



MODERN SLAVERY STATEMENT 2021



STATEMENT

This statement is made pursuant to Section 14(b) of the Australian Modern Slavery Act 2018 ("Act"). This is our first statement under the Act.

The submitting entity is Yamaha Motor Australia Pty. Ltd. (ABN 88 002 556 989) as the parent company of the Yamaha Motor Australia Group of Companies. The following entities also meet reporting set out in the Australian Modern Slavery Act 2018 being Yamaha Motor Finance Australia Pty. Ltd., Yamaha Motor Insurance Australia Pty. Ltd., Australia Motorcycle and Marine Finance Pty. Ltd., and Ficeda Pty. Ltd.

In this statement unless mentioned otherwise, references to Yamaha Motor Australia Pty. Ltd. ("YMA") the Yamaha Motor Australia Group, the company, we, us and our, refers to Yamaha Motor Australia Pty. Ltd. and its subsidiaries.

Our corporate governance and risk management framework which includes the code of conduct, policies and procedures is developed centrally by the Yamaha Motor Australia Pty. Ltd. board and applies across the Yamaha Motor Australia Group.

This statement was approved by the Board of Directors of Yamaha Motor Australia Pty. Ltd.



Tom Okamoto
Managing Director
Yamaha Motor Australia Pty. Ltd.



CORPORATE PHILOSOPHY

For over 50 years, the Yamaha Motor Group has endeavored to create diverse value through products and services since its founding. We have worked based on three ideas which constitute our “Corporate Philosophy”.

One is our “Corporate Mission”, that is our core identity, values, purpose and visionary goals. The second is “Management Principles” - the guiding management principles for achieving our corporate mission. The third is “Action Guidelines”, the guidelines each individual should follow to realise our corporate mission.

Being the Kando* creating company it is our goal to offer new excitement and a more fulfilling life for people all over the world. We strive to use our ingenuity and passion to realise peoples' dreams and always be the ones they look up to for the next Kando*.

**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.*

CORPORATE OVERVIEW

Yamaha Motor Australia Pty. Ltd. (“YMA”) is a wholly owned subsidiary of Yamaha Motor Co., Ltd. (“YMC”) which is headquartered in Japan. YMA is responsible for coordinating the marketing and sales activities of Yamaha products in Australia, which includes motorcycles, marine outboard engines, water vehicles, all-terrain vehicles (ATVs), golf cars, generators, spares and accessories.

Yamaha Motor products are manufactured in YMC factories and then imported and distributed under agreements with YMC via a network of authorised dealerships throughout Australia.

YMA also distributes non-Yamaha accessories itself and via its subsidiary Ficeda Pty. Ltd., and finance and insurance products via its subsidiaries Yamaha Motor Finance Pty. Ltd. and Yamaha Motor Insurance Pty. Ltd.



YAMAHA MOTOR CO., LTD.

The Yamaha Motor products sold in Australia are all purchased by YMA from YMC factories. Yamaha products contain a number of components sourced from suppliers located both in Japan and overseas.

YMA does not manufacture the Yamaha Motor products, therefore it is not involved in the sourcing of these components and relies on the below controls that YMC implements globally in all YMC Group Companies.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Since YMC's founding, its "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.

Yamaha Motor Group policies of CSR state we will provide equal employment opportunities and fair working conditions to employees, recognizing diversity and refraining from discriminatory practices, prohibit child labor and forced labor, and engage employees in honest communication and dialogue.



SUPPLY CHAIN

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 the Yamaha Motor Group's 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 prosperity. For this reason, we strive to conduct fair business in compliance with the laws of all countries and regions while working to create partnerships that aim for mutual, sustainable growth.

TWO POLICIES UNDERPINNING PROCUREMENT

As a Kando Creating Company, the Yamaha Motor Group provides new excitement and a more fulfilling life for people all over the world, delivering unique, highly functional, high-quality products for use on land, on water, and in the air. To continue to do and build upon this, we consider it essential to take a broad, global view for our procurement of many types of high-quality parts and materials.

This is the thinking underlying our Basic Purchasing Policies, in which YMC commits to "conduct fair trading, based on trust and cooperation, and to constantly strive to build better relationships with suppliers through activities to improve quality, price, delivery times, and other factors." YMC have also implemented the policies in the five areas of an open-door policy, just/fair trade, compliance/non-disclosure, respect to global environment, and mutual trust/prosperity. The Basic Purchasing Policies are based on YMC's Corporate Social Responsibility (CSR) Procurement Policies, which state, "The Yamaha Group builds trust with its suppliers through positive communication and strives to realise mutual prosperity."

The Basic Purchasing Policies and CSR Procurement Policies play an important role as the basis for understanding all aspects related to procurement, from the conclusion of new contracts to procurement activities and ongoing transactions.



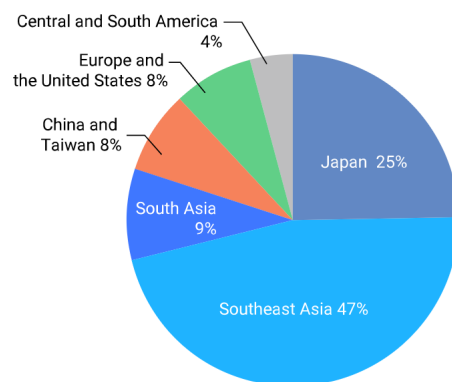
STRUCTURE FOR PROMOTING POLICY DEVELOPMENT

The YMC procurement headquarters has organised the Global Procurement Officers Committee as a meeting body responsible for ensuring that the Basic Purchasing Policies and the CSR Procurement Policies are adhered to and reflected in Yamaha Motor Group procurement activities, and gives instructions to promote the items stated in the CSR Guideline for Suppliers.

The Global Procurement Officers Committee receives reports and deliberates issues regarding current circumstances and gives instructions for the implementation of its decisions based on the principle of mutual prosperity with suppliers.

These decisions are then translated into specific global measures by the Committee, and all points of procurement are made thoroughly aware of these measures as Companywide policies. In addition, a Global Suppliers Conference is held annually, bringing together suppliers from around the world, and these conference and training programs held in conjunction with various events help to ensure a thorough understanding of these policies. Best practices are also announced at the Global Suppliers Conference to encourage broad application through the sharing of ideas.

Breakdown of Procurement Value for Major Products by Region (2019)





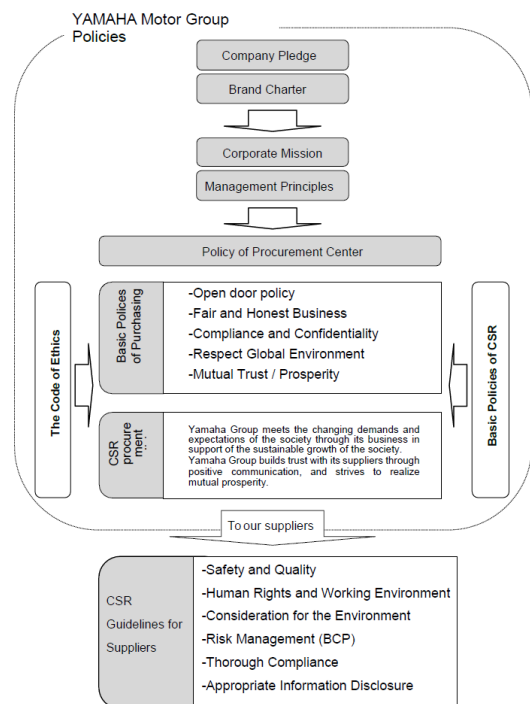
ADDRESSING HUMAN RIGHTS ISSUES AT SUPPLIERS

Approximately 50% (in value terms) of the parts used for Yamaha Motor products are sourced from Southeast Asia, and this region is generally said to be at high risk for human rights abuses. For these reasons, in 2019 YMC had a third-party conduct trial assessments of its suppliers' labor environment including issues of human rights abuses.

Specifically, YMC chose three suppliers in Indonesia, the largest production base for Yamaha motorcycles, from sectors that are said to be at high labor environment risk, and assessed the status of policy creation and promotion; interviewed top management; investigated labor practices, actual work situations, remedial actions, and conducted on-site inspections. YMC fed back recommendations for improvement to the relevant suppliers, tier 1 suppliers that place orders, and Yamaha Motor Group companies.

CSR GUIDELINES FOR SUPPLIERS

Further to the CSR guidelines for all Yamaha Motor Group Companies, YMC procurement centre has established the "CSR Guidelines for Suppliers" in addition to the existing "Green Procurement Guidelines" for environmental issues. The "CSR Guidelines for Suppliers" covers the basic CSR items including safety, quality, risk management, human rights and working environment.





POLICIES & GUIDELINES RELATED TO HUMAN RIGHTS

Respect Employees' Human Rights - Basic Policies of CSR

The Yamaha Motor Group provides equal employment opportunities and fair working conditions to employees, recognizing diversity and refraining from discriminatory practices, prohibit child labor and forced labor, and engage employees in honest communication and dialogue.

Code of Ethics

The Yamaha Motor Group forbids derogatory comments against employees on the basis of race, nationality, ideals, principles in life, physical characteristics, personality, relatives, etc., that abuse or deny a person's character, and harassment of any kind, including sexual harassment.

CSR Guideline for Suppliers

The Yamaha Motor Group ask that our suppliers strive in all aspects of employment to eliminate discrimination on the basis of race, ethnicity, nationality, religion, sex and other issues, to refrain from the use of child labor or forced labor, to ensure fair working hours and wages, and to engage employees in dialogue and communication in good faith.

Preamble to Basic Policies of CSR

Suppliers are asked to uphold the Basic Policies of CSR maintained by the Yamaha Motor Group.

Whistleblowing and Compliance

YMC has a whistle-blowing system that enables employees to report a situation anonymously should they themselves encounter infringement of human rights, including harassment, or they see or hear of others experiencing a violation of human rights. In addition, YMC has a Fair Business Hotline as a contact point for suppliers and other business partners to make issues known to YMC. YMC also participate in and implement the activities of the Human Rights Due Diligence Working Group of the Global Compact.



KEY MEASURES AND DUE DILIGENCE PROCESSES

Our risk management system, which covers all business units and subsidiaries under the Yamaha Motor Group umbrella, has a human rights-related component addressing associated risk in Yamaha Motor Groups own operations and across the supply chain. YMC monitor, assess and formulate measures to mitigate such risk.

In addition to the use of a risk management framework, YMC conduct a Groupwide compliance awareness survey each year to gauge how aware Yamaha Motor Group employees are about human rights. YMC also have a reporting line established to enable employees to report a problem right away in the event a situation arises, and we maintain and operate a whistle-blowing system.

YMC believe that education is the most vital means to prevent the risk of human rights violations from occurring. YMC work to raise awareness of human rights by providing an educational program about the Code of Ethics for all employees in the Yamaha Motor Group. In 2019, YMC ran compliance training for executive officers on the theme of harassment.

THE UN GLOBAL COMPACT

In 2017, the Yamaha Motor Group signed on to the UN Global Compact advocated by the United Nations. As a corporate group, we have and will continue to support the Universal Declaration of Human Rights, the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work, the Guiding Principles on Business and Human Rights, and the Children's Rights and Business Principles, which support the principles related to human rights and labor in the UN Global Compact.

The Yamaha Motor Group strives to ensure legal compliance in every country and community where the Group companies pursue business activities. No matter what laws and regulations might prevail, business is conducted with priority given to international agreements and the spirit of the UN Global Compact. In addition, the scope of respect for human rights goes beyond employees of the Yamaha Motor Group to include suppliers and other business partners.

The UN Global Compact is a set of 10 voluntary principles in four areas, proposed by then UN Secretary-General Kofi A. Annan at the World Economic Forum held in January 1999.

Yamaha Motor Group's president signed the UN Global Compact, registering as a participating company on December 5, 2017.

Yamaha Motor Group aims to - in addition to promoting our own Corporate Social Responsibility practices - further promote initiative towards Sustainable Development Goals (SDGs), working towards corporate growth through solving societal issues in the countries and regions in which it operates. We report annually our concrete activities for the pursuit of the Global Compact Principles to the UN Global Compact and participate in the working groups including "Human Rights Due Diligence" subcommittee of the Global Compact Network Japan.

THE TEN PRINCIPLES OF THE UN GLOBAL COMPACT

Human Rights

Principle 1: Business should support and respect the protection of internationally proclaimed human rights.

Principle 2: Business should make sure that they are not complicit in human rights abuses.

Labor

Principle 3: Business Should uphold the freedom of association and the effective recognition of the right to collective bargaining principle.

Principle 4: Businesses should eliminate all forms of forced and compulsory labor.

Principle 5: Businesses should effectively abolish child labor.

Principle 6: Businesses should eliminate discrimination in respect of employment and occupation.

Environment

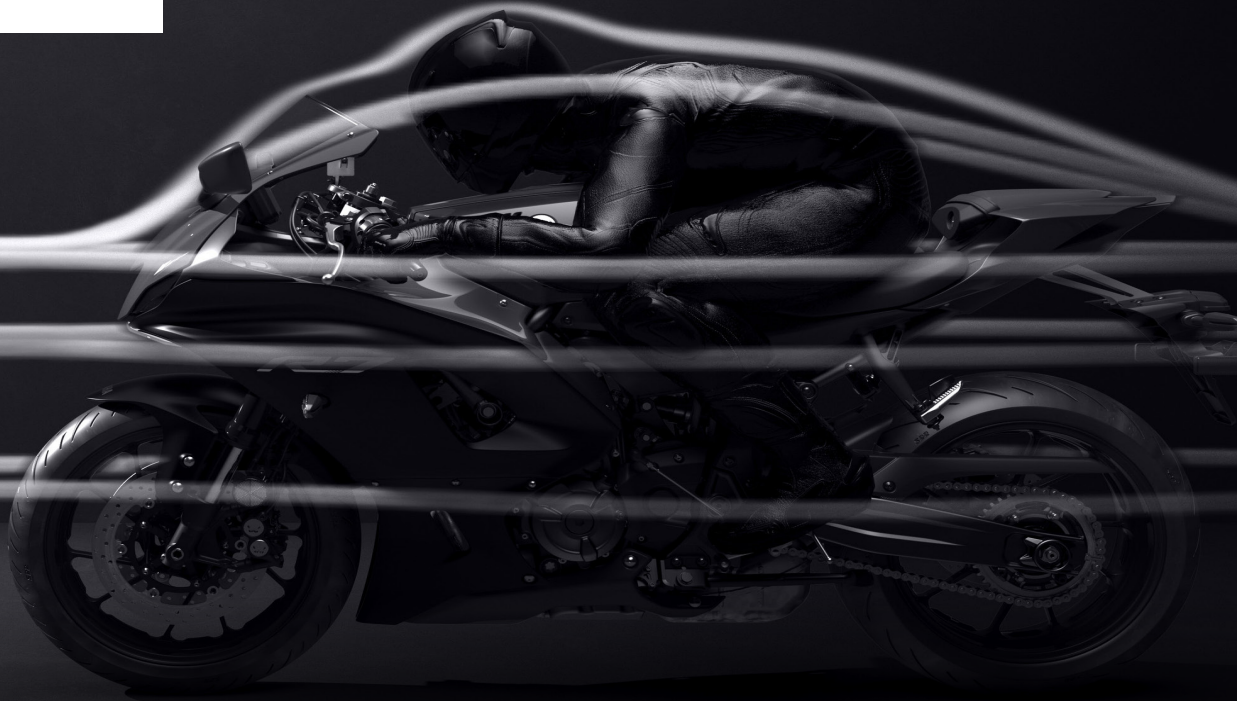
Principle 7: Businesses should support a precautionary approach to environmental challenges.

Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility.

Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies.

Anti-Corruption

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.



THIRD-PARTY ESG (ENVIRONMENTAL, SOCIAL, AND GOVERNANCE) EVALUATIONS

With an increasing emphasis on socially responsible investment (SRI) that identifies companies for investment using evaluations from environmental and social perspectives in addition to financial analysis, Yamaha Motor Group proactively releases ESG-related information. The following are some of third-party evaluations we have received.

FTSE4Good / FTSE Blossom Japan

Yamaha Motor Group is included in the world renowned ESG (Environment, Society, and Governance) index "FTSE4Good Index Series" as well as "FTSE Blossom Japan Index", which has been adopted by the Government Pension Investment Fund (GPIF).

DJSI Asia Pacific Indices

Yamaha Motor Group is included in "Dow Jones Sustainability Asia Pacific Indices" selected among companies in Asia Pacific.

S&P Japan 500 ESG

Yamaha Motor Group is included in "S&P Japan 500 ESG," created by S&P Dow Jones Indices LLC of the U.S., the world's largest financial index production company.

SNAM Sustainability Index

Yamaha Motor Group is included in the 2020 SNAM Sustainability Index, managed by Sompo Japan Nipponkoa Asset Management Co., Ltd., to facilitate SRI for pension funds and institutional investors investing in a broad range of companies that are highly rated for their environmental, social, and governance activities.

Health and Productivity

Yamaha Motor Group was recognized in 2020 in the Certified Health and Productivity Management Organization Recognition Program (Large Enterprise Category), jointly run by the Ministry of Economy, Trade and Industry and the Nippon Kenko Kaigi, for the third consecutive year.



YAMAHA MOTOR AUSTRALIA PTY. LTD.

Along with previous requirements set out by YMC for all Yamaha Motor Group companies, YMA also implements local controls to combat modern slavery risks within our direct supply chain.

SUPPLY CHAIN

YMA sources non-Yamaha products from suppliers in both Australia and overseas. In 2020 YMA introduced a new vendor onboarding system that encompasses the *Modern Slavery Act 2018*. As part of the onboarding process a mandatory supplier self-assessment questionnaire is completed focusing on the suppliers policies, processes and systems in relation to their business practices around modern slavery.

All new vendor onboarding questionnaires are then accessed by YMA's Quality and Risk Manager. We identify our higher risk direct suppliers through a review of this questionnaire, country, industry, management capabilities and contract value.

Annual vendor performance reviews have been amended to include any potential modern slavery act breaches within the supplier's operations.

SUPPLIER CODE OF CONDUCT

YMA is committed to ethical, sustainable and socially responsible operations and we expect the same high standards of our suppliers. Our suppliers are vital partners in supporting the entire supply chain and we care about the way they do business. The Supplier Code of Conduct was published in December of 2020 and describes the minimum requirements for our valued supply chain, as a condition of doing business with YMA. We expect all suppliers to operate in a manner that meets or exceeds our minimum requirements. Suppliers are expected to comply with all antibribery, anti-corruption, anti-money laundering, environmental and human rights laws. Suppliers must not engage in, either directly or indirectly, fraudulent, corrupt, exploitative, or unlawful activities.

CONTRACTUAL OBLIGATIONS

YMA supplier contractual terms require suppliers to comply with all Australian law and regulations which includes the modern slavery act, furthermore the contract term stipulates compliance with our supplier code of conduct which can be located at www.yamaha-motor.com.au.

TRAINING

YMA has added Modern Slavery Training Awareness to our mandatory compliance training for all employees. We believe raising awareness of Modern Slavery within the business will build the capacity of our staff and management, and increase our overall ability to mitigate the risk of modern slavery more effectively.

YMA will explore ways to support our suppliers to enhance their modern slavery awareness.

MODERN SLAVERY SUPPLIER SURVEY

During this financial period YMA undertook a detailed modern slavery risk survey of all of its suppliers. We intend to report on the results of this Survey, and further actions taken in response to the due diligence findings and remediation activities arising from it, in the subsequent reporting period.



YMA POLICIES & GUIDELINES

Code of Ethics

YMA's Code of Ethics mandates ethical business practices from the company as a whole and from our people. This includes, where relevant, consideration of a range of human rights factors.

Whistle Blower

YMA's Whistle-Blowing Policy has been put in place to support company policy and strong internal governance to ensure employees and other Disclosers can raise concerns regarding any misconduct or improper state of affairs or circumstances (including unethical, illegal, corrupt or other inappropriate conduct) without being subject to victimisation, harassment or discriminatory treatment.

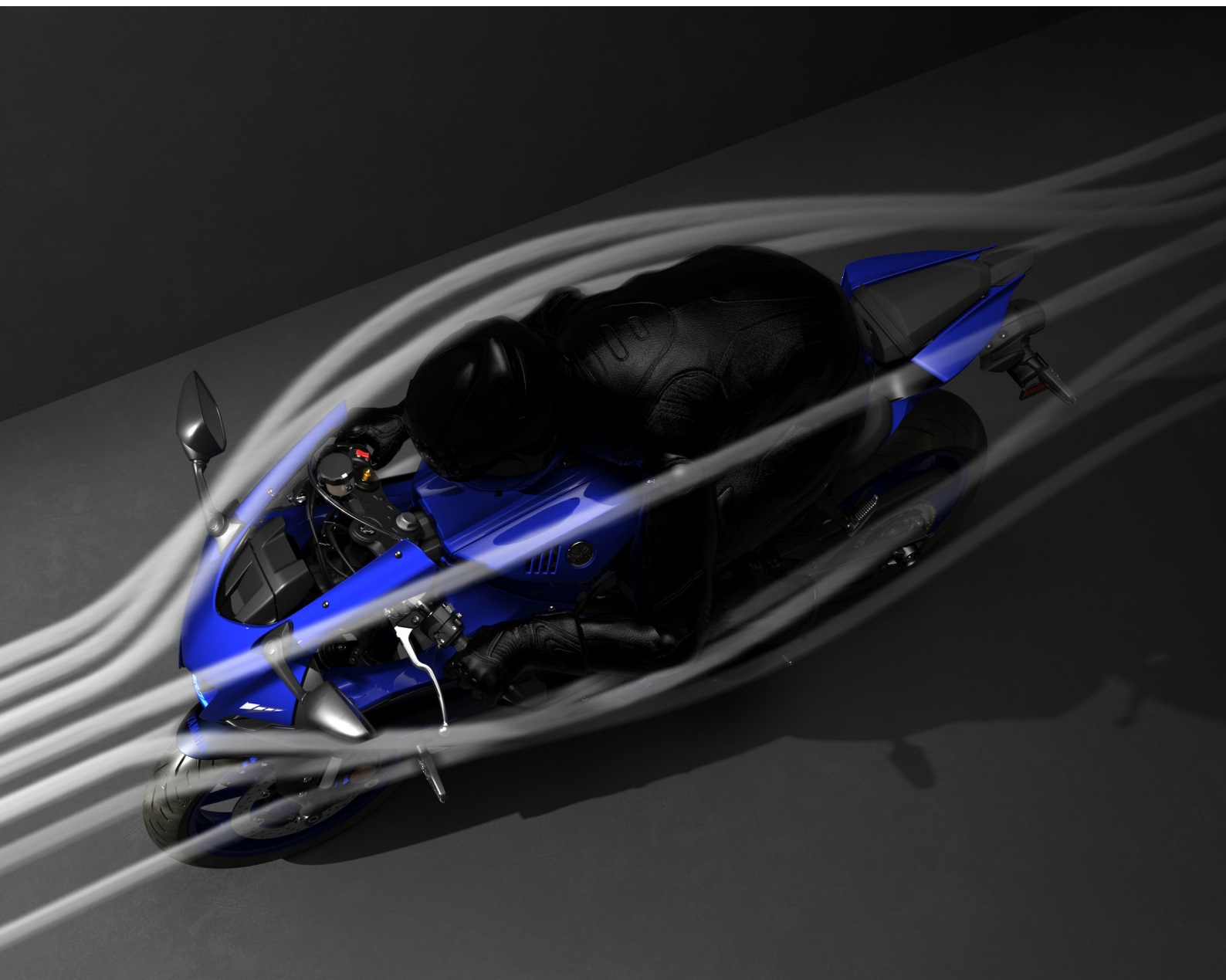
This includes YMC whistleblower hotline which is available to all YMC Group companies.

LOOKING FORWARD

While 2020 has been a key year in establishing the foundations of our modern slavery response, YMA aims to improve and strengthen our approach to modern slavery in the coming years.

During FY2021 YMA will endeavor to;

- » Improve our understanding and identification of modern slavery risks within our supply chain
- » Continue to review and improve our integration of our governance documents such as policies, standards, contractual terms and conditions, and make updates as required





Yoshihiro Hidaka

President, Chief Executive Officer &
Representative Director,
Yamaha Motor Co., Ltd

A MESSAGE FROM OUR PRESIDENT

The Yamaha Motor Group's corporate mission is to be a "Kando* Creating Company – Offering new excitement and a more fulfilling life for people all over the world," and we operate under three management principles: Creating value that surpasses customer expectations; Establishing a corporate environment that fosters self-esteem; and Fulfilling social responsibilities globally.

Based on this corporate philosophy, we have constantly pursued new challenges, leading to the opening of new markets, the creation of unique products, and the development of a wide range of businesses. Our company as it exists today was built on this history.

At the same time, we are facing an era of major transformation.

The Paris Agreement to combat climate change, adopted in December 2015 at the 2015 United Nations Climate Change Conference, also known as COP 21 (the 21st yearly session of the Conference of the Parties (COP) to the 1992 United Nations Framework Convention on Climate Change (UNFCCC)), set a target of holding the rise in the average global temperature to less than 2°C. And now there are reports stating that we must hold warming to under 1.5°C. Additionally, in 2015, the "2030 Agenda for Sustainable Development" was adopted at a UN summit. The agenda lists sustainable development goals ("SDGs") for the international community to achieve by 2030.

Under these circumstances, in 2018, we formulated a new long-term vision looking out to 2030. In this vision, we included the phrase "Art for Human Possibilities" to reiterate our commitment to solving societal issues and achieving continuous growth by creating Kando in a way unique to Yamaha.

This phrase signifies creating better societies and better lives using Advanced Robotics, by Rethinking Solutions to societal issues in a unique Yamaha way, and expanding human possibilities by Transforming Mobility. Under this vision, we have identified "environmental & resources issues," "transportation, education, & industrial issues," "innovation issues," and "work method issues" as four important issues that the Yamaha Motor Group should be helping with.

In 2017, the Yamaha Motor Group signed the 10 Principles of the United Nations Global Compact covering human rights, labor, the environment, and anti-corruption. As a company doing business globally, we must be aware of and comply with this framework at all times, throughout our supply chain.

In 2020, the spread of COVID-19 infections around the world has impacted all kinds of activities on a global scale, rocking the global economy to its foundations. Under these circumstances, we will work hand in hand with society to overcome this major challenge and, with our eyes set on life after the end of the COVID-19 crisis, contribute to the creation of a world where people can live fulfilling lives with peace of mind.

Going forward, we will engage in a commitment to international agreements, while emphasizing harmony with local communities, society at large and the global environment, and promote activities that will lead to the realization of a sustainable society, to become a company that earns the trust of stakeholders.

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