reviewing our global production structure and logistics functions, the appropriate products and parts by type as well as inventory volumes for each country, etc.

A comparatively large proportion of our products are used for leisure and recreation, and as governments throughout the world begin to lift restrictions on going out, spending money on hobbies and leisure may remain a low priority, even if governments enact economic stimulus policies. On the other hand, I am also hopeful that demand for our products as accessible outdoor vehicles and tools will be stimulated in the post-COVID-19 world. Demand for Yamaha Motor products such off-road motorcycles, sport boats, and personal watercraft is already recovering due to a growing trend for enjoying nearby places and the outdoors following the easing of lockdown restrictions primarily in Europe and the United States.

Furthermore, in regions with extensive and well-developed public transportation, calls to avoid closed spaces, crowded gatherings, and close contact with others have reminded people of the advantages of personal mobility options like motorcycles and electrically power-assisted bicycles. In the logistics industry where essential workers support people's daily lives, motorcycles are being reappraised for their mobility and ability to avoid or better navigate traffic congestion. I believe that these developments will lead to new demand going forward.

As for our Robotics business, although I expect global capital expenditures to remain sluggish for a time, I am certain that the bolstering of communications infrastructure and other developments will prompt a growth in demand over the medium to long term. We must steer management while accurately assessing conditions. Naturally, our policy is to prevent the further spread of COVID-19 by prioritizing the lives of our employees and stakeholders first and then minimizing our business losses. Although we have yet to announce our performance forecasts for fiscal 2020, we intend to do so as soon as possible and are currently scrutinizing the impacts of COVID-19 on our supply chain, plans, and business performance.

I know that this will be a particularly challenging year. We will do our utmost to calmly assess market conditions and tenaciously work toward achieving the Medium-Term Management Plan while maintaining a constant sense of urgency.



We will calmly assess market conditions and tenaciously work toward achieving our goals.

Shareholder Return Policy

Yamaha Motor views increasing shareholder returns as an important management issue and strives to raise corporate value. With regard to the dividend payment, we seek to maintain as well as strengthen our financial foundations and increase new growth investments and returns to our shareholders. We have set a benchmark of 30% for the dividend payout ratio of net income attributable to owners of parent.

For fiscal 2019, we paid a full-year dividend of ¥90 per share, consisting of a ¥45 interim dividend and a ¥45

year-end dividend, surpassing this benchmark. In regard to fiscal 2020 dividend payments, as we anticipate challenging conditions in the first half of the fiscal year, we have decided not to pay an interim dividend with the goal of securing liquidity on hand. We will promptly make an announcement regarding a year-end dividend when we are able to make a forecast.

Further Improving Brand Value

The corporate mission of Yamaha Motor is to be a *Kando* Creating Company and we aspire to always be a company offering new value that inspires customers to look to us for new *Kando*. With our origins in Yamaha Corporation, a leader in musical instruments and audio products, we have engaged in *Monozukuri* that appeals to human sensibilities through our consumer-oriented development ideal. With the Yamaha brand, the *Kando* that we offer entails an emphasis on appealing to human sensibilities, and we operate a joint Brand Committee together with Yamaha Corporation to share the brand's direction and alternative indicators of value as well as our respective targets to that end.

We have made raising our brand value an important management task at Yamaha Motor. With the electrification of mobility I mentioned earlier and other technological advances, it has become increasingly difficult to differentiate ourselves with product specifications and hardware performance, so I believe that customers will choose products based on their trust in and connection with a brand. As such, I expect the role and importance of the brand to grow going forward. Historically, nearly 130 years have passed since the Yamaha brand was born and over 65 years since we turned our hand to motorcycles. The brand value we have today was won through the quality that earned customers' trust in the brand and their recognition of our commitment to the value we create. I believe that this is a strength of the Company.

Yamaha Motor clearly defines the fundamental elements of the "unique style of Yamaha" with the following key words expressing its shared values: Innovation, Excitement, Confidence, Emotion, and Ties. I firmly believe that exhaustively refining these five elements and incorporating the unique style of Yamaha into all processes and levels of our corporate and business activities is the way to meet customer expectations and the fuel to further improve our competitiveness. One top internal undertaking that aims to improve brand value is the Brand Strength Score (BSS),*¹ a qualitative indicator for measuring understanding and penetration of the brand. Four internal indicators and six social- and customer-related external indicators are used to gauge brand strength. Through an interview format, we constantly research our positioning in relation to our competitors and clarify our strengths and weaknesses in each country and by product category. Based on these efforts, we revise our action plans annually and engage in the plan-do-check-act (PDCA) cycle while monitoring score trends. Furthermore, under the goal of augmenting our organizational structure to strengthen quality assurance and ensure safety and compliance with laws and regulations, we established the Quality Assurance Center in 2020 to minimize risks that directly impact our brand image and to continuously lift our corporate value.

Moving forward, I want the Company to express its

commitment to appeal to human sensibilities and create *Kando* not only through tangible aspects (products) but also to embody this commitment through the services and experiences it offers to customers. This falls under the Confidence and Ties elements of the unique style of Yamaha. For example, we operate the bLU cRU*² rider support program as part of our marketing activities in developed markets. bLU cRU's most distinguishing feature is its all-around support for further enriching the riding lifestyles of Yamaha product owners. The program fosters interactions between Yamaha Motor and its customers—and among customers themselves—and embodies the goal behind the Company's "Revs your Heart" brand slogan of delivering exceptional value and experiences that enrich the lives of our customers.

Aiming to Create Social Value

To realize continuous growth, the Company identified in 2019 four important societal issues (materiality issues) that it can help resolve by leveraging its strengths: Environment and resources; Transportation, education, and industry; Innovation; and Human capital management. It is my belief that all these issues are directly connected not only to the Company's brand value but its survival as well. With that in mind, we intend to focus our efforts on a range of initiatives in line with materiality issues. In particular, as a manufacturer selling products that emit exhaust gases, measures for the environment are a must for us and as mentioned previously, we are working to reduce CO₂ emissions from our products while proactively developing electric mobility.

Meanwhile, examples of the Company applying the technologies, knowledge, and expertise it has garnered through its diverse range of businesses in order to help local communities include the clean water business in emerging and developing economies and our longtime work to help modernize the fishing industry in Africa and elsewhere. I believe that these efforts not only contribute to the resolution of societal issues but also help raise our brand value in the course of establishing relationships of trust with local communities, and that this will lead to greater corporate value over the long term.

Looking ahead, amid rising incomes and living standards in Southeast Asia and emerging markets, I believe that we will be able to put our branding efforts to work there when the role of motorcycles shifts from a means of daily commuting to a tool of choice for recreation.

Through these initiatives, Yamaha Motor will strive to be a company chosen by customers that achieves continuous growth by constantly maintaining and improving its brand reputation and brand value.

*1 A method of assessing brand strength provided by Interbrand Japan

*2 An amateur racing contingency program for riders using Yamaha motorcycles and other products

Among the materiality issues identified, I view Innovation as the platform for the Company's growth that is indispensable for fulfilling its Long-Term Vision. Going forward, we will work on innovations such as developing new forms of mobility and providing solutions through robotics to supplement labor shortages. Within Yamaha Motor's *Monozukuri* is its exclusive development ideal of *Jin-Ki Kanno*. This refers to technologies that seek to deliver to users the seductive exhilaration felt when they truly become one with their machine. We quantify and fine-tune this kind of exciting performance, which we call *Kanno Seino*, and build it into our products. For example, when creating a motorcycle, test riders systematically ride and evaluate it in the final stages of development, making confirmations and repeated improvements. This process is how Yamaha Motor creates a machine with response tuned to suit human sensibilities, enjoyable handling, chassis behavior bringing peace of mind, and more. In solving Innovation issues, we will use the same approach of exhaustively developing products with characteristics that appeal to all five senses. We will continue to provide new value to society through our technologies and sensibilities as a *Kando* Creating Company by infusing our core technological competencies and *Jin-Ki Kanno* into our products.

Taking on the Challenge of Further Growth

In 1953, when Japan was embarking on its road to recovery, Genichi Kawakami, the fourth president of Nippon Gakki Co., Ltd. (today's Yamaha Corporation), gave the order to enter the motorcycle industry. Despite being a latecomer, Yamaha Motor was able to survive in an era in which the industry had already begun weeding out the weaker players and go on to establish its current brand value. This is thanks to the Spirit of Challenge passed on to each and every employee—to always try to create new *Kando* for society—but I also believe that it is thanks to the free and open-minded corporate culture we have that facilitates this spirit.

People are the greatest source of value creation and hence management should be concerned first with how it can maximize the performance and motivation of organizations and individuals. In terms of human resource development, each year we are improving our human resource training programs aimed at a variety of employees. For example, we have established training tailored to employee position levels, training to hone specialist skills, schemes for gaining frontline experience outside Japan and overseas trainee programs for employees aspiring to be active on the global stage, and coaching to raise organizational performance by enhancing team strength.

As a company operating globally, the promotion of diversity is essential in order to share as knowledge the environments, cultures, and approaches of various countries and regions. In widely sharing such knowledge, the occasional

clash of values leads to the creation of new values. Specifically, we convene the Global Executive Committee twice a year for our highest-ranking executives and global meetings several times a year for specific functions for executives in the rank below. In this way, we are creating opportunities for executives and employees from different countries and regions to inspire one another.

Business trends are approaching a major paradigm shift due to the electrification of mobility, the rapid development of digital technologies, accompanying changes in various social frameworks, and other factors. In such a context, the advanced technologies and wide-ranging business platforms that we have built and developed as well as the capabilities of our people to turn ideas and concepts into reality will surely be a major driving force for the Company as it takes on the challenge of reaching the next stage of growth.

While continuing to work in harmony with society and the environment, Yamaha Motor will endeavor to deliver joy, surprise, and delight as well as prosperity and happiness to people around the world through its products and services.

Yoshihiro Hidaka

President, Chief Executive Officer and Representative Director

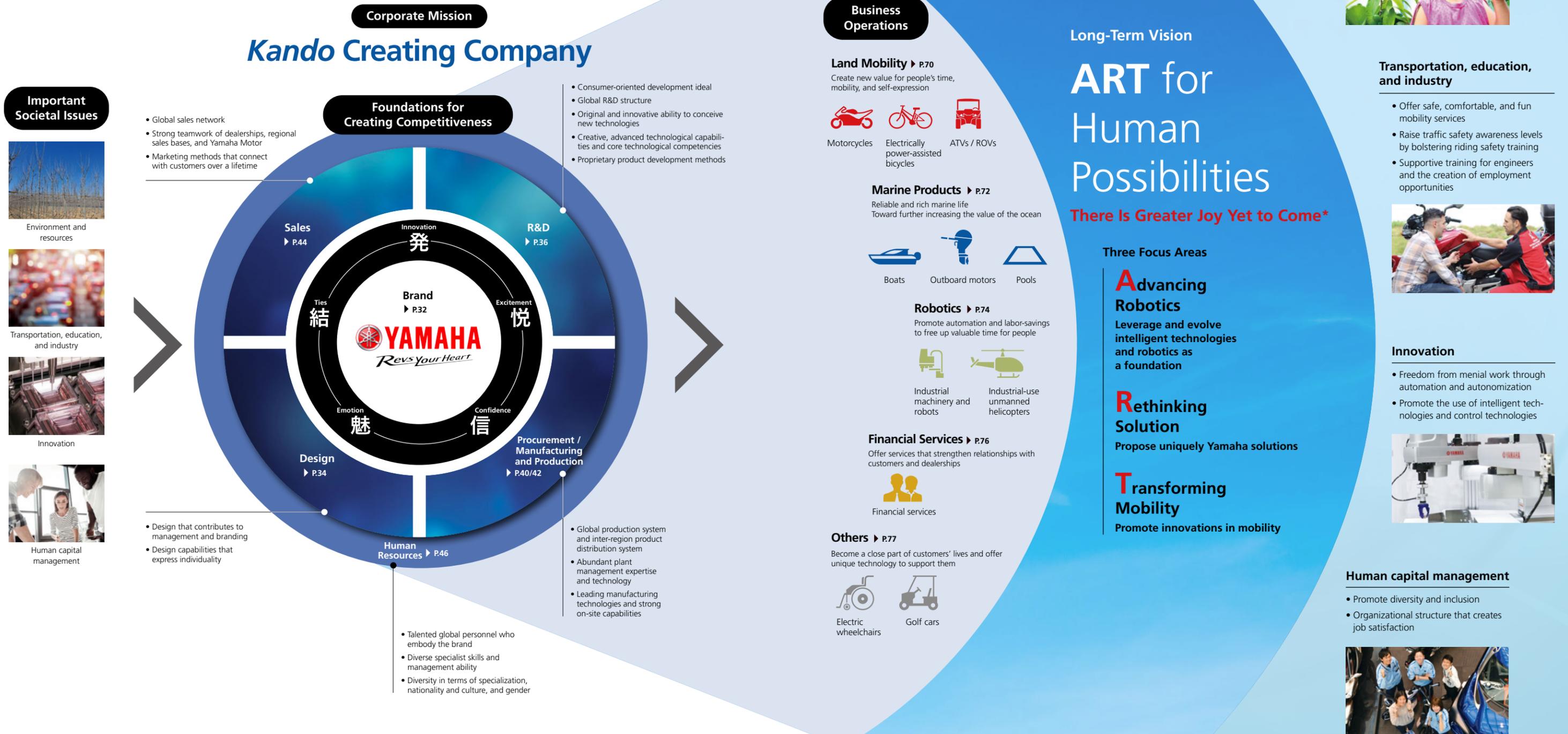
In a business environment approaching a major paradigm shift, we will create new *Kando* by exhaustively refining the unique style of Yamaha.



Yamaha Motor's Value Creation Process

Yamaha Motor's business model is to provide unique, high-quality products and services that accurately reflect societal and customer needs by applying the Spirit of Challenge that has been handed down as the Company's DNA and the technologies it has created and refined to date. The very reason for the Company's existence as a *Kando* Creating Company is to give society and customers experiences of *Kando* unique to Yamaha Motor that intertwine technologies and human sensitivities.

By expanding human possibilities and through our products and services that create *Kando*, we are aiming to achieve sustainable growth as well as create a better society and more fulfilling lives.



* The statement made by Yamaha Motor at the 2019 Tokyo Motor Show to express the world envisioned by its Long-Term Vision.

Important Societal Issues (Materiality Issues)

To achieve sustainable growth together with society, Yamaha Motor intends to help resolve a variety of societal issues in uniquely Yamaha ways.

In formulating its Long-Term Vision and Medium-Term Management Plan, the Company identified important societal issues that it can help resolve by leveraging its strengths and has incorporated initiatives to resolve these issues into the Medium-Term Management Plan.

Process for Identifying Important Societal Issues



Selected societal issues

Importance to stakeholders	Important issue areas	
	Low	High
High	<ul style="list-style-type: none"> Financial crisis in important economic zones Unmanageable inflation Failure of national governance Failure of regional or global governance Inter-government conflict over regional problems Deepened social uncertainty Abuse of technological progress 	<ul style="list-style-type: none"> Introduction of industrial processes taking into account clean technologies and efficient use of resources Heightened awareness of sustainability Promotion of economic growth based on fair work environments Reduction of waste materials Curtailment of corruption and bribery
Medium	<ul style="list-style-type: none"> Abolition of inequality Responses to multistakeholders Promotion of innovation (active use of global partnerships) Implementation of fair taxation Promotion of sustainable industrialization 	<ul style="list-style-type: none"> Elimination of discrimination against women / protection of human rights Use of women's skills Strengthened disaster prevention and response Eradication of forced labor, human trafficking, and child labor Increased employment for socially vulnerable people
Low	<ul style="list-style-type: none"> Strengthened support for emerging and developing economies 	<ul style="list-style-type: none"> Expansion of educational systems (including vocational training) Enhanced education environment in developing countries Promotion of social infrastructure development Prevention of traffic accidents Protection of small-scale agricultural and fishing industries Advancement of sustainable fishing industry Improved access to fishing areas and markets in least developed countries

Consolidated into Four Materiality Issues

To clarify the respective positioning of the four important societal issues (materiality issues) we identified, we systematically categorized the materiality issues formulated in 2018.

* We renamed "Work-life balance" to "Human capital management."



Important Societal Issues (Materiality Issues)

Targets and Progress

Important societal issues	Risks and opportunities	Uniquely Yamaha initiatives for resolving issues	Vision for 2030	Medium-term targets (2019 to 2021)	Progress in 2019	SDGs goals
Environment and resources	Risks <ul style="list-style-type: none"> Tightening of regulations and declining net sales due to the progression of global warming Declining profits due to rising costs Negative impact on corporate image Delays in the economic independence of developing countries because of marine pollution Impact of marine pollution on the fishing industry and marine leisure Opportunities <ul style="list-style-type: none"> Growing trend of EVs replacing existing forms of mobility Heightening demand for smaller forms of mobility 	Initiatives for realizing a low-carbon society	25% reduction in CO ₂ emissions from products (CO ₂ /unit sales compared with 2010) * 2050 target: 50% reduction	Reduce by 13.75% (compared with 2010)	13.1% reduction (compared with 2010)	
		Initiatives for achieving a recycling society	25% reduction in CO ₂ emissions generated during production (CO ₂ /net sales compared with 2010) * 2050 target: 50% reduction	Reduce by 17.36% (compared with 2010)	32.4% reduction (compared with 2010)	
		Bringing safe water to people worldwide	18.7% reduction in waste generated during production (compared with 2010) * 2050 target: 50% reduction	Reduce waste volume by 10.3% (compared with 2010) * Yamaha Motor on a non-consolidated basis	15.7% reduction (compared with 2010) * Yamaha Motor on a non-consolidated basis	
		Creating a technology platform for electrification	Assisting in village development by contributing to the provision of safe water	Enhance living and sanitary environment by improving access to potable water Bring the number of water purification systems (Yamaha Clean Water Supply System) installed to 60	Number of water purification systems installed: 41	
		Achieving a more sustainable maritime society	Monitoring the electric power policies and battery technology innovations of various countries while promoting EV development in order to launch products in a timely manner	Launch electric products in the unique style of Yamaha in many product areas, such as motorcycles, marine products, electrically power-assisted bicycles, electric wheelchairs, and drones, while establishing a development platform for electric products	Launched the EC-05 electric scooter in Taiwan Conducted field testing for the TRITOWN standing electric micromobility model with twin front wheels Developed the HARMO electric propulsion system Total number of drive units for electrically power-assisted bicycles topped five million units Developed the YMR-08AP agricultural-use multirotor drone	
Transportation, education, and industry	Risks <ul style="list-style-type: none"> Shift away from motorcycles due to more traffic accidents Rise in traffic accidents caused by the elderly in developed nations Fewer means of transportation in underpopulated areas Opportunities <ul style="list-style-type: none"> Growing demand for motorcycles due to rising populations and incomes in developing countries Greater need for smaller forms of automated mobility Addressing and supplementing the aging workforce and labor shortages in the agriculture, fishing, and manufacturing industries Increased automation with the development of AI technologies New mobility demand with CASE vehicles and Mobility as a Service (MaaS) 	Traffic congestion relief and environmental countermeasures	Selling electrically power-assisted bicycles in two or more emerging and developing economies	Launch sales of electrically power-assisted bicycles in the Indian market	Commenced test sales in India in September 2019	
		Training to reduce traffic accidents	Reduced number of fatalities due to traffic accidents	Safe riding training opportunities (Yamaha Riding Academy): Hold 2,000 courses with 180,000 participants in 2021 Number of countries with trainers: 20	Riding safety training opportunities: Held 1,272 courses with approximately 117,000 participants Number of countries with trainers: 15	
		Achieving a more sustainable maritime society	Conserving marine resources	Offer a number of solution proposals in the fishing industry	Commenced consultations with fishing industry-related companies regarding smartification of the fishing industry, such as fish farming	
		Popularizing diverse forms of mobility for the elderly	Established electrically power-assisted bicycles as an alternative form of mobility for elderly people in Japan who surrender their driving license	Supply several thousand electrically power-assisted bicycles to local governments through cooperation with the national government	Began considering supporting test-ride opportunities of electrically power-assisted bicycles in light of the conclusion by a METI committee promoting the proliferation of diverse forms of mobility that such bicycles could be an alternative to automobiles for the elderly	
		Equipping products with digital devices for sound maintenance	Equipping an aggregate total of four million units by 2024 (target year)	Supply 200,000 motorcycles equipped with digital devices to the market per year	Developed a new version of the NMAX scooter equipped with a communication control unit (launched in February 2020)	
		Offering low-speed mobility services	Selling unmanned transportation systems	Establish prospects for commercialization of low-speed mobility services	Accumulated expertise by conducting field testing (aggregate total of 20 tests) with local governments, various business organizations, and other entities	
Innovation	Risks <ul style="list-style-type: none"> Declining competitiveness in the market and business environment Opportunities <ul style="list-style-type: none"> New forms of mobility that drive business Offering solutions for the agricultural sector using robotics Increased competitiveness due to the spurring of innovation 	Developing new forms of mobility	Selling new forms of mobility and having in place a model to drive business	Market penetration of LMWs and new value through the improvement of the model lineup	Developed the Tricity 300 Commenced field testing of the TRITOWN Exhibited the MW-VISION at the Tokyo Motor Show	
		Promotion of economic growth	Increased production efficiency	Develop highly efficient, multifunctional platforms and high-speed platforms for the robotics sector	Developed the YRM20 as a first step toward using a high-efficiency multifunctional platform (launched sales in April 2020)	
		Freedom from menial work through autonomization	Optimizing entire factories	Collaboration for factory-use Automatic Guided Vehicles (AGVs)	Made preparations for establishing a joint-venture company for automated transporter solutions	
		Offering solutions for the agricultural sector using robotics	Achieved unmanned agricultural processes for several varieties of crops	Launch sales of autonomous drones	Developed the YMR-08AP (launched in March 2020)	
Human capital management	Risks <ul style="list-style-type: none"> Labor shortages from falling birth rates and aging populations in developed nations Unfair labor practices of suppliers and business partners Opportunities <ul style="list-style-type: none"> Acquisition of new capabilities through the promotion of diversity and inclusion Increased drive with the recruitment of diverse and talented human capital from various countries 	Promotion of diversity and inclusion	A leading company for female employees to work at	Promote activities for increasing the ratio of local talent in management positions to 60% at overseas subsidiaries Continue global recruitment (over 10% of new graduates in regular positions at headquarters)	52% 10%	
			Highly international personnel at the headquarters	Number of women in management positions (2014: 16) 2020: 32 2025: 48 Implement trial of an after-school care program in the unique style of Yamaha for schoolchildren Obtain Eruboshi, Kurumin, and Platinum Kurumin national certification (Japan)	Number of women in management positions: 34 Implemented trial of an after-school care program for schoolchildren in July 2020 Implementing supplemental measures to address inadequate factors toward receiving certification	

Climate Change-Related Information Disclosure

(Based on the TCFD's Recommendations)



Yamaha Motor has announced its support for the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), which was established by the Financial Stability Board (FSB).

In December 2018, the Company formulated the Yamaha Motor Group Environmental Plan 2050 (hereinafter, "Environmental Plan 2050"), which sets out its stance, goals, and action plan as a company that strives to realize a sustainable society. The TCFD's recommendations are congruent with the Company's approach of more proactively disclosing information on the environmental initiatives it pursues through its business activities and on the achievements of these initiatives.

Governance

The Board of Directors formulates policies on dealing with issues concerning sustainability and regularly reviews their implementation status. With regard to issues concerning sustainability, the Board of Directors oversees the Sustainability Committee, chaired by the president and chief executive officer and comprised of executive officers appointed by the Board of Directors.

With regard to issues concerning sustainability, we positioned the environmental field in particular as an important area to be tackled by

management, and established the Environment Committee, chaired by an executive officer in charge of environmental activities. The Environment Committee meets three times a year to discuss policies concerning the environment and vision for the future, assess Environmental Plan 2050, and conduct annual reviews of how each operating division has performed against its targets. The committee reports its findings to the Board of Directors at least twice a year.

Strategy

In formulating Environmental Plan 2050, Yamaha Motor understood and incorporated the business risks and opportunities it may face by the projected global population increase by 2050, global resource shortages, and energy shortages, in addition to international greenhouse gas emission reduction scenarios, such as the 1.5°C and 2°C targets. As such, we have reflected adaptation and mitigation measures for climate change in our business strategy.

Aiming to realize a low-carbon society, a recycling society, and a society in harmony with nature, Environmental Plan 2050 sets milestones for 2025, and promotes environmental activities designed to achieve the plan's long-term targets through the Company's businesses.

Climate-Related Risks and Opportunities

In our scenario analysis, which assumes physical risks based on a 1.5°C and a 2°C scenario, we have classified and identified the major risks and opportunities for our businesses associated with the transition to a low-carbon society as regulatory, information disclosure, technological, market, reputational, and customer risks. In addition, we have evaluated

the importance of climate change-related risks based on whether they are likely to materialize in the short term (0–3 years), medium term (3–6 years), or long term (6+ years), and the resulting estimated scale of the resulting financial impact.

Risks and Opportunities Regarding Important Environmental and Societal Issues, Including Climate Change

Important Environmental and Societal Issues	<ul style="list-style-type: none"> Strengthened measures to address climate change Improved energy efficiency 	<ul style="list-style-type: none"> Effective use of water resources and prevention of pollution Reduction of waste materials Introduction of industrial processes taking into account clean technologies and efficient use of resources Sustainable use of natural resources 	<ul style="list-style-type: none"> Promotion of protection and recovery of land ecosystems Halting of deforestation Protection and recovery of marine ecosystems

Action Themes	Low-carbon society	Recycling loops in society	A society in harmony with nature
Risks	<p>Short term</p> <p>Costs for addressing regulations may increase significantly, with each country and territory moving to tighten motorcycle emission standards, and the U.S. introducing more stringent EPA and CARB emission standards for marine engines.</p> <p>Medium term</p> <p>Rising demand in India, Africa, and other regions may increase CO₂ emissions from the distribution of goods, and the introduction of carbon taxes may increase logistics costs.</p> <p>Long term</p> <p>Heightened environmental awareness may lead to decreased sales of products that use fossil fuels. Introduction of carbon taxes may increase manufacturing costs.</p>	<p>Short to medium term</p> <p>In emerging economies and elsewhere, severe air pollution from the use of motorcycles may lead to tighter regulations, including a ban on riding motorcycles in cities.</p> <p>Long term</p> <p>Increased consumption of resources accompanying the economic growth of emerging markets may heighten procurement risks, including a shortage of resources and cost increases.</p>	<p>Short to long term</p> <p>Climate change may trigger abnormal weather events, including forest fires, droughts, extreme temperature changes, storms, and snowfall, destroying the ecosystems of the oceans, mountains, and forests where our products are used.</p>
Opportunities	<p>Short to medium term</p> <p>Sales of models with improved fuel economy may increase. In emerging economies, motorcycles may be widely adopted as an inexpensive means of transportation with minimal social infrastructure costs.</p> <p>Long term</p> <p>Electric models may be widely adopted.</p>	<p>Short term</p> <p>Lightweight and compact low-speed mobility vehicles (land cars) may be widely adopted as a means of transportation that helps minimize use of social infrastructure resources and related costs.</p> <p>Medium term</p> <p>Motorcycle and marine rental businesses may grow.</p> <p>Long term</p> <p>In terms of engineering, manufacturing, and marketing, ultra-compact mobility vehicles that are small, lightweight, and resource-saving may be incorporated into social infrastructure.</p>	<p>Short to long term</p> <p>Increased awareness of the need to conserve the natural environment may trigger growth of the outdoor market where people seek and cherish interactions with nature.</p>

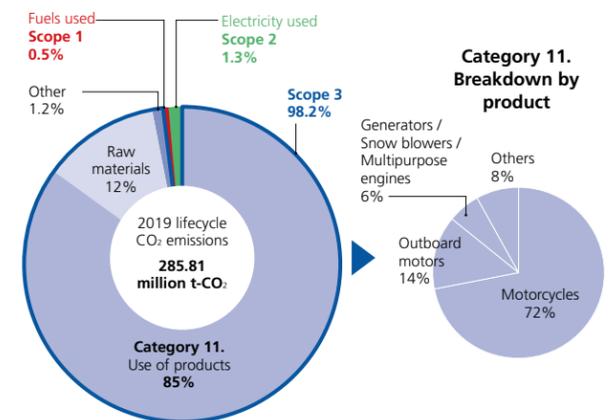
Yamaha Motor's Climate Change Mitigation Measures

Promotion of Low-Carbon Products

The products we provide, including our core product line of motorcycles, are characterized by their light weight and compact forms. They have small environmental impacts in terms of resource use during the manufacturing phase, while throughout the use phase they serve as a convenient means of transportation with excellent maneuverability for freely traveling short distances. Motorcycles, a relatively compact and inexpensive type of mobility vehicle, meet the demand for transportation of goods and services, particularly in emerging markets that are undergoing rapid economic growth. They also expand the spheres in which people live their daily lives, giving them more options in terms of work and educational opportunities.

We have designated Scope 3, Category 11, "Emissions from the use of products," which account for 85% of our CO₂ emissions in the product lifecycle, as one of our most important initiatives. Under our "BLUE CORE" motorcycle engine design ideal, which strikes a balance between fuel economy and environmental performance, we globally launch new models with improved fuel economy every year.

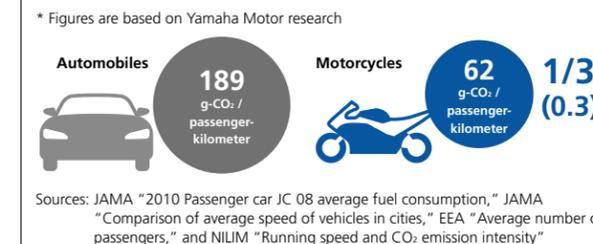
Breakdown of CO₂ Emissions for the Entire Lifecycle



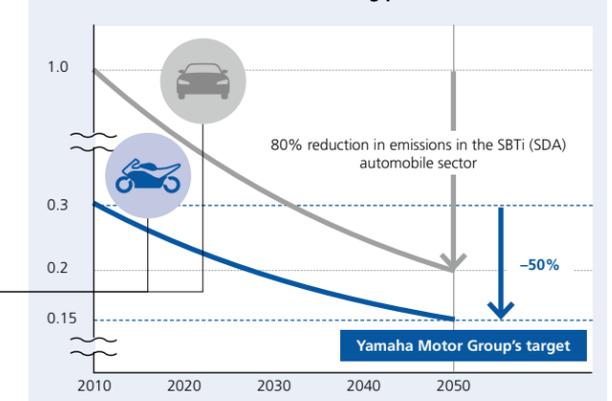
Setting of Targets for Environmental Plan 2050

Motorcycles are the fastest means of transportation for urban mobility and boast good fuel economy, while having one-third the impact in terms of CO₂ emissions per km per passenger compared with automobiles. When setting our 2017 targets, we formulated reduction scenarios for motorcycles, our primary business, with reference to the Sectoral Decarbonization Approach (SDA) developed by the Science Based Targets initiative (SBTi), to set a reduction in CO₂ emissions of 50% by 2050 as a shared reduction target for all our businesses.

Impact of CO₂ Emissions per km per Passenger in an Urban Environment



Environmental Plan 2050: 50% reduction in CO₂ emissions during product use



Climate Change-Related Risks

Identification of Risks

Each operating division and functional division categorize short-term, medium-term, and long-term climate change-related risks into "risks related to transitioning to a low-carbon economy" and "risks related to physical changes caused by climate change." Then, after considering the financial impacts of these risks on business, as well as the financial impacts on business when viewing climate change mitigation measures and adaptation measures as opportunities for management reform, they identify risks and opportunities in medium-term management plans.

Evaluation of Risks

The Environment Committee evaluates specific initiatives undertaken as part of a business strategy on risks and opportunities identified by each operating division and functional division. The Sustainability Committee evaluates specific initiatives on significant Groupwide risks—particularly companywide business continuity risks, including climate change-related risks—that need to be addressed and prevented to the greatest possible degree.

Process of Managing Climate Change-Related Risks

We incorporate climate change-related risk management into the risk management structure for the entire Group. The Environment Committee manages the annual progress toward the goals and targets of specific initiatives undertaken as part of a business strategy on risks and opportunities identified by each operating division and functional division. The Environment Committee reports the results to the Sustainability Committee, which consists of the same members as the Management Committee, and to the Board of Directors.

Indicators and Targets

Each operating division and functional division considered short-term, medium-term, and long-term risks and opportunities, their business, strategic and financial impacts, and the climate change-related risks based on a 2°C scenario, in accordance with the designated climate change materialities of a "low-carbon society," "recycling society," and "society in harmony with nature." These divisions then formulated specific numerical targets for 2025 and 2050 (reduction of use-phase

CO₂ emissions by 19% per unit sale by 2025, 50% by 2050, from 2010 levels; and reduction of production-phase CO₂ emissions by 19% per net sale by 2025, 50% by 2050, from 2010 levels). The Environment Committee manages progress and deliberates matters that have a significant impact on business, and submits reports or resolution matters to the Board of Directors at least twice a year.

Long-Term Vision and Medium-Term Management Plan

The Company has positioned the three years covered by the current Medium-Term Management Plan beginning in fiscal 2019 as the first stage of transformation toward realizing its Long-Term Vision of "ART for Human Possibilities."

Amid dramatic changes in the external environment and the further diversification of people's values going forward, the Company will contribute to the resolution of societal issues based on its longstanding values. At the same time, we will reform our business and management platforms and promote growth strategies centered on the development of new businesses in order to achieve sustainable growth.

Medium-Term Management Plan

Basic Policy

Reforming our business and management platforms and promoting the development of new businesses

Financial Strategy

Balancing growth investments and shareholder returns within the range of our cash flows while maintaining the earnings power of existing businesses

See pages 30 and 31 for details on and the status of progress of quantitative targets

Quantitative Targets for Fiscal 2021

Net Sales	¥2 trillion	Equity Ratio	49.9%
Operating Income	¥180 billion	ROE (three-year average)	Approx. 15%
Operating Income Margin	9.0%		

Note: We may revise the above targets in lieu of the impacts of the COVID-19 pandemic.

Medium-Term Priority Measures in Core Businesses

Land Mobility

Establishing business platforms ready for a new era of mobility

- Bolstering current capabilities**
Increasing the efficiency of manufacturing and sales functions
- Swifter management**
Improving the speed of decision-making using management systems
- Shifting to new business fields**
Taking part in the emerging and new economic zones for mobility

Marine Products

Strengthening our high-profitability model and building platforms for sustainable growth

- Marine Long-Term Vision**
Reliable and rich marine life
Toward further increasing the value of the ocean
- Global production layout for outboard motors**
Improving production capacity and flexibility
- Expansion of comprehensive marine business strategy**
Evolving as a system supplier
- Product development strategies**
Offering attractive products and services

Robotics

Business scale and area expansion and bolstering profitability

- Growth strategies**
Optimizing entire factories and strategies focused on the logistics, agriculture, and medical sectors
- Firming of business platforms**
Strengthening in-house manufacturing technologies and systems

See pages 70 to 75 for progress by business

Long-Term Vision

ART for Human Possibilities

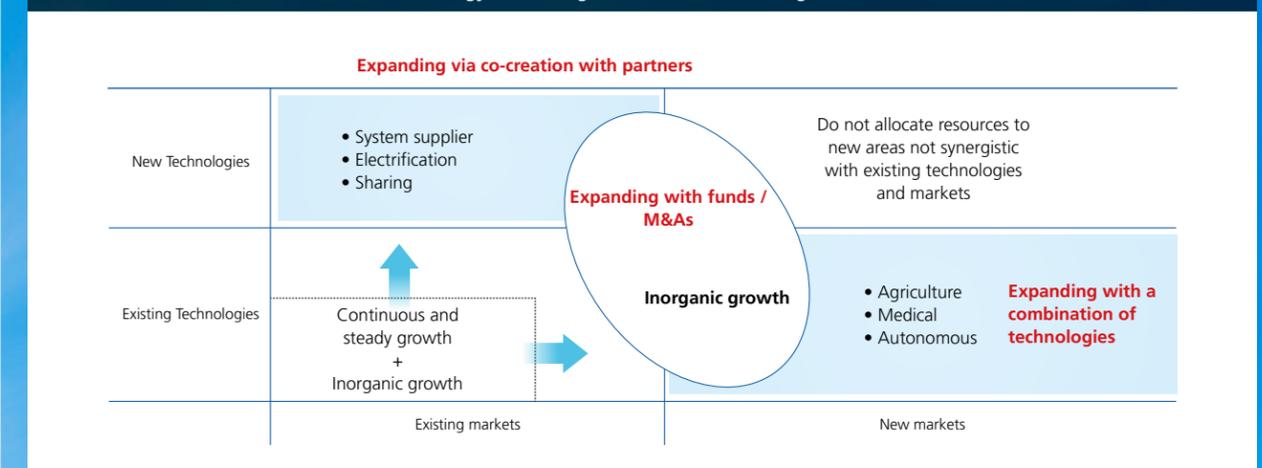
Advancing
×
Robotics

Rethinking
×
Solution

Transforming
×
Mobility

We will Advance the use of Robotics, Rethink Solutions, and Transform Mobility to expand human possibilities for a better society and more fulfilling life.

Growth Strategy: Four categories based on technologies and markets



Progress of Medium-Term Management Plan Measures for "ART for Human Possibilities"

	Executed projects	Prospects for commercialization
CASE		
MaaS / Autonomous Driving	<ul style="list-style-type: none"> Low-speed autonomous driving field tests (Wajima City, Iwata City, Unnan City) 	<ul style="list-style-type: none"> Aiming for commercialization in 2021
Autonomous Driving	<ul style="list-style-type: none"> Invested in AI computing company DMP Invested in autonomous driving technology developer Tier IV Joint development of the SC-1 with Sony and start of services in Okinawa 	<ul style="list-style-type: none"> Considering business venture in an all-new field by acquisition of core technologies Business development and application in the tourism / entertainment sector
EVs	<ul style="list-style-type: none"> Announced participation in electric motorcycle battery consortium Launched battery-swapping electric scooter in Taiwan Development of electric motor units for EVs 	<ul style="list-style-type: none"> Continuing to develop model products while closely monitoring electrification policies in various countries and battery technology innovations
Sharing	<ul style="list-style-type: none"> Strategic business tie-up with Grab and investment of US\$150 million 	<ul style="list-style-type: none"> Promoting collaboration and establishing a business model
ART		
Advancing Robotics	<ul style="list-style-type: none"> Business integration with SHINKAWA and APIC YAMADA and investment of ¥10 billion Invested in Tokyo Robotics 	<ul style="list-style-type: none"> Advancing the pace of YMRH's PMI and implementing structural reforms
Rethinking Solution	<ul style="list-style-type: none"> Started trialing agricultural UGVs Land Link Concept exhibited at the Tokyo Motor Show 	<ul style="list-style-type: none"> Considering commercialization through collaborations with start-ups
Transforming Mobility	<ul style="list-style-type: none"> Field testing of the TRITOWN standing electric micromobility model Tricity 300 announced as fourth LMW model MW-VISION exhibited at the Tokyo Motor Show 	<ul style="list-style-type: none"> Expanding the LMW lineup Accelerating R&D and promoting production model creation / commercialization

Specific Initiatives toward Resolving Societal Issues

The Company is proactively advancing a range of initiatives to contribute toward the resolution of designated important societal issues by providing uniquely Yamaha solutions that leverage the technologies and expertise garnered by the Company to date, all while collaborating with its partners and coordinating with industry, academia, and government.

Innovation

Contributing to labor savings and automation in agriculture through the application of robotics

Labor shortages in agriculture have become a concern for developed countries across the board, and there is an urgent need for automation and labor savings in the sector. Yamaha Motor is providing solutions for the agriculture industry through its robotics expertise. By combining articulated robots that are adept at sophisticated and delicate movements via intricate electronic control with unmanned ground vehicles (UGVs) for agriculture, we are aiming to realize fully unmanned harvesting of fruit—currently done by hand—and in 2019, we conducted field testing for grape harvesting at a winery in Yamanashi Prefecture, Japan.



Transportation, education, and industry

Tackling local transportation issues with low-speed mobility

Japan has the world's most aged society and is facing a variety of societal issues, including ensuring modes of transportation for the elderly and regional disparities between urban and rural areas. Countries around the world whose societies are also aging are paying close attention to developments in Japan. By offering small, low-speed forms of mobility like compact electric carts as first/last-mile mobility solutions, the Company looks to contribute to community-building with slow mobility and create uniquely Yamaha value in mobility to not only address important societal issues such as transportation, health, and industrial promotion but also bring fun values to mobility. In 2019, we took part in the Green Slow Mobility field testing project together with the city of Unnan in Shimane Prefecture, Takenaka Corporation, and the NPO Entrepreneurial Training for Innovative Communities (ETIC), in which compact, low-speed EVs based on our long-proven golf cars circulated major city facilities in downtown Unnan.



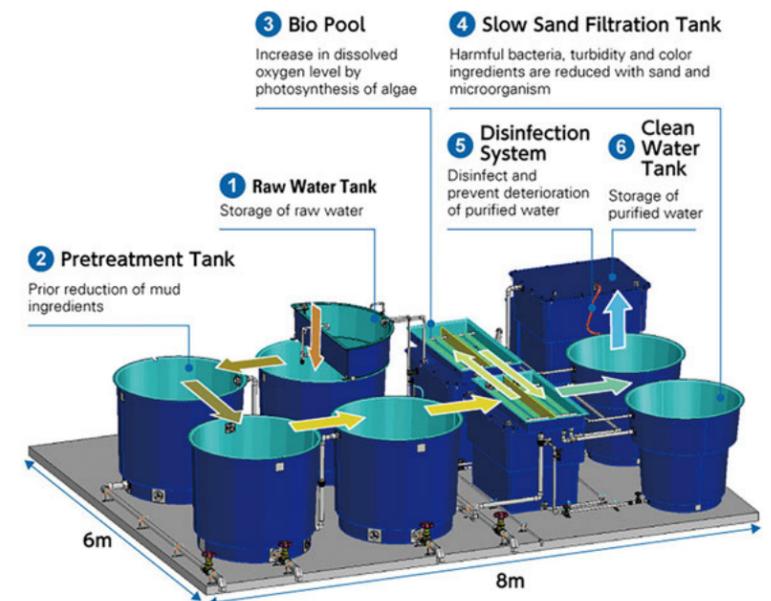
Environment and resources

Providing a stable supply of potable water and changing people's lives

According to the World Health Organization (WHO), approximately 525,000 children under the age of five die from diarrhea-related illnesses worldwide each year (as of 2017), and permanent access to safe water remains a pressing issue. Yamaha Motor is confronting this with the Yamaha Clean Water Supply System, a water purification facility using a simple construction and slow sand filtration, a natural water purification method.

The system was first developed more than 20 years ago and requires neither significant electric power nor maintenance by a specialist engineer. It can also be operated independently by the local residents and the water from nearby rivers and lakes can be made safe to drink. In villages where the system has been installed, cases of diarrhea, fever, abdominal pain, and skin disease have fallen significantly. Moreover, beyond creating a stable supply of clean drinking water, installing the system changes people's lives in a variety of ways. These include freeing people from having to draw water and allowing them to work and learn instead, and spurring village development through new businesses such as water delivery, water filtration, and ice-making.

In 2019, we installed 10 systems in the Senegal River Basin and officially handed them over to the Senegalese government. At the same time, we conducted educational activities to help raise awareness of proper sanitary practices among local residents, including a picture story show in which some 350 children listened with great enthusiasm about the importance of drinking clean water. Yamaha Motor is proceeding with the introduction of these purification systems through collaboration and cooperation with public institutions such as the Ministry of Foreign Affairs of Japan, the Ministry of Economy, Trade and Industry (METI), the Japan International Cooperation Agency (JICA), and the Japan External Trade Organization (JETRO), as well as international institutions like the United Nations Development Programme (UNDP).



From the Director, Chief General Manager of Corporate Planning & Finance Center



Through management that places greater emphasis on the balance sheet and capital efficiency, we will restore the earnings power of existing businesses and aim to realize our growth strategies.

Tatsumi Okawa

Director, Senior Executive Officer,
Chief General Manager of Corporate
Planning & Finance Center

Review of Fiscal 2019

The Company has made balancing within the range of its cash flow investments for new growth and returns to shareholders as its standard financial policy. However, in order to realize our Long-Term Vision of “ART for Human Possibilities” announced at the end of 2018, we are more conscious than ever before of growth-oriented capital allocation.

In fiscal 2019, the first year of the current three-year Medium-Term Management Plan, the New Venture Business Development departments as well as various existing businesses worked proactively to explore new fields of business. Up until 2018, we had been unable to use all the funds allocated for strategic growth investments, so we have made progress in this regard. On the other hand, we saw signs of stagnation in some existing businesses that are essential for generating the cash necessary for these growth investments.

Free cash flow was a higher ¥19.5 billion, in part due to the

effect of stricter inventory management compared with 2018. Nevertheless, we were unable to reduce our inventory levels as initially planned and must therefore carry out more meticulous management of working capital.

While ROE was 11.1%, down 1.2 percentage points versus our initial target, this was due to missing our target for net income ratio, one of the components of ROE. In other words, our earnings power was weak. In particular, the impacts of the Robotics business and motorcycle business in ASEAN markets—which are generally highly profitable—were significant. Although the primary cause of stagnation in the Robotics business was a worsening of market conditions, it was a decline in competitiveness and operational weaknesses in some regions that became an issue for the motorcycle business in ASEAN markets.

Policy for Fiscal 2020

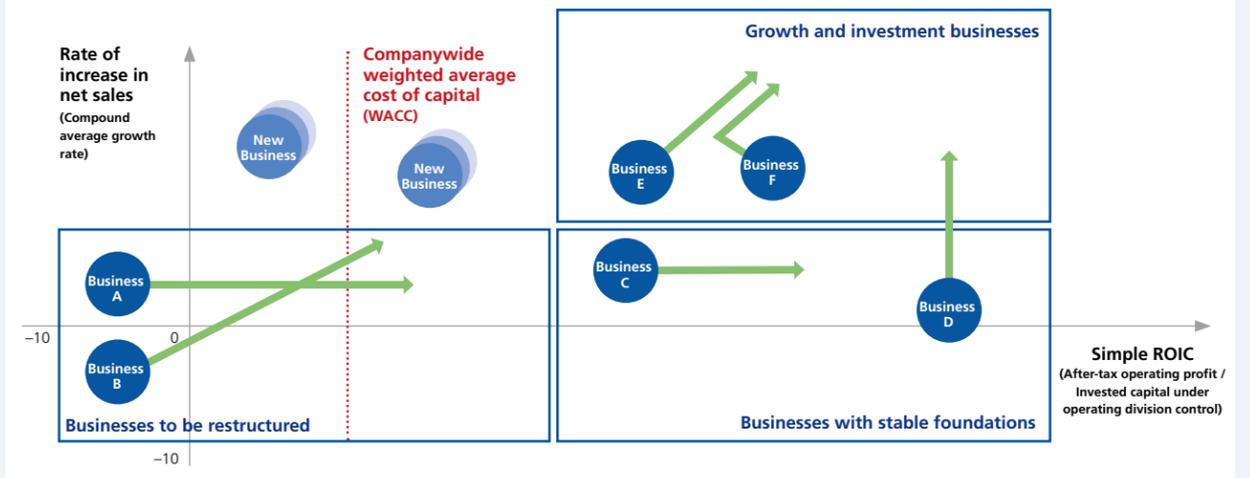
First and foremost, our priority is responding to the global COVID-19 pandemic. To prepare for uncertainties in the business environment, we will ensure that we have sufficient liquidity on hand. To that end, we decided not to pay an interim dividend in 2020. We will keep a close eye on the recovery of each market while controlling the implementation of investments and expenses more strictly than usual. However, we will follow a basic policy of equally engaging in both offensive and defensive tactics by remaining exhaustive in our assessments of new opportunities that are already beginning to emerge as we move toward a post-COVID-19 world.

Based on that policy, we will bolster the earnings power of our existing businesses, which has been an issue since 2019. Specifically, in the motorcycle business for ASEAN markets, we will train particular focus on reinforcing marketing and brand strength and

augmenting our logistics capabilities to overcome the weaknesses we have. Furthermore, we will expand to all regions of the ASEAN market and India our premium model segment strategy that is starting to take hold in Indonesia. In the Robotics business, we will leverage the conversion of Yamaha Motor Robotics Holdings Co., Ltd. (YMRH) into a wholly owned subsidiary in order to accelerate structural reforms for unifying the Group and prepare for market recovery.

In carrying out our growth strategies, we will narrow down candidates for resource allocation by fully utilizing the findings to date from our explorations for new business areas, and then make sound investments of management resources and strive to reap the rewards of those investments. At the same time, we will clearly specify fields for growth for existing businesses in order to develop both fronts.

Approach to Portfolio Management



Direction of Our New Financial Strategy

For our budget for growth strategies in the current Medium-Term Management Plan, we had apportioned ¥70.0 billion for research and development expenses and ¥140.0 billion for investments, including M&As. However, the COVID-19 pandemic has made securing these funds difficult. Nevertheless, as our policy and general direction of allocating cash earned through existing businesses toward new business fields will remain unchanged, we must develop and implement a financial strategy that places greater emphasis on cash flow and the balance sheet in each business.

As new metrics for this strategy, we introduced the cash conversion cycle (CCC) and a simplified return on invested capital

(ROIC) calculation as important key performance indicators (KPIs). We commenced full-fledged CCC-based monitoring from 2019, and approaches focusing on cash flow generation are already becoming widespread among business segment and regional management. While ROIC is primarily utilized as an indicator for companywide portfolio management, we will be applying it to each business to increase capital efficiency.

Through these initiatives, I would like to change to a management style that puts together a balance sheet under a clear financial strategy, rather than a style that is the result of the balance sheet.

Increasing Corporate Value

Yamaha Motor is a multi-industry conglomerate under a single brand. However, we have never demonstrated an awareness that we are a conglomerate or adequately put into practice accurate portfolio management for maximizing the value of that position. We are currently moving forward with the implementation of portfolio management centered on growth (compound annual growth rate (CAGR)) and capital efficiency (ROIC). As a key agenda item for the Board of Directors, not just those in charge of business execution, we will clearly define the direction to take for each business.

For example, under conditions like that of the COVID-19 pandemic, our diversity as a conglomerate should prove invaluable and there have in fact been many instances of specific businesses

or regions rescuing us when we have encountered a variety of crises. I am convinced that strengthening our portfolio management will enable us to further exercise our strength of diversity. Seeing the pandemic as a prime opportunity to review our portfolio, we will promote a dynamic portfolio strategy and continue creating new value unique to Yamaha Motor and thus achieve operations as a conglomerate premium.

Turning to shareholder returns, we will do our utmost to promptly restore business conditions to normal and review the dividend payout ratio, which has traditionally been an indicator for shareholder returns, or introduce new guidelines for the total return ratio and other facets.