



Yamaha Motor Europe Modern Slavery Act Statement for FY 2020

This Statement is made pursuant to Section 54 (Part 6) of the U.K. Modern Slavery Act 2015 ("Act"). It sets out the steps that Yamaha Motor Europe N.V. ("YME") and its relevant group companies have taken during FY 2020 to address the risk that slavery or human trafficking may occur within their respective operations and supply chains.

This Statement has been approved by the YME Board of Directors, and signed by Mr. Eric de Seynes, President.

Company Overview

Founded in 1968, YME is a wholly owned subsidiary of Yamaha Motor Co., Ltd. ("YMC") and acts as YMC's regional headquarters in Europe. YME is responsible for coordinating the marketing and sales activities of Yamaha Motor products in the European marketplace, concentrating primarily on product lines for Yamaha motorcycles, scooters, marine outboard engines, water vehicles, all-terrain vehicles (ATVs), golf cars, snowmobiles, and generators.

YME's U.K. branch (Yamaha Motor Europe N.V., branch UK) supplies Yamaha Motor products within the U.K., working together with a network of authorized dealerships.

Values and Principles

Since its founding in 1968, YME has endeavored to create diverse value through products and services. We have worked based on a shared core set of identity, values, purposes and goals.

As a good corporate citizen, one of YME's guiding management principles is "Fulfilling Social Responsibilities Globally." We proceed with a worldwide perspective and act in accordance with global standards, conducting our corporate activities with concern for the communities and individuals who use our products, and seeking to fulfill our social responsibilities with honesty and sincerity.

Policies and Activities with respect to Suppliers

Corporate Social Responsibility Guidelines for Suppliers

YMC's CSR Guideline for Suppliers, adopted in July 2010, sets forth the social responsibility obligations that are imposed on YMC's suppliers, and in conjunction with the basic purchase agreement, is applicable to the predominant majority of suppliers of YMC's overseas factories from which YME procures Yamaha products for resale in the UK.

The section titled "Human Rights and Work Environment" sets forth obligations on suppliers to strictly refrain using child-labor or forced-labor:

- "No children under the legal age of working as defined by all local laws and regulations shall be placed for work."
- "All works shall be voluntary. Employees shall be guaranteed of termination of their employment by their free will. No labor shall be forced upon any person."

All of aforementioned suppliers are required to observe these requirements.

In 2018, we started reviewing the contents of the Guideline and the self-check sheet for suppliers, and prepared a confirmation of agreement to collect from suppliers that received this Guideline, in order to make this Guideline further effective. From 2019, we have started collecting self-check sheets and agreement confirmations, have set every year target to 2021, and are expanding them globally.

Supplier Contracts

YMC's standard purchase agreements and other contracts with suppliers require suppliers to observe and comply with all applicable laws, regulations, and guidelines, naturally interpreted to include those touching on issues related to the protections of basic human rights. These contractual provisions are also stated in standard purchase agreements with the predominant majority of suppliers of YMC's overseas factories from which YME procures Yamaha Motor products for resale in the UK.

Internal Policies and Activities

Corporate Social Responsibility Guidelines for Employees

YME continually strives to conduct business in an ethical manner, and takes a clear stance against any activities or practices that violate or impair fundamental human rights. We are guided in this regard by YMC's Basic Policies of Corporate Social Responsibility ("Basic Policies" see https://global.yamaha-motor.com/about/csr/approach_to_csr/basic-policies/), applicable to all YME directors, officers and employees, and require "[w]e maintain respect for human rights and never tolerate child labor or forced labor in any form." YME employees receive regular training regarding their obligations under the Basic Policies, and are subject to disciplinary action for violations of its requirements.

Code of Ethics

YMC's Code of Ethics, first published in 2000, outlines the standards of behavior that the Yamaha Motor Group expects employees to observe in their daily activities. It applies to all directors, officers and employees of YME. Employees receive regular training regarding their obligations with respect to these standards, and are subject to disciplinary action for violations of its requirements.

Among the core principles in the Code of Ethics is an obligation for the "Respect for Human Rights." Chapter 3 states "[w]e have consideration for each other and respect human rights so that each of us can work and live vitally and energetically" and "[w]e respect fundamental human rights, and do not carry out acts that abuse or deny a person's character according to race, nationality, ideals, principles in life, physical characteristics, personality, relatives, etc."

As a method to monitor how the Code of Ethics are implemented, we conduct compliance attitude survey in all of the Yamaha Motor group members, and also set up global whistleblowing systems using third parties through which overseas subsidiaries can blow whistles to YMC, and strive to achieve early detection and action against inappropriate conduct globally.

And in Japan, where YMC resides, we have set up "Fair Business Hot Line" from 2017 as a window for receiving notice information from suppliers in order to achieve further effectiveness of suppliers' respect of human rights.

Participating to the "United Nations Global Compact"

YMC signed on behalf of all its group members the "United Nations Global Compact" which provides the ten principles regarding Human Rights, Labour, Environment and Anti-Corruption, in order to express internally and externally its stance towards ESG (Environment, Social and Governance) and promote relevant activities, and was registered as a participating company on December 5, 2017. Currently, the United Nations Global Compact Subcommittee has been established within the headquarters to ensure that the ideas and actions of the United Nations Global Compact are thoroughly disseminated within our Group, and the Human Resources, Procurement Control, Legal and Intellectual Property, and Sustainability Divisions have been working together to promote activities.

As a member of Yamaha Motor Group, YME respects such initiative and intends to actively promote such actions.

YMC started participating in the "supply chain subcommittee" held by Global Compact Network Japan in 2018 in order to continue to improve our knowledge and awareness. In 2019, YMC conducted a third-party assessment trial in Indonesia, a member of ASEAN which is generally considered to be a high-risk region for human rights abuses, by selecting three suppliers from industries that are expected to have a difficult working environment. Despite the fact that there were no serious problems, YMC provided recommendations for improvement to the relevant suppliers, tier 1 suppliers that place orders, and its Group companies.

In 2020, we conducted a review of the assessment, and in 2021, we plan to conduct a similar assessment in Japan, where our headquarters is located.

Ongoing Commitment

YME is committed to the protection of human rights, and will continue to actively monitor the effectiveness of its policies and procedures to identify and address activities, whether in its supply chains or own operations, that may be associated with slavery or human trafficking.

Yamaha Motor Europe N.V.



Eric de Seynes
President

June 2021