

The corporate governance of Yamaha Motor Co., Ltd. is described below.

I. Basic Views on Corporate Governance, Capital Structure, Corporate Profile and Other Basic Information

1. Basic Views

The Company's Management Principles and Management Strategies

Yamaha Motor's corporate objective is to be a "*Kando** Creating Company." We aspire to offer new excitement and a more fulfilling life for people all over the world. To this end, we provide unique and high-quality products and services made available through our technology to interweave human logic with sensibility by continuously striving to achieve "the unique style of Yamaha Motor's engineering, manufacturing and marketing," aiming at creating "new, original and innovative ideas and messages," "technology that creates joy and trust among customers," "attractive designs to express Refined Dynamism," and "power to build up a lifetime relationship with customers."

We make ongoing efforts to gain recognition from our various stakeholders that "the unique style of Yamaha Motor" constitutes the "Yamaha" brand, and to make our products and services the lifelong preferred choice for stakeholders. We believe that these efforts will enable us to achieve sustainable growth and enhance our medium- to long-term corporate value.

We are carrying out measures to achieve sustainable growth and enhancement of corporate value under our Long-term Vision (ART for Human Possibilities : Let's strive for greater happiness), with an eye on the 2030 and the Medium-Term Management Plan that runs for three years from 2022.

In the new Medium-Term Management Plan, we have clarified the positioning of our businesses based on sales growth rate and return on invested capital (ROIC) to manage our business portfolio and appropriately allocate management resources. Specifically, we will strengthen the earning power of our core businesses, invest in new and growing businesses contributing to a more sustainable world, and accelerate digital initiatives and co-creation to boost our growth potential, and thereby raise our corporate value.

Under the medium-term financial indicators, we will aim for capital efficiency and increase economic value by building a structure capable of generating a 15% level of ROE and a 9% level of ROIC. In the new Medium-Term Management Plan, in addition, adding sustainability as a new pillar, we will create social value by contributing to society with a focus on carbon neutrality, and by connecting people and thriving as company. We will enhance our corporate value by linking these economic and social values to raise our "YAMAHA" brand value.

**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 Views on Corporate Governance

To ensure the implementation of the Company's growth strategies for the future, Yamaha Motor's Board of Directors establishes an environment that supports management's appropriate risk-taking and decisive decision-making activities, and multilaterally understands and appropriately oversees issues and risks associated with the implementation of the Company's management strategies from the viewpoint of fulfilling responsibilities to various stakeholders including shareholders and investors.

This structure is designed to implement speedy and decisive decision-making, and appropriate, transparent and fair supervision and monitoring as the Company's corporate governance. Accordingly, we formulate the following corporate governance guidelines and put them into practice in an appropriate manner.

<Corporate Governance Guidelines>

Chapter 1	Ensuring shareholders' rights and equality, and basic views on dialogue with shareholders
Chapter 2	Appropriate collaboration with various stakeholders
Chapter 3	Appropriate information disclosure and ensuring transparency
Chapter 4	Responsibilities of the Board of Directors, etc.
Attachment 1	Standards for Selecting Independent Outside Directors / Audit & Supervisory Board Members
Attachment 2	Policies to promote constructive dialogue with shareholders

“Yamaha Motor’s Corporate Governance Guidelines” For the full text, please visit our website
https://global.yamaha-motor.com/ir/governance/pdf/corporate_governance_guidelines-e.pdf

[Reasons for Noncompliance with the Principles of the Corporate Governance Code]

Descriptions in this report are based on the revised Corporate Governance Code issued in June 2021, which includes matters relating to the Prime Market of the Tokyo Stock Exchange, which are scheduled to be applied from April 2022.

Yamaha Motor complies all of the principles of its Corporate Governance Code.

[Disclosure Based on the Principles of the Corporate Governance Code]

Principle 1-4

Cross-shareholdings

Basic policies on cross-shareholdings

Yamaha Motor intends to hold shares under cross-shareholdings when it is deemed necessary and appropriate in order to enhance corporate value and achieve a medium- to long-term growth.

The Board of Directors annually examines each cross-shareholding to determine whether the significance of shareholdings is appropriate and the Board of Directors appropriately discloses a summary of the results. In addition, Yamaha Motor upholds a policy to reduce cross-shareholdings if the shareholdings cannot be justified.

For the fiscal year under review, Yamaha Motor, based on this policy, examined the appropriateness of holding each issue by the Board of Directors and sold a portion of the shares held under cross-shareholdings.

- Shareholdings of Yamaha Corporation

Yamaha Motor was established by spinning off the motorcycle division from Nippon Gakki Co., Ltd. (current Yamaha Corporation). Today, the two companies’ management is conducted separately, with both using the same “Yamaha” brand. We are undertaking various measures in collaboration with Yamaha Corporation through the “Joint Brand Committee” and under the “Yamaha Brand Charter” and “Joint Brand Regulations.” Both companies appropriately monitor measures for mutual sustainable growth through shareholdings and dispatching Directors. We believe that maintaining and improving the shared value of the “Yamaha” brand by building a monitoring and collaborating relationship with Yamaha Corporation will contribute to the medium- to long-term enhancement of Yamaha Motor’s corporate value.

- Basic policies on exercise of voting rights

Yamaha Motor does not take a uniform approach in determining whether to approve or disapprove when exercising voting rights associated with cross-shareholdings; instead, it thoroughly examines and discusses whether the decisions contribute to the medium- to long-term enhancement of corporate value of the issuing company, and comprehensively assesses potential damage to its own corporate value. We may request further explanations on agenda items when necessary and make decisions on approval or disapproval. We exercise particular caution in examining and discussing our decision to exercise voting rights in the following situations.

- Continued poor business performance;
- Concerns over governance are confirmed, such as scandals; and
- Other situations in which the corporate value of the issuer or Yamaha Motor may be damaged.

Principle 1.7

Related party transactions

When carrying out related party transactions, transactions with competitors, and transactions involving any conflict of interests, we set out appropriate procedures according to the degree of importance and the nature of those transactions as per the Board of Directors’ Rules and the Decision-making Rules, etc. The Board of Directors deliberates upon and resolves these transactions to protect the interests of the Company and all of its shareholders. The status of transactions is reported to the Board of Directors, which is in charge of monitoring said transactions.

Supplementary Principle 2.4.1

Ensuring diversity

To ensure sustainable growth, Yamaha Motor places importance on incorporating various perspectives and values reflecting different experiences, skills, and attribution. Therefore, we aim to secure diverse human resources.

To this end, we have established a Global Human Resources Division at the corporate headquarters to implement globally common, training programs to develop senior management and to adopt a global human

resource framework designed for developing and appointing individuals with a competitive edge. We also work on creating an organization that can effectively make use of global experience and knowledge. To facilitate global management, we promote talented individuals for senior management positions regardless of gender, age, nationality, background or any attributes. With regard to management executives at overseas subsidiaries in particular, we actively promote local talent, aiming to attain a localized ratio of 55% by the end of 2024. At the same time, we strive to develop headquarters talent on an ongoing basis, to create an organization that can maximize management potential by mutually complementing experiences and skills with locally developed talent.

In addition, to promote career development for women, we have disclosed our target and promoting to double the number of women in management positions at the Yamaha Motor by 2020 (32) compared with 2014, and triple by 2025 (48) in our Integrated Report, however the number has reached to 38 at the end of 2021, we set the target as 56 by the end of 2024 under the new Medium-Term Management Plan. Toward the target, the number has reached to 50 at the end of 2022. We have also set the target to increase the ratio of women in management positions to 13 % in 2024 compared with 10.8% in 2021 for the entire Yamaha Motor Group. We will continue to promote initiatives toward these goals.

The ratio of career hires to management positions at the headquarters is about the same as that of new graduates. We will continue to promote people to management positions based on their character and ability, regardless of the type of employment.

Principle 2.6

Roles of Corporate Pension Funds as Asset Owners

Yamaha Motor manages its pension assets through THE PENSION FUND OF YAMAHA MOTOR. In order to ensure the stable management of pension assets, the Fund has formulated a “Basic Policy on the Management of Pension Assets.” In accordance with this policy, Yamaha Motor carries out initiatives based on the guidelines of the Ministry of Health, Labour and Welfare, including reporting to the Conference of Representatives on the selection of fund managers and the results of evaluations.

In managing the pension assets, the Fund, in an effort to maximize benefits of beneficiaries, consults with the Asset Management Committee comprising members selected from employers and representatives of the beneficiaries with appropriate qualifications for the management of pension assets, upon hiring asset management consultants and considering their recommendations.

Principle 3-1

Full disclosure

- (1) The Company’s objectives (business principles, etc.), business strategies and business plans.
Please refer to “1-1 Basic Views,” mentioned above in this Report.
Please visit our website “Long-term Vision” and “Medium-term Management Plan.”
<https://global.yamaha-motor.com/jp/ir/management/mtp/>
 - (2) Basic views and guidelines on corporate governance
“Yamaha Motor’s Corporate Governance Guidelines” For the full text, please visit our website
https://global.yamaha-motor.com/ir/governance/pdf/corporate_governance_guidelines-e.pdf
 - (3) Board policies and procedures in determining the remuneration of senior management and directors
 - 1) Policies on determining the amounts of remuneration for directors / audit & supervisory board members or the calculation method thereof
 - (i) Basic Direction
 - Aiming to be a “Kando Creating Company,” the Company strives to encourage employees to perform their duties in accordance with the Company’s Management Principles and Behavioral Guidelines.
 - The Company has positioned achieving the corporate targets in the Medium-term Plan etc. as strong motivators in working toward realizing the Company’s long-term vision.
 - In order to function toward sustainable growth of corporate value, profits of the shareholders and top-level managers are to be shared.
 - The remuneration is to be at a level which can attract and retain the diverse and highly-capable human resources appropriate to the roles and responsible duties of top-level Managers.
 - Aiming to strive to encourage Company’s unique initiatives to resolve materiality (important social issues).
- *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.

(ii) Remuneration Structure

Remuneration for Directors of the Company is comprised of basic compensation (fixed remuneration), performance-based bonus, and performance-based share remuneration. The proportions of basic compensation: performance-based bonus: performance-based share remuneration for the President and Representative Director is set at roughly 40%: 30%: 30% of the reference amount. For other Executives, the amounts are determined bearing in mind their duties and remuneration level etc., with reference to the remuneration of the Representative Director.

For Outside Directors and Audit & Supervisory Board Members, only the fixed basic compensation is provided in light of their roles to supervise and advise the management from an objective and independent standpoint.

(iii) Individual Remuneration Items and Their Details

Basic compensation

An annual amount of basic compensation is determined for each position, and one-twelfth of said amount is provided in cash each month.

Performance-based bonus

The performance-based bonus is comprised of only “whole-company performance-based bonus” for the Representative Director, and a “whole-company performance-based bonus” and an “individual performance-based bonus” for other Directors.

The ratio of whole-company performance-based bonus: individual performance-based bonus is set at around 2:1 of the reference amount for Directors excluding the Representative Director (around 1:3 of the reference amount for Executive Officers who do not also work as Directors).

From the perspective of providing incentives for achieving short-term performance targets, the “whole-company performance-based bonus” for Directors is drawn from a total amount obtained by multiplying a certain proportion 0.14% (Executive Officers who do not also work as Directors’ certain proportion is 0.09%) of “net income attributable to owners of parents” by evaluation coefficients (times 0-2) based on the “consolidated total assets operating income ratio (ROA),” and distributed to each Executive based on coefficients etc. determined for each position.

The maximum amount of said total amount is 0.5% of net income attributable to owners of parents in the previous fiscal year. In addition, the abovementioned evaluation coefficients are adjusted after discussion by the Executive Personnel Committee based on the achievement of consolidated net sales and operating income targets, overall degree of progress regarding initiatives in the Medium-term Plan, resolving materiality (important social issues) in ESG evaluations, etc. from outside of the company, toward realizing the long-term vision, and occurrence of other matters affecting corporate value and brand value.

The “individual performance-based bonus” is comprised of the “financial evaluation-based portion” and the “non-financial evaluation-based portion,” with the ratio set at 1:1 of the reference amount.

The financial evaluation-based portion component is determined within the scope of 0-2 times the reference amount specified for each position, bearing in mind the extent of target achievement and results compared with the previous fiscal year etc. for financial evaluation indicators set in advance (net sales, operating income, consolidated total assets operating income ratio (ROA), etc. for the responsible division).

The non-financial evaluation-based portion component is determined within the scope of 0-2 times the reference amount specified for each position, bearing in mind the degree of progress, etc. for non-financial evaluation indicators set in advance (initiatives in the Medium-term Plan, etc., development of successor Executives and company management candidates, contribution to corporate value and brand value, etc.).

Performance-based share remuneration

With regard to share remuneration, as part of the continuous review of the remuneration system for Directors, the Company has changed from existing system of remuneration of share with restriction on transfer that determines the number of shares to be provided in conjunction with the Company’s TSR (Total Shareholder Return) evaluation, with the aims of further promoting the sharing of value between the Directors, etc. of the Company and all shareholders, and providing appropriate incentives to continuously enhance the medium- to long-term corporate value of the Company. (Except for foreign Executive Officers.)

For Executive Officers who are non-residents (Except for foreign Executive Officers.)

, instead of issuing shares, cash to purchase ordinary shares in the Company equivalent to the reference amount determined for each position is provided through the Company’s Director Shareholding Association.

(iv) Procedures for Determination

In order to ensure the appropriateness of, as well as the transparency and feasibility of the discussion process regarding policies for determining the remuneration of Directors, such determination is carried

out by the Board of Directors after discussions and reporting by the Executive Personnel Committee, which is an advisory body regarding nominations and remuneration that the Company establishes voluntarily and is composed of a majority of Outside Directors. Determination of individual remuneration amounts for each Director based on the said policies is carried out by at the Board of Directors after discussions and reporting by the Executive Personnel Committee. In addition, the specific amounts of basic compensation for Audit & Supervisory Board Members are determined through discussions by Audit & Supervisory Board Members.

(4) Board policies and procedures in the appointment /dismissal of senior management and the nomination of Director and Audit & Supervisory Board Member candidates

From the viewpoint of maintaining an overall balance in terms of knowledge, experience and ability, and in consideration of diversity and size, the composition of the Board of Directors and Audit & Supervisory Board are defined as follows:

1. The Articles of Incorporation stipulate the number of Directors to be up to fifteen (15), and the number of Audit & Supervisory Board Members to be up to five (5).
2. Regardless of gender, age, nationality or any attributes, executives must adequately understand the viewpoints and standpoints of various stakeholders including shareholders, and must have long-term visions, abundant experience, extensive insight, and a high degree of expertise in addition to appropriate human characteristic elements such as ethical views and fairness.
3. Directors of the Company shall be individuals who can deal with the diversity of customer' special characteristics, products, business operations, and functions, as well as global aspects of markets.
4. Outside Directors shall be individuals who have professional insight in management, and experience in global corporate management, or professional insight and knowledge of the industry that will complement the knowledge, experience and ability of the Board of Directors.
5. At least one-half (1/2) of Audit & Supervisory Board Members shall be made up of Outside Audit & Supervisory Board Members, including those who have sufficient insight in areas such as accounting, legal affairs and management administration.

Yamaha Motor has established an Executive Personnel Committee, which is involved in nominations and remuneration, as a voluntary advisory body of the Board of Directors, to improve transparency and objectively in appointments and dismissals of executives and determining their remuneration, among other objectives. To ensure the transparency of the deliberation, as well as to ensure the objectivity and validity of matters reported to the Board of Directors' meetings, the majority of the members of the Executive Personnel Committee consists of Outside Directors, and the meeting of the Executive Personnel Committee is held more than six times a year, in principle.

In the role related to "nominations," the Executive Personnel Committee deliberates upon the appointments and dismissals of the Chief Executive Officer (CEO), Directors, Audit & Supervisory Board Members and Executive Officers, as well as the selection of candidates for such senior management positions and their development plans, while confirming future management strategies and personnel requirements for putting them into practice, among other things.

As part of initiatives to strengthen governance, a system has introduced for making judgements based on reviewing and assessing the operations of the CEO. More specifically, there is a round-table conference with the CEO headed by Outside Director, and through strategic dialogues with CEO, the conference carries out non-financial evaluations regarding matters including the status of operations of the individual in question as a top-level manager, based on looking at whether the individual in question has the qualities needed to serve as the CEO of the Company and is appropriately demonstrating such. The results are reported from the Executive Personnel Committee to the Board of Directors, and then a decision is made regarding the appointment of the CEO and other Executive Officers. Thus, governance is established in which the most suitable and best top-level managers execute business operations, based on a process in which objectivity and fairness are ensured.

(5) Explanations of individuals appointments when nominating candidates for Directors and Audit & Supervisory Board Members

Katsuaki Watanabe (Chairman and Representative Director)

The Company nominated Katsuaki Watanabe as a Director for the following reasons: he has personality traits required of a Director such as high ethics and fairness. With his experience and business track records as Representative Director of the Company since 2018 and others, he is highly capable in corporate management that is required to deal with a variety of values as well as expertise in the procurement and manufacturing fields. Accordingly, he is expected to contribute to increasing the corporate value of the Group and enhancing the management supervisory capabilities of the Board of Directors.

Yoshihiro Hidaka (President and Representative Director, President and Chief Executive Officer)

The Company nominated Yoshihiro Hidaka as a Director for the following reasons: he has personality traits required of a Director such as high ethics and fairness. With his experience and business track records as President and Representative Director of the Company since 2018, he is highly capable in the corporate management that is required to deal with a variety of values and has expertise in the management control and business strategy fields. Accordingly, he is expected to contribute to increasing the corporate value of the Group and enhancing the management supervisory capabilities of the Board of Directors.

Heiji Maruyama (Director, Managing Executive Officer)

The Company nominated Heiji Maruyama as a Director for the following reasons: he has personality traits required of a Director such as high ethics and fairness. With his experience and business track record as Chief General Manager of Technical Research and Development Center, and Chief General Manager of the Powertrain Unit of the Company and so on, he is highly capable and has expertise in the fields of technology and business. Accordingly, he is expected to contribute to increasing the corporate value of the Group and enhancing the management supervisory capabilities of the Board of Directors.

Satohiko Matsuyama (Director, Senior Executive Officer)

The Company nominated Satohiko Matsuyama as a candidate for Director for the following reasons: he has personality traits required of a Director such as high ethics and fairness. With his experience and business track records as Chief General Manager of Manufacturing Center of the Company and others, he is highly capable and has expertise in the manufacturing field. Accordingly, he is expected to contribute to increasing the corporate value of the Group and enhancing the management supervisory capabilities of the Board of Directors.

Motofumi Shitara (Director, Senior Executive Officer)

The Company nominated Motofumi Shitara as a Director for the following reasons: he has personality traits required of a Director such as high ethics and fairness. With his experience and business track records as Director and President of Yamaha Motor India Pvt. Ltd., Deputy Chief General Manager of Corporate Planning & Finance Center, and Executive General Manager of ME Business Unit, Marine Business Operations of the Company and other, he is highly capable and has expertise in the finance and management control fields. Accordingly, he is expected to contribute to increasing the corporate value of the Group and enhancing the management supervisory capabilities of the Board of Directors.

Takuya Nakata (Independent Outside Director)

The Company nominated Takuya Nakata as an Outside Director in the belief that he will provide the Company's management with valuable advice and supervision based on his wide range of insights and his ample experience of management in general gained from his position as the Director, President and Representative Executive Officer of Yamaha Corporation, by which the Company aims to increase the value of the Yamaha brand commonly used by both companies. He meets the requirements for independence stipulated by the Tokyo Stock Exchange, Inc. and the "Standards for Selecting Independent Outside Directors / Audit & Supervisory Board Members," and the Tokyo Stock Exchange, Inc. has been duly notified of his designation as an Independent Outside Director.

Takehiro Kamigama (Independent Outside Director)

The Company nominated Takehiro Kamigama as an Outside Director in the belief that he will provide valuable advice and supervision regarding the Company's management based on his wide range of insights and his ample experience of management and technology, through his experiences in various managerial positions, including the representative director of a global company. He meets the requirements for independence stipulated by the Tokyo Stock Exchange, Inc. and the "Standards for Selecting Independent Outside Directors / Audit & Supervisory Board Members," and the Tokyo Stock Exchange, Inc. has been duly notified of his designation as an Independent Outside Director.

Yuko Tashiro (Independent Outside Director)

The Company nominated Yuko Tashiro as an Outside Director in the belief that she will provide valuable advice and supervision regarding the Company's management based on her wide range of insights and her ample experience of management based on her experiences in various managerial positions, including financial managers and the representative directors of several companies. She meets the requirements for independence stipulated by the Tokyo Stock Exchange, Inc. and the "Standards for Selecting Independent Outside Directors / Audit & Supervisory Board Members," and the Tokyo Stock Exchange, Inc. has been duly notified of her designation as an Independent Outside Director.

Tetsuji Ohashi (Independent Outside Director)

The Company nominated Tetsuji Ohashi as an Outside Director in the belief that he will provide valuable advice and supervision regarding the Company's management based on his wide range of insights and his ample experience of management and manufacturing, through his experiences in various managerial positions, including the representative director of a global company. He meets the requirements for independence stipulated by the Tokyo Stock Exchange, Inc, and the "Standards for Selecting Independent Outside Directors / Audit & Supervisory Board Members," and the Tokyo Stock Exchange, Inc. has been duly notified of his designation as an Independent Outside Director.

Jin Song Montesano (Independent Outside Director)

The Company nominated Jin Song Montesano as an Outside Director in the belief that she will provide valuable advice and supervision regarding the Company's management based on her wide range of insights and her ample experience of management overall and in the areas of human resources, general affairs, public affairs, external affairs and corporate responsibilities, through her experiences in various managerial positions in corporate affairs of a global company. She meets the requirements for independence stipulated by the Tokyo Stock Exchange, Inc, and the "Standards for Selecting Independent Outside Directors / Audit & Supervisory Board Members," and the Tokyo Stock Exchange, Inc. has been duly notified of her designation as an Independent Outside Director.

Junzo Saito (Full-time Audit & Supervisory Board Member)

The Company nominated Junzo Saito as a Full-time Audit & Supervisory Board Member in the belief that he has personality traits required such as high ethics and fairness based on his experiences and performances as Executive Officer of the Company and others with extensive expertise in the legal, human resource, and business management fields as he has been engaged in appropriate audits of the Company as a Full-time Audit & Supervisory Board Member and he will utilize his accumulated experiences and insights for audits since taking office as an Audit & Supervisory Board Member.

Tadashi Tsumabuki (Full-time Audit & Supervisory Board Member)

The Company nominated Tadashi Tsumabuki as a Full-time Audit & Supervisory Board Member in the belief that he has personality traits required such as high ethics and fairness with a high level of expertise in the fields of business and management control thanks to his experience and achievements as Executive Vice President of Yamaha Motor Corporation, U.S.A. and he will utilize his experience and knowledge as a full-time Audit & Supervisory Board Members in Company's audit duties.

Masatake Yone (Independent Outside Audit & Supervisory Board Member)

The Company nominated Masatake Yone as an Outside Audit & Supervisory Board Member in the belief that he will contribute to strengthen Company's audit function and establishing governance system as he has been engaged in appropriate audits of the Company as the Company's Outside Audit & Supervisory Board Member based on his extensive expertise as an attorney and his wide range of insights and his ample experiences as an Outside Director / Audit & Supervisory Board Member at corporations since taking office as an Audit & Supervisory Board Member. He meets the requirements for independence stipulated by the Tokyo Stock Exchange, Inc. and the "Standards for Selecting Independent Outside Directors / Audit & Supervisory Board Members," and the Tokyo Stock Exchange, Inc. has been duly notified of his designation as an Independent Outside Audit & Supervisory Board Member.

Eriko Kawai (Independent Outside Audit & Supervisory Board Member)

The Company nominated Eriko Kawai as an Outside Audit & Supervisory Board Member in the belief that she will contribute to strengthen Company's audit function and establishing governance system as she has been engaged in appropriate audits of the Company as the Company's Outside Audit & Supervisory Board Member based on her high level of expertise regarding finance and accounting and her abundant experience at international companies and international organizations, and experience and track record as an Outside Director / Audit & Supervisory Board Member at corporations since taking office as an Audit & Supervisory Board Member. She meets the requirements for independence stipulated by the Tokyo Stock Exchange, Inc. and the "Standards for Selecting Independent Outside Directors / Audit & Supervisory Board Members," and the Tokyo Stock Exchange, Inc. has been duly notified of her designation as an Independent Outside Audit & Supervisory Board Member.

Ayumi Ujihara (Independent Outside Audit & Supervisory Board Member)

The Company nominated Ayumi Ujihara as an Outside Audit & Supervisory Board Member in the belief that she will contribute to strengthen Company's audit function and establishing governance system based on her highly specialized expertise and experience in the accounting field, such as engaging in international company auditing as a certified public accountant. She meets the requirements for independence stipulated by the Tokyo Stock Exchange, Inc. and the "Standards for Selecting Independent Outside Directors / Audit & Supervisory Board Members," and the Tokyo Stock

Exchange, Inc. has been duly notified of her designation as an Independent Outside Audit & Supervisory Board Member.

Supplementary Principle 3-1-3

(1) Initiatives for Sustainability

While promoting the management principles “creating value that surpasses customer expectations,” “establishing a corporate environment that fosters self-esteem,” and “fulfilling social responsibilities globally,” Yamaha Motor formulates policies on social responsibilities for each stakeholder, namely, customers, employees, business partners, the environment, the community, and shareholders and investors in the Basic Policies of Sustainability.

Sustainability Committee, comprising eight (8) Executive Officers with specific posts, has been established to address issues related to sustainability and deliberate measures related to risk management and compliance. Sustainability Committee regularly reports its deliberations to the Board of Directors, which oversees the status of handling of issues related to sustainability and development of risk management systems.

Yamaha Motor Group has signed the United Nations Global Compact as an expression of participation in the creating of global frameworks for the realization of sustainable growth, and has been working on solving important social issues such as “environment and resources,” “transportation, and industry,” and “human capital management” in order to contribute to the achievement of Sustainable Development Goals (SDGs).

In particular, in the area of environmental conservation activities, we have established the Environmental Plan 2050 and are working in the areas of climate change, resource recycling, biodiversity, and management to achieve carbon neutrality for scope 1 and 2 emissions by 2035, and for scope 3 emissions by 2050.

Going forward, we will introduce these measures, report on their progress, and so on for stakeholders. Specific content in this regard is disclosed on the Yamaha Motor website and Integrated Report (pp36-39).

<Yamaha Motor website : Sustainability (Initiatives for sustainability)>

<https://global.yamaha-motor.com/about/csr/>

<Yamaha Motor website: Overview of "Yamaha Motor Group Environmental Plan 2050">

<https://global.yamaha-motor.com/jp/profile/csr/environmental-field/plan-2050/>

<Integrated Report>

<https://global.yamaha-motor.com/ir/integrated-report/integrated2021/>

(2) Initiatives for Human Capital

Yamaha Motor regard employee engagement as a key indicator to introduce common global engagement indicators focusing on diversity and inclusion and human resource development as initiatives for increasing engagement in our Medium-Term Management Plan. In 2022, Yamaha Motor Global Award has been introduced and five outstanding projects are awarded which embody the unique characteristics of Yamaha from 22 entries made by domestic and foreign Business Unit and Group companies. Through these activities to reward successes, we will improve employee engagement and hold award ceremonies in conjunction with Yamaha Day. In addition, as part of our efforts to foster and encourage diversity and inclusion, we have created and put in place employee development programs around the world, with the aim of enhancement of global human capital.

A global task force: GET-HR(Global Execution Transformation – Human Resources)AXEL Initiative has been launched to address diversity for the entire Yamaha Motor Group. The Task Force has begun initiatives based on gender diversity and the active participation of women and also working to create a culture accepting a variety of differences and a foundation that continues to develop human resources embodying the unique style of Yamaha.

To facilitate global management, we promote talented individuals for senior management positions regardless of gender, age, nationality, background or any attributes. With regard to management executives at overseas subsidiaries in particular, we actively promote local talent, aiming to attain a localized ratio of 55% by the end of 2024. In addition, our target of over 10% of new graduates in regular positions as global recruitment at headquarters has been achieved, and we will continue our efforts.

In addition, to promote career development for women, we have disclosed our target and promoting to double the number of women in management positions at Yamaha Motor by 2020 (32) compared with 2014, and triple by 2025 (48) in our Integrated Report, however the number has reached to 38 at the end of 2021, we set the target as 56 by the end of 2024 under the new Medium-Term Management Plan. Toward the target, the number has reached to 50 at the end of 2022. We have also set the target to increase the ratio of women in management positions to 13 % in 2024 compared with 10.8% in 2021 for the entire Yamaha Motor Group and reached to 11.2% at the end of 2022. We will continue to promote initiatives toward these goals.

With regards to human resource development, we have introduced Yamaha Learning System (YLS), on-demand learning platform, aiming to establish frameworks that provide equal opportunities for personal growth to all employees. As of the end of 2022, the number of users of YLS system reached to 18,000 at 23 domestic companies (including the headquarters), with the on-demand rate of 59%. In addition, we will be

promoting new way of working that considers work-life balance so that employees can improve their work efficiency and enrich their time off.

Specific content in this regard is disclosed in the Integrated Report (pp42-43) and in our Presentation of Long-term Vision and Medium-term Management Plan (pp11).

<https://global.yamaha-motor.com/ir/integrated-report/integrated2022/>

<https://global.yamaha-motor.com/ir/management/mtp/>

(3) Initiatives for Intellectual Properties

Yamaha Motor promotes its global intellectual property strategies toward creating, protecting, and utilizing its intellectual property rights to raise both corporate and brand value. Under the banner of “IP for Business,” Yamaha Motor carries out its intellectual property tasks based on its Four Policy Pillars of Intellectual Property Activities.

Four Policy Pillars of Intellectual Property Activities

- i. Move one step ahead of conventional intellectual property activities that consist primarily of intellectual property creation linked to product and technology development in existing business
- ii. Pursue intellectual property activities that preempt technological developments and the expansion of business areas by looking beyond our existing technologies and markets
- iii. Indicate advanced fields that target further preemption and business area expansion through analysis of the intellectual property landscape
- iv. Contribute to management decisions and strategy formulation from the perspectives of intellectual property analysis and market and technological growth analysis

The Company believes that an important objective of management is to further raise the value of the Yamaha brand and make it shine. Based on our view that design contributes to management and branding, we established the Design Center in fiscal 2012 before restructuring it as the Creative Center in fiscal 2020 to boost the drivers of the brand, and we were awarded the “Patent Office Commissioner Award” of “the Intellectual Property Achievement Award” in fiscal 2021 by the Japan Patent Office of the Ministry of Economy, Trade and Industry as a Design-Driven Management company that effectively utilizes intellectual property and we engage in a range of initiatives aimed at enhancing brand value.

Specific content in this regard is disclosed in the Integrated Report (pp46-49, pp52-53).

<https://global.yamaha-motor.com/jp/ir/integrated-report/integrated2022/>

Supplementary Principle 4-1-1

Overview of Delegation to Management

In accordance with “Yamaha Motor’s Corporate Governance Guidelines,” matters to be judged and determined by the Board of Directors and matters to be delegated to Executive Officers are as follows:

(1) Matters to be judged and determined by the Board of Directors

1. Determining matters provided for in laws and regulations and the Articles of Incorporation
2. Overseeing the execution of Directors’ duties
3. Determining strategies and policies
4. Determining Corporate Philosophy, Code of Ethics, Basic Policies on Internal Control, Basic Policies on Sustainability, Governance Policies on the Yamaha brand, Long-term Management Visions, Medium-Term Management Plan, etc.
5. Overseeing execution of business operations

Oversight of the implementation of business portfolio strategies, approval of annual management plans, approval of financial statements, oversight of the execution of duties, approval of internal auditing plans, oversight of the status of development of internal control systems, handling of issues related to sustainability, and risk management systems in accordance with Basic Policies on Internal Control, etc.

(2) Matters to be delegated to Executive Officers

1. Matters related to the execution of business operations

Formulating business portfolio strategies and decision-making on the execution thereof, formulating the Medium-Term Management Plan, annual management plans and other plans and decision-making on the execution thereof, preparing the draft of financial results, formulating individual business strategies, decision-making on the execution of operations such as development, production and sales, handling of issues related to sustainability, developing risk management systems, and other related matters

2. Other matters delegated by the Board of Directors, excluding matters to be judged and determined by the Board of Directors

Principle 4-9

Independence standards and qualification for Independent Directors

In addition to the required criteria for independence stipulated by Tokyo Stock Exchange, Inc., the Company has formulated its own “Standards for Selecting Independent Outside Directors / Audit & Supervisory Board Members” to evaluate the independence and objectivity of Outside Directors and Outside Audit & Supervisory Board Members.

Summary of “Standards for Selecting Independent Outside Directors / Audit & Supervisory Board Members”

I . Independent Outside Directors / Audit & Supervisory Board Members may not be:

1. Employees or former employees of the company
2. Major shareholders
3. Individuals in a “major customer” relationship with our corporate group
4. Individuals from companies that have accepted a director from the Yamaha Motor Group
5. Individuals with a vested interest in the Yamaha Motor Group
6. Individuals who might have a conflict of interest with our general shareholders

Moreover, Independent Outside Directors / Audit & Supervisory Board Members may not have individuals who are second-degree relatives, or cohabiting relatives, of any of those mentioned above in 1 through 5.

II . Individuals, despite being applicable to any of the 2 to 5 above, may be elected as independent outside directors / audit & supervisory board members of the company if they, in view of their personality and insight, are believed suitable as independent outside directors / audit & supervisory board members of the company on the condition that the individuals meet the requirements of an outside director as required under the Companies Act, and that a public disclosure is made to explain the reasons for electing them as independent outside directors / audit & supervisory board members of the company.

For the full text of Yamaha Motor’s “Standards for Selecting Independent Outside Directors / Audit & Supervisory Board Members,” please visit:

https://global.yamaha-motor.com/ir/governance/pdf/independent_en.pdf

Supplementary Principle 4-10-1

Appropriate involvement and advice of independent directors by establishing an independent nomination committee and remuneration committee

Yamaha Motor has established an Executive Personnel Committee, which is involved in nominations and remuneration, as a voluntary advisory body of the Board of Directors, to improve transparency and objectivity in appointments and dismissals of executives and determining their remuneration, among other objectives. To ensure the transparency of the deliberation process, as well as to ensure the objectivity and validity of matters reported to the Board of Directors’ meetings, the majority of the members of the Executive Personnel Committee consists of Outside Directors, and the meeting of the Executive Personnel Committee is held more than six times a year, in principle.

In the role related to “nominations,” the Executive Personnel Committee deliberates upon the appointments and dismissals of the Chief Executive Officer (CEO), Directors, Audit & Supervisory Board Members and Executive Officers, as well as the selection of candidates for such senior management positions and their development plans, while confirming future management strategies and personnel requirements for putting them into practice, among other things.

As part of initiatives to strengthen governance, a system has been introduced for making judgements based on reviewing and assessing the operations of the CEO. More specifically, there is a round-table conference with CEO headed by Outside Director, and through strategic dialogues with CEO, the conference carries out non-financial evaluations regarding matters including the status of operations of the individual in question as a top-level manager, based on looking at whether the individual in question has the qualities needed to serve as the CEO of the Company and is appropriately demonstrating such. The results are reported from the Executive Personnel Committee to the Board of Directors, and then deliberated regarding the appointment of the CEO and other Executive Officers. Thus, governance is established in which the most suitable and best top-level managers execute business operations, based on a process in which objectivity and fairness are ensured.

In the role related to “remuneration,” the Executive Personnel Committee deliberates upon the evaluation standards and remuneration system for the CEO, Directors and Executive Officers. The Executive Personnel Committee also evaluates the performance of the Company and individuals based on contributions to medium- to long-term corporate growth and business performance for the said fiscal year, in order to deliberate upon the compensation linked to performance within the limits of total remuneration resolved at the General Meeting of Shareholders.

The current members are as follows:

Chairman:	Chairman and Representative Director	Katsuaki Watanabe
Committee member:	President and Representative Director	Yoshihiro Hidaka
Committee member:	Outside Director (Independent)	Takuya Nakata
Committee member:	Outside Director (Independent)	Takehiro Kamigama
Committee member:	Outside Director (Independent)	Yuko Tashiro
Committee member:	Outside Director (Independent)	Tetsuji Ohashi
Committee member:	Outside Director (Independent)	Jin Song Montesano

Supplementary Principle 4-11-1

A view of the overall balance in terms of knowledge, experience and ability, and of the diversity and size of the Board of Directors

Please refer to “Principle 3-1 (4) Board policies and procedures in the appointment of senior management and the nomination of Director and Audit & Supervisory Board Member candidates” of “Disclosure Based on the Principles of the Corporate Governance Code,” mentioned above in this report.

The skills possessed by each director and auditor are disclosed in the integrated report (pp63) and the notice of convocation as a skills matrix.

<https://global.yamaha-motor.com/jp/ir/integrated-report/integrated2021/>

https://global.yamaha-motor.com/ir/shareholder/meeting/pdf/2021/2021shm_notice_e.pdf

Supplementary Principle 4-11-2

Status of Directors and Audit & Supervisory Board Members who also serve as directors, etc., at other companies

Yoshihiro Hidaka (President and representative Director)
Outside Director of Yamaha Corporation

Takuya Nakata (Independent Outside Director)
Director, President and Representative Executive Officer of Yamaha Corporation
President of Yamaha Music Foundation

Takehiro Kamigama (Independent Outside Director)
Outside Director of OMRON Corporation
Outside Director of SoftBank Corp.
Outside Director of KOKUYO Co., Ltd.

Yuko Tashiro (Independent Outside Director)
Auditor (External) of McDonald’s Holdings Company (Japan), Ltd.
Director and Chairman of the board of Accordia Golf co., Ltd.

Tetsuji Ohashi (Independent Outside Director)
Chairman of the Board of Komatsu Ltd.
Vice Chair of KEIDANREN
Outside Director of Nomura Research Institute, Ltd.
Outside Director of Asahi Group Holdings, Ltd.

Jin Song Montesano (Independent Outside Director)
Director, Executive Officer, Executive Vice President, Human Resources and General Affairs, Public Affairs, External Affairs, and Corporate Responsibility, and Chief People Officer of LIXIL Corporation

Masatake Yone (Independent Outside Audit & Supervisory Board Member)
Outside Director (Audit & Supervisory Board Member) of Houlihan Lokey Corporation
Outside Corporate Auditor of BANDAI NAMCO Entertainment Inc.
Director (Outside) of Skymark Airlines Inc.
Senior Counsel of Mori Hamada & Matsumoto

Eriko Kawai (Independent Outside Audit & Supervisory Board Member)
Outside Director, Daiwa Securities Group Inc.
Professor Emeritus of Kyoto University
Outside Director of Mitsui Fudosan Co., Ltd.

Ayumi Ujihara (Independent Outside Audit & Supervisory Board Member)
Representative of Ayumi Ujihara CPA office
Advisory of Kagayaki Audit Corporation

Supplementary Principle 4-11-3

Disclosure of summary of analysis, evaluation and results regarding effectiveness of the Board of Directors

Yamaha Motor analyzes and evaluates for maintaining and enhancing the effectiveness of the Board of Directors as a whole on a yearly basis pursuant to “4-6. The Board Evaluation” of our “Corporate Governance Guidelines” and discloses a summary of the results thereof. A summary of the evaluation process and evaluation results for the fiscal year 2021 on under review is as follows.

<Evaluation process of the Board Effectiveness Evaluation>

As a bureau, Corporate Planning Division conducted the following process for Board Effectiveness Evaluation to all the Board members including Outside Directors and Outside Auditors.

- Conducted Board Effectiveness Self Evaluation Survey Questionnaire based on the 7 items necessary for future Board we aim.

(Evaluation items)

- ① Roles and responsibilities of the BOD
 - ② Relationships between the BOD and senior management (Executive Officers)
 - ③ Organizational design and composition of the BOD, etc.
 - ④ Qualification held and knowledge of Directors (the BOD) and the Audit and Supervisory Board Members (the Audit and Supervisory Board)
 - ⑤ Deliberation at the meeting of the BOD Meetings
 - ⑥ Relationships and dialogue with shareholders
 - ⑦ Dealing with stakeholders other than shareholders
- Confirm an improved situation compared with Board Effectiveness Evaluation result conducted in FY 2021 with support of a third party.
 - Share the results of the evaluation of effectiveness and deliberate in the issues to be addressed at the Board of Directors Meetings based on the results of analysis.

<Evaluation results of the Board effectiveness evaluation of current fiscal year>

Amid a significantly changing business environment, it was confirmed that the Board of Directors of the Company continued to proactively hold effective discussions and implement initiatives to realize the medium- to long-term enhancement of corporate value and sustainable growth, and its effectiveness had been sufficiently assured for achieving the long-term vision towards 2030.

As with the previous fiscal year it was highly evaluated that the Board of Directors of the Company in particular has duly respected opinions of Outside Directors and Audit & Supervisory Board Members (Outside) and an environment has been created in which open, constructive discussion and exchange of opinions are possible.

< Correspondence to recognized issues resulting of the Board effectiveness evaluation in the previous fiscal year >

In the previous fiscal year, the agenda items identified were “deepen discussions on the business portfolio”, “implement comprehensive discussion on sustainability”, “strengthen the supervision of the BOD with regard to the status of the prevalence of risk sensitivity on the frontline”, “continue initiatives to ensure diversity, including the BOD and Company management” and “issues related to the operation of the Board of Directors (further enhancement of communication opportunities between Outside Directors and internal Directors, hybrid meetings involving face-to-face meetings and online meetings, ideal communication opportunities, etc.)”.

In response, the Board of Directors started discussions related to portfolio management for appropriate distribution of management resources based on the business portfolio direction set in the Medium-Term Management Plan since 2022, and held periodic discussion on sustainability, bearing in mind an adherence

to the concept of Bad News First, we well as held discussions on the diversity of the company management, human resource training, and employee engagement and others.

As a result, although sufficient evaluations were obtained from the Self Evaluation Survey results conducted with questionnaires this time with regard to all agenda items, it was also confirmed that there is room for a further improvement and it was recognized that there is a need for continuous efforts.

<Issues for Further Enhancement of Board Effectiveness>

Based on the above analysis results, the Board of Directors of the Company recognizes the following points as issues and also sets agenda to discuss further at the Board of Directors meeting in the next fiscal year and seeks to resolve them in order to improve the effectiveness of the Board of Directors.

Issue① Deepen Discussion on the business portfolio

Issue② Implement comprehensive discussion on sustainability

Issue③ Strengthen the supervision of the BOD with regard to the status of the prevalence of risk sensitivity on the frontline

Issue④ Further enhancement of communication opportunities with Shareholders and understand their expectations

Issue⑤ Implement comprehensive and long-term discussion on HR Strategy

Issue⑥ Sufficient opportunities to develop knowledge and ability/Further enhancement of communication opportunities between Outside Executives and Internal Executives

Taking this evaluation result into account, we will continue to solve the issues that we found and improve Board Effectiveness by periodically utilizing independent organization.

<Introduction of effectiveness evaluation of the Audit & Supervisory Board>

- Purpose : To effectively and efficiently identify and share the issues recognized by the Audit & Supervisory Board members and their expectations through the evaluation of the effectiveness of the Audit & Supervisory Board, and discuss such tasks and expectations in a meeting to reflect them in the audit policy and plan for the next fiscal year. The effectiveness of the Audit & Supervisory Board members' audit will continue to increase by conducting this effectiveness evaluation every year.

- Evaluation method : Each Audit & Supervisory Board member responded to a Survey of the Evaluation of the Effectiveness of the Audit & Supervisory Board. To ensure the quality, objectivity, and adequacy of the survey, the survey is prepared (evaluation items were selected), based on external experts' opinions, to enable each Audit & Supervisory Board member to comprehensively evaluate and analyze the structure, framework, and implementation of the Audit & Supervisory Board. The survey results are compiled and analyzed by the Audit & Supervisory Board Members' Office and the evaluation results will be reported to Audit & Supervisory Board members.

- Evaluation results : Audits performed by the Audit & Supervisory Board members functioned well overall. The Audit & Supervisory Board members hold discussions to exchange opinions about recognized issues, based on the survey results, identified issues will be reflected in the next fiscal year's audit plan and aim to achieve more effective and efficient audits.

Supplementary Principle 4-14-2

Training for Directors and Audit & Supervisory Board Members

- (1) Directors and Full-time Audit & Supervisory Board Members are required to attend a third-party-hosted training program upon their appointment, to deepen their understanding of their respective duties and responsibilities, and corporate governance. The cost of attending this training is borne by the Company.
- (2) Opportunities for briefings and question-and-answer sessions concerning the status of corporate governance, trends in management, management issues, progress of the Medium-Term Management Plan, and other topics, are provided to candidates for Outside Directors and Outside Audit & Supervisory Board Members before their appointment to help them gain an understanding of the present situation regarding management and an awareness of issues. Then, after they have been appointed, they are given tours of worksites, including overseas bases, in order to deepen their understanding of the current situation regarding the Company and the Company's customers.
- (3) All Directors and Audit & Supervisory Board Members attend the Executive Discussion meeting held more than once a year. These committees provide opportunities to openly discuss and exchange opinions and information on Yamaha Motor's medium- to long-term management strategies and important management issues, through which they can mutually sharpen the management sense.

- (4) In order for the Company's Outside Directors and Audit & Supervisory Board Members to contribute actively to discussions of the Board of Directors, meetings are held on a regular basis so that Outside Directors can collect sufficient information without there being any effect on their independence, and meetings consisting only of Independent Outside Directors / Audit & Supervisory Board Members are held so that information can be exchanged and understanding can be shared in a mutual manner based on independent and objective perspectives.

Principle 5-1

Policies to promote constructive dialogue with shareholders

(1) Systems for managing dialogue with shareholders

To enhance dialogue with shareholders and investors, a division in charge of IR and SR has been set up within the Corporate Planning & Finance Center. The President and Representative Director serves as the responsible person in charge of dialogue, and the Director who manages corporate planning & finance serves as the officer in charge.

This dedicated division works in cooperation with divisions in charge of each theme to establish a structure that can provide beneficial information to shareholders and investors.

When shareholders and investors have personal requests, the President and Representative Director, Directors, Audit & Supervisory Board Members and Executive Officers interview them to the extent possible, taking into account factors including the purpose of the interview, the degree of importance and the party requesting the interview.

(2) Policies on collaboration with internal divisions, etc., assisting dialogue with shareholders

To engage in rational and smooth dialogue with shareholders and investors, the division in charge of IR and SR takes the initiative in collaborating with related divisions, sharing information and knowledge, examining the direction of dialogue, and preparing disclosure materials.

(3) Measures to enhance methods of dialogue other than individual interviews

Financial results briefing sessions are held on a quarterly basis for the press, analysts, and institutional investors. In addition, briefing sessions to explain Yamaha Motor's medium- to long-term management strategies, business operations and products, and other important topics, are held as necessary. We strive to carry out favorable communication with shareholders and investors overseas through various means including individual visits (including online meeting) and briefing sessions for overseas investors.

We endeavor to carry out comprehensible communication with individual investors through measures including participation in events sponsored by newspaper publishers and securities companies, briefing sessions for individual investors, and dedicated website pages for individual investors.

(4) Sharing information including opinions from shareholders with management

Opinions, inquiries, and other information obtained from shareholders and investors through dialogue is collected and sorted by the IR and SR Division, then shared with management and Directors (including Outside Directors). In addition, the officer in charge strives to share information with the Board of Directors, Executive Committee, and other individuals and committees as necessary.

(5) Insider information management

Yamaha Motor separately formulates disclosure policies on insider information management, based on which it fully enforces fair disclosure and takes appropriate actions. We refrain from having dialogue concerning financial results during the period between the day following of the end of each quarter and the date of the release of financial results ("silent period").

2. Capital Structure

Foreign Shareholding Ratio	30% or more
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[Status of Major Shareholders]

Name / Company Name	Number of Shares Owned	Percentage (%)
The Master Trust Bank of Japan, Ltd. (trust account)	63,627,900	18.81
Custody Bank of Japan, Ltd. (trust account)	24,867,300	7.35
Yamaha Corporation	15,642,790	4.62
Toyota Motor Corporation	12,500,000	3.70
SMBC Nikko Securities Inc.	12,302,300	3.64
NORTHERN TRUST CO. (AVFC) RE SILCHESTER INTERNATIONAL INVESTOR INTERNATIONAL VALUE EQUITY TRUST	7,228,200	2.14

JPMorgan Securities Japan Co., Ltd.	6,097,150	1.80
SSBTC client omnibus account	6,002,886	1.77
STATE STREET BANK WEST CLIENT-TREATY 505234	5,816,340	1.72
The Shizuoka Bank, Ltd.	5,649,508	1.67

Controlling Shareholder (except for Parent Company)	—
Parent Company	None

Supplementary Explanation

Notes:

1. In the Change Report Pertaining to the Report of Possession of Large Volume (No.1) which is available for public inspection as of November 19, 2021, it is stated that BlackRock Japan Co., Ltd. and its eight joint holders own 21,206,957 shares as of November 15, 2021. Although the Company has not been able to confirm the number of shares actually held as of December 31, 2022, they are not included in the above list of major shareholders.
2. Nomura Securities Co., Ltd. and its joint holders, Nomura Asset Management Co., Ltd., held 21,267,792 shares as of October 31, 2022, according to the Change Report Pertaining to the Report of Possession of Large Volume (No. 27) available for public inspection as of November 8, 2022. However, Yamaha Motor has not confirmed the actual number of shares held at the end of the fiscal year on December 31 of 2022 under review. Accordingly, they are not included in the above Status of Major Shareholders.
3. Sumitomo Mitsui Trust Bank, Limited and its joint holders, Sumitomo Mitsui Trust Asset Management Co., Ltd. and Nikko Asset Management Co., Ltd., held 20,981,200 shares as of November 30, 2022, according to the Change Report Pertaining to the Report of Possession of Large Volume (No. 32) available for public inspection as of December 6, 2022. However, Yamaha Motor has not confirmed the actual number of shares held at the end of the fiscal year on December 31 of 2022 under review. Accordingly, they are not included in the above Status of Major Shareholders.

3. Corporate Attributes

Listed Stock Market and Market Section	Tokyo Stock Exchange, First Section
Fiscal Year-End	December
Type of Business	Transportation Equipment
Number of Employees (consolidated) as of the End of the Previous Fiscal Year	More than 1000
Sales (consolidated) as of the End of the Previous Fiscal Year	More than ¥1 trillion
Number of Consolidated Subsidiaries as of the End of the Previous Fiscal Year	From 100 to less than 300

4. Policy on Measures to Protect Minority Shareholders in Conducting Transactions with Controlling Shareholder

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5. Other Special Circumstances Which May Have Material Impact on Corporate Governance

YAMAHA MOTOR ROBOTICS HOLDINGS CO., LTD is a listed subsidiary of Yamaha Motor, and Yamaha Motor respects the independence of this subsidiary's business operations.

II. Business Management Organization and Other Corporate Governance Systems regarding Decision-making, Execution of Business, and Oversight in Management

1. Organizational Composition and Operation

Organization Form	Company with Audit & Supervisory Board
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[Directors]

Maximum Number of Directors Stipulated in Articles of Incorporation	15
Term of Office Stipulated in Articles of Incorporation	One year

Chairperson of the Board	Chairman and Director
Number of Directors	10
Appointment of Outside Directors	Appointed
Number of Outside Directors	5
Number of Independent Directors	5

Outside Directors' Relationship with the Company (1)

Name	Attribute	Relationship with the Company*										
		a	b	c	d	e	f	g	h	i	j	k
Takuya Nakata	From another company							△	○	○		
Takehiro Kamigama	From another company								△			
Yuko Tashiro	From another company											
Tetsuji Ohashi	From another company								△			
Jin Song Montesano	From another company											

* Categories for "Relationship with the Company"

* "○" when the director presently falls or has recently fallen under the category;

"△" when the director fell under the category in the past

* "●" when a close relative of the director presently falls or has recently fallen under the category;

"▲" when a close relative of the director fell under the category in the past

a. Executive of the Company or its subsidiaries

b. Non-executive director or executive of a parent company of the Company

c. Executive of a fellow subsidiary company of the Company

d. A party whose major client or supplier is the Company or an executive thereof

e. Major client or supplier of the listed company or an executive thereof

f. Consultant, accountant or legal professional who receives a large amount of monetary consideration or other property from the Company besides compensation as a director/Audit & Supervisory Board Member

g. Major shareholder of the Company (or an executive of the said major shareholder if the shareholder is a legal entity)

h. Executive of a client or supplier company of the Company (which does not correspond to any of d, e, or f) (the director himself/herself only)

i. Executive of a company, between which and the Company's outside directors/Audit & Supervisory Board Members are mutually appointed (the director himself/herself only)

j. Executive of a company or organization that receives a donation from the Company (the director himself/herself only)

k. Others

Outside Directors' Relationship with the Company (2)

Name	Designation as Independent Director	Supplementary Explanation of the Relationship	Reasons for Appointment
Takuya Nakata	○	Yamaha Corporation, whose Director, President and Representative Executive Officer is Takuya Nakata, had been a major shareholder of the Company until December 2017. However, this is no longer the case, owing to the sale of a portion of the Company's shares by Yamaha Corporation 2017. The Company also has real estate leasing transactions, etc., with Yamaha Corporation. The amount paid by the Company to the said company was less than 2% of the said company's	The Company nominated Takuya Nakata as an Outside Director in the belief that he will provide the Company's management with valuable advice and supervision based on his wide range of insights and his ample experience in management as Director, President and Representative Executive Officer of Yamaha Corporation, by which the Company aims to increase the value of the Yamaha brand commonly used by both companies. He meets the requirements for independence stipulated by the Tokyo Stock Exchange, Inc. and the "Standards for Selecting Independent Outside Directors / Audit & Supervisory Board Members," and the Tokyo Stock Exchange, Inc, has been

		<p>net sales for the most recent fiscal year. As such, Mr. Nakata does not fall under “2. Major shareholders” or “3. Individuals in a ‘major customer’ relationship with our corporate group” in the Company’s “Standards for Selecting Independent Outside Directors / Audit & Supervisory Board Members.” The Company’s President and Representative Director, Yoshihiro Hidaka, concurrently serves as an Outside Director of Yamaha Corporation and therefore falls under “4. Individuals from companies that have accepted a director from the Yamaha Motor Group.” However, since both companies share the same Yamaha brand, both companies have an interactive relationship where increase in the brand value by the sustainable growth at either gives positive impact on the other, while conversely, impairment of the brand through violation of laws or lack of governance at either gives significant adverse impact on both companies, Mr. Nakata and has common interests with general shareholders regarding enhancement of the Company’s brand value, it was concluded that there is no conflict of interest with our general shareholders.</p>	<p>duly notified of his designation as an Independent Outside Director.</p>
Takehiro Kamigama	○	<p>Takehiro Kamigama was a mission executive of TDK Corporation, which Yamaha Motor procures parts for its products, but resigned in June 2021. In the most recent fiscal year, Yamaha Motor paid less than 2% of the corporation's consolidated net sales to the corporation. As such, since Mr. Kamigama does not fall under “3. Individuals in a ‘major customer’ relationship with our corporate group” in the Company’s “Standards for Selecting Independent Outside Directors / Audit & Supervisory Board Members,” it was concluded that there is</p>	<p>The Company nominated Takehiro Kamigama as an Outside Director in the belief that he will provide the Company’s management with valuable advice and supervision based on his wide range of insights and his ample experience in management and technology, through his experiences in various managerial positions, including as a representative director at a global company. He meets the requirements for independence stipulated by the Tokyo Stock Exchange, Inc, and the “Standards for Selecting Independent Outside Directors / Audit & Supervisory Board Members,” and the Tokyo Stock Exchange, Inc. has been duly notified of his designation as an Independent Outside Director.</p>

		no conflict of interest with our general shareholders.	
Yuko Tashiro	○	—	The Company nominated Yuko Tashiro as an Outside Director in the belief that she will provide valuable advice and supervision regarding the Company's management based on her wide range of insights and her ample experience of management based on her experiences in various managerial positions, including financial managers and the representative directors of several companies. She meets the requirements for independence stipulated by the Tokyo Stock Exchange, Inc. and the "Standards for Selecting Independent Outside Directors / Audit & Supervisory Board Members," and the Tokyo Stock Exchange, Inc. has been duly notified of her designation as an Independent Outside Director.
Tetsuji Ohashi	○	The company has product transactions with Komatsu Ltd., whose Chairman of the Board is Tetsuji Ohashi, but the amounts paid between the Company and said company each amount to less than 2% of the said company's consolidated sales in the most recent fiscal year. As such, since Mr. Ohashi does not fall under "3. Individuals in a 'major customer' relationship with our corporate group" in the Company's "Standards for Selecting Independent Outside Directors / Audit & Supervisory Board Members," it was concluded that there is no conflict of interest with our general shareholders.	The Company nominated Tetsuji Ohashi as an Outside Director in the belief that he will provide valuable advice and supervision regarding the Company's management based on his wide range of insights and his ample experience of management and manufacturing, through his experiences in various managerial positions, including the representative director of a global company. He meets the requirements for independence stipulated by the Tokyo Stock Exchange, Inc. and the "Standards for Selecting Independent Outside Directors / Audit & Supervisory Board Members," and the Tokyo Stock Exchange, Inc. has been duly notified of his designation as an Independent Outside Director.
Jin Song MONTESANO			The Company nominated Jin Song Montesano as an Outside Director in the belief that she will provide valuable advice and supervision regarding the Company's management based on her wide range of insights and her ample experience of management overall and in the areas of human resources, general affairs, public affairs, external affairs and corporate responsibilities, through her experiences in various management positions in corporate affairs of a global company. She meets the requirements for independence stipulated by the Tokyo Stock Exchange, Inc. and the "Standards for Selecting Independent Outside Directors / Audit & Supervisory Board Members," and the Tokyo Stock Exchange, Inc. has been duly notified of her designation as an Independent Outside Director.

Voluntary Establishment of Committee(s) Corresponding to Nomination Committee or Remuneration Committee	Established
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Committee's Name, Composition, and Attributes of Chairperson

	Committee Corresponding to Nomination Committee	Committee Corresponding to Remuneration Committee
Committee's Name	Executive Personnel Committee	Executive Personnel Committee
All Committee Members	7	7
Full-time Members	0	0
Inside Directors	2	2
Outside Directors	5	5
Outside Experts	0	0
Other	0	0
Chairperson	Inside Director	Inside Director

Supplementary Explanation

Yamaha Motor has established an Executive Personnel Committee, which is involved in nominations and remuneration, as a voluntary advisory body of the Board of Directors, to improve transparency and objectivity in appointments and dismissals of executives and determining their remuneration, among other objectives. To ensure the transparency of the deliberation process, as well as to ensure the objectivity and validity of matters reported to the Board of Directors' meetings, the majority of the members of the Executive Personnel Committee consists of Outside Directors, and the meeting of the Executive Personnel Committee is held more than six times a year, in principle.

In the role related to "nominations," the Executive Personnel Committee deliberates upon the appointments and dismissals of the Chief Executive Officer (CEO), Directors, Audit & Supervisory Board Members and Executive Officers, as well as the selection of candidates for such senior management positions and their development plans, while confirming future management strategies and personnel requirements for putting them into practice, among other things.

As part of initiatives to strengthen governance, a system has been introduced for making judgements based on reviewing and assessing the operations of the CEO. More specifically, there is a round-table conference with the CEO headed by Outside Director, and through strategic dialogues with CEO, the conference carries out non-financial evaluations regarding matters including the status of operations of the individual in question as a top-level manager, based on looking at whether the individual in question has the qualities needed to serve as the CEO of the Company and is appropriately demonstrating such. The results are reported from the Executive Personnel Committee to the Board of Directors, and then a decision is made regarding the appointment of the CEO and other Executive Officers. Thus, governance is established in which the most suitable and best top-level managers execute business operations, based on a process in which objectivity and fairness are ensured.

In the role related to "remuneration," the Executive Personnel Committee deliberates upon the evaluation standards and remuneration system for the CEO, Directors and Executive Officers. The Executive Personnel Committee also evaluates the performance of the Company and individuals based on contributions to medium- to long-term corporate growth and business performance for the said fiscal year, in order to deliberate upon the compensation linked to performance within the limits of total remuneration resolved at the General Meeting of Shareholders.

The current members are as follows:

Chairman:	Chairman and Representative Director	Katsuaki Watanabe
Committee member:	President and Representative Director	Yoshihiro Hidaka
Committee member:	Outside Director (Independent)	Takuya Nakata
Committee member:	Outside Director (Independent)	Takehiro Kamigama
Committee member:	Outside Director (Independent)	Yuko Tashiro
Committee member:	Outside Director (Independent)	Tetsuji Ohashi
Committee member:	Outside Director (Independent)	Jin Song Montesano

[Audit & Supervisory Board Members]

Establishment of Audit & Supervisory Board	Established
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Maximum Number of Audit & Supervisory Board Members Stipulated in Articles of Incorporation	5
Number of Audit & Supervisory Board Members	5

Cooperation among Audit & Supervisory Board Members, Accounting Auditors and Internal Audit Departments

With respect to the relationship with Accounting Auditors, the Audit & Supervisory Board Members (including Outside Audit & Supervisory Board Members) receive the accounting auditor's report and audit its appropriateness in compliance with laws and regulations, and also cooperate with Accounting Auditors by exchanging information and opinions when necessary, among other means. With respect to the relationship with Internal Audit Departments, the Audit & Supervisory Board Members also receive reports concerning internal auditing plans and results. Through such cooperation, the Audit & Supervisory Board Members aim to achieve more effective and efficient audits.

Appointment of Outside Audit & Supervisory Board Members	Appointed
Number of Outside Audit & Supervisory Board Members	3
Number of Independent Audit & Supervisory Board Members	3

Outside Audit & Supervisory Board Members' Relationship with the Company (1)

Name	Attribute	Relationship with the Company*												
		a	b	c	d	e	f	g	h	i	j	k	l	m
Masatake Yone	Lawyer										○			
Eriko Kawai	University Professor													
Ayumi Ujihara	Certified Public Accountant													

* Categories for "Relationship with the Company"

* "○" when the director presently falls or has recently fallen under the category;

"△" when the director fell under the category in the past

* "●" when a close relative of the director presently falls or has recently fallen under the category;

"▲" when a close relative of the director fell under the category in the past

a. Executive of the Company or its subsidiary

b. Non-executive director or accounting advisor of the Company or its subsidiaries

c. Non-executive director or executive of a parent company of the Company

d. Audit & Supervisory Board Member of a parent company of the Company

e. Executive of a fellow subsidiary company of the Company

f. A party whose major client or supplier is the Company or an executive thereof

g. Major client or supplier of the Company or an executive thereof

h. Consultant, accountant or legal professional who receives a large amount of monetary consideration or other property from the Company besides compensation as an Audit & Supervisory Board Member

i. Major shareholder of the Company (or an executive of the said major shareholder if the shareholder is a legal entity)

j. Executive of a client or supplier company of the Company (which does not correspond to any of f, g, or h) (the Audit & Supervisory Board Member himself/herself only)

k. Executive of a company, between which and the Company's outside directors/Audit & Supervisory Board Members are mutually appointed (the Audit & Supervisory Board Member himself/herself only)

l. Executive of a company or organization that receives a donation from the Company (the Audit & Supervisory Board Member himself/herself only)

m. Others

Outside Audit & Supervisory Board Members' Relationship with the Company (2)

Name	Designation as Independent	Supplementary Explanation of	Reasons for Appointment
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	Audit & Supervisory Board Member	the Relationship	
Masatake Yone	○	<p>The Company has Transactions such as outsourcing contracts with Mori Hamada & Matsumoto Law Firm, where Mr. Yone is employed. The amount paid by the Company to the said company was less than 2% of the said company's net sales for the most recent fiscal year.</p> <p>As such, since Mr. Yone does not fall under "5. Individuals with a vested interest in the Yamaha Motor Group" in the Company's "Standards for Selecting Independent Outside Directors / Audit & Supervisory Board Members," it was concluded that there is no conflict of interest with our general shareholders.</p>	<p>The Company nominated Masatake Yone as an Outside Audit & Supervisory Board Member in the belief that he will contribute to strengthen Company's audit function and establishing governance system. Based on his extensive expertise as an attorney and his ample experience and wide range of insights as an Outside Director / Audit & Supervisory Board Member at corporations he is performing his duty as the Company's Outside Audit & Supervisory Board Members since taking office as an Audit & Supervisory Board Member. He meets the requirements for independence stipulated by the Tokyo Stock Exchange, Inc. and the "Standards for Selecting Independent Outside Directors / Audit & Supervisory Board Members," and the Tokyo Stock Exchange, Inc. has been duly notified of his designation as an Independent Outside Audit & Supervisory Board Member.</p>
Eriko Kawai	○	—	<p>The Company has nominated Eriko Kawai as an Outside Audit & Supervisory Board Member in the belief that she will contribute to strengthen Company's audit function and establishing governance system. In addition to her abundant experience at international companies and international organizations, based on her experience and track record as an Outside Director/Audit & Supervisory Board Member at corporations, and high level of expertise regarding finance and accounting, she is performing her duties for Company's audits as an Outside Audit & Supervisory Board Member of the Company since taking office as an Audit & Supervisory Board Member. She meets the requirements for independence stipulated by the Tokyo Stock Exchange, Inc. and the "Standards for Selecting Independent Outside Directors / Audit & Supervisory Board Members," and the Tokyo Stock Exchange, Inc. has been duly notified of her designation as an Independent Outside Audit & Supervisory Board Member.</p>
Ayumi Ujihara	○	—	<p>The Company has nominated Ayumi Ujihara as an Outside Audit & Supervisory Board Member in the belief that she will contribute to strengthen Company's audit function and establishing governance system based on her highly specialized expertise and experience in the accounting field, such as engaging in international company auditing as a certified public accountant.</p>

[Independent Directors/Audit & Supervisory Board Members]

Number of Independent Directors/Audit & Supervisory Board Members	8
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Matters relating to Independent Directors/Audit & Supervisory Board Members
 All Outside Members of the Board of Directors / Audit & Supervisory Board Members that qualify as Independent Members of the Board of Directors / Audit & Supervisory Board Members have been designated as Independent Members of the Board of Directors / Audit & Supervisory Board Members

To evaluate the independence and objectivity of Outside Directors and Outside Audit & Supervisory Board Members, the Company has formulated “Standards for Selecting Independent Outside Directors / Audit & Supervisory Board Members,” based on the standards established by Tokyo Stock Exchange, Inc. for judging the independence of outside directors / audit & supervisory board members.

Summary of “Standards for Selecting Independent Outside Directors / Audit & Supervisory Board Members”

I . Independent Outside Directors / Audit & Supervisory Board Members may not be:

1. Employees or former employees of the company
2. Major shareholders
3. Individuals in a “major customer” relationship with our corporate group
4. Individuals from companies that have accepted a director from Yamaha Motor Group
5. Individuals with some other type of vested interest in the Group
6. Individuals who might have a conflict of interest with our general shareholders

Moreover, Independent Outside Directors / Audit & Supervisory may not have individuals who are second-degree relatives, or cohabiting relatives, of any of those mentioned above in 1 through 5.

II . Individuals, despite being applicable to any of the 2 to 5 above, may be elected as independent outside directors / audit & supervisory board members of the company if they, in view of their personality and insight, are believed suitable as independent outside directors / audit & supervisory board members of the company on the condition that the individuals meet the requirements of an outside director as required under the Companies Act, and that a public disclosure is made to explain the reasons for electing them as independent outside directors / audit & supervisory board members of the company.

As mentioned, the above is a summary of the “Standards for Selecting Independent Outside Directors / Audit & Supervisory Board Members.” For the full text, please visit our website, https://global.yamaha-motor.com/ir/governance/pdf/independent_en.pdf

[Incentives]

Incentive Policies for Directors	Performance-linked Remuneration / Other
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Supplementary Explanation

With regard to basic compensation and performance-based share remuneration for Directors of the Company, at the 87th Ordinary General Meeting of Shareholders held on March 23, 2022, an annual amount of basic compensation (fixed remuneration) up to ¥600 million (of which, the portion for Outside Directors is an annual amount of up to ¥200 million), remuneration of shares worth up to an annual amount of ¥600 million, and total number of shares to be granted at up to 300,000 shares per year have been resolved(the remuneration amounts for Directors do not include the employee salaries for Directors who also serve as employees.). With regard to performance-based bonus for Directors, at the 84th Ordinary General Meeting of Shareholders held on March 27, 2019, an annual amount of individual performance-based bonus up to ¥100 million, the whole-company performance-based bonus payable up to 0.5% of the net income attributable to owners of parent of the previous consolidated fiscal year are resolved. (Performance-based bonus does not apply to Outside Directors).

With regard to the total remuneration amounts for Audit & Supervisory Board Members of the Company, at the 87th Ordinary General Meeting of Shareholders held on March 23, 2022, an annual amount up to ¥200 million has been resolved as total remuneration amount.

Recipients of Stock Options	
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Supplementary Explanation

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[Director Remuneration]

Disclosure of Individual Directors' Remuneration	Selected Directors
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Supplementary Explanation

Performance-based share remuneration and other compensation and bonuses for the Company's Directors and Audit & Supervisory Board Members in fiscal 2022 are as follows.

(Millions of yen)

classification	Total	Total amount per type of remuneration				Number of applicable officers (Persons)
		Basic compensation	Performance-based bonus		Performance-based share remuneration	
			Whole-company performance-based bonus	Individual performance-based bonus		
Directors (Excluding Outside Directors)	818	255	367	40	154	7
Outside Directors	90	90	—	—	—	5
Audit & Supervisory Board Members (Excluding Outside Audit & Supervisory Board Members)	75	75	—	—	—	2
Outside Audit & Supervisory Board Members	38	38	—	—	—	2
Total	1,023	460	367	40	154	16

Notes:

1. The above amount of "Basic Compensation" is the total amount of remuneration, etc. (full monetary remuneration) paid in fiscal 2022.
2. The above includes two Directors who retired in during their terms of office.
3. The above amount of "Whole-company performance-based bonus" is the amount expected to be paid (full monetary remuneration) in April 2023 based on the results of business performance, etc. in fiscal 2022.
4. With regard to remuneration of shares, the Company grants shares of the Company's common stock (remuneration of shares with restriction on transfer) as remuneration of shares to Directors and Executive Officers (excluding foreign Executive Officers), excluding Outside Directors, on the condition that they do not transfer them until they retire their positions as officers from the Company based on existing system of remuneration of share with restriction on transfer without business performance conditions (hereafter "the old system"). However, based on the resolution of the 87th Annual General Meeting of Shareholders held on March 23, 2022, replacing the old system, the Company has introduced a performance-based share remuneration system, in which the number of shares is to be provided in conjunction with the Company's TSR (Total Shareholder Return) evaluation. In accordance with the policies of the Remuneration Regulations for Directors and Corporate Auditors and calculation methods, the above amount of "performance-based share remuneration" is the amount expected to be paid in April 2023 or later based on TSR evaluation in fiscal 2022 and so forth (the entire amount of monetary remuneration receivables claims to be paid in kind to receive the issuance or disposal of the Company's common stocks).

In the current fiscal year, the three-year average ROA was 9.5%. However, long-term debt that was urgently accumulated to cope with the impact of COVID19 pandemic is excluded from the calculation. The ROA evaluation factor was set at 1.75, in line with Remuneration Regulations for Directors and Corporate Auditors, based on an evaluation of overall business performance and the highest income for two consecutive years due to continuation of good business environment. Since the total amount of the Company-wide performance-linked bonus will be calculated as 150 billion yen if the consolidated net income exceeds 150 billion yen in accordance with the Remuneration Regulations for Directors and Corporate Auditors, the total amount of the Company-wide

performance-linked bonus for directors will be 150 billion yen of consolidated net income x a fixed percentage of 0.14% x the ROA evaluation coefficient of 1.75 = 367 million yen, which will be distributed to each director. In addition, individual performance-based bonuses were set after carrying out comprehensive evaluations regarding each Director while taking into consideration predetermined financial evaluation indicators and non-financial evaluation indicators.

Director or Audit & Supervisory Board Member received more than ¥100 million in aggregate remuneration and other compensation

Name	Total of aggregate remuneration and other compensation	Classification	Company classification	Remuneration amount (unit: yen)			
				Total of respective remunerations			
				Basic compensation	Company-wide performance-based bonus	Individual performance-based bonus	Performance based share remuneration
Katsuaki Watanabe	192,311,530	Director	Submitting company	74,136,000	83,100,000	-	35,075,530
Yoshihiro Hidaka	351,632,050	Director	Submitting company	80,640,000	190,610,000	-	80,382,050

The above information is disclosed in securities reports and business reports, and these reports are posted on the Company's website.

Policy on Determining Remuneration Amounts and Calculation Methods	Established
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Disclosure of Policy on Determining Remuneration Amounts and Calculation Methods

In order to ensure the appropriateness as well as the transparency and feasibility of the discussion process regarding determination policies for Directors' remuneration, determination will be made by the Board of Directors after discussion and reporting by the Executive Personnel Committee, an advisory body regarding nomination and remuneration which the Company has established voluntarily and which is composed of a majority of outside directors. In addition, the specific amounts of basic compensation for Audit & Supervisory Board Members are determined by discussion of Audit & Supervisory Board Members.

[Supporting System for Outside Directors and/or Audit & Supervisory Board Members]

When meetings of the Board of Directors are to be held, Executive Officers in charge or the secretariat explains the details of agenda items in advance to Outside Directors as necessary, while Full-time Audit & Supervisory Board Members do so for Outside Audit & Supervisory Board Members. In addition, the Management Discussion meeting is established to provide opportunities for Outside Directors and Outside Audit & Supervisory Board Members to have discussions on a regular basis with Executive Officers in charge of the execution of business operations, and its meetings are held after meetings of the Board of Directors.

In order for Outside Directors and Audit & Supervisory Board Members to contribute actively to discussions of the Board of Directors, meetings are held on a regular basis so that Outside Directors can collect sufficient information without affecting their independence, and meetings consisting only of Independent Outside Directors / Audit & Supervisory Board Members are held so that information can be exchanged and understanding can be shared in a mutual manner based on independent and objective perspectives. Furthermore, to enable Outside Directors and Audit & Supervisory Board Members to obtain necessary information and adequately communicate, coordinate, and mutually collaborate with management, the Audit & Supervisory Board Members' Office, which assists with the duties of the Company's Corporate Planning Division and Audit & Supervisory Board Members, takes action based on cooperation.

[Status of persons who retired as Representative Director and President, etc.]

Name	Position/title	Business Activities	Work status and conditions	Date of resignation by the president, etc.	Term of Office

Hiroyuki Yanagi	Adviser	Advice in response to our requests (non-management involvement)	Part-time, remuneration available	December 31, 2017	April 1, 2023-March 31, 2024 (renewed for one year)
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Total number of Adviser such as former president etc.	1
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<Other matters>

- Adviser provides advice, etc. at the request of the management based on one's experience and knowledge of the Company's management over the years.
- Adviser does not participate in any of the Company's management decision-making.
- The Board of Directors resolves the appointment of the Adviser based on the results of deliberations at the Executive Personnel Committee

2. Matters on Functions of Business Execution, Auditing, Oversight, Nomination and Remuneration Decisions (Overview of Current Corporate Governance System)

1. Composition of the Board of Directors and Audit & Supervisory Board

The Board of Directors and the Audit & Supervisory Board, which implement corporate governance, consist of five (5) Directors, five (5) Independent Outside Directors (two [2] of whom are female), two (2) Full-time Audit & Supervisory Board Members, and three (3) Independent Outside Audit & Supervisory Board Members (two [2] of whom are female). Of the fifteen (15) Directors and Audit & Supervisory Board Members in total, eight (8) are Independent Outside Directors / Audit & Supervisory Board Members. From the viewpoint of maintaining an overall balance in terms of knowledge, experience and ability, and in consideration of diversity and size, the composition of the Board of Directors and Audit & Supervisory Board are defined as follows:

1. The Articles of Incorporation stipulate the number of Directors to be up to fifteen (15), and the number of Audit & Supervisory Board Members to be up to five (5).
2. Regardless of gender, age, nationality or any attributes, executives must adequately understand the viewpoints and standpoints of various stakeholders including shareholders, and must have long-term visions, abundant experience, extensive insight, and a high degree of expertise in addition to appropriate human characteristic elements such as ethical views and fairness.
3. Directors of the Company shall be three (3) individuals specializing in manufacturing, technology, and research and development, one (1) individual specializing in marketing and sales, and one (1) individual specializing in finance, for a total of five (5) individuals, of whom four (4) individuals shall be individuals with global experience who can deal with the diversity of customers' special characteristics, products, business operations and functions, as well as global aspects of markets.
4. Outside Directors shall be two (2) individual specializing in manufacturing, technology, and research and development, one (1) individual specializing in marketing and sales, one (1) individual specializing in finance, and one (1) individual specializing in Human Resources, Labor, and Personnel Development, for a total of five (5) individuals. All of them shall be individuals with global experience who have wide range of insights and professional insight in corporate management and provide the Company's management with valuable advice and supervision from their independent and objective perspectives.
5. Full-time Audit & Supervisory Board Members shall be two (2) individuals who have abundant experience and insight in fields such as human resources, or legal, as well as management control, and shall handle different management control fields. Outside Audit & Supervisory Board Members shall be three (3) individuals with ample experience at an international company or international organization as well as abundant experience, wide range of insights, and a high level of expertise regarding finance, accounting, and legal affairs as an Outside Director / Audit & Supervisory Board Member for a corporation, and shall audit the legality and appropriateness of the Company's management from their independent and objective perspectives.

2. Roles of the Board of Directors

To ensure the implementation of the Company's growth strategies for the future, the Board of Directors establishes an environment that supports management's appropriate risk-taking and decisive decision making activities. In addition, the Board of Directors multilaterally understands and appropriately oversees issues and risks associated with the execution of management strategies from the viewpoint of fulfilling its responsibilities

to various stakeholders including shareholders and investors. We acknowledge that these tasks are their roles in supporting the Company's sustainable growth and enhancement of its corporate and brand value.

To ensure prompt execution of business operations, the Board of Directors appoints Executive Officers and delegates matters related to execution of business operations to them. In accordance with the policies outlined above, matters to be judged and determined by the Board of Directors and matters to be delegated to Executive Officers are as follows:

1. Matters to be judged and determined by the Board of Directors

- Determining matters provided for in laws and regulations and the Articles of Incorporation
- Overseeing the execution of Directors' duties
- Determining strategies and policies
- Determining Corporate Philosophy, Code of Ethics, Basic Policies on Internal Control, Basic Policies on Sustainability, Governance Policies on the Yamaha brand, Long-term Management Visions, Medium-Term Management Plan, etc.
- Overseeing execution of business operations

Oversight of the implementation of business portfolio strategies, approval of annual management plans, approval of financial statements, oversight of the status of the execution of duties, approval of internal auditing plans, oversight of the status of the development of systems based on Basic Policies on Internal Control, the status of the addressing of issues related to sustainability, and the status of the development of risk management systems, etc.

2. Matters to be delegated to Executive Officers

- Matters related to the execution of business operations
Formulating business portfolio strategies and decision-making on the execution thereof, formulating the Medium-Term Management Plan, annual management plans and other plans and decision-making on the execution thereof, preparing the draft of financial results, formulating individual business strategies, decision-making on the execution of operations such as development, production and sales, addressing of issues related to sustainability, developing risk management systems, and other related matters
- Other matters delegated by the Board of Directors, excluding matters to be judged and determined by the Board of Directors

3. Executive Personnel Committee

Yamaha Motor has established an Executive Personnel Committee, which is involved in nominations and remuneration, as a voluntary advisory body of the Board of Directors, to improve transparency and objectivity in appointments and dismissals of executives and determining their remuneration, among other objectives. To ensure the transparency of the deliberation process, as well as to ensure the objectivity and validity of matters reported to the Board of Directors' meetings, the majority of the members of the Executive Personnel Committee consists of Outside Directors, and the meeting of the Executive Personnel Committee is held more than six times a year, in principle.

In the role related to "nominations," the Executive Personnel Committee deliberates upon the appointments and dismissals of the Chief Executive Officer (CEO), Directors, Audit & Supervisory Board Members and Executive Officers, as well as the selection of candidates for such senior management positions and their development plans, while confirming future management strategies and personnel requirements for putting them into practice, among other things.

As part of initiatives to strengthen governance, a system has been introduced for making judgements based on reviewing and assessing the operations of the CEO. More specifically, there is a round-table conference with CEO headed by Outside Director, and through strategic dialogues with CEO, the conference carries out non-financial evaluations regarding matters including the status of operations of the individual in question as a top-level manager, based on looking at whether the individual in question has the qualities needed to serve as the CEO of the Company and is appropriately demonstrating such. The results are reported from the Executive Personnel Committee to the Board of Directors, and then a decision is made regarding the appointment of the CEO and other Executive Officers. Thus, governance is established in which the most suitable and best top-level managers execute business operations, based on a process in which objectivity and fairness are ensured.

In the role related to "remuneration," the Executive Personnel Committee deliberates upon the evaluation standards and remuneration system for the CEO, Directors and Executive Officers. The Executive Personnel Committee also evaluates the performance of the Company and individuals based on contributions to medium- to long-term corporate growth and business performance for the said fiscal year, in order to

deliberate upon the compensation linked to performance within the limits of total remuneration resolved at the General Meeting of Shareholders.

The current members are as follows:

Chairman:	Chairman and Representative Director	Katsuaki Watanabe
Committee member:	President and Representative Director	Yoshihiro Hidaka
Committee member:	Outside Director (Independent)	Takuya Nakata
Committee member:	Outside Director (Independent)	Takehiro Kamigama
Committee member:	Outside Director (Independent)	Yuko Tashiro
Committee member:	Outside Director (Independent)	Tetsuji Ohashi
Committee member:	Outside Director (Independent)	Jin Song Montesano

4. Audit & Supervisory Board Members and the Audit & Supervisory Board

The Audit & Supervisory Board Members are made up of two (2) Full-time Audit & Supervisory Board Members and three (3) Independent Outside Audit & Supervisory Board Members. On the basis of fiduciary responsibilities to shareholders, Audit & Supervisory Board Members and the Audit & Supervisory Board, as a body independent from the Board of Directors, request the Company and its subsidiaries to submit reports on their business activities in accordance with laws and regulations, survey the status of business operations and property, exercise rights in respect of appointing or dismissing an External Accounting Auditor and audit compensation, attend meetings of the Board of Directors and other important meetings, and provide opinions as needed. Through these tasks, Audit & Supervisory Board Members and the Audit & Supervisory Board audit the legality and appropriateness of Directors' execution of duties, internal control systems, and the performance and financial position of the Company and its subsidiaries. An Audit & Supervisory Board Members' Office, with a dedicated staff of three (3) persons, has been established to assist the Audit & Supervisory Board Members with their audit and supervisory operations. In principle, the Audit & Supervisory Board meets monthly, and additionally from time to time as necessary.

5. Executive Officers and Management Committee, etc.

The Company has thirty (30) Executive Officers (including Deputy Executive Officers), of whom four (4) serve concurrently as Directors. A Management Committee, comprising eight (8) Executive Officers with specific posts, has been established to deliberate on matters of business execution, speeding up the Company's decision-making process. In principle, the Management Committee meets at least monthly, and additionally from time to time as necessary.

In addition, a Global Executive Committee has been established to deliberate on important management policies and issues related to the Group's management. The Global Executive Committee includes the Representative Directors, all Executive Officers with specific posts, Audit & Supervisory Board Member, and senior local managers of major Group companies, and has forty-four (44) members, of whom twenty-six (26) are Japanese and eighteen (18) are non-Japanese. In principle, the Global Executive Committee meets at least once annually, and additionally from time to time as necessary.

6. Sustainability Committee

Sustainability Committee, comprising eight (8) Executive Officers with specific posts, has been established to address issues related to sustainability and deliberate measures related to risk management and compliance. The number of meetings for the Sustainability committee will be increased to five times annually from this year and additionally the meeting will be held from time to time as necessary.

7. Internal Auditing

The Integrated Auditing Division, with twenty-five (25) members and reporting directly to the President and Chief Executive Officer, has been established as an internal auditing sector to audit the appropriateness of operational activities at the Company and its subsidiaries. In addition, internal audit functions have been installed at major subsidiaries, working together with the Company's internal auditing sector to audit divisions and subsidiaries.

8. State of Audit

The Company has designated Ernst & Young ShinNihon LLC as the independent auditing firm with review responsibilities for Company audits. Certified Public Accountants who engaged in the certification of audit are as follows:

Noritada Aizawa	Designated Limited Liability and Engagement Partner
Daisuke Sumita	Designated Limited Liability and Engagement Partner
Katsuya Tanaka	Designated Limited Liability and Engagement Partner

The number of continuous years the Certified Public Accountants have served the Company is omitted because it is under seven (7) years for all of them.

Ernst & Young ShinNihon LLC has introduced a voluntary system for rotating engagement partners in its employ so that none exceeds a certain number of years in continuous service.

Support staff for the audit includes thirteen (19) Certified Public Accountants and forty-eight (45) other assistants.

9. Overview of Agreements That Limit Liabilities for Damages

The Company has entered into agreements with all Outside Directors and Audit & Supervisory Board Members, in accordance with the provisions of Paragraph 1 of Article 427 of the Companies Act, which limit these executives' liabilities (as specified in Paragraph 1 of Article 423 of the Companies Act) for damages. The upper limit of liability for damages in the agreements is the amount as specified by laws and regulations. The Company limits liabilities for damages charged to Outside Directors and the Audit & Supervisory Board Members only when they acted with goodwill and the liability did not arise because they committed serious negligence in executing their duties.

3. Reasons for Adoption of Current Corporate Governance System

Yamaha Motor supplies various kinds of products and services to markets around the world, including sensibility-focused personal mobility for individual customers' recreational purposes, user friendly and practicality-focused personal mobility for travelling and transportation purposes, marine products to be used for a wide range of applications from recreational to business purposes, industrial robots, automotive engines, and industrial unmanned helicopters for corporate customers business use.

Overseas sales account for approximately 90% of the Company's consolidated net sales. With the principal concept of developing and producing locally where the products are consumed, our development, procurement, production and sales and other activities have expanded worldwide.

To sustainably develop operational activities that are capable of flexibly responding to customer diversity, product diversity and the globally expanding market, we acknowledge that adequate risk-taking and decisive decision-making are necessary. We also place importance on multilaterally understanding and appropriately overseeing issues and risks associated with the implementation of management strategies.

We believe it is effective to structure a corporate governance system consisting of the Board of Directors, made up of Directors of the Company who are familiar with the Company's customer characteristics, products, business operations and functions and Outside Directors who have a wealth of knowledge in global corporate management, and the Audit & Supervisory Board whose members include Outside Audit & Supervisory Board Members with professional knowledge in areas including accounting, legal affairs, and management administration. Under this corporate governance system, Executive Officers are appointed to execute operational duties in a timely manner, and the Board of Directors delegates matters related to the execution of business operations to the Executive Officers.

III. Implementation of Measures for Shareholders and Other Stakeholders

1. Measures to Vitalize the General Shareholder Meetings and Smooth Exercise of Voting Rights

	Supplementary Explanations
Early Notification of General Shareholder Meeting	Yamaha Motor dispatches the notice of convocation three weeks prior to the date of the meeting.
Scheduling AGMs Avoiding the Peak Day	Yamaha Motor works to avoid the Peak Day.
Allowing Electronic Exercise of Voting Rights	Yamaha Motor enables shareholders to exercise voting rights through the Internet website
Participation in Electronic Voting Platform	Yamaha Motor participates in the electronic voting platform operated by ICJ, Inc.
Providing Convocation Notice in English	Yamaha Motor provides a summary of the notice of convocation in English on the Yamaha Motor's website and Tokyo Stock Exchange, Inc.'s website.
Other	<ul style="list-style-type: none"> • The notice of convocation (including reference documents) and attached documents are posted on Yamaha Motor's website and Tokyo Stock Exchange, Inc's website. • For those shareholders who were unable to attend the meeting, we provided video streaming of the meeting via Internet to observe the meeting and questions were accepted in advance of the meeting.

2. IR Activities

	Supplementary Explanations	Explanation by Representative
Preparation and Publication of Disclosure Policy	The disclosure policy is disclosed on Yamaha Motor's website. Japanese : https://global.yamaha-motor.com/jp/ir/policy/ English : https://global.yamaha-motor.com/ir/policy/	
Regular Investor Briefings for Individual Investors	Yamaha Motor endeavors to carry out comprehensible communication with individual investors through measures including holding briefing sessions for individual investors (including online company briefing sessions) and setting up dedicated website pages for individual investors on the Yamaha Motor website.	No
Regular Investor Briefings for Analysts and Institutional Investors	Financial results briefing sessions are held when financial results are released. The Representative Director and President explains the second quarter and year-end financial results, while other Directors explain the first quarter and third quarter financial results. In addition, small meetings are held by the Outside Directors.	Yes
Regular Investor Briefings for Overseas Investors	Representative Directors or Director in charge provides direct explanations on a yearly basis in order to engage in constructive dialogue for enhancement of corporate value, including the purpose of promoting exercise of voting rights. Executive Officers and Investor Relations officers in charge participate in conferences held by security companies as necessary to communicate with a diverse range of institutional investors about management policies and business performance. Even in situations where it is difficult to travel overseas due to the spread of the COVID19 infection, meetings are held without difficulty by utilizing online tools. Furthermore, English-language briefing documents and English-language briefing videos regarding financial statements are posted on the Yamaha Motor website.	Yes
Posting of IR Materials on Website	Videos and presentation materials of financial results briefing sessions; securities reports, business results, integrated report and other materials for investors; the notice of convocation of the General Meetings of Shareholders and other materials for shareholders; as well as legal public notices and other notices are posted on Yamaha Motor's website for the convenience of shareholders and investors. IR Library (Japanese) : https://global.yamaha-motor.com/jp/ir/library/report/ IR Library (English) : https://global.yamaha-motor.com/ir/library/report/	
Establishment of Department and/or Manager in Charge of IR	A dedicated department has been established in the Corporate Communication Division to engage in the planning and promotion of IR activities.	
Other	In addition to the above, individual interviews are given to analysts and institutional investors (direct interviews and telephone interviews at the corporate headquarters and in Tokyo, etc.).	

3. Measures to Ensure Due Respect for Stakeholders

	Supplementary Explanations
Stipulation of Internal Rules for Respecting the Position of Stakeholders	While promoting the management principles "creating value that surpasses customer expectations," "establishing a corporate environment that fosters self-esteem," and "fulfilling social responsibilities globally," Yamaha Motor formulates policies on social responsibilities for each stakeholder, namely, customers, employees, business partners, the environment, the community, and shareholders and investors in the Basic Policies on Sustainability.

	The Corporate Governance Guidelines present the view that we need to be well aware that our sustainable growth and medium- to long-term enhancement of corporate value are greatly supported by the resources and efforts provided by all stakeholders, namely, customers, employees, business partners, communities, the greater society, and the global environment that interact with Yamaha Motor worldwide.
Implementation of Environmental Activities, CSR Activities, etc.	Yamaha Motor Group has signed the United Nations Global Compact as an expression of participation in the creating of global frameworks for the realization of sustainable growth, and has been working on solving important social issues such as “environment and resources,” “transportation and industry,” and “human capital management” and others in order to contribute to the achievement of Sustainable Development Goals (SDGs). In particular, in the area of environmental conservation activities, we have established the Environmental Plan 2050 and are working in the areas of climate change, resource recycling, biodiversity, and management to achieve carbon neutrality in Scope 1 and 2 by 2035 and in Scope 3 by 2050. Going forward, we will introduce these measures, report on their progress, and so on for stakeholders. Specific content in this regard will be disclosed on the Yamaha Motor website.
Development of Policies on Information Provision to Stakeholders	Yamaha Motor formulates basic policies on information disclosure in the Information Disclosure Regulations as follows for the purpose of fulfilling its duty of accountability so that stakeholders can appropriately understand and evaluate the Company and stakeholders can make decisions appropriately. (1) We strive to promptly disclose information concerning matters related to the lives and safety of customers and matters affecting local communities. (2) We disclose information required to be disclosed by laws and regulations and rules of Tokyo Stock Exchange, Inc. in an accurate, fair, timely and appropriate manner. (3) With respect to information not specified in laws, we strive to voluntarily disclose information deemed necessary from the standpoint of social responsibility.

IV. Matters Related to the Internal Control System

1. Basic Views on Internal Control System and the Progress of System Development

<p>1. Systems to ensure the Directors compliance with acts, regulations and the Company’s Articles of Incorporation</p> <ul style="list-style-type: none"> • The Board of Directors shall supervise Directors in the implementation of their responsibilities, to ensure that they exercise the duty of care and duty of loyalty to the standard of good administrators. The Board is also charged with ensuring that all Directors’ activities are lawful. • Audit & Supervisory Board Members, in accordance with the criteria and methodology established by the Audit & Supervisory Board, shall audit the business conduct of the Directors. • The Company shall maintain a robust posture against antisocial forces that threaten the order and safety of civil society. The Company shall reinforce this commitment in its Code of Ethics. • The Company shall form such organizations and develop such rules as necessary to ensure the maintenance of appropriate financial information, and prepare and release reliable financial statements. <p>2. Maintenance and administration of information concerning the business conduct of Directors</p> <ul style="list-style-type: none"> • Documents and other forms of information on the business conduct of Directors shall be prepared, maintained and administered appropriately by establishing and operating necessary arrangement involving internal regulations. • Confidential information including documents and other forms of information on the business conduct of Directors shall be handled appropriately by establishing and operating necessary arrangement involving internal regulations. • The Company shall form such organizations and develop such rules as necessary to ensure timely and appropriate disclosure of significant company information. <p>3. Rules relating to risk control against loss</p> <ul style="list-style-type: none"> • The Company shall establish a Sustainability Committee as an organization carrying out deliberation on its risk management measures, and shall establish a risk management supervising section for developing regulations concerning risk management of the Company and its subsidiaries, conducting risk assessment and structuring system for monitoring the risk management. • Control of each serious risk factor shall be assigned to a specific section, which shall work to mitigate the risk factor for which it is responsible. • The Company shall develop and operate internal regulations, etc. as necessary to ensure integrated control of individual departmental risk management activities.

- If a serious crisis arises, an Emergency Countermeasures Headquarters shall be established as provided in the internal regulations, etc. with the President and Chief Executive Officer as its head, in order to minimize damage and negative impact from the event.
4. Systems to ensure efficient execution of Directors' duties
 - The authority and responsibilities of the Board of Directors, President and Chief Executive Officer and sector heads, and the system for transferring authority between them, shall be better defined by strengthening Board of Directors Rules, Decision-making Rules and other important rules.
 - Resolutions to be proposed at the Board of Directors' meetings shall first be subject to deliberation by the Management Committee and other committees to ensure they are appropriate and meet procedural criteria for subsequent deliberation by the Board of Directors.
 - After the Medium-term Management Plan and the budget for the fiscal year are formulated, management control systems such as a "management by objectives system" shall be established to achieve the plan's goals and targets.
 5. Systems to ensure employee compliance with acts, regulations and the Company's Articles of Incorporation
 - The Company shall establish the Sustainability Committee as an organization carrying out deliberation on its compliance measures, and shall establish a compliance supervising section for enhancing and educating its Code of Ethics to the Company and its subsidiaries.
 - The Company shall establish an internal reporting hotline in a third-party organization outside of the Company which enables one to directly report on any unlawful act, or the possibility of illegal or improper activity that could damage trust and confidence in the Company, which directly informs Audit & Supervisory Board Members and the President and Chief Executive Officer concerning such report.
 - The Company shall maintain a robust posture against antisocial forces that threaten the order and safety of civil society. The Company shall reinforce this commitment in its Code of Ethics.
 - The Company shall form organizations and develop rules necessary to ensure the maintenance of appropriate financial information, and prepare and release reliable financial statements.
 6. Systems to ensure that the Yamaha Motor Group (composed of the Company and its subsidiaries) conducts business appropriately
 - The Company's Group Companies Management Rules and Decision making Rules shall be established that define the controlling sectors in charge of supervising each subsidiary, and the authority, responsibilities and management methods of subsidiaries.
 - In order to audit the appropriateness of operations of the Company and its subsidiaries, an internal auditing sector shall be established in the Company under the direct control of the President and Chief Executive Officer. An internal auditing function shall be established in major subsidiaries as well, and shall conduct audits of sections and subsidiaries collaborating with the internal auditing sector of the Company.
 - Each domestic subsidiary, in principle, shall have a Board of Directors and an Audit & Supervisory Board Member; overseas subsidiaries shall design the governing body in accordance with local laws.
 - At least one Director of each subsidiary, in principle, shall concurrently serve as a Director, Executive Officer, or employee of another company in the Group.
 - The section supervising financial reporting of the Company shall provide subsidiaries with guidance and education to ensure appropriateness of financial information.
 7. Systems to report to the Company on matters concerning the execution of duties at the Company's subsidiaries by Directors, employees who execute business, and any person in an equivalent position (Directors, etc.)
 - The Group Companies Management Rules of the Company stipulates that Directors, etc. of its subsidiaries must report to the Company on their financial status and other important information.
 - The Company shall request Directors, etc. of its significant subsidiaries to make a report on their business execution at the Management Committee meetings, etc. of the Company on a regular basis.
 8. Rules relating to risk management against loss by the Company's subsidiaries and other systems
 - The Company's risk management supervising section shall set out rules on managing risks of the Company and its subsidiaries, and establish a system to monitor the risk assessment and its implementation plans and results.
 - The Company's risk management supervising section shall provide subsidiaries with guidance and education with respect to risk management initiatives carried out by each subsidiary.
 - Standards of conduct shall be set out in the internal rules, etc. to allow the Company to promptly and adequately deal with significant issues about the Company and its subsidiaries when they arise and to minimize the damage from such issues.
 9. Systems to ensure efficient execution of duties by Directors, etc. of the Company's subsidiaries
 - Decision-making processes, responsibilities and authority shall be clarified by strengthening the Board of Directors Rules, Decision Making Rules and other important rules.

- The Group Medium-term Management Plan and the budget for the fiscal year shall be set out.
 - A common management control system shall be adopted by the Company and its subsidiaries.
 - Global Executive Committee meetings, comprising Executive Officers of the Company and its major subsidiaries, shall be held regularly to share information on the group management policy and deliberate on the policy to deal with important issues.
10. Systems to ensure that the execution of duties by Directors, etc. and employees of the Company's subsidiaries complies with acts, regulations and the Company's Articles of Incorporation
- The compliance supervising section of the Company shall enhance the Code of Ethics to be complied with by the Company and its subsidiaries, and shall provide subsidiaries with education on compliance.
 - The compliance supervising section of the Company shall provide subsidiaries with guidance and education in respect of compliance initiatives taken by each subsidiary.
 - The Company and its subsidiaries shall maintain a robust posture against antisocial forces that threaten the order and safety of civil society. The Company and its subsidiaries shall reinforce this commitment in their Code of Ethics.
 - The Company and its subsidiaries shall form organizations and develop such rules as necessary to ensure the maintenance of appropriate financial information, and prepare and release reliable financial statements.
 - The internal auditing sector of the Company shall work in collaboration with the internal auditing functions of its subsidiaries and perform audits on the system for compliance with acts and regulations of the subsidiaries.
 - Audit & Supervisory Board Members of the Company shall perform audits on the status of Directors' execution of duties, internal control, risk management, measures to deal with compliance, and asset management status, etc. of its subsidiaries in accordance with the criteria and methodology established by the Audit & Supervisory Board.
11. Employee to assist Audit & Supervisory Board Members
- An Audit & Supervisory Board Members' Office shall be established with a full-time employee dedicated to assisting the Audit & Supervisory Board Members in the execution of their duties.
12. Employee assisting Audit & Supervisory Board Members independence from Directors
- The internal rules provides that the authority to give instructions and orders to the employees assisting Audit & Supervisory Board Members shall be delegated to each Audit & Supervisory Board Member.
 - Any dismissal or personnel changes concerning the employee assisting Audit & Supervisory Board Members in the execution of their duties shall be approved by the Audit & Supervisory Board in advance.
13. Matters in respect of ensuring the effectiveness of instructions given by Audit & Supervisory Board Members to the employees assisting Audit & Supervisory Board Members
- No employee assisting Audit & Supervisory Board Members in the execution of their duties shall concurrently hold a post involving other business operations. The employee shall perform his or her duties under the direction of the Audit & Supervisory Board Members, whose opinions shall be taken into consideration in evaluating the employee.
14. Rules concerning Directors and employees reporting to the Audit & Supervisory Board Members
- Directors and employees shall report to Audit & Supervisory Board Members on malpractice and/or acts concerning the execution of duties by Directors or employees, fact which violates the law and the Company's Articles of Incorporation, and incidents that could cause the Company considerable damage, depending on the importance and urgency thereof.
 - Directors and employees shall report the following matters to the Audit & Supervisory Board Members periodically, or when necessary, at their request:
 - Establishment and operation of internal control systems, and related subjects
 - Results of internal audits conducted by the internal audit section
 - Operation of the internal reporting system, and receipt of reports
15. Rules to submit a report to Audit & Supervisory Board Members by the subsidiaries' Directors, Audit & Supervisory Board Members, employees who execute business, any other person in an equivalent position and employees or any person who received reports from aforementioned persons
- The subsidiaries' Directors, Audit & Supervisory Board Members, Executive Officers, employees, and any person who received reports from these persons shall report to the Company's Audit & Supervisory Board Members on malpractice and/or acts concerning the execution of duties by Directors and employees of the Company and its subsidiaries, fact which violates the law and the Company's Articles of Incorporation, and incidents that could cause the Company considerable damage, when they recognize that such facts are present, depending on the importance and urgency thereof.

- The subsidiaries' Directors, Audit & Supervisory Board Members, Executive Officers and employees and any person who received reports from these persons shall report to Audit & Supervisory Board Members of the Company, at their request, on the following matters on a regular basis or when needed.
 - Matters in respect of the business execution
 - Result of audits performed by Audit & Supervisory Board Members of the domestic subsidiaries
 - Result of internal audits performed by the Company's internal auditing sector
 - Status of compliance and risk management, etc.
16. Systems to ensure that any person who reports as described in the preceding paragraph will not receive any disadvantageous treatment due to such reporting
- The Company shall stipulate in its internal rules that any person who reports as described in the preceding paragraph will not receive any disadvantageous treatment due to such reporting.
17. Matters regarding the policy for handling expenses or liabilities incurred in relation to the procedures for the advance payment or reimbursement of expenses incurred during the execution of duties by Audit & Supervisory Board Members, and other expenses or liabilities incurred during execution of the said duties
- In order to pay expenses, etc. incurred in the course of the Audit & Supervisory Board Members' execution of duties, a certain amount of budget shall be allocated annually.
 - When requests such as payment of expenses in advance are made by Audit & Supervisory Board Members in accordance with Article 388 of the Corporation Act of Japan, payment of such expenses or liabilities shall be made or discharged in a prompt manner.
18. Other systems to ensure effective auditing by Audit & Supervisory Board Members
- The Representative Directors shall meet with the Audit & Supervisory Board Members periodically to exchange opinions.
 - Audit & Supervisory Board Members shall attend important meetings of bodies including the Management Committee, Sustainability Committee, and Executive Committee.
 - Any dismissal or personnel changes of internal audits sector Heads shall be approved by the Audit & Supervisory Board in advance.
 - The internal audit section shall explain its internal audit plan to Audit & Supervisory Board Members in advance.
 - The minutes of the Management Committee meeting and any other meetings as the Audit & Supervisory Board Members may specify shall be made available for their perusal. The Audit & Supervisory Board Members shall be granted similar access to any approved proposal memorandums they may specify.
 - Auditing assistance from outside experts shall be secured when deemed necessary by the Audit & Supervisory Board.

2. Basic Views on Eliminating Anti-Social Forces

• The Company maintains a robust posture against antisocial forces that threaten the order and safety of civil society and specifies the division responsible for reinforcing this commitment in its Code of Ethics while also collecting necessary information.

- The Company does not have any relations with criminal organizations or other antisocial forces and does not make payments to members of criminal organizations. This policy is disseminated to all officers and employees through internal notifications and in-house training.
- The Company is pushing ahead with measures such as verifying the attributes of the other party involved in the transaction when the transaction is suspected to support the activities of criminal organizations, and taking steps to ensure contracts can be immediately terminated in cases when the other party involved in the transaction is found to be an antisocial force.
- The Company cooperates with the Public Interest Incorporated Foundation established for the purpose of eliminating criminal organizations from society and its subordinate organization, the Antiviolence Promotion Council, and other specialized agencies and uses the latest information on antisocial forces provided by such organizations to raise the awareness of employees as required.

V. Other

1. Adoption of Anti-Takeover Measures

Adoption of Anti-Takeover Measures	Not Adopted
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2. Other Matters Concerning to Corporate Governance System

Overview of the Framework for Timely Disclosure

1. The Company's basic views on disclosure

The Company discloses information in compliance with its disclosure policy, as outlined below (presented in abstract form; the full text is available on the Company's website), and in accordance with the Timely Disclosure Regulations enacted by Tokyo Stock Exchange, Inc. The Company will also disclose information that does not fall under the Timely Disclosure Regulations immediately if the Company judges that such information is relevant to its investors and other stakeholders.

<<Disclosure Policy>>

(1) Disclosure Standards

Our disclosure is made in accordance with the Timely Disclosure Regulations (the "Regulations") enacted by Tokyo Stock Exchange, Inc. ("TSE").

The Regulations require timely disclosure when a decision, event or information regarding accounts settlement that affects investment judgments occurs, or when an inquiry is made by the TSE, or when a material change, suspension or discontinuation occurs on the contents of material corporate information which has already been disclosed.

It is also our policy to disclose, as much positively and fairly as possible, information that does not fall under the Regulations, such as the contents of announcements made at a meeting with institutional investors, in order to better meet investors' needs.

(2) Information Disclosure Method

Disclosure of information falling under the Regulations is publicized through the Timely Information Disclosure System (TDnet) offered by the TSE after prior explanation to the TSE in accordance with the Regulations. We post each piece of information publicized on TDnet on our Websites promptly. A substantial delay in such posting on our Websites may occur due to the particular circumstances of preparation of PDF files and other tools. In disclosing information beyond that required to be released under the Regulations, we are endeavoring to ensure that such information is provided as much precisely and fairly as possible to general investors.

2. Our internal system for timely disclosure

<<Internal Regulations>>

We have established the "Information Disclosure Regulations" with a view to fulfilling our duty of accountability by disclosing accurate company information to all stakeholders, and to ensuring the timely and appropriate information disclosure to promote understanding and facilitate proper evaluation of the Company. Based on the "Information Disclosure Regulations," all disclosed information is categorized by degree of importance in terms of its impact on corporate management and contents and disclosed through approval and disclosure procedures established according to the degree of importance. In addition, with regard to insider information, in order to prevent insider trading, we have established the "Code of Ethics" and "Regulations for Prevention of Insider Trading" and specified information management and regulation of trading of stocks, etc.

<<Timely Disclosure System>>

(1) Collecting of information

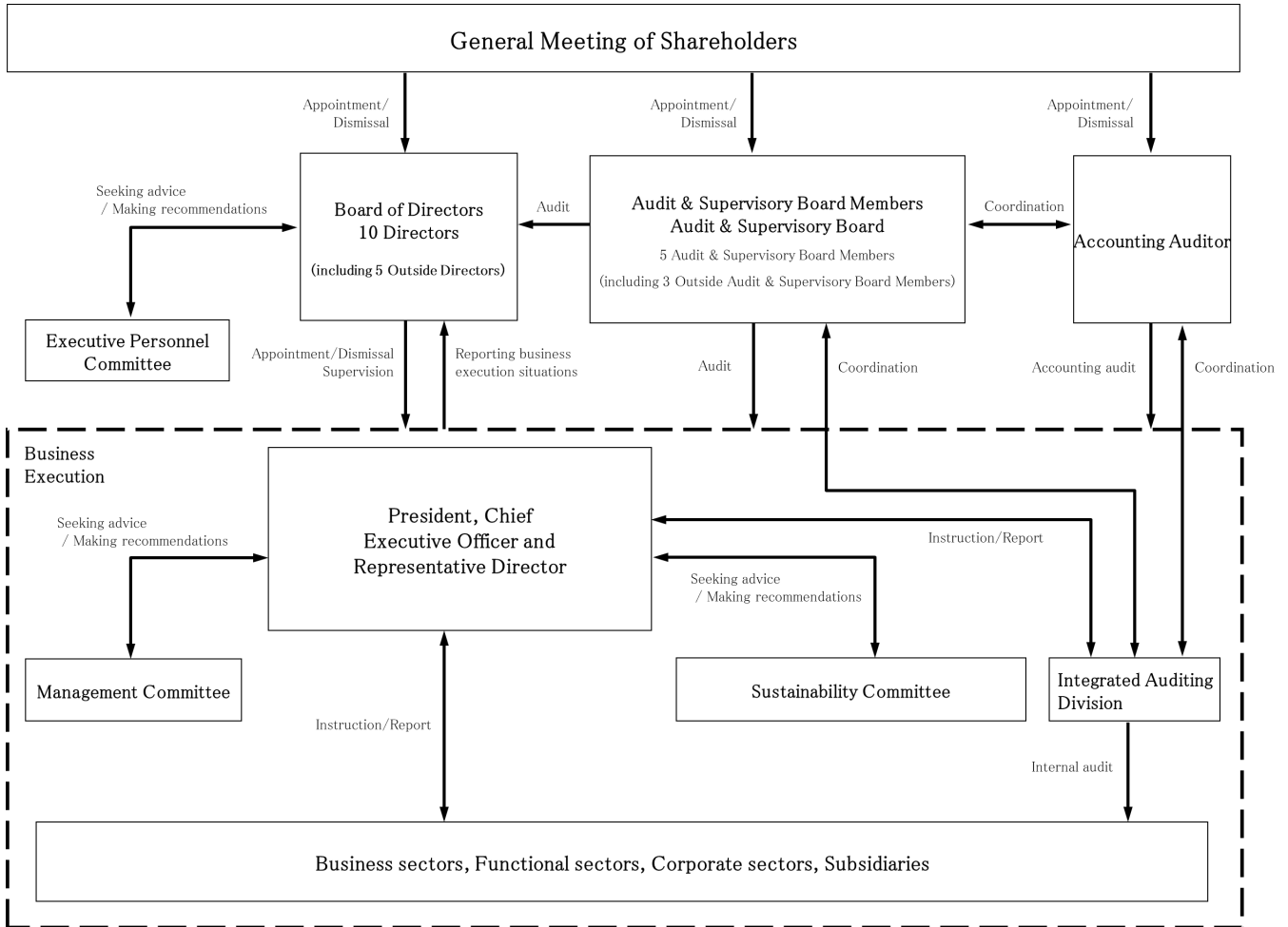
The divisions and the subsidiaries report the information that they have and disclose in a timely manner to the divisions in charge of timely disclosure (Corporate Planning Division, Finance & Accounting Division and Corporate Communication Division).

(2) Decisions on approval of disclosure and disclosure procedures

With respect to the information collected, the decision on timely disclosure and the method of disclosure are considered in accordance with rules of Tokyo Stock Exchange, Inc. and other relevant laws and regulations. Regarding information falling under timely disclosure items, the divisions in charge of timely disclosure (Corporate Planning Division, Finance & Accounting Division and Corporate Communication Division) promptly follows the disclosure procedure after reporting to Representative Directors and obtaining approval from the decision-making body.

(3) Internal control of information disclosure

The information management supervising division develops internal regulations for information disclosure control, monitors the status of implementation, and provides guidance as required based on the results thereof.



As of March 23, 2023

Internal system of timely disclosure

