

CSR

Contributing to the Development
of a Sustainable Society

Sustainable

Message from the President

Continuing to create fulfilling lifestyles, enjoyment in personal mobility and innovative technologies...



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Message from the President

Continuing to Create Fulfilling Lifestyles,
Enjoyment in Personal Mobility and Innovative
Technologies that Harmonize with People,
the Earth and Society



Reflecting on 2011

Over a year has passed since the Great East Japan Earthquake that caused so much devastation in Japan. Once more I would like to express my deepest sympathy to all those who suffered or were affected due to this catastrophic event. Reflecting on 2011, there were many more troubles such as the economic crises in Europe and America, the extreme appreciation of the yen and the flooding in Thailand. Amid such circumstances, we undertook structural reforms, made changes to our management foundation and continued moving forward towards building a strong base for stable profitability. In regards also to the promotion of CSR, as each supervisory department planned and executed activities in line with our "Basic Policies of CSR" established in 2011, this was a year where we endeavored to enhance CSR implementation through sustainable growth and business activities more than ever.

Our Societal Role in Relation to the Great East Japan Earthquake

From the expectations of and requests for our products and services that we received during the aid activities we commenced immediately following the disaster to expedite recovery and restoration, we have again become aware of our societal role and continue to feel a great sense of mission and responsibility.

The fuel shortages in the aftermath of the disaster highlighted the fuel efficiency and mobility advantages of motorcycles and also increased the demand for electric motorcycles and electrically power assisted bicycles. In other fields, our products served a wide range of purposes such as the compact generators that were used to supply emergency power during the power shortages and the industrial-use unmanned helicopters that were utilized to spray pesticide over the tsunami debris collection sites. In working towards restoration of the affected regions, we received requests for increasing our production of small fishing boats. With orders amounting to about 20 times more than our annual manufacturing capacity under normal circumstances, in order to ensure complete production in just two years, we have invested in additional infrastructure, labor, etc., and are currently manufacturing these boats at maximum capacity.

I have always believed that the work involved in our products and services should also contribute in some way to the sustainability of the related industries. Our purpose in increasing production of small fishing boats in this instance is for a faster recovery of the affected regions. As a manufacturer which forged a marine business and developed technology through close relations with the Japanese coastal fishing industry, responding to such requests is an important part of our social responsibility.

Relationship with Society as the Basis for Sustainable Growth

The Yamaha Motor group announced three directions for its engineering, manufacturing and marketing as a future growth scenario for the years from 2010 to 2020 - "creating fulfilling lifestyles," "creating enjoyment in personal mobility" and "creating innovative technologies that harmonize with people, the Earth and society." We are accelerating our development and investment to ensure that our products display consideration to the environment, our customers and society at large.

At Yamaha Motor, we recognize our social responsibility in conducting business in nations and regions around the globe, and we will continue to contribute to the development of a sustainable society as "an excellent engineering, manufacturing and marketing enterprise with a prominent presence in the global market."

I sincerely hope that this Report will serve to build stronger relationships of trust with our stakeholders and society at large, and I look forward to hearing your unreserved opinions about it.

June 2012

A handwritten signature in black ink, appearing to read 'Hiroyuki Yanagi'. The signature is fluid and cursive, with a prominent loop at the end.

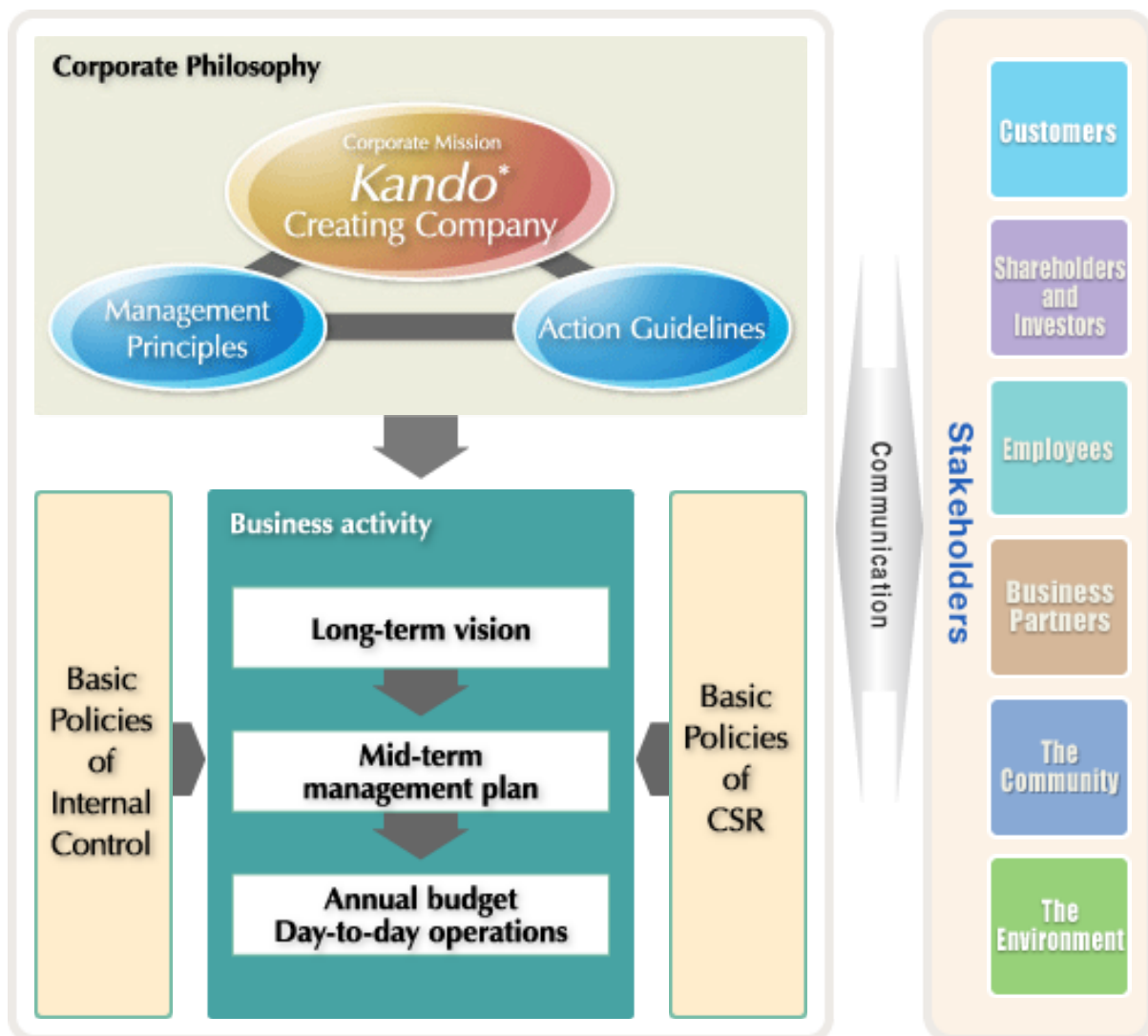
Hiroyuki Yanagi
President, Chief Executive Officer and
Representative Director

Approach to CSR

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

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

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



**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.

Basic Policies of CSR

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

<p>Customers</p>	<ul style="list-style-type: none"> • We offer new excitement and a more fulfilling life for people all over the world through high quality products and services that combine safety and innovation. • We provide practical, helpful information about products and services to customers. • We make every effort to protect the personal information of our customers and others involved in our business.
<p>Shareholders and Investors</p>	<ul style="list-style-type: none"> • We aim to deliver stable long-term growth to enhance corporate value. • We disclose appropriate corporate operational results and financial status in a timely manner.
<p>Employees</p>	<ul style="list-style-type: none"> • We provide equal employment opportunities to build a diverse and discrimination-free workforce. • We provide fair working conditions while maintaining and improving a safe and healthy working environment. • We maintain respect for human rights and never tolerate child labor or forced labor in any form. • We work toward building success for both our employees and the company through honest communication and dialogue founded on mutual trust.
<p>Business Partners</p>	<ul style="list-style-type: none"> • We respect our suppliers, dealers and other business partners and aim to build mutual long-term growth founded on mutual trust. • We maintain an open door to new business partners around the world and choose companies based on comprehensive value, regardless of nationality or size. • We respect the competition laws of each nation and region and maintain fair business practices.
<p>The Community</p>	<ul style="list-style-type: none"> • We honor the culture and customs of every country and community, and we strive as a corporate citizen to act in balance with society. • We work to contribute to the development of sound communities by providing means of mobility, creating employment opportunities and fulfilling our tax obligations. • We promote social action programs including personal mental and physical development, environmental preservation and safety activities, as well as supporting private initiatives undertaken by employees. • We maintain honest and fair relationships with government agencies and public authorities.
<p>The Environment</p>	<ul style="list-style-type: none"> • We develop environmental technologies to create products that balance economic needs with environmental well-being. • We aim to minimize the environmental impacts of our operations and make efficient use of limited natural resources. • We form wide-ranging partnerships with communities around the world to perform environmental conservation activities.

Response to the Great East Japan Earthquake



We once again express our deepest sympathy to all those who suffered due to the Great East Japan Earthquake on March 11, 2011, and we sincerely hope that restoration will be swiftly achieved. Here, we will report on how the Yamaha Motor group was affected, our response in the immediate aftermath and our initiatives to support people in the affected areas with their efforts for restoration.

Effects on Personnel, Facilities and Business Activities within the Group

Personal Injury and Damage to Business Offices and Facilities

There was no loss suffered within the group in terms of human life or manufacturing bases. However, in Miyagi Prefecture, sections of road at the facility operated by SUGO Co., Ltd caved in and our main marina facilities incurred considerable damage.

Effects on Business Activities

In product manufacturing, we made adjustments according to each product's circumstances such as suspending production for business partners that were unable to operate normally due to the earthquake. We also put in place a number of efforts to save energy in response to the electricity shortages around the country. One of these was making alterations in weekly operating days for three months between July 2 and September 30, 2011. (Yamaha Motor Co., Ltd. employees took Thursdays and Fridays off work instead of Saturdays and Sundays.)

Response to the Great East Japan Earthquake

Responses in the Immediate Aftermath

Providing Aid to Employees and their Families as well as to Our Business Partners

On the day after the earthquake, we established an emergency response committee to prepare a system for investigating the damage and making swift decisions. We provided emergency support for employees, group companies and business partners through actions such as launching a components response project for affected business partners to gain a proper understanding of their circumstances and to provide assistance in making a speedy recovery. Supplies for livelihood assistance were sent to employees and their families who were living in the devastated areas. We extended the application of affliction leave to employees with relatives living in the disaster zone, allowing them to participate in relief efforts, and we also offered resource assistance. Among other support initiatives, we sent relief packs containing aid goods to dealers in the affected regions for the local staff to distribute.



Dispatching emergency supplies stocked at the headquarters in Shizuoka to Tohoku

Response to the Great East Japan Earthquake

Circuit Facilities used as Helicopter Distribution Bases

Many affected areas were left isolated due to overland routes being damaged immediately following the disaster, resulting in a lack of sufficient means to deliver material support sent from other areas. The circuit parking lot at “Sportsland SUGO” (Murata-machi, Shibata-gun, Miyagi Prefecture), a facility operated by SUGO Co., Ltd , was used as a temporary heliport by the nonprofit organization, Helicopter Collective Japan as a base for the delivery of emergency supplies from mid-March, immediately following the disaster. The pit garages were used to temporarily store goods which were sent overland from around Japan.



Giant parking lot at circuit used as temporary heliport



Pit garages used for temporary storage of relief goods which arrived overland from around the country

Response to Customers who use Our Products

Due to the risk of electrocution or breakdowns when using our products such as motorcycles or outboard motors which had been partially or fully submerged in seawater, and due to the increased number of people who were using our generators at evacuation centers and similar locations, we reissued notifications on usage instructions and warnings via our website and we promoted awareness and handling in collaboration with our dealers.

Response to the Great East Japan Earthquake



Support through Donations and Resources (partial selection)

Yamaha Motor Co., Ltd. matched donations collected from employees through the labor union, contributing 20 million yen to the Japanese Red Cross Society. Material support was given in the form of generators, electrically power assisted bicycles, motorcycles and other goods donated to the Ministry of Internal Affairs and Communications and other relevant bodies. Many affiliated companies, overseas bases and dealers also offered to contribute and made donations via a variety of public agencies.

Updates released following the disaster pertaining to the situation of our group companies and support provided to the affected areas are available here.

<http://www.yamaha-motor.co.jp/global/east-japan/>

Precautions regarding use of vehicles partially or fully submerged in seawater are available here (in Japanese only).

<http://www.yamaha-motor.co.jp/caution/>

Information regarding safe use of generators is available here (in Japanese only).

<http://www.ympc.co.jp/generator/>

Response to the Great East Japan Earthquake

Various Recovery Support Initiatives

Support through Business Activities

Support for Repair and Reconstruction of Small Fishing Vessels

The Tohoku Disaster Response Project Office was established in collaboration with national and local governments as well as related bodies to handle the fishing and utility boats used by the fishing industry in the Tohoku region. Surveys of the disaster situation showed that well over 20,000 vessels had suffered damage, and it was determined that around 7,000 utility boats were required (according to the Ministry of Agriculture, Forestry and Fisheries). For this reason, Yamaha Motor cooperated in a repair and recycling project conducted at ten locations in Iwate and Miyagi prefectures for vessels which had suffered limited damage. In addition, we are working together with group companies who manufacture fishing and utility vessels on a system to increase production of new vessels to assist the restoration and revival of the fishing industry.



On June 10, 2011, the first temporary repair facility began operations at Shizugawa, Minamisanriku-cho, Miyagi Prefecture



Boat hulls constructed by our group companies in Kumamoto, Hokkaido and Kagawa were sent to the "Sugo Outfitting Center" established on the tennis courts at Sportsland SUGO (facilities of a group company), where pre-delivery outfitting was carried out to suit the fishing methods of each region (Photo courtesy of The Yomiuri Shimbun)

Information on the restoration of utility boats for the afflicted areas is available here (in Japanese only).

<http://www.yamaha-motor.jp/marine/lineup/pro-fish/tairyo/topics/>

Response to the Great East Japan Earthquake

Rubble Pest Control with an Industrial-use Unmanned Helicopter

In the summer following the disaster, an issue requiring urgent attention was the stench and massive outbreak of flies caused by ocean floor slime in the debris, the large volume of fish and shellfish that flowed out of the seafood processing plants during the tsunami and more. Tohoku Skytech, an authorized distributor for Yamaha Skytech which handles sales and service of industrial-use unmanned helicopters in Japan, conducted pesticide spraying operations with an industrial unmanned helicopter over the debris pile at Ishinomaki Harbor six times from August 2011 in response to requests from local residents and the authorities.



An operator controls the helicopter from a boom lift



Aerial spraying of pesticide from above the debris pile

Support through Sporting Initiatives

Yamaha Motor Jubilo (rugby team), together with the J-League Jubilo Iwata football team, collected donations on the street in the cities of Hamamatsu and Iwata in Shizuoka Prefecture. They also played in the first rugby match to be held following the disaster, which was dedicated to rejuvenation. The event took place in Kamaishi City, Iwate Prefecture on June 5, 2011 to support the affected areas through sport.



The report of the Kamaishi tour is available here (in Japanese only).

http://rugby.yamaha-motor.co.jp/fukyu/2011/0609/index_1315.html

Response to the Great East Japan Earthquake

In April 2011, the Yamaha Motor Foundation for Sports provided sports equipment and drawing materials for schools in the affected areas through the Nippon Foundation. In July, they provided further assistance for sports equipment in conjunction with "Great East Japan Earthquake Children's Learning Support Portal Site" of the Ministry of Education, Culture, Sports, Science and Technology. The Foundation also brought athletes from three clubs in the affected regions to join the "Sailing Challenge Cup in Lake Hamana" in March 2012.



Details of support are available here (in Japanese only).

<http://www.ymfs.jp/info/2011/311support/>

- | Risk Management | Compliance Awareness | Training in Compliance |
- | Reporting Hotlines | Import/Export Management |
- | Protection of Personal Information |

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

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

Initiatives for Advancing CSR

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

Please click here to view the CSR Activity Plan Chart >> (PDF will open in a new window)

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Risk Management

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

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

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Business Continuity Plan (BCP) – Review of Damage Expectations

In light of the Great East Japan Earthquake and Thailand floods of 2011, we cannot expect to escape falling victim to natural disasters. Yamaha Motor has reviewed damage expectations placing a top priority on targeting an early revival of business. Going forward, we will reorganize our production system based on expected damage simulations, establish a backup system for supplying parts and engage in formulating a Business Continuity Plan (BCP) with our business partners.

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Compliance Awareness and Consistency

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



Yamaha Motor's Code of Ethics

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Implementation of Training in Compliance and Regulations

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

Target category		Total participants
Ethics seminars	Officers, managers, supervisors, general employees	13,006
	Including divisional feedback meetings	
Compliance seminars	Group training	8,325
	e-learning	17,665

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Internal Reporting Systems (Hotlines)

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

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Thorough Import and Export Management

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

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

Regarding imports, in response to the December 25, 2009 "Apology and Notice Regarding Shipment of Repair Parts Containing Asbestos," we continue our initiatives to prevent the order, import, transfer and supply of goods which are confirmed to contain substances prohibited for use in manufacturing^{*3} or where the inclusion of such substances cannot be confirmed.

1) Confirmation of Non-Inclusion

1. Ensure that a Declaration of Non-Inclusion is obtained from concerned business partners
2. Regarding parts where there is a possibility they contain banned substances, obtain analysis results, constituent data, Material Safety Data Sheets (MSDS), etc. from concerned business partners
3. When the documentation outlined above in point 2 cannot be obtained from the concerned business partner, request analysis through a third-party organization

2) Mechanism preventing order placement

We have set up a database to manage information on parts where non-inclusion has been confirmed by the above procedures, and have introduced a system whereby the manufacturing, purchasing and parts departments can only place orders for parts registered in the database.

*1 The “STC Associate Examination” is a practical accreditation exam for security trade control conducted by the Center for Information on Security Trade Control (CISTEC), a non-profit and non-governmental organization.

*2 The “STC Expert Examination” is an accreditation exam demanding a higher level of ability compared to the “STC Associate Examination.”

*3 Substances prohibited for use in manufacturing, etc. are substances indicated in item 1, Article 16 of the Enforcement Order of Industrial Safety and Health Law.

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Initiatives for Protection of Personal Information

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

Privacy Policy

<http://www.yamaha-motor.co.jp/policy/>

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- | Working to Improve Quality | Creating New *Kando* | Customer Response/Services |
- | Riding Safety Promotion Activities |

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

Engineering, manufacturing and marketing creates the value that is provided to customers. Yamaha Motor always takes a customer perspective as we plan, develop, manufacture, sell and service products for mobility, without forgetting the importance of “looking outward.” By enhancing the quality, safety and originality of mobility products, we continue to provide value that exceeds customers' expectations.

**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.

Working to Improve Quality

Quality is improved through a close relationship with the customer and we believe that all employees must continuously work to improve and enhance quality. In order to further our customer-oriented approach and to ensure that the customer's views are reflected in our engineering, manufacturing and marketing, the Yamaha Motor group will continue our quality improvement initiatives so that we can deliver products with an even higher level of customer satisfaction.

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Creating New *Kando*—Smart Power Creating Dreams for the Next Generation

Yamaha Motor released the Passol, the first mass-produced electric motorcycle, in 2002, and with next-generation environmentally friendly engines that reduce fuel consumption, we have been aggressively developing new power sources that we call Smart Power. The EC-03 Electric Commuter Vehicle, released in September 2010, incorporates a plug-in system that allows for recharging from a residential power source, and by December 2011, domestic unit sales had reached 2,000 units. Support for the PAS Electrically Power Assisted Bicycle has been growing among housewives, seniors, students and office workers for commuting, as well as among government offices and companies for their operating activities, against a backdrop of increased health consciousness and environmental awareness. In November 2011, we strengthened our partnership with Toyota Motor Corporation and announced the *Tsunagaru* Bike (Communications-linked, Next-generation Vehicles) Service concept, which will pave the way for new traffic systems through the joint use of recharging and information infrastructures and vehicle sharing. This underscores the possibilities of Smart Power in the next generation of mobility.





Yamaha Wins Good Design Award for the PASCRU Leasing System

The Japan Institute of Design Promotion selected the PASCRU leasing system for PAS electrically power assisted bicycles for a 2011 Good Design Award in the newly established “Business Model Design” category.



PASCRU pamphlet

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Customer Response/Services - Building Confidence in ASEAN through the "3S" Policy

The Yamaha Motor group is striving to bolster its comprehensive sales services in ASEAN, Central and South America and other regions around the world. This includes renovating showrooms and facilities, staff training to teach appropriate manners for dealing with customers and developing skills in explaining our products and building supply structures for customers who do not live near dealers.

In 2011, in particular, we made strong headway in promoting our “3S” policy - (motorcycles) Sales, (after-sale) Service and (sales of) Spare parts - to comprehensively raise the level of customer satisfaction in the ASEAN market. Customers' satisfaction with the sales services they experience increases confidence in the Yamaha brand, and in this way we are establishing strong loyalty in the ASEAN market. In order to continuously improve customer satisfaction, Yamaha Motor is globally promoting the Yamaha Technical Academy for dealer staff, an initiative that aims to improve the quality of vehicle servicing and communication with our customers.

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For inquiries on products (in Japanese only): <http://www.yamaha-motor.co.jp/faq/contact/>

Recall-related information (in Japanese only): <http://www.yamaha-motor.co.jp/recall/>

Privacy policy: <http://www.yamaha-motor.co.jp/global/policy/>



Riding Safety Promotion Activities – Globally Promoting and Developing Activities for Safe Driving

In order to more actively promote motorcycle riding safety, the Yamaha Motor group has been conducting its Yamaha Riding Academy (YRA) courses in locations all around the world and the curriculum integrates and organizes the three elements of promoting safety, promoting motorsports and promoting products. Our activities for the promotion of riding safety are based on curricula developed to reflect the social, transportation and user requirements of each specific region. Our initiatives focus on Yamaha motorcycles but also include the product areas of all-terrain vehicles (ATVs), personal watercraft (PWCs) and snowmobiles. We are promoting such initiatives particularly in rapidly growing markets, such as those in the ASEAN countries, Central and South America, the Middle East, Russia and Africa, where the lack of riding safety instruction and rider awareness education has become an acute social problem.

Thai Yamaha Motor (TYM) has a permanent training facility that constantly runs courses to teach riding and safety skills. In addition to the training course itself, the facility has a large meeting room, lecture rooms and a motorcycle riding simulator room for truly comprehensive operations. In Thailand, motorcycle traffic accidents are a significant social issue. Since 2005, TYM has been offering 50 to 70 riding safety seminars per year throughout Thailand in cooperation with Thailand's Ministry of Transport and Communication. As a government-accredited official testing site, TYM also issues motorcycle-riding certificates (the document needed to obtain a license). This facility is utilized to improve our customers' riding safety skills and to train instructors for dealerships in the ASEAN region.



Riders attend classes to learn riding skills



Lecture on riding safety



Motorcycle simulator that allows students to experience various situations without risk



Riding Courses Held for Police Officers and People of Other Public Organizations

The Yamaha Motor group is involved in teaching safe riding skills to police officers and people of other public organizations, which is indispensable in the effort to promote riding safety throughout society. This is another part of our YRA activities, in which instructors are dispatched from Japan to engage in ongoing activities to promote safety through specialized curricula in product areas including two-wheeled vehicles, PWCs and ATVs.



Photos of courses run in Argentina and Senegal (photos from 2009)

Spread of Safe Piloting of Industrial-use Unmanned Helicopters

Increased scale and modernization are issues in the field of agriculture, and industrial-use unmanned helicopters are being used to improve efficiency and reduce workloads during spraying and seeding. We are working to promote safety in this field too; we carry out “human error training sessions” at group companies and dealers in Japan, as well as dealers in Korea. The purpose of these training sessions is to minimize operator error and to create a culture of safety. These training sessions are for nurturing other instructors to promote safety at specified dealers, and instructors from Yamaha Motor demonstrate proper piloting skills and instruct participants, thus succeeding in enhancing both safety skills and awareness.

In June 2011, flight skills courses were held for employees of group companies in Australia and New Zealand that will be newly introducing industrial-use unmanned helicopters into their respective markets.



A flight skills course held in Australia

Shareholders and Investors

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

In 2011, in addition to announcing financial results and holding meetings for shareholders at the end of each quarter, the division visited investors in the U.S. and U.K. and disclosed IR information through the website. The division also runs a section of the website for individual investors. Furthermore, as one more part of actively disclosing information, there was a tour of the motorcycle assembly factory and more for analysts and journalists in September to present and explain Yamaha Motor's approach to engineering, manufacturing and marketing in Japan.

Information for shareholders and investors is available on web pages below.

For Investors (index page)

<http://www.yamaha-motor.co.jp/global/ir/index.html>

Dividend Policy

<http://www.yamaha-motor.co.jp/global/ir/shareholder/dividend/index.html>

Disclosure Policy

<http://www.yamaha-motor.co.jp/global/ir/policy/index.html>



- | Human Resource Development | Diversity | Work-Life Balance |
- | Workplace Safety and Health |

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

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

Developing Global Human Resources

In line with the growth in the size of the group's businesses around the world, Yamaha Motor is aggressively working to cultivate human resources that are increasingly able to operate globally. We have made the decision to hold our first Global Executive Program (GEP) in August 2012 to develop the next generation of global executives, and we have expanded management training and promotion opportunities for locally hired overseas staff. We are also working to provide greater overseas experience for Japanese staff, and to promote communication between staff within and outside Japan.

Related news release (released January 12, 2012):
Developing Human Resources for Global Leadership
<http://www.yamaha-motor.co.jp/global/news/2012/0112/info.html>

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Workplaces Thriving on Diversity

Based on our fundamental belief that "all corporate activity originates first of all with and for people," the Yamaha Motor group has clearly defined its stance on human rights in its Code of Ethics.

In accordance with our policy of "operating workplaces where the disabled can work together with the able-bodied," Yamaha Motor Co., Ltd. has established the Disabled Employment Promotion Committee, and is working to improve the workplace environment through measures such as having analyses of organizational work and other tasks conducted by committee members assigned to each division. As of December 31, 2011, the company employed 77 severely disabled persons and 61 mildly disabled persons, thus achieving a disabled employment rate of 1.92% (138 persons in total). Furthermore, in order to provide multi-faceted support for workplaces where people with disabilities work, the company is also putting a great deal of effort into measures for improving communication, such as offering sign language and note-taking classes, etc.

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Supporting the Work-Life Balance - Aiming for a Workplace Environment that Fosters Autonomous Creativity

The Yamaha Motor group defines its relationship with employees as a business partnership, and the company's role as providing an attractive workplace for autonomous individuals. We aim to create workplaces that maintain a diversity of working styles and a positive work-life balance by supporting career advancement plans based on mutual assumptions, providing programs for child and nursing care leave, etc. We are also expanding the options for employees so that they can work in ways that suit their individual circumstances. The percentage of employees taking paid leave was 81.6%* in 2011.

*The percentage is calculated as the ratio of the actual leave taken during the year to the annual paid leave due for all regular employees



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

Programs	Details
Child care leave	Employees may take leave until the child's second birthday (used by 93 women and 4 men in 2011)
Family care leave	Employees can take leave for up to one year on request (used by 2 women in 2011)
Family illness leave	Employees taking care of preschool aged children can take up to 5 days per year in the case of 1 child, and up to 10 days if they have two or more preschool aged children.
Flexible work time system	Work hours can be set at any time between 6:30 a.m. and 9:45 p.m. *core working hours are from 10:15 a.m. to 3:00 p.m.
Workload reduction	Limits are placed on overtime, and nighttime work is excused for employees with a child of preschool age and employees caring for a sick or aged family member.
Short-time work system	Employees may reduce their working hours by two hours each day (used by 68 women and 1 man in 2011)
Others	Designated "no overtime" days (every Wednesday; day preceding a company holiday; paydays; and bonus payment days). Employees can take three consecutive days of paid leave every year (from age 30, employees can take a consecutive five-day paid leave every five years).

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Workplace Safety and Health - Creating a Workplace Environment that Offers Peace of Mind and Comfort

Led by its Central Safety and Health Committee, Yamaha Motor is promoting the establishment of safer working environments globally. Risk assessment is performed in accordance with the Occupational Safety and Health Management System (OSHMS), now in its seventh year of operation since its introduction in 2011, to detect potential dangers or harmful conditions at workplaces, and measures are taken to prevent occupational accidents. Through position-specific education and training, such as safety manager training programs and skill improvement programs for supervisors, as well as holding occupational safety and health meetings, we are focused on developing human resources that can support occupational safety.

Since 2008, Yamaha Motor has been continuously introducing OSHMS at its group companies and as of the end of 2011, seven domestic companies and three overseas companies have acquired group certification.

Since April 1, 2011, Yamaha Motor has operated an Integrated Management System that combines the above system with the environmental management system.

[Please click here for the Integrated Management Policy \(PDF file will open in a new window\)](#)

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Supporting Employees in Maintaining a Healthy Mind and Body

Yamaha Motor promotes a wide range of initiatives for helping employees maintain and improve their emotional and physical health.

We are committed to creating healthy and vital workplaces for the prevention of and recovery from lifestyle-related diseases. For instance, we make efforts for endurance improvement and obesity prevention through exercise habits, such as by hosting walk rally events and holding the Walk, Walk Campaign twice a year. In partnership with the health insurance association, we have also been providing antismoking products to interested employees to help them in their efforts to quit smoking. The company's smoking rate has declined from 33.4% in 2010 to 32.2%.

In terms of support for mental/emotional health, we have continued to engage in efforts such as health guidance given by occupational health physicians, mental/emotional health seminars for new managers and supervisors, and support for expatriates and mid-career recruits.

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| Supply Chains | Dealerships |

A global procurement and sales network based on a spirit of cooperation and fairness

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

Activities in Supply Chains

The Yamaha Motor group regards its relationship with the supply chain not just as conducting procurement, but as procurement that emphasizes the idea of incorporating both cost and quality into our engineering, manufacturing and marketing. An example of these activities is the implementation of “theoretical-value-based production” with our suppliers. This does not simply mean demanding cost reductions, but instead involves analyzing the absolute value of engineering, manufacturing and marketing together with our suppliers and working together to find more ways to improve cost competitiveness. We have trained some of our employees to serve as “theoretical-value instructors” in order to promote the implementation of “theoretical-value-based production” at our suppliers inside and outside Japan as an initiative to strengthen our cost competitiveness in concert with them. In addition, we are promoting fair and clean procurement activities globally through training programs covering our Green Procurement Guidelines (detailing how to reduce our environmental impact and ensure the efficient use of resources and energy) and CSR Guidelines for Suppliers (which cover areas related to safety, quality and compliance).

| The Yamaha Motor Group Green Procurement Guidelines are available for download here

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Activities at Dealerships

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

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

**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.

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The Community

Another important element of CSR is engaging in social contribution activities that connect to maintaining and enhancing trust with our stakeholders and achieving harmonious coexistence and mutual prosperity with local communities. The Yamaha Motor group is committed to continuing its efforts to contribute to the development of a sustainable society through providing the technology and knowhow accumulated through our business activities and corporate assets such as our group companies' facilities, and cooperation with local governments, schools, NPOs and other community organizations. The Yamaha Motor group has prioritized initiatives in four areas that apply our wealth of knowledge accumulated through our businesses, including supporting the "development of future leaders" through sports and engineering, manufacturing and marketing. Furthermore, through the "40,000 People's V Campaign," we promote and provide information-related support for the volunteer activities of our employees as a company-wide effort.

Important areas of activities contributing to society

Key themes		Activities
Global issues	Developing future leaders	<ul style="list-style-type: none"> • Promoting mental/emotional and physical health through sports • Promoting creativity through engineering, manufacturing and marketing
	Environmental conservation	<ul style="list-style-type: none"> • Environmental education for local communities • Respecting biodiversity
	Improving traffic safety	<ul style="list-style-type: none"> • Providing traffic safety education to the community • Awareness raising
Local issues	Community issues	<ul style="list-style-type: none"> • Supporting the community with Yamaha Motor's products, human resources and know-how

Social Contribution Activity Examples

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

Developing Future Leaders



Supporting Training at Vocational Schools in Vietnam

Environmental Conservation



Helping to Preserve the Environment in Southern California

Improving Traffic Safety



Contributing to the Spread of Traffic Safety in China

Community Issues



Supporting Flood Recovery Efforts in Thailand

Click on the pictures to view examples of activities in 2011

Supporting the Training of Mechanics at Government-run Vocational Schools

With its target to become an advanced industrial country by 2020, Vietnam is currently working to expand the scale and improve the quality of vocational training. Yamaha Motor Vietnam Co., Ltd. (YMVN), which manufactures and sells motorcycles, has set up “Yamaha Courses” for learning about motorcycle maintenance, customer service and sales in cooperation with and support for Vietnam’s government-run vocational schools. The three vocational schools that run Yamaha Courses are located in Long Xuyên, which neighbors the economic center of Vietnam, Ho Chi Minh City (courses established 2008); Hai Phong, near the capital Hanoi (courses established 2010); and Hue a former capital city in central Vietnam (courses established November 2011). The school term is three months long and in 2011, these three schools ran a total of seven courses with 101 graduates. A YMVN mechanic goes to each school for a week every month (a total of three weeks) and gives lectures on the knowledge, technical skills and customer service skills necessary for a good mechanic. The mechanic also provides guidance to the Yamaha Course instructors before classes begin and holds orientations whenever a new product is launched to teach the instructors about any new mechanisms or technologies the product uses.

In 2012, we plan to establish Yamaha Courses at two more schools—one in Can Tho also neighboring Ho Chi Minh City, and another in Da Nang in central Vietnam.



In 2011, of the 101 graduates of the Yamaha Courses run at government-run vocational schools, 53 of them went on to work at dealers handling Yamaha products

Developing Future Leaders

Courses Utilizing Skills and Knowledge Gained through Work

Yamaha Motor implements ongoing measures to foster interest in engineering, manufacturing and marketing among children by making use of the knowledge and skills gained through its businesses, engineering, manufacturing and marketing.

"Discovering the Mysteries of Boats" is a course that explains in a manner accessible to children the mechanism of boat buoyancy and differences in boat speed caused by variations in structure, and it allows children to try their hand at model boat building using transparent file folders. The participants, mainly elementary school students, come to understand how a heavy boat can float and enjoy making their own boats.

Yamaha Motor also provides continuous support for "corporate lectures," a program where employees with extensive work experience are sent to colleges and universities as instructors and lecture students not only on scientific perspectives and concepts, but also on approaches based on practical experience.



	Discovering the Mysteries of Boats		College Lectures	
	No. of participants	No. of courses	No. of participants	No. of sessions
2011	978	51	3,172	45
2010	1,245	64	2,845	38
2009	540	32	2,243	43

Helping to Preserve the Environment at a National Park in Southern California

The southern area of the U.S. state of California is home to around 24 million people and serves as the base for Yamaha Motor Corporation, U.S.A. (YMUS), the company in charge of Yamaha Motor's U.S. sales. The warm climate with its low rainfall and the abundance of suitable terrain means leisure activities using off-road vehicles are very popular. However, as California has long faced problems such as air pollution and desertification, it is a place where there are widespread, pioneering efforts to preserve the environment and develop a sustainable society not only through public institutions and private corporations but also at the grassroots level through community initiatives via NPOs, owners' clubs and more. For many years, YMUS has worked to spread understanding on how to correctly and safely use Yamaha products and has also been involved in a variety of activities to preserve the environment and contribute to the development of a sustainable society. In 2008, YMUS started financially supporting activities to sustain environments that can be enjoyed by off-road vehicles like motorcycles and ATVs (restoring and preserving the natural environment, building and maintaining facilities, creating signage and guide maps, monitoring and reporting, etc.) through GRANTs (Guaranteeing Responsible Access to our Natural Trails). As part of the GRANT for the San Bernardino National Forest Association near Los Angeles, which began a long-term environmental restoration project in October 2011, 60 YMUS employees, family members and friends volunteered at the project's kickoff event, where they planted trees, collected seeds and more.



YMUS employees and their families cleaned up areas and planted cacti and shrubs in San Bernardino National Park



Since 2008, YMUS has been running the Yamaha OHV Access Initiative, which supports various activities carried out by local organizations and groups in their efforts to preserve and sustain the environments where off-road vehicles such as motorcycles and ATVs are used. As of Autumn 2011, about two million dollars in GRANTs have been provided.

(OHV stands for Off-Highway Vehicle.)

Environmental Conservation

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



Environmental preservation projects funded by the Yamaha OHV Access Initiative (entering its 4th year) are spreading nationwide (Click on the map to see a list of GRANT recipients)

Improving Traffic Safety

Contributing to the Spread of Traffic Safety in China - the 2011 Yamaha V Rally

With its yearly demand for new motorcycles at over 14 million units, China is also the largest manufacturer of motorcycles in the world. In both its cities and rural villages, motorcycles are an indispensable part of people's lives.

Local Yamaha group company Shanghai Yamaha Jianshe Motor Marketing Co., Ltd. (YMSM) has continued its hosting of rally activities that involve promotional activities that convey the convenience and multifaceted appeal of motorcycles and activities that aim to make essential contributions to the community for the sound development of a transportation-centric society. In Autumn 2011, YMSM held the 20,000 km, 45-day "2011 Yamaha



V Rally." Rally teams that were selected from throughout China set off from two locations in Heilongjiang province and the Xinjiang Uyghur Autonomous Region for the final destination in Guangdong province, visiting 200 dealers in 18 provinces. With the support of local police and administrative bodies, the teams also stopped at local facilities, elementary schools, etc. and engaged in various activities related to spreading the message about traffic safety.

YMSM: Shanghai Yamaha Jianshe Motor Marketing Co., Ltd.



Click the image to go to YMSM's V Rally website (Chinese only)

Supporting Flood Recovery Efforts in Thailand

From October 2011 and continuing on for several months, severe flooding struck central and northern Thailand. These floods damaged many residential areas and industrial parks and had a significant effect on the local community and economic activities. While operations were suspended due to damage suffered by some suppliers, the Yamaha Motor group did not suffer any direct damage and set about preparing an equivalent of 30 million yen in relief aid to the stricken areas in the form of life jackets, water pumps, boat engines and more. In November, the Yamaha Motor group donated the supplies through the Royal Thai Armed Forces, and local group company Thai Yamaha Motor Co., Ltd. (TYM) actively engaged in recovery activities by providing supplies to those affected by the floods while employees volunteered to participate in aid efforts such as the “Big Cleaning Day.”



Ceremony for donations to the Royal Thai Armed Forces



Volunteer



Local employees participating in volunteer activities

Volunteer Activities Examples

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

Promoting Internal Sharing of Information related to Various Social Contribution Activities

Information regarding volunteer activities is provided through the information system of the Yamaha Motor group's corporate intranet. This information includes reports on social contribution activities conducted by Japanese and overseas group companies as well as employee volunteer activities, information about related organizations such as NPOs, important information for conducting volunteer activities and a schedule of activities. Employees who wish to participate in the activities can register their names with the activity group using the system.

We initiated the "40,000 People's V Campaign"* in 2004 with the objective of promoting employee consciousness about volunteering and also to provide the required impetus for employees to begin participation in such activities. The aim is for all employees to volunteer at least once each year so that total participation in social contribution programs for the entire group reaches 40,000 people. In 2011, participation reached 40,294; thus, the goal was met for the fifth consecutive year. Employees participated in a wide range of volunteer programs including staging theatrical performances at the home-stay residences of foreign students, day care centers and nursing homes and offering technical training for trial motorcycles that can be useful for disaster relief.

*This number was chosen because there were approximately 40,000 employees in the global Yamaha Motor group in 2004, the year when this campaign was started. The "V" in the campaign name stands for Volunteer.

Examples of Long-Term Programs

One long-term volunteer program is the children's course conducted by Fun Engine Lab, an employee group. The program is designed for local elementary school children during the summer vacation. In it they disassemble and assemble engines and build toy wind cars while learning about their structures and mechanisms. To date, the course has been held more than 100 times and approximately 5,000 children have participated.



Volunteer Activities Examples

Volunteering as Referees in Youth Football

The headquarters of Yamaha Motor Co., Ltd. is located in Shizuoka Prefecture, where football is a major passion and the home of many professional players. A large number of our employees also play or coach football on the weekends, and more than 170 of them are certified as official football referees by the Japan Football Association. In July 2011, with support from the Thai Ministry of Tourism and Sports and the Football Association of Thailand, Yamaha Motor and group company Thai Yamaha Motor Co., Ltd. (TYM) held the 3rd YAMAHA ASEAN CUP U-13 FOOTBALL Thailand 2011 tournament. Six Yamaha Motor employees with referee qualifications volunteered to act as neutral third-country referees (travel and accommodation expenses were paid by YMC), supporting the operation of this event which aims to contribute to sound youth development in the ASEAN region.



TYM: Thai Yamaha Motor Co., Ltd.

The Environment



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

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

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

The Environment

Yamaha Motor Group Environmental Plan 2020

	Action Areas	Priority Actions	2020 Targets
Eco Products	Raise environmental attractiveness through product development from the perspectives of the environment and customers	In the Eco Products area, implement the Frontier 2020 group-wide long-term vision.	
		<ul style="list-style-type: none"> Reduce risks from environmentally hazardous substances Implement green procurement 	Identify environmentally hazardous substances and support the use of alternatives
Eco Operations	Environmental preservation through global business activities that aim to minimize environmental impact	Reduce emissions of greenhouse gases	Reduce CO2 emissions per unit of sales by 1% (annual average)
		<ul style="list-style-type: none"> Implement the 3 Rs through the 3 Es Reduce water consumption (3 Es: Easy to make, easy to repair, easy to disassemble) (3 Rs: Reduce, Reuse, Recycle) 	Support the effective use and recycling of limited resources
Eco Management	Environmental management through reinforcement of group environmental governance systems	Create and operate group-wide environmental management systems	Link group-wide operations with local activities
Eco Mind	Environmental contributions through diverse initiatives that seek to create a sustainable environment	Change attitudes through continuous environmental education	Have all group employees actively undertake environmental measures with a high awareness of targets
		<ul style="list-style-type: none"> Improve sensory environments (odors, noise, etc.) Communicate with local communities Preserve ecosystems 	Be trusted and respected as a corporate citizen by local communities
		Proactively disclose information from an environmental perspective	Well received by the community as an environmentally advanced company

2011 Plans and Performance

Action Areas	Priority Actions		2011 Plans	2011 Performance
Eco Products	Raise environmental attractiveness through product development from the perspectives of the environment and customers		Develop products to raise environmental attractiveness	Implemented in the medium-term plans of each business unit
Eco Operations	Reduce risks from environmentally hazardous substances	CO2 emissions assessment and reduction	Each group company to reduce emissions by 1% (annual average) per unit of sales	Due to the Great East Japan Earthquake and Thailand floods, only 31 of the 107 companies achieved their goal
	Reduce emissions of greenhouse gases	Reduction of CO2 emissions from manufacturing processes	Reduce by 2% per unit of sales compared to 2009	Goal achieved with reduction of 7.5% per unit of sales
		Reduction of CO2 emissions from distribution operations	Reduce by 1% (annual average) per unit of sales	Only reduced by 0.1% (Did not achieve goal)
			Reduce by 5% compared to 2006	Only reduced by 0.5% (Did not achieve goal)
		VOC reduction	Reduce by 50% per unit of painted area (compared to 2000)	Goal achieved with 62.2% reduction
	Implement green procurement	Green procurement activities	Adhere to rules regarding prohibited or restricted substances (zero harmful substances in our products)	Conducted green procurement in accordance with the applicable laws and regulations of each country and voluntary industry standards
	Promotion of "3R" in product development	Promotion of "3R" in product development	Reusing/recycling initiatives	Continued initiatives
		Promotion of "3R" in manufacturing	Keep waste materials for direct/indirect landfill disposal to 0 tons	0 tons
			Achieve recycling rate of 100% in manufacturing processes	100%

2011 Plans and Performance

Eco Operations	Implement the 3 Rs through the 3 Es	Waste materials in manufacturing processes	Continue super-zero emissions	Achieved super-zero emissions again
		Establishment of recycling system for products in Japan	Voluntary initiatives to maintain a motorcycle recycling system	Proper handling and recycling of motorcycles were implemented through dealerships (Japan only)
		Reduction of parts packaging materials	Reduce packaging materials, making 68% of packaging materials returnable	Goal achieved with 74% returnable rate
		Promotion of recycling through sales channels	Implement Eco-Partner outlet policy in the ASEAN region	Vietnam: Placed waste sorting receptacles and Eco-Partner promotion posters in 483 outlets Thailand: Placed waste sorting receptacles in 267 outlets Indonesia: Placed waste oil cans in 1,910 outlets Malaysia: Placed waste sorting receptacles in 24 outlets Philippines: Placed waste sorting receptacles in 1 directly managed store
	Reduce water consumption	Reduce water consumption	Understand actual water consumption conditions of group companies	Investigation of water consumption conditions completed at 69 of 86 target companies (80%)
Eco Management	Create and operate group-wide environmental management systems	Promote EMS programs in accordance with the environmental activity categories for each consolidated company in the Yamaha Motor group	<ul style="list-style-type: none"> February: Released "Environmental Plan 2020," our long-term environmental plan 2 companies acquired YEMCS*1 certification (YMSS*2 and i-PULSE Co., Ltd.) 	

2011 Plans and Performance

Eco Management	Create and operate group-wide environmental management systems	Integrate our management system	<ul style="list-style-type: none"> • April: Started operating environment and labor safety integrated management system at YMC • June-August: Integrated management system auditors implemented an internal audit
		Promote global implementation	<ul style="list-style-type: none"> • November: Determined policy on integrating global website (integration of sites for 42 companies globally)
Eco Mind	Expansion and support of diverse Eco activities	Achieve 67% participation rate in eco-commuting	Employees were encouraged to participate through the company intranet and via email. Participation reached 69% (12 business sites are registered under the Ministry of Land, Infrastructure, Transport and Tourism's Eco-Commuting Business Site certification program)
		Establish the Eco Point system	5,932 persons participated in activities included in the Yamaha Eco Point system
	Change attitudes through continuous environmental education	Implemented by-segment environmental education	Implemented for new employees, general employees, supervisors and general managers

2011 Plans and Performance

Eco Mind	Communication with communities	Continue participation of a cumulative total of 40,000 Yamaha Motor group people in the 40,000 People's V Campaign	2011 was the fourth consecutive year in which over 40,000 people participated (20,300 in the environmental field and 20,000 in the social contribution field)
		Give lectures on corporate environmental initiatives at community events and schools	Gave lectures on corporate environmental initiatives at two universities in Shizuoka Prefecture
		Continue holding various types of training programs	Accepted environmental trainees from junior high schools in Iwata City
		Continue environmental preservation activities in concert with local municipalities and other corporations	Participated in tree thinning in areas planted by Iwata City, beach clean-up program in Hamamatsu City, a clean-up campaign for Lake Hamana in Kosai City, a tree planting program in Nakatajima conducted by another company and other programs
		Participate in events intended to improve communication with local communities	<ul style="list-style-type: none"> • Held dialogues with local governments • Participated at environmental events sponsored by local non-profit organizations (communication with non-profit organizations and local residents)

2011 Plans and Performance

Eco Mind	Preserve ecosystems	Sea turtle preservation activities Eco-system monitoring activities	<ul style="list-style-type: none"> • Cooperation in sea turtle preservation activities • Transplanted endangered orchids and other plants on the planned Kikugawa Test Course construction site to a forest on Yamaha premises
	Communicating environmental information in relation to products, technologies and services	Exhibit environmentally friendly products at Eco Products Expo	Exhibited PAS electrically power assisted bicycles at an eco-commuting booth (with test-ride events)
		Promote environmental product information dissemination	Ongoing disclosures on the company website of environmental information for each motorcycle model and information on 3R designs, and motorcycle/FRP recycling systems, etc.

*1: Yamaha Motor Group Environmental Management Certification System

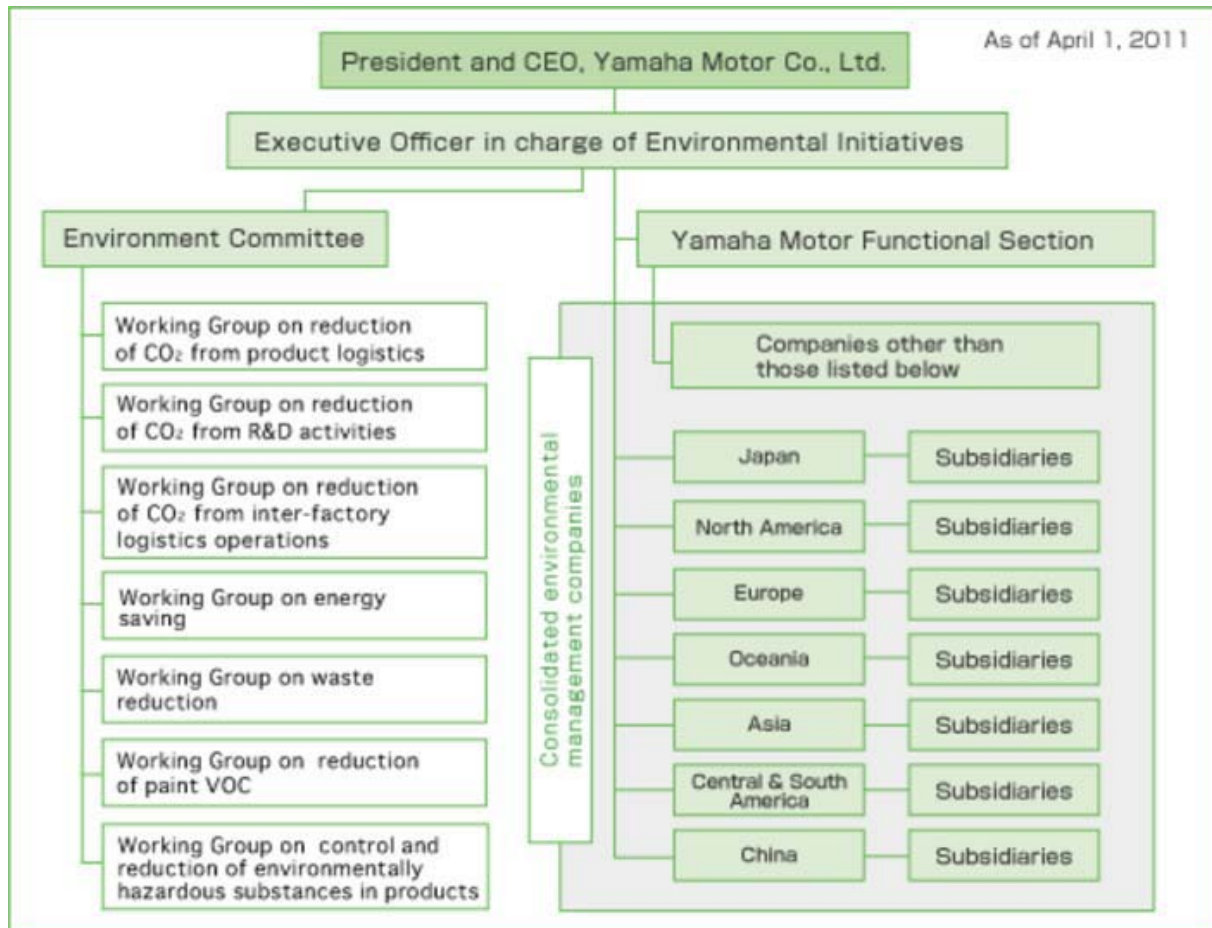
*2: Yamaha Motor Support & Service Co., Ltd.

Environmental Management

Organizational Structures for Promoting Environmental Management

Within the Yamaha Motor group, the Environment Committee is positioned as a central organization in the implementation of domestic and overseas environmental initiatives and receives counsel from corporate officers who are responsible for those initiatives. The Committee deliberates on policies and visions for the future concerning environmental initiatives, medium- and long-term environmental policies, strategic investment proposals relating to environmental preservation, environmental monitoring topics and responses to issues, and other key issues relating to environmental management.

Yamaha Motor group's Organizational Structure for Environmental Planning and Promotion



Environmental Management

Environmental Management Systems

With the aim of further improving efficiency and effectiveness in its operations, the Yamaha Motor group is promoting the establishment of an Environmental Management System (EMS) that is tailored to each group company's own corporate structure. As of the end of December 2011, 45 group companies had received ISO 14001 certification and seven group companies were certified under the Yamaha Motor Group Environmental Management Certification System (YEMCS).



YEMCS certification

Beginning of Unified Environmental ISO Certification at 42 Companies throughout the World

Yamaha Motor will begin efforts to unify certification for the ISO 14001 environmental management system it has introduced at its group companies, including overseas business sites, starting from April 2012.

Related news release (announced April 4, 2012)

Beginning of Unified Environmental ISO Certification at 42 Companies throughout the World

<http://www.yamaha-motor.co.jp/global/news/2012/0404/iso.html>

Global Environmental Information Network System (G-YECOS)

The Yamaha Motor group uses an original Global Environmental Information Network System known as G-YECOS to share information relating to ISO 14001 environmental management systems and environmental performance, examples of environmental programs, and so forth, with the aim of raising the level of environmental initiatives throughout the group.

By introducing G-YECOS, domestic and overseas group companies can share information with the parent company, as well as with other group companies, to learn about the application of environmental laws in other countries and the results of environmental monitoring, which will lead to more effective environmental initiatives.

As of the end of December 2011, G-YECOS was in operation at 76 companies.

Environmental Management

Integrated Management System Audits

Since April 2011, Yamaha Motor has worked to integrate the Occupational Safety and Health Management System (OSHMS) and Environmental Management System (EMS). In order to improve efficiency, we also perform the actual integrated management system audits in the same place and at the same time while incorporating the training of auditors for this new integrated system.

Environmental Management Costs

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

In 2011, total environmental costs including capital investment and operating costs were approximately 4.7 billion yen, a decrease of around 46% from the previous year. This is due to a large-scale review of the scope of environmental accounting calculations. When compared in detail with the same scope as last year, costs for R&D, social activities and environmental remediation increased while all other cost categories fell, and overall costs remained at roughly the same level.

2011 Environmental Costs and Economic Effects

Category		Content	Environmental Costs			Economic Effects	
			Investment	Cost	Total	Within FY	Full-year equivalent
Business Area Cost	Pollution prevention cost	Exhaust gas processing/test, water contamination prevention, odor prevention	93	317	410	22	22
	Global environment preservation cost	Energy preservation at plants, energy preservation in logistics	105	43	148	22	41

Environmental Management

Business Area Cost	Resource recycling cost	Industrial waste processing (waste oil, sludge, waste plastic, grindstones, etc.), operation of incineration facility	8	184	192	31	31
Subtotal			206	544	750	76	95
Upstream/Downstream Costs		Implementation of decommissioned ship recycling system, reduction of packaging sent to Europe, green purchasing, and allowance for Eco-commuting	0	7	7	0.4	0.4
Administration Costs		Implementation of environmental ISO, environmental staff costs	0	392	392	5	5
R&D Costs		Development of eco power unit and lightweight materials, future development of environmental products	120	3,431	3,551	0	0
Environmental Remediation Costs		Cleanup of contaminated soil	0	22	22	0	0
Total			326	4,398	4,724	81	100

Unit: million yen. Individual figures may not add up to the total because of rounding.

- R&D costs do not include product development premised on sales.
- Economic effects do not include deemed effects such as risk avoidance and enhancement of corporate image.
- Calculations are on a cash flow basis and do not include depreciation or reserves.

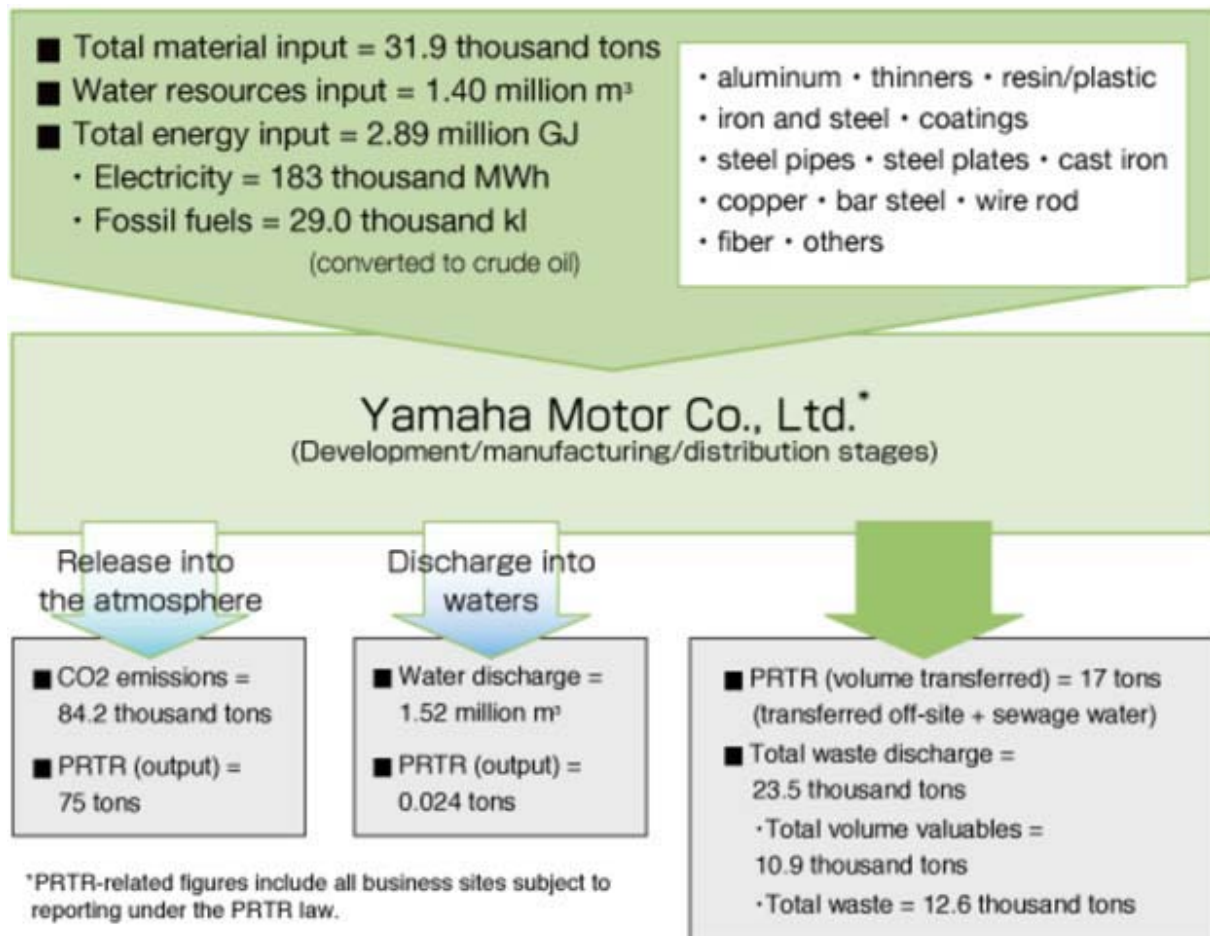
Environmental Management

Environmental Preservation Effects		
Category	Within FY	Full-year equivalent
Reduced energy (GJ)	22,211	35,071
Reduced CO2 (t-CO2)	1,058	1,704
Conserved water (t)	1,955	1,955
Reduced waste (t)	657	866
Reduced VOC (t)	40	43

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

- Reduced energy: effects of reducing electricity, oil, gas and so on are corrected in the unit of energy
- Effect of reducing CO2: effect of reducing energy origin CO2

Business Activities and Environmental Effects

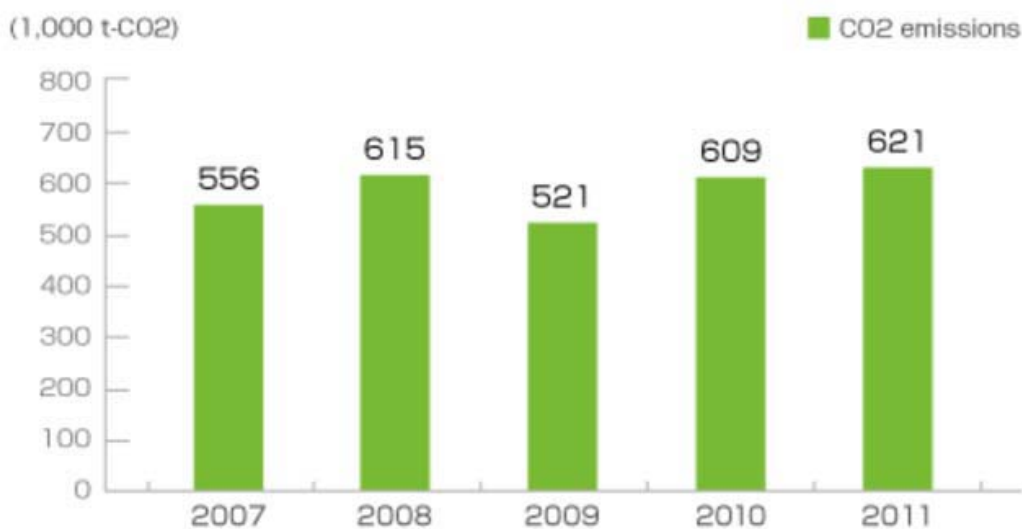


Reducing CO2 Emissions

As a manufacturer of motorcycles and other transportation machinery, the Yamaha Motor group is taking various actions to reduce greenhouse gas emissions, which it considers the most critical issue in the environmental field. Yamaha Motor set 1% reduction of CO2 emissions per unit of sales each year as the group's common goal, and is working to reduce greenhouse gas emissions in all of its business activities, particularly throughout the entire lifecycle of its products, from development to manufacturing, use and final disposal.

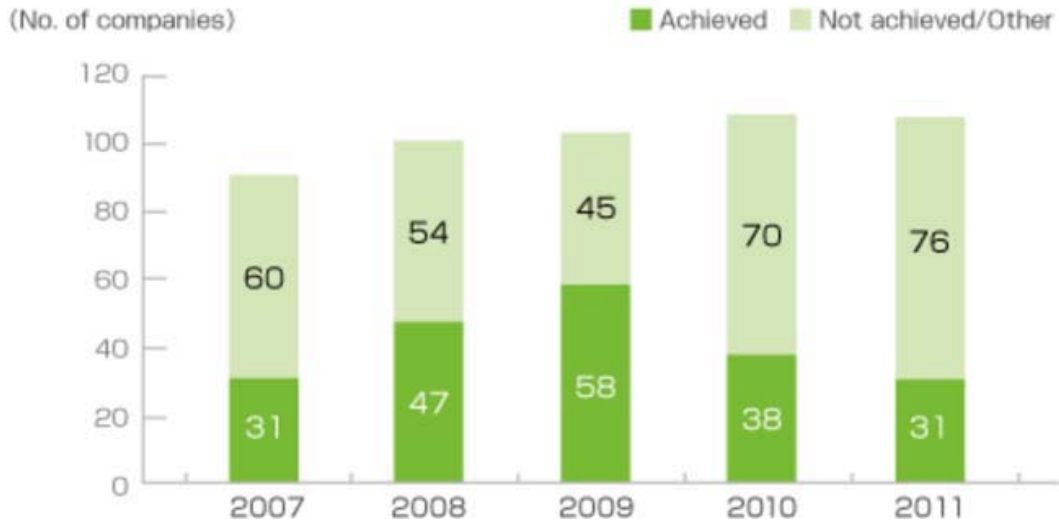
All our business sites are taking actions to reduce CO2 emissions per unit of sales by 1.0% year-on-year and, in 2011, among the 107 consolidated companies in the Yamaha Motor group subject to environmental management, 31 companies (29%) achieved the common group goal. Actual CO2 emissions in 2011 were 621 thousand t-CO2, compared to 609 thousand t-CO2 in 2010, which translates into an increase of 12 thousand t-CO2. We will be working to efficiently reduce greenhouse gas emissions via such means as checking the status of programs targeting reduction of energy consumption by domestic and overseas group companies, and providing assistance to those needing to advance their programs.

Yamaha Motor group CO2 emissions
(107 companies subject to consolidated environmental management, 2011)

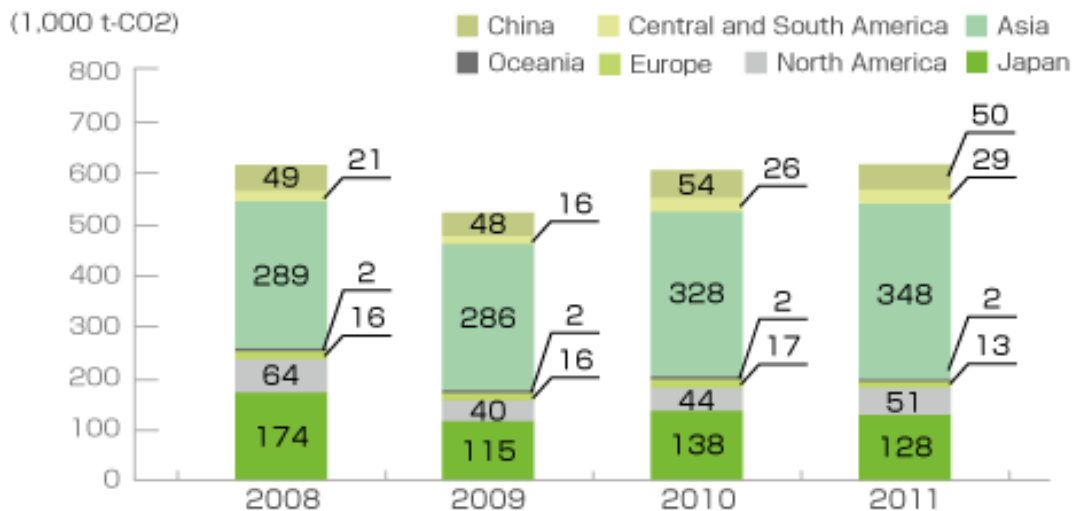


Reducing CO2 Emissions

Yamaha Motor group CO2 emissions per unit of sales trends in number of target-achieving companies



Yamaha Motor group CO2 emissions by region

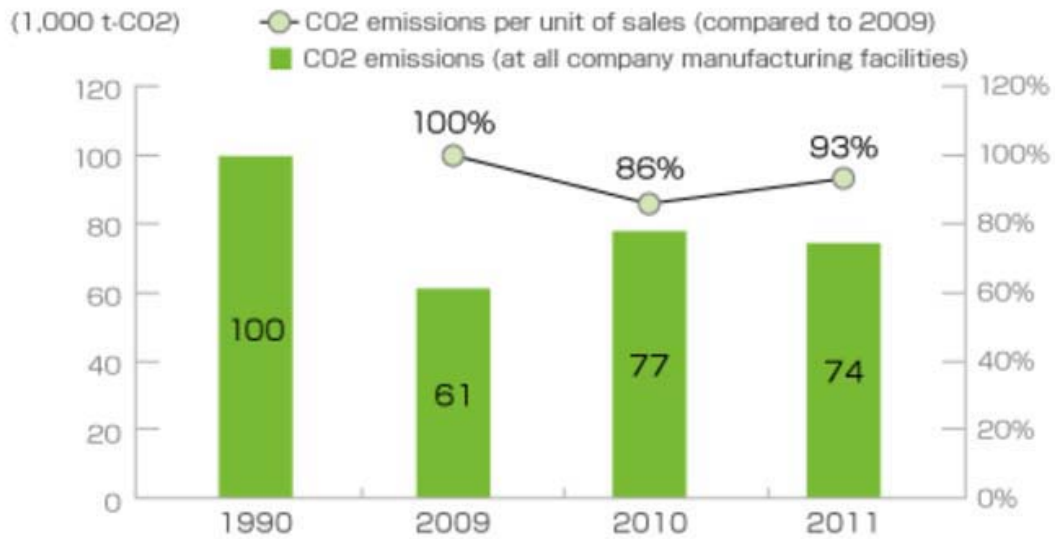


Reducing CO2 Emissions at the Manufacturing Stage

Yamaha Motor's 2011 target for all of its manufacturing facilities was a 2% reduction per unit of sales compared to 2009 (total emissions: 87 thousand t-CO₂), but we achieved a 7.5% reduction per unit of sales (74 thousand t-CO₂). In addition, new energy sources such as solar power and natural gas cogeneration accounted for 39 thousand MWh (21.5% of total electric power consumption), resulting in an 11 thousand t-CO₂ reduction (thermal power generation conversion). We are committed to continuing the introduction of energy-saving devices and improving our operational management system.

Reducing CO2 Emissions

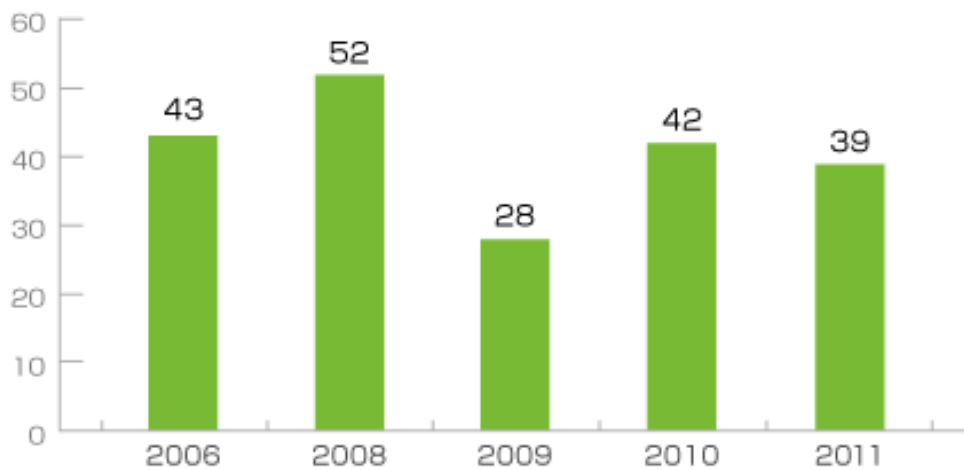
CO2 emissions and CO2 emissions per unit of sales at the manufacturing stage at Yamaha Motor



Note: 1990 does not include the former Yamaha Marine (Yamaha Marine merged with Yamaha Motor in January 2009)

Use of new energy sources* by Yamaha Motor

Energy usage (unit: 1,000 MWh)



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

Note: In 2011, total electric power demand declined in conjunction with lower production volumes and power saving efforts, and consequently the use of new energy also fell.

Reducing CO2 Emissions

Power Generation System using Solar and Wind Power at Factories

Yamaha Motor is installing power generation systems that use solar and wind power. The Nakaze Factory, which forms and paints motorcycle exterior parts, installed solar and wind power generation systems for concurrent operation in 2008, the first installation of its kind by Yamaha Motor. Along with the solar generation systems installed at other factories, 395 MWh of total power was generated, reducing CO2 emissions by approximately 272 tons. The power is used for lighting and air conditioning in the office buildings at the factories.



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



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



Fukuroi Factory



Morimachi Factory

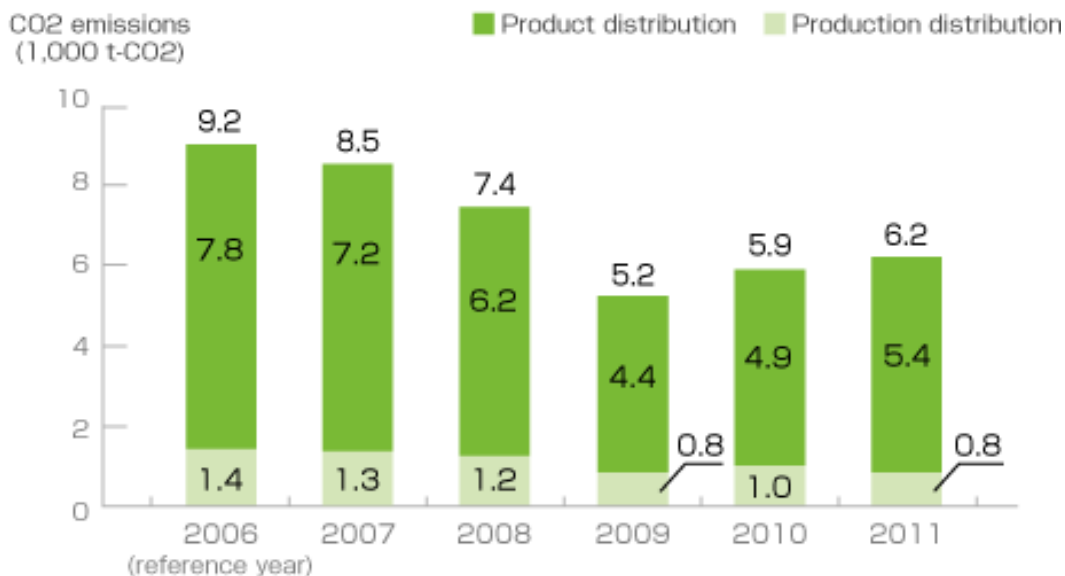
Reducing CO2 Emissions

Reducing CO2 Emissions at the Distribution Stage

Yamaha Motor has established the goal of "Improving transportation efficiency by 1% a year (compared to 2006)" for all divisions. Yamaha Motor's basic approach is to implement measures beginning with those that will have the greatest CO₂-limiting impact while balancing the energy conservation benefit with cost benefit. Yamaha Motor has also established a working group that centrally promotes CO₂ emissions reduction in distribution.

Due to the effects of the Great East Japan Earthquake and the Thai floods in 2011, we only managed to make an improvement of 0.5% compared to the reference year and did not achieve our goal. Yamaha Motor will continue to examine its distribution methods and implement ongoing measures such as sharing information concerning initiatives taken by all relevant divisions in order to improve transport efficiency.

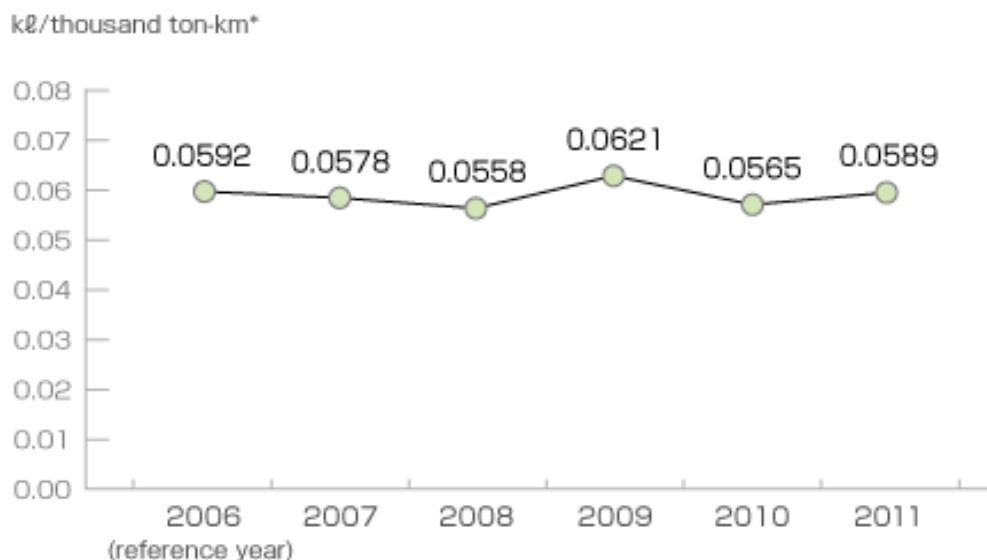
CO₂ emissions in distribution at Yamaha Motor



Note: CO₂ emissions figures for 2009 were revised following a re-examination when calculating the totals for 2010.

Reducing CO2 Emissions

Transport efficiency at Yamaha Motor



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

Reducing CO2 Emissions from Products

Yamaha Motor group comprehensively assesses the environmental impact of our products throughout their entire lifecycle, including their development, production, usage and disposal phases. Since the products Yamaha Motor manufactures emit the largest volume of CO₂ during the usage phase, we are actively taking steps to reduce the amount of CO₂ emitted during use.

Going forward, we will continue our efforts to reduce CO₂ emissions by improving product fuel efficiency in accordance with the new medium-term management plan announced in February 2010 (covering the three years from 2010 to 2012).

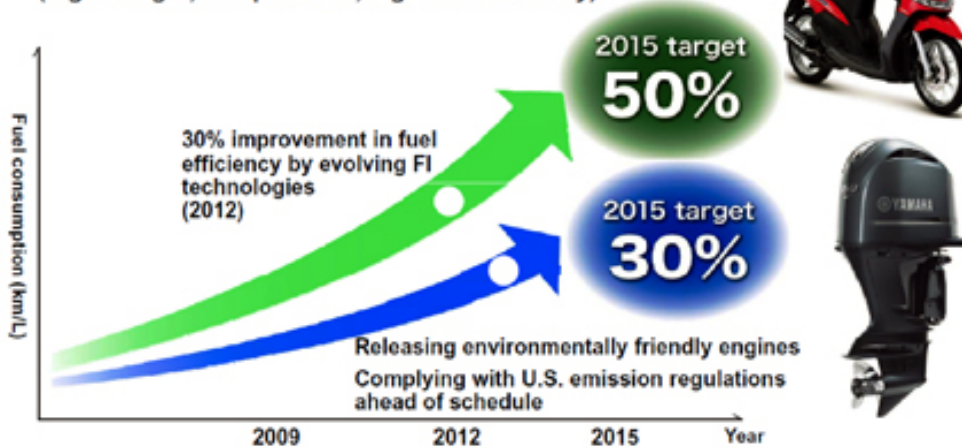
Reducing CO2 Emissions

Motorcycles: 50% Improvement in Fuel Efficiency (compared with 2008 Yamaha conventional models)

→ Strengthening the competitiveness of commuter vehicles in the ASEAN region

Outboard motors: 30% Improvement in Fuel Efficiency (compared with 2007 Yamaha conventional models)

→ Enhancing the superiority of next-generation 4-stroke models
(Light weight, compact size, high fuel efficiency)



In early February 2012, we launched the Mio J 115cc automatic commuter model in Indonesia. This model achieves 30% greater fuel economy compared to the previous model and is one example of Yamaha Motor's medium-term growth strategy* to strengthen product competitiveness, appeal and profitability in the ASEAN motorcycle market.

*This is one of four growth strategies in our 3-year (2010-2012) medium-term management plan. It aims to enhance product appeal by (1) increasing the ratio of models featuring a fuel injection system and (2) increasing profitability through reducing the cost of fuel injection systems and the benefits of larger scale production.

Reducing CO2 Emissions

Developing Vehicles Powered by "Smart Power"

Yamaha Motor launched the "Passol," the first production-model electric motorcycle, in 2002, and subsequently has supported the widespread use of the "minimal commuter" vehicles that will play an important role in the next-generation urban transport infrastructure. This included the launch in 2005 of the "Passol-L" and "EC-02," which feature a higher-performance electric motor and batteries with higher energy density for extended running distance per charge.

Yamaha Motor began nationwide sales of the "EC-03" electric motorcycle in October 2010. Features including the control technology developed through the "PAS" electrically power assisted bicycle, a quiet and smooth ride and environmental performance have gained considerable support from the public. In addition to short-range urban use, the EC-03 is also beginning to be used at tourism sites and resort facilities.

The market for electrically power assisted bicycles is growing and for the 2011 models we adopted a "long-life battery" that has twice the cycle life of previous models, extended our product warranty period and more as we work to answer the needs of an even larger number of customers with an improved and more extensive product lineup.



The PAS VIENTA electrically power assisted bicycle was launched in September 2011 targeting female users with improved features and usability

Reducing Environmentally Hazardous Substances

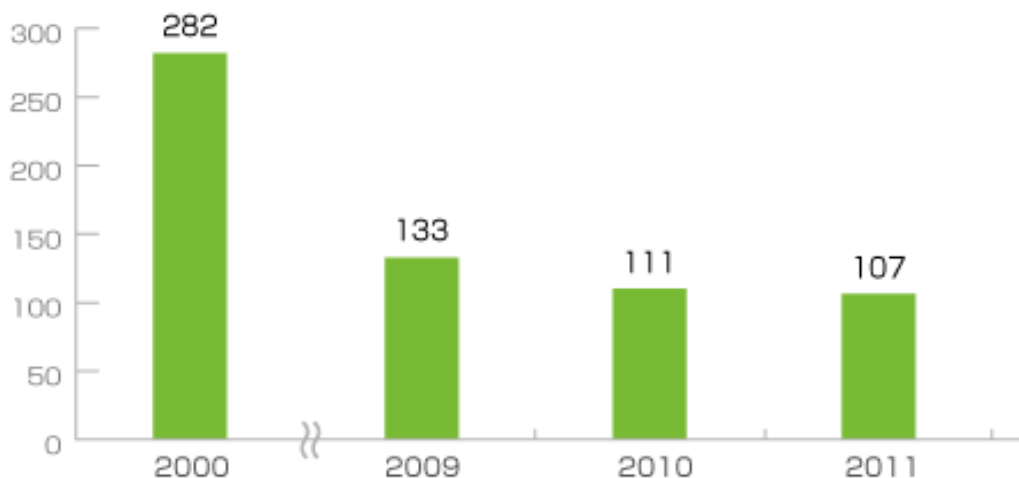
Reducing PRTR* Substances

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

The Fukuroi South Factory began operating a regenerative thermal oxidizer system in 2009, and as a result of this and other measures, VOC emissions per unit of production were 107 g/m² (group average) in 2011, a reduction of 62.2% compared to 2000. We plan to continue reducing VOC volumes by promoting expanded use of low-VOC paints, improving coating efficiency and reducing paint volumes.

Trends in VOC release

Average of VOC emissions per unit area (unit: g/m²)

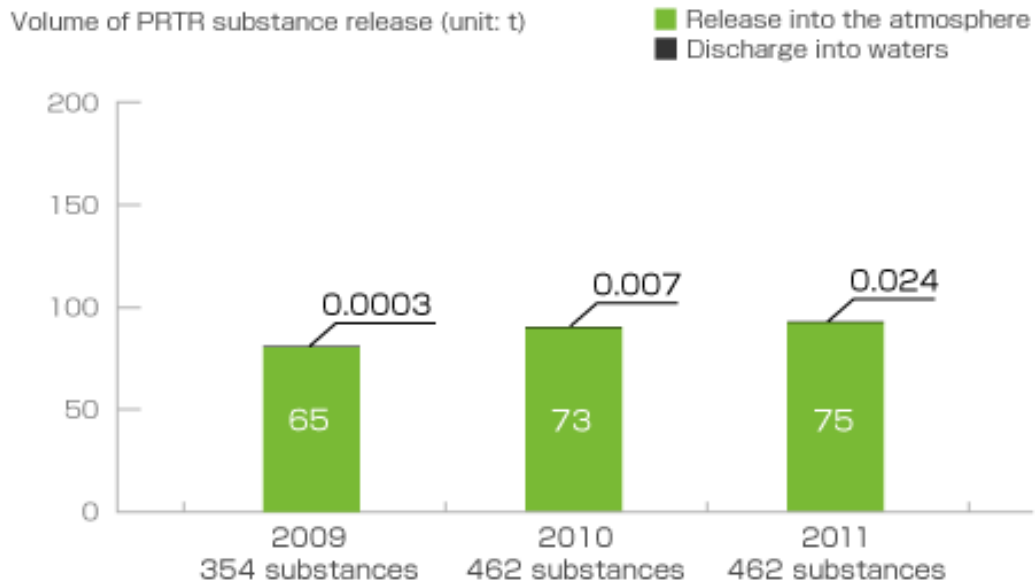


*PRTR: Pollutant Release and Transfer Register

**VOC: Volatile Organic Compounds

Reducing Environmentally Hazardous Substances

Trends in the volume of Yamaha Motor waste materials subject to PRTR



Note1: Released volumes represent the sum of reported volumes from each business unit

Note2: The data collection period is the same April to March period as used for our reports to local governments

Note3: Since 2010, the number of substances reported on has increased from 354 to 462

Complying with the REACH Regulation

In response to the enactment of Europe's Registration, Evaluation, Authorization and Restriction of Chemicals (REACH) regulation in June 2007, the Yamaha Motor group is strengthening its chemical substance management. We will continue to share pertinent information throughout our entire supply chain, and strive to further enhance the management of chemical substance information.

Recycling, Reusing and Reducing

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

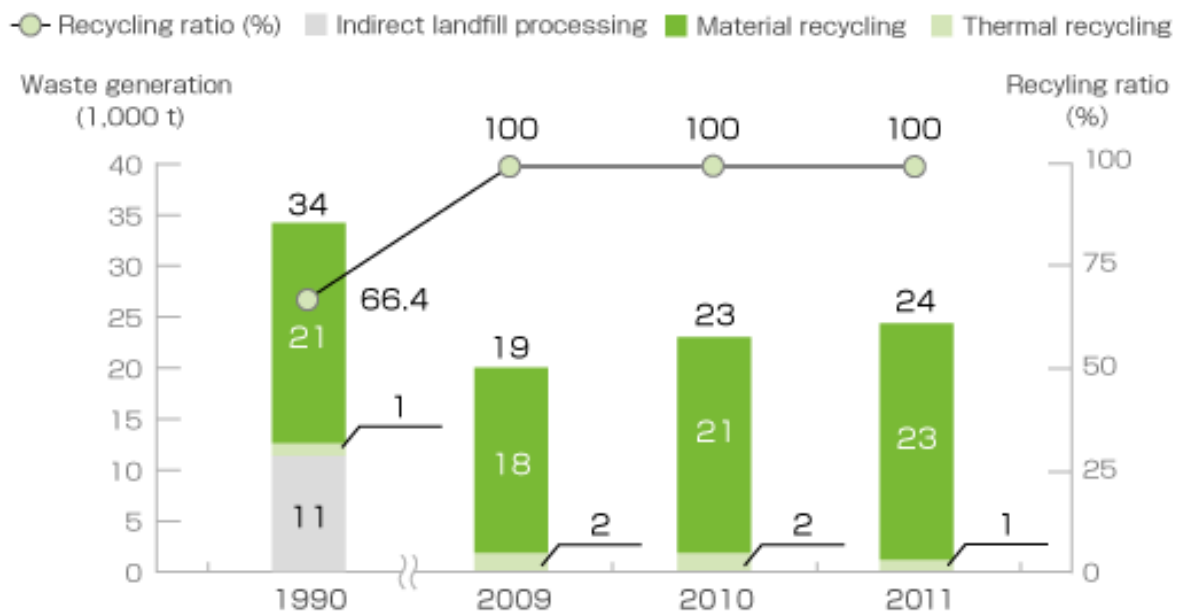
To reduce product weight and thus increase fuel efficiency, we are implementing various approaches such as reducing component size, increasing the use of magnesium, aluminum and plastic resins, reducing the number of parts, reducing the thickness of parts by pursuing optimal shapes, improving the recyclability of parts, etc. in order to improve the applicability of the 3R concept to our products.

Measures to Reduce Waste and Conserve Resources at the Manufacturing Stage

In 2011, Yamaha Motor generated a total of 24 thousand tons of industrial waste. Waste is appropriately processed through material recycling and thermal recycling at our Amenity Clean Energy Plant (ACEP), an internal waste incineration facility.* As a result, Yamaha Motor has been able to continuously achieve 0 tons of direct/indirect landfill waste (a recycling rate of 100%).

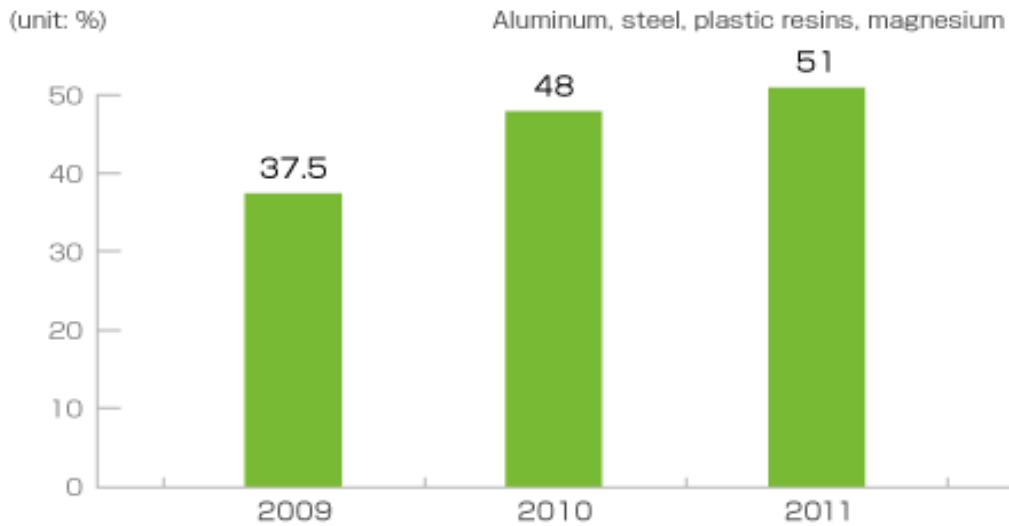
*Operation of our Amenity Clean Energy Plant (ACEP) was stopped in August 2011, but by switching our thermal recycling processing over to material recycling processing, we continue to appropriately process waste.

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



Recycling, Reusing and Reducing

Proportion of recycled materials procured by Yamaha Motor

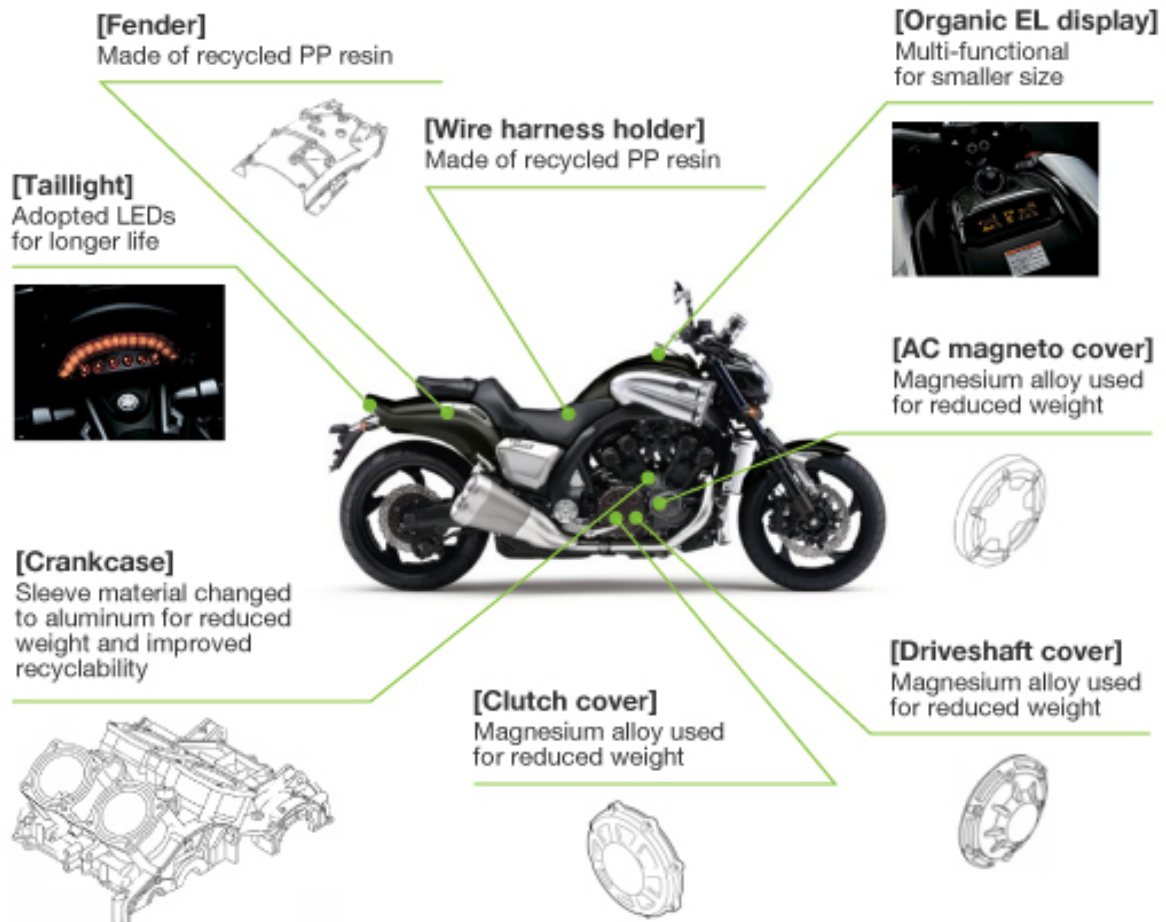


3R Designs and Product Recycling

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

Recycling, Reusing and Reducing

Example of 3R Design (model released in 2011)

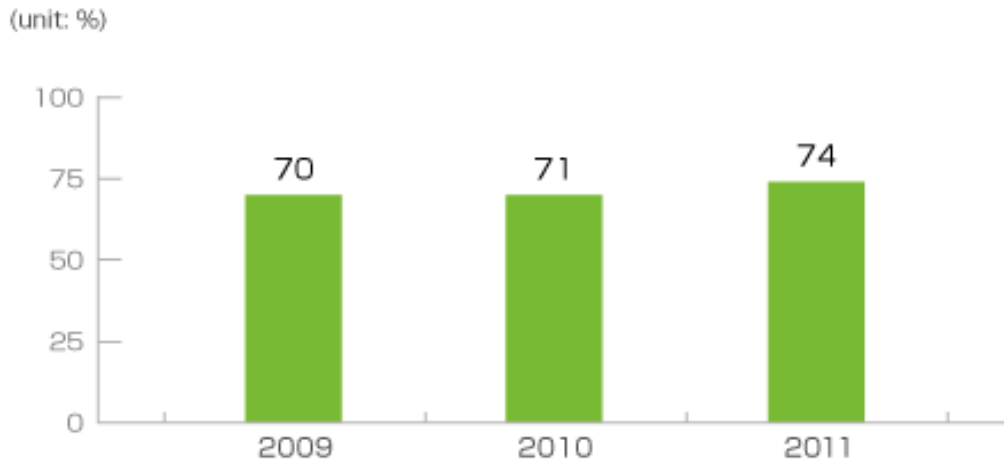


3R Initiatives in Parts Distribution

The Yamaha Motor group is taking various steps to reuse and recycle resources and reduce resource usage during parts distribution. For example, we are implementing snugly interfitted packing inside cargo containers (thus increasing loading density and reducing the number of containers necessary), increasing the number of regions that use returnable shipping pallets with the start of operations at the Latin America distribution center (thus increasing reuse rate) and manufacturing returnable pallets from the plastic resins discharged from our sites (thus recycling the waste materials within sites). In 2011, 74% of Yamaha Motor's export containers were returnable, up from 71% in 2010.

Recycling, Reusing and Reducing

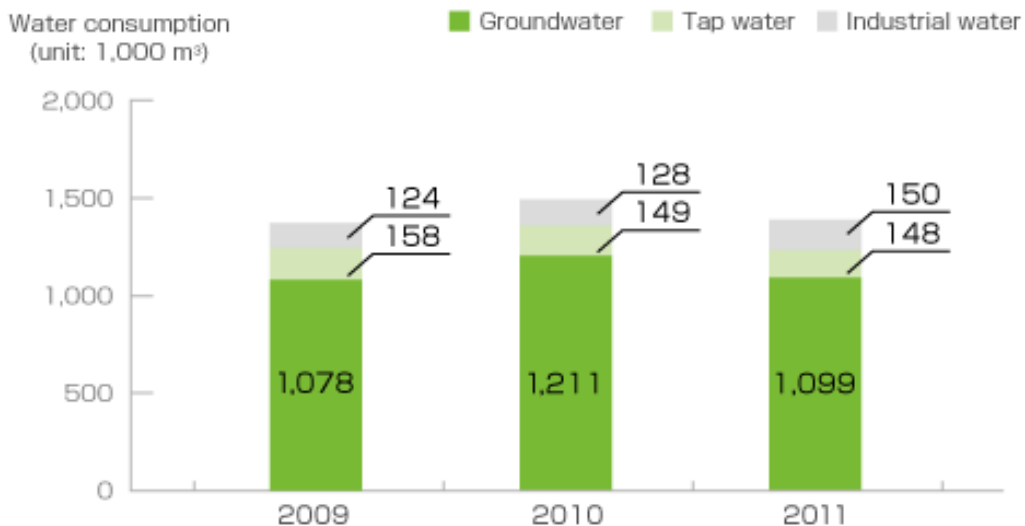
Percentage of returnable Yamaha Motor parts containers for overseas shipment



Conservation of Water Resources

The Yamaha Motor group addresses the conservation of water resources as a group-wide issue and is taking global measures to improve the operational aspects involved in the investigation of actual water consumption.

Yamaha Motor water consumption



Before construction started on a new test course for motorcycles in Kikugawa City, Shizuoka Prefecture in June 2011, Yamaha Motor conducted an environmental assessment of the construction site and surrounding area in 2008. In the following year, 2009, a Natural Environment Conservation Agreement was prepared. This became the basis for the preservation of plants (six species), mammals (one species), birds (four species) and fish (one species) identified from amongst those species listed in the Shizuoka Prefecture Red Data Book (Classification: Vulnerable, and Near Threatened). Yamaha Motor submitted the agreement to the related department of the Shizuoka Prefectural Government in 2010 and conducted ongoing monitoring in 2011.



A Near Threatened species of *Calanthe discolor* (Japanese Hardy Orchid) was replanted on a sloped area of forest within the facility

The company is working to minimize the effect of air pollution, noise, vibration and water quality degradation that the surrounding area might suffer during site preparation, and is maintaining wildlife diversity as well as preserving the environment through measures such as protecting a certain width of existing ground cover around the perimeter of the test course.

Beach Clean-up and Baby Turtle Release

Since 1991, Yamaha Motor has held an annual Nakatajima "Beach Clean-up & Baby Turtle Release" program at the Nakatajima Sand Dunes (in the southern part of Hamamatsu City, Shizuoka Prefecture) where endangered loggerhead sea turtles come to lay eggs.

(In 2011, the event was canceled because of our participation in the effort to shift summer electricity demand to off-peak periods, which resulted in changes to the work week. The photos on the right are from 2010)



Briefing the participants



Piling up sandbags

Environmental Communication

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

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

Regarding our initiatives pertaining to eco-commuting activities, which have been implemented since 2004, two more sites were added to the Excellent Eco-Commuting Business Site Accreditation System of Japan's Ministry of Land, Infrastructure, Transport and Tourism in 2011, making a total of 11 registered sites.



Parking lot for electric motorcycles at Yamaha Motor headquarters



The Excellent Eco-Commuting Business Site Accreditation System Certificate

Introducing the Eco Point System

One of the goals of the Yamaha Motor Group Environmental Plan 2010 is to have "every group member strongly motivated to proactively participate in environmental programs." To help group members achieve this goal, Yamaha Motor introduced an Eco Point System in January 2008. This system established an index that assigns points to environmental activities and allows members to select eco prizes according to the number of activities conducted and the number of points earned in one year. In 2011, participation in this program reached 5,932 persons (the number of persons who participated in activities included in the system).

Environmental Communication

Using the Intranet to Foster an "Eco Mind" Outlook

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



Employees and their families participating in a beach clean-up program

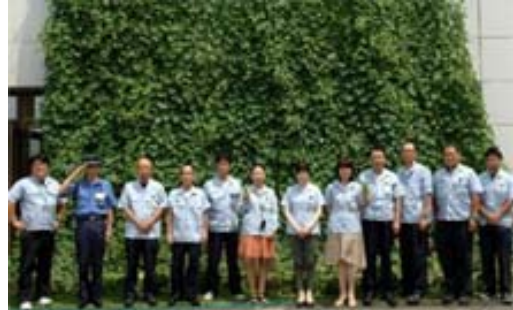
Yamaha Motor Displays at "Eco-Products 2011"

Yamaha Motor exhibited its PAS electrically power assisted bicycles in the eco-commuting corner at Eco-Products 2011, Japan's largest environment-related product exhibition, in December 2011. Yamaha Motor also provided the bicycles for use in the test-ride event held in a special outdoor area.



Participation in the 5th National Green Curtain Forum

A “Green Curtain” of bitter melon vines has been installed at Yamaha Motor’s Nakaze Factory in an effort towards preventing global warming. The lobby of the factory office is 30.0°C even when the outside temperature is 36.8°C, resulting in reduced air conditioner usage and power savings.



CSR Information Disclosure

The Yamaha Motor group has sought to enhance communication with our many stakeholders and broaden the type of information and content we report to the public by issuing our CSR Report annually, a compilation of our approach to corporate social responsibility (CSR) and the initiatives we conduct to fulfill it.

When preparing the CSR Report 2012, we organized the Yamaha Motor group's various CSR-related initiatives from the perspectives of what is important to the public and what is important to Yamaha Motor. In consideration of appropriate disclosure to stakeholders and reducing environmental impact, this report will be available on the Yamaha Motor website only.



Guidelines Consulted: We consulted the Global Reporting Initiative's (GRI) Sustainability Reporting Guidelines Version 3 and the Environmental Reporting Guidelines (2007) published by Japan's Ministry of the Environment.

Scope of the report: In principle, information pertains to the Yamaha Motor group, comprising Yamaha Motor Co., Ltd. and consolidated group companies (includes some affiliated companies); in cases where the scope differs, this is stipulated in the report.

Company name: Yamaha Motor Co., Ltd. is referred to as Yamaha Motor or just Yamaha in this report (in some tables, graphs and illustrations this may be abbreviated to YMC). For consolidated subsidiaries (and some affiliates), abbreviated versions of domestic company names in Japanese and overseas company names in English are used.

Time period covered: January 2011 - end of December 2011 (reports on certain important information extend beyond the period stated here).

Origin of articles: The articles appearing in this English version of the report are translations of texts originally written and edited in Japanese.

Previous publication: July 2011

Next publication: April 2013 (scheduled)

GRI Reference Table

Item	Index	Web Links
1. Strategy and Analysis		
1.1	Statement from the most senior decision maker of the organization (e.g., CEO, chair, or equivalent senior position) about the relevance of sustainability to the organization and its strategy.	Message from the President
1.2	Description of key impacts, risks, and opportunities.	Yamaha Motor Group's Approach to CSR

Item	Index	Web Links
2. Organizational Profile		
2.1	Name of the organization.	(About Yamaha Motor > Overview)
2.2	Primary brands, products, and/or services.	(About Yamaha Motor > Overview)
2.3	Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures.	(About Yamaha Motor > Overview)
2.4	Location of organization's headquarters	(About Yamaha Motor > Overview)
2.5	Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	(About Yamaha Motor > Group Companies)
2.6	Nature of ownership and legal form.	(About Yamaha Motor > Overview)
2.7	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries).	(About Yamaha Motor > Overview)
2.8	Scale of the reporting organization, including: <ul style="list-style-type: none"> • Number of employees; • Net sales (for private sector organizations) or net revenues (for public sector organizations); • Total capitalization broken down in terms of debt and equity (for private sector organizations); and • Quantity of products or services provided. 	(About Yamaha Motor > Overview)
2.9	Significant changes during the reporting period regarding size, structure, or ownership including: <ul style="list-style-type: none"> • The location of, or changes in operations, including facility openings, closings, and expansions; and • Changes in the share capital structure and other capital formation, maintenance, and alteration operations (for private sector organizations). 	(History)
2.10	Awards received in the reporting period.	Creating New Kando

GRI Reference Table

Item	Index	Web Links
3. Report Parameters		
3.1	Reporting period (e.g., fiscal/calendar year) for information provided.	CSR Information Disclosure
3.2	Date of most recent previous report (if any).	CSR Information Disclosure
3.3	Reporting cycle (annual, biennial, etc.)	CSR Information Disclosure
3.4	Contact point for questions regarding the report or its contents.	(Contact Us)
3.5	<p>Process for defining report content, including:</p> <ul style="list-style-type: none"> • Determining materiality; • Prioritizing topics within the report; and • Identifying stakeholders the organization expects to use the report. 	CSR Information Disclosure
3.6	<p>Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers). See GRI Boundary Protocol for further guidance.</p>	CSR Information Disclosure
3.7	State any specific limitations on the scope or boundary of the report.	CSR Information Disclosure
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations.	(About Yamaha Motor > Overview)
3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement (e.g., mergers/acquisitions, change of base years/periods, nature of business, measurement methods).	Not applicable
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.	Not applicable
3.12	<p>Table identifying the location of the Standard Disclosures in the report. Identify the page numbers or web links where the following can be found:</p> <ul style="list-style-type: none"> • Strategy and Analysis 1.1 – 1.2; • Organizational Profile 2.1 – 2.10; • Report Parameters 3.1 – 3.13; • Governance, Commitments, and Engagement 4.1 – 4.17; • Disclosure of Management Approach, per category; • Core Performance Indicators; • Any GRI Additional Indicators that were included; and • Any GRI Sector Supplement Indicators included in the report. 	GRI Reference Table

GRI Reference Table

Item	Index	Web Links
4. Governance, Commitments, and Engagement		
4.1	Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight.	(Corporate Governance)
4.2	Indicate whether the Chair of the highest governance body is also an executive officer (and, if so, their function within the organization's management and the reasons for this arrangement).	(Corporate Governance)
4.3	For organizations that have a unitary board structure, state the number and gender of members of the highest governance body that are independent and/or non-executive members.	(Corporate Governance)
4.4	<p>Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body. Include reference to processes regarding:</p> <ul style="list-style-type: none"> • The use of shareholder resolutions or other mechanisms for enabling minority shareholders to express opinions to the highest governance body; and • Informing and consulting employees about the working relationships with formal representation bodies such as organization level 'work councils', and representation of employees in the highest governance body. 	(Corporate Governance)
4.5	Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements), and the organization's performance (including social and environmental performance).	(Corporate Governance)
4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided.	(Corporate Governance)
4.7	Process for determining the qualifications and expertise of the members of the highest governance body for guiding the organization's strategy on economic, environmental and social topics.	(Corporate Governance)
4.8	<p>Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation. Explain the degree to which these:</p> <ul style="list-style-type: none"> • Are applied across the organization in different regions and department/units; and • Relate to internationally agreed standards. 	Yamaha Motor Group's Approach to CSR

GRI Reference Table

4.9	Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles.	Yamaha Motor Group's Approach to CSR
4.10	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance.	Yamaha Motor Group's Approach to CSR
4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organization.	Yamaha Motor Group's Approach to CSR
4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses.	Business Partners
4.13	Memberships in associations (such as industry associations) and/or national/international advocacy organizations in which the organization: <ul style="list-style-type: none"> • Has positions in governance bodies; • Participates in projects or committees; • Provides substantive funding beyond routine membership dues; or • Views membership as strategic. 	Close up
4.14	List of stakeholder groups engaged by the organization.	Basic Policies of CSR
4.15	Basis for identification and selection of stakeholders with whom to engage.	Basic Policies of CSR
4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.	Basic Policies of CSR
4.17	Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting.	Customers

GRI Reference Table

Item	Index	Web Links
5. Disclosure on Management Approach and Performance Indicators		
[Economic]		
Management Approach		
Goals		(For Investors)
Policy		(For Investors)
Performance Indicators		
EC6	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.	Business Partners
EC8	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement.	The Community
[Environmental]		
Management Approach		
Goals		2011 Plans and Performance
Policy		Basic Policies of CSR The Environment
Organizational Responsibility		Environmental Management
Training and Awareness		Environmental Management
Monitoring and Follow-up		Environmental Management
Performance Indicators		
EN1	Materials used by weight or volume.	Environmental Management
EN2	Percentage of materials used that are recycled input materials.	Recycling, Reusing and Reducing
EN3	Direct energy consumption by primary energy source.	Environmental Management
EN4	Indirect energy consumption by primary source.	Environmental Management
EN8	Total water withdrawal by source.	Environmental Management
EN11	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	Biodiversity
EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.	Biodiversity
EN16	Total direct and indirect greenhouse gas emissions by weight.	Reducing CO2 Emissions
EN17	Other relevant indirect greenhouse gas emissions by weight.	Reducing CO2 Emissions
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved.	Reducing CO2 Emissions

GRI Reference Table

EN19	Emissions of ozone-depleting substances by weight.	Not applicable
EN22	Total weight of waste by type and disposal method.	Recycling, Reusing and Reducing
EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	Reducing CO2 Emissions
EN27	Percentage of products sold and their packaging materials that are reclaimed by category.	Recycling, Reusing and Reducing
EN30	Total environmental protection expenditures and investments by type.	Environmental Management
[Labor Practices and Decent Work]		
Management Approach		
Policy		Basic Policies of CSR
Organizational Responsibility		Workplace Safety and Health
Training and Awareness		Human Resource Development Workplace Safety and Health
Monitoring and Follow-up		Workplace Safety and Health
Performance Indicators		
LA1	Total workforce by employment type, employment contract, and region, broken down by gender	(About Yamaha Motor > Overview)
LA10	Average hours of training per year per employee, and by employee category.	Human Resource Development
LA11	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	Human Resource Development
[Human Rights]		
Management Approach		
Policy		Basic Policies of CSR
Organizational Responsibility		Workplaces Thriving on Diversity
Training and Awareness		Workplaces Thriving on Diversity
Monitoring and Follow-up		Workplaces Thriving on Diversity

GRI Reference Table

[Society]		
Management Approach		
Policy		Basic Policies of CSR
Organizational Responsibility		(Corporate Governance)
Training and Awareness		Compliance Awareness and Consistency
Monitoring and Follow-up		Compliance Awareness and Consistency
Performance Indicators		
SO2	Percentage and total number of business units analyzed for risks related to corruption.	Risk Management
SO3	Percentage of employees trained in organization's anti-corruption policies and procedures.	Risk Management
SO4	Actions taken in response to incidents of corruption.	Not applicable
[Product Responsibility]		
Management Approach		
Policy		Basic Policies of CSR
Training and Awareness		Customer Response/Services
Monitoring and Follow-up		Customer Response/Services

Third-Party Opinion

The Yamaha Motor group recorded considerable losses and was in a precarious state as a result of the 2008–2009 financial crisis, the global recession and the appreciation of the yen. However, under the top down leadership, they carried out large-scale reforms of the management foundation and reorganized their business structure. In the process, the functions of the CSR Planning Division, which had been responsible for creating the basis of CSR management, were transferred to the Corporate Planning Division in 2010



Kanji Tanimoto
Professor, School of Commerce,
Waseda University

in order to implement and promote an understanding of “CSR through business activities.” Targets set by each department based on the medium-term management plan were checked by the Corporate Planning Division while external communication was handled by the Public Relations & Advertising Division; a structure that allowed for significant progress to be made.

I raised several points that needed attention in the Third-Party Opinion which I submitted for the 2009 CSR Report. I wrote that Yamaha Motor must clarify its approach and policies to CSR, incorporate it into the core management and define how CSR links into actual business plans. In response, firstly, CSR-related work was incorporated into the Corporate Planning Division. During the process of formulating the 2010–12 medium-term management plan, they agreed on the importance of making the company simpler and easier to understand and exhaustively debated on how to carry this out in order to establish a firm management foundation. They also revised and systematized the company’s Management Principles and major basic policies. In January 2011, they set two policies in place, creating the Basic Policies of CSR alongside the Basic Policies of Internal Control. Based on these policies, they began by creating a chart of the CSR Activity Plan, specifying the activities planned for that year and then implementing them. Regarding stakeholder-specific issues, each supervisory department establishes detailed targets, conducts self-checks and evaluations and sets tasks for the following year. The Corporate Planning Division checks each department’s progress at the end of the fiscal year.

In the next medium-term business plan, they will draw up a total business plan incorporating items pertaining to CSR and will work it into the PDCA (plan-do-check-act) cycles of each department and at each group company. If they are not careful, they may focus on the PD part and overlook the CA part (the process of providing feedback, clarifying the next issues and sharing it), and it is necessary to follow the entire cycle properly.

Third-Party Opinion

I also previously indicated the matter of consistency in disclosing CSR-related information through various media, but the CSR items listed in 2011's Annual Report are still focused on topics. However, I understand that preparations are underway to integrate the CSR Report into Annual Report in the coming fiscal year.

Incidentally, this CSR Report is regarded as a summary of non-financial affairs for consolidated group companies both in Japan and overseas. However, it does not necessarily depict the overall picture of global activities being undertaken. While this issue is not unique to Yamaha Motor, the scale of its business beyond the headquarters in Japan has grown to the extent that over four-fifths of its employees are based overseas and its reliance on overseas markets for sales is close to 90%. In regards to finances, consolidated accounts information is presented in detail, but when it comes to major non-financial topics, the basic focus is on the headquarters in Iwata, Shizuoka Prefecture.

While they are checking the status of the initiatives of each group company in areas like risk management and compliance, there are also areas where they are not achieving full disclosure such as the differences in the level of initiative involvement and the quality and volume of information from each company. Regarding the environment, they are pursuing an initiative towards unifying environmental management among group companies, however in the same way, they have not completely disclosed all the environmental data. In order to reduce business risk in the future, it is important to drive the understanding of the environmental, social and governance information of each group company. In creating an integrated report, one major challenge is how to consider scope, reliability and importance of non-financial information as well as its relevance to financial information.

Finally, I believe there are still lingering issues pertaining to headquarters' management of diversity, even for such a globalized company. Until now, the executive and on-site personnel at both the headquarters in Iwata and the other operational bases in Japan have led the growth of Yamaha Motor through high-level teamwork based on a Japanese style of management. Over the 57 years since its foundation, manufacturing and sales bases have expanded worldwide and localization is progressing in each of those regions. However, questions remain as to how to lead these various localities and how said localities should go about creating new and greater innovations. For instance, high hopes are held for the Global Executive Program scheduled for this year and its developments to come. Additionally, there are calls for more diversity (women and non-Japanese) among the directors and management level staff at the Iwata headquarters. Localization and Diversity management will promote the performance.

Third-Party Opinion

It is important to listen to the thoughts of management at the headquarters in Iwata, the staff working in locations both in Japan and overseas, as well as customers in the various markets, and then provide feedback. I hope for more active, bilateral communication than ever before between the headquarters, group companies and the market. How will they contribute to the sustainable development of society? The objectives of Yamaha Motor lie in ensuring that there is no discrepancy in the needs of the market, society and its customers.