



# Bridgestone At-A-Glance

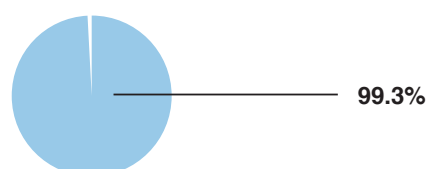
## Major Products and Operations

**Bridgestone, the world's largest tire and rubber company, was established in 1931 and is headquartered in Tokyo, Japan.**

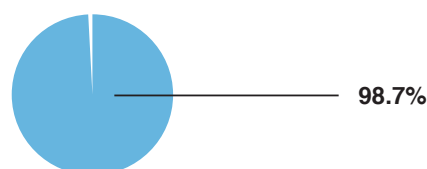
Bridgestone's main businesses include:

- Tires and tubes for passenger cars, trucks, buses, aircraft, construction and off-road mining vehicles, industrial and agricultural machinery, motorcycles, scooters and other vehicles;
- Automotive parts, retreading materials and services, automotive maintenance and repair services, certain raw materials for tires and other products;
- Diversified Products including chemical and industrial products, commercial building products and roofing materials, sporting goods, bicycles and other products; and,
- Solutions Business that is leveraging the potential for more tightly integrated elements of the Group's portfolio. The Group is working on new "solutions" service packages by combining maintenance services, IT/sensing technology, tires and diversified products to meet the needs of customers in mining, fleets and agriculture.

### Manufacturing facilities with ISO certification ISO 9001 Certified<sup>1,3</sup>

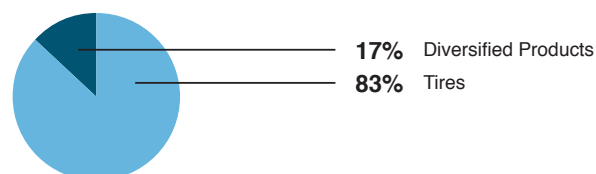


### ISO 14001 Certified<sup>1,4</sup>

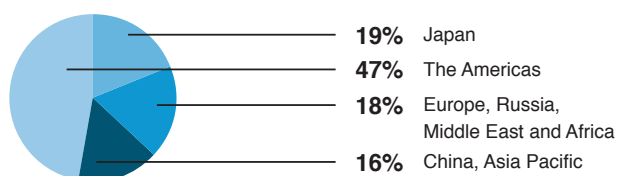


### Research and Development Investment<sup>1,2</sup> JPY 103.5 Billion/USD 932.8 Million

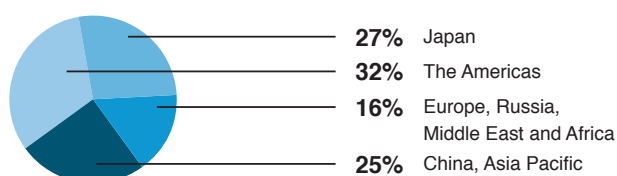
### 2018 Consolidated net sales<sup>1</sup> JPY 3,650.1 Billion/USD 32.883 Billion<sup>2</sup>



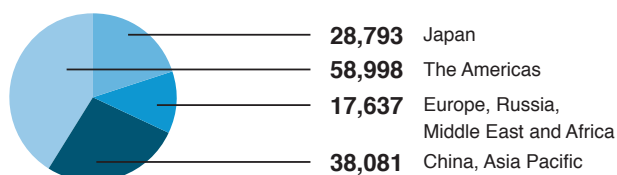
### 2018 Sales by Market<sup>1</sup> More Than 150 Countries



### 2018 Tire Production Volume (Tonnage of Rubber)<sup>1</sup> 1.86 Million Tonnes



### Employees<sup>1</sup> 143,509



<sup>1</sup> As of December 31, 2018.

<sup>2</sup> Based on the rate of ¥111.00 to \$1.00, the approximate year-end rate.

<sup>3</sup> 153 sites are targeted for ISO 9001 certification/152 sites are certified (99.3%). Bridgestone requires all manufacturing locations in which Bridgestone has 50% and more share ratio to achieve ISO 9001 certification.

<sup>4</sup> 156 sites are targeted for ISO 14001 certification/154 sites are certified (98.7%). Bridgestone requires all manufacturing locations with 50 employees or more to achieve ISO 14001 certification.

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## About this Report

This report covers the initiatives of the Bridgestone Group, which includes subsidiaries and affiliates around the world.

Throughout this report, Bridgestone or the “Company” refers to the Bridgestone Corporation, while “the Bridgestone Group” or “the Group” refers to all group companies.

**Bridgestone Corporation is the parent company of the Bridgestone Group, which includes the following Strategic Business Units (SBUs).**

- Bridgestone Americas (BSAM) including the United States, Canada, Latin America, the Caribbean and Liberia;
- Bridgestone China, Asia Pacific (BSCAP);
- Bridgestone Europe, Russia, Middle East and Africa (BSEMEA);

- Japan Tire; and,
- MAA (Mining, Aircraft, Agriculture) & Diversified Products Solutions Business.

This report primarily covers the 2018 calendar year, with some additional information from late 2017 and early 2019. In preparing the report, the Bridgestone Group referenced the Reporting Principles and all Disclosures of the Global Reporting Initiative (GRI) Standards, as well as the International Integrated Reporting Framework of the International Integrated Reporting Council. The Bridgestone Group’s most recent GRI-referenced Sustainability Report was published in 2018. The Group intends to continue publishing an annual Sustainability Report.

**Additional information on *Our Way to Serve* is available [online](#).**

# CEO Message



**Five decades ago, Bridgestone established its Mission, “Serving Society with Superior Quality,” and was also awarded the prestigious Deming Prize. These milestones are foundational to the company Bridgestone has become and aims to be.**

The year 2018 represented several significant milestones in the Bridgestone Group history—the 50th anniversary of the establishment of the Company’s Mission, “Serving Society with Superior Quality,” and the award of the prestigious Deming Prize that recognizes achievement in Total Quality Management—a truly remarkable accomplishment by the Company five decades ago. The past year also marked the 30th anniversary of the first step on Bridgestone’s path to globalization—the Firestone acquisition and merger that occurred in 1988.

These milestones were significant at the time because they were critical steps in defining the Group’s culture. They are even more important today because they are foundational to the Company Bridgestone has become and the global Company it aims to be.

Five decades ago, Bridgestone set out to achieve something bold; with it came huge responsibility. “Superior Quality” defines the Company’s aspiration to offer the best for customers and society, not only in terms of its products, services and technology, but in all of its corporate activities. “Serving Society” takes this commitment even further, addressing Bridgestone’s passion for improving the safety and lives of people everywhere. This dedication to addressing these societal responsibilities comes to life in the Group’s global corporate social responsibility (CSR) commitment, *Our Way to Serve*.

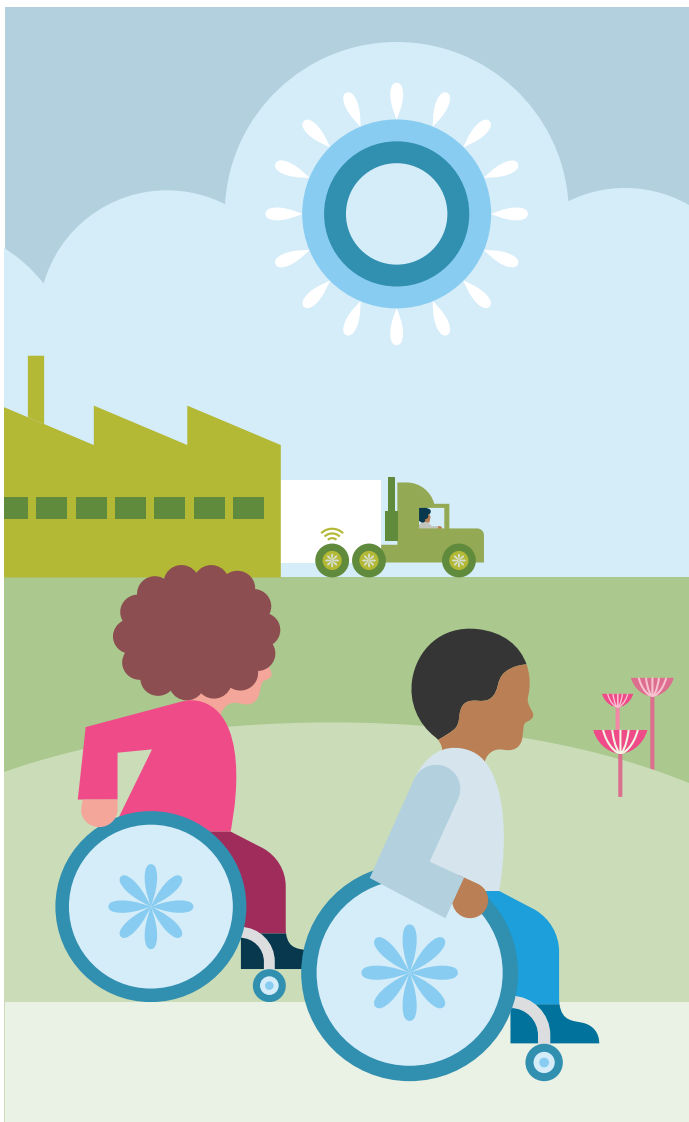
The Bridgestone Group introduced *Our Way to Serve* in 2017, focused around three Priority Areas: Mobility, People and Environment. These areas are supported by six Management Fundamentals that articulate the high expectations the Company has for operating as a responsible business. Management Fundamentals address Compliance, Business Continuity, Human Rights, Safety, Procurement and Quality.

To advance these Priority Areas and the Management Fundamentals, Bridgestone named a long-time senior executive to lead the Group’s sustainability strategy, engaging the Global Executive Committee members, Strategic Business Unit presidents, members of the Global CSR Enhancement Committee, Global Quality Management Committee and Bridgestone Group employees worldwide.

In 2018, the Bridgestone Group further operationalized *Our Way to Serve* when it:

- Implemented a Global Human Rights Policy reinforcing the Company’s commitment to responsible labor practices, including diversity and inclusion;
- Launched a Global Sustainable Procurement Policy outlining the Bridgestone Group’s expectations for an environmentally, socially and economically responsible supply chain; and,
- Introduced the global Code of Conduct articulating the high standards to which everyone at the Bridgestone Group holds themselves and each other accountable.

**The Bridgestone Group cannot achieve its management goal to be a truly global company and “Dan-Totsu,” or the leader in its industries, without also doing its part to ensure a healthy future for people and the planet.**



The Bridgestone Group’s work in Mobility, People and Environment is closely aligned with a number of key societal trends and issues. These include rapid urbanization, shifting trade relationships, exploding population in certain areas and aging population in others, depletion of natural resources, climate change and others. Equally important, the work is aligned with the Bridgestone Group’s business strategy. The Bridgestone Group cannot achieve its management goal to be a truly global company and “Dan-Totsu,” or the leader in its industries, without also doing its part to ensure a healthy future for people and the planet. To this end, the Company is especially proud of its collaborative work with other tire manufacturers as a member of the global Tire Industry Project (TIP) operated under the World Business Council for Sustainable Development. Together with other stakeholders, TIP members recently launched the Global Platform for Sustainable Natural Rubber to transform the natural rubber supply chain for the better.

Bridgestone is also excited to continue the Company’s long-term commitment to the Olympic and Paralympic Movements as an Official Worldwide Partner of both the International Olympic Committee and the International Paralympic Committee. These relationships connect the world’s largest tire and rubber company to the world’s largest sporting events, contributing to global efforts to build a better world through sports. They also provide exciting opportunities for Bridgestone to showcase its commitments to community service, diversity, environmental stewardship and sustainability—all tenets of the Olympic and Paralympic Movements that also lie at the heart of *Our Way to Serve*. We’re especially looking forward to the Olympic and Paralympic Games Tokyo 2020 in Bridgestone’s headquarters city.

These and other initiatives that showcase *Our Way to Serve* around the world are highlighted in this 2018-2019 Sustainability Report. All of us at the Bridgestone Group hope you—the Company’s employees, customers, shareholders, suppliers, government leaders, partners and others—enjoy learning more about these efforts.

**Masaaki Tsuya**

Chairman of the Board  
CEO and Representative Executive Officer

A handwritten signature in black ink, appearing to read 'M. Tsuya'.

# About Bridgestone

## Sustainability Recognitions

**In 2018, Bridgestone was named to two highly regarded environmental, social and governance (ESG) indices:**

- For the third consecutive year, Bridgestone was named to the [Dow Jones Sustainability World Index](#). The Company received the highest score in the Auto Components industry sector in the environmental dimension and the maximum score of 100 in the environmental assessment criteria for environmental reporting. Bridgestone also obtained the highest score in its sector for climate strategy in the environmental dimension.
- Bridgestone was selected as a constituent of the FTSE4Good Index Series that are designed to measure the performance of companies demonstrating strong environmental, social and governance (ESG) practices.

**In addition, Bridgestone self-reported its environmental data to CDP, the most comprehensive collection of self-reported environmental data in the world, and received the following scores:**

- Climate Change: A-
- Forests: Submitted, not scored
- Water Security: B



## Quality Recognitions

In 2018, Bridgestone and the Bridgestone Group received numerous regional customer quality awards. It is especially proud to have received two global customer quality awards, the General Motors Supplier of the Year and the Suzuki Best Partner Award.



# History

Following are key highlights in the Company's history.  
More information is available in the [History](#) section of the corporate website.

## Chapter 1: 1931

### Start-up

Shojiro Ishibashi founded the Bridgestone Tire Co., Ltd. in Kurume, Fukuoka, approximately one year after the first tire based solely on Japanese technology was produced

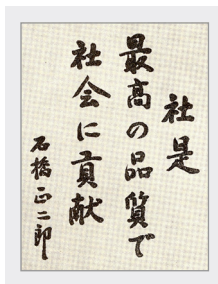


## 1930s–1950s

Bridgestone expanded rapidly, both domestically and internationally.

## 1961

Bridgestone was listed on the Tokyo Stock Exchange and Osaka Stock Exchange.  
The Company also adopted the Deming Plan of Total Quality Management (TQM).



## 1968

Bridgestone was awarded the prestigious Deming Prize for excellence in quality management. This same year, Shojiro Ishibashi authored the Company's current Mission—"Serving Society with Superior Quality"—that continues to drive the business today.

## Chapter 2: Modernization of Management

## 1970s

Bridgestone continued its expansion and built the Bridgestone Proving Grounds in Japan to ensure the quality of our products around the world.

## Chapter 3: 1988 Globalization

To further expand operations in North, Central and South America, as well as Europe, Bridgestone acquired the Firestone Tire & Rubber Company, transforming Bridgestone into the world's largest tire and rubber company.

## 2008

The Bridgestone Group Awards were launched to increase employee awareness of corporate activities based on the Bridgestone Corporate Philosophy, fostering a sense of unity among Group employees and recognizing accomplishments.



# History



**2010**

Bridgestone launched the annual Group Global TQM Conference to share and advance examples of innovation and continuous improvement across the organization.

**2011**

The Bridgestone Essence was refined to more clearly articulate the Company's Mission of "Serving Society with Superior Quality" and the four foundations that guide its work: integrity and teamwork; creative pioneering; decision-making based on verified, on-site observations; and decisive action after thorough planning.

**2013**

Bridgestone established the Global Executive Committee (Global EXCO) to propel the business forward and to ensure that the Bridgestone Essence is deployed consistently worldwide.

## Chapter 4: Journey to Become a Truly Global Company

Management goal: A truly global company/"Dan-totsu" in each and every aspect of the business



**2014**

Bridgestone became a Worldwide Olympic Partner.



**2015**

The Bridgestone Group completed the Bridgestone Essence Framework.

**2016**

- Bridgestone adopted the "Company with Nominating Committee, etc." model of corporate governance.
- Bridgestone was named to the Dow Jones Sustainability World Index for the first time.



**2018**

- The Bridgestone Group launched its Global Human Rights and Global Sustainable Procurement policies.
- The Group introduced its global Code of Conduct.
- Bridgestone was named to the FTSE4Good Index Series.
- Bridgestone became a Worldwide Paralympic Partner.



**2017**

The Bridgestone Group introduced *Our Way to Serve*, its global corporate social responsibility commitment.

## Our Way to Serve



# Corporate Governance

**In 2016, Bridgestone adopted a new corporate governance structure in accordance with Japan's "Company with Nominating Committee, etc." model. The company continues to enhance its governance structure and performance. This work is detailed in the [Report on Corporate Governance Code](#).**

In 2018, Bridgestone's progress focused on continuous improvements to the roles and responsibilities of the Board of Directors. The Board restructured its authority to focus more on formulating fundamental management policies and overall Company business strategy, senior-level personnel matters, internal control systems, and other appropriate high-level topics. In doing so, the Board delegated authority for other matters to the Company's operating divisions to best implement timely decision-making.

## Governance structure

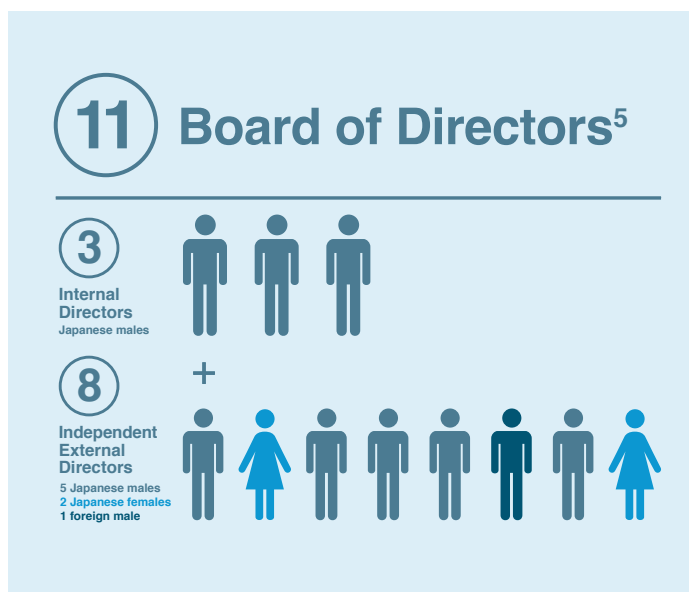
Bridgestone's Board of Directors is the Company's highest governing body. The Board is comprised of eight outside directors and three internal directors. Additional information on the Board of Directors is included in the [Annual Report](#).

Bridgestone Americas and Bridgestone EMEA have advisory boards of external members in order to promote the transparency and impartiality of the decision making process and effective corporate governance. Members of the EMEA external advisory board are Georg Pachta and Wolfgang Dehen. Bridgestone Americas' external advisory board members are William Harvey and Keith Nosbusch.

The CEO, COO and executive officers report to the Board of Directors and are ultimately responsible for Bridgestone's performance. In order to implement the most important strategic decisions of the Board with Group-wide implications, the Company has established a Global Executive Committee (Global EXCO) comprised of key executives from across the global organization that determines and oversees implementation of such policies and strategies. For more information, our governance structure is detailed and diagrammatically shown in the [Annual Report](#).

## CSR governance

The CEO is responsible for the Company's global CSR commitment, *Our Way to Serve*. An Executive Vice President and Executive Officer of Bridgestone Corporation leads the Company's CSR strategy, engaging Global Executive Committee members, Strategic Business Unit presidents, members of the Global CSR Enhancement Committee, Global Quality Management Committee and Bridgestone employees worldwide.



<sup>5</sup> As of April 1, 2019.

# External Director Interview



## Scott Trevor Davis, Ph.D. Independent Director Bridgestone Corporation

### An independent external director's view of CSR at the Bridgestone Group

#### **Fifty years ago, Bridgestone was awarded the prestigious Deming Prize. How has this significant milestone continued to shape the organization into the global business it is today?**

Five decades ago, pursuing something as significant as the Deming Prize was beyond ambitious. Achieving this enormous goal changed Bridgestone; it was literally reborn with a commitment to process and quality improvement that set the foundation for all it is capable of today. From the Deming Prize came the Bridgestone Group's Mission of "Serving Society with Superior Quality."

For non-Japanese speakers who can't read the original message of Bridgestone's founder, Shojiro Ishibashi, it is hard to comprehend the power of these words. They essentially say that whatever the Bridgestone Group does today has to be better than what it did yesterday, and that its plan for tomorrow has to be better than today. It is a true call to action that drives everyone at Bridgestone to represent quality in everything – in products, processes, partnerships, commitments and character.

The Bridgestone Essence and drive to win was strong in 1968. I see first-hand how the Group's commitment to quality is unwavering and differentiates it even more today. The Bridgestone Group is never satisfied with "good enough" and is constantly searching for better ways to deliver value for customers and society.

#### **The Bridgestone Group is now a little more than one year into its *Our Way to Serve* global CSR commitment. From the Board of Directors' perspective, how is the Group delivering for society?**

As a Board, we view the Bridgestone Group's CSR strategy as a long-term investment. And just like any strategic asset, its operation must be continually strengthened. *Our Way to Serve* is, in fact, another example of the Bridgestone Group's commitment to continuous improvement. This desire to continue advancing—to rise higher and perform better—is the core of the Bridgestone brand, its corporate governance and its global operations.

Important to note is that Bridgestone sits in the middle of the supply chain for many of its customers, which is a challenging place from which to drive a CSR strategy. However, the Group has made great progress and is focused on doing things well, recently introducing its new global Code of Conduct, as well as Global Human Rights and Global Sustainable Procurement policies. Issuing a policy is relatively easy, but the Group is also working unbelievably hard to ensure everyone internally has ownership of *Our Way to Serve*. This is extremely hard work for any organization, but especially difficult and critical for a company the size and scale of the Bridgestone Group.

#### **What information would you like to share with Bridgestone Group stakeholders around the world?**

The Bridgestone Group's commitment to contributing to the advancement of society cannot be overstated. In all of its business activities, the Group places great importance on how to best realize its Mission of "Serving Society with Superior Quality." After all, this Mission is the very reason Bridgestone exists. Its people have a clear idea of what can and should be done, and continue building processes to deliver on its commitments. It is also a key area of concern for the board and will continue to be so for as long as the Bridgestone Essence exists.

I am so proud to work with the Bridgestone Group and with privileged access to the company can say I'm even more proud of and excited about its pipeline and plans for the future. The world hasn't seen anything yet...the Bridgestone Group will never waiver from its aim to be better tomorrow than it is today.

Scott Davis has been an independent member of Bridgestone's Board of Directors since 2011. He is a professor in the Department of Business Administration at Tokyo's Rikkyo University, specializing in strategic management and corporate social responsibility (CSR). Dr. Davis is also an Outside Director of Sompo Holdings, Inc.

# Sustainability at Bridgestone


## Our Way to Serve

Created in 2017 and launched around the world, *Our Way to Serve*, the Bridgestone Group's corporate social responsibility (CSR) commitment, focuses on three Priority Areas—Mobility, People and Environment—that help improve the way people move, live, work and play.

These commitments are underpinned by six Management Fundamentals that articulate the high expectations the Group has for operating as a responsible business.






This work is closely aligned with the Bridgestone Group's Priority Issues for Management Reform, including cultivating a global corporate culture, developing human resources capable of global management, and upgrading the global management structure.

*Our Way to Serve* was developed by a Bridgestone team who utilized external consultants who referenced outside opinions, international guidelines and initiatives, and employee surveys to align stakeholder needs with societal challenges and issues facing the Group. *Our Way to Serve* Vision, Priority Areas and Management Fundamentals were reviewed by the Global Executive Committee and ultimately approved by the Board of Directors.

<b>Priority Areas</b> Where the Bridgestone Group can utilize its strengths and competencies to generate common value for customers and society through innovation and cutting-edge technology.		
<b>Mobility</b>	<b>People</b>	<b>Environment</b>
<div style="text-align: center;">  </div> <p>To accelerate sustainable mobility innovations through advanced technologies and solutions.</p> <p><b>Accessible Mobility</b> Making smooth and seamless mobility available.</p> <p><b>Smart Mobility</b> Utilizing unique technologies to improve the way people and goods move.</p> <p><b>Safe Transportation</b> Utilizing unique technologies to enhance safe mobility.</p>	<div style="text-align: center;">  </div> <p>Employ our strengths to support communities and enhance the way people live, learn and work.</p> <p><b>Contributing to a Safer Society</b> Building safer communities through services, products, and Company and individual initiatives.</p> <p><b>Accessible and Inclusive Education</b> Expanding education and training opportunities to develop job and life skills.</p> <p><b>Promoting Healthier Communities</b> Promoting access to the resources people need to lead healthier lives.</p>	<div style="text-align: center;">  </div> <p>To help ensure a healthy environment for current and future generations...</p> <p><b>In Harmony with Nature</b> To contribute to biodiversity through habitat enhancement, and through environmental education and research.</p> <p><b>Value Natural Resources</b> To continually improve natural resource conservation through operational improvements and product design.</p> <p><b>Reduce CO<sub>2</sub> Emissions</b> To continually reduce emissions of greenhouse gases, including CO<sub>2</sub> from our products' complete lifecycle.</p>
<b>Management Fundamentals</b>		
<p>Essential for a responsible corporation, including adherence to basic rules and social norms:</p> <ul style="list-style-type: none"> <li>• Compliance, Fair Competition</li> <li>• Business Continuity (BCP), Risk Management</li> <li>• Human Rights, Labor Practices</li> <li>• Safety, Industrial Hygiene</li> <li>• Procurement</li> <li>• Quality and Customer Value</li> </ul>		

# Contributing to the U.N. SDGs

The Bridgestone Group is working to help achieve the following United Nations' Sustainable Development Goals (SDGs) as part of its responsibility as a global corporation. The Group reviewed its business operations, policies and sustainability metrics to identify areas where it can leverage its strengths and capabilities to help address these pressing world needs.

Value creation thru Priority Areas and Management Fundamentals	Related SDGs	Examples of existing work contributing to SDGs targets
<b>Mobility</b>		
Accessible Mobility	 	<ul style="list-style-type: none"> <li>Development of tires and curbs which contribute to barrier-free bus transport (11.2)</li> </ul>
Smart Mobility		<ul style="list-style-type: none"> <li>Digital solution for efficient tire maintenance (Tirematics, Toolbox, BASys, IntelliTire, FleetPulse) (9.1, 8.2)</li> </ul>
Safe Transportation		  <ul style="list-style-type: none"> <li>Run-flat tires (3.6)</li> <li>Tire safety checkup and education around the world (3.6)</li> </ul>
<b>People</b>		
Contributing to a Safer Society	 	<ul style="list-style-type: none"> <li>Seismic isolation bearings (9.1, 11.5)</li> <li>Development of tough robots that can assist in disaster recovery (9.1, 11.5)</li> </ul>
Accessible and Inclusive Education		  <ul style="list-style-type: none"> <li>Providing school facilities to children with limited educational opportunities (4.6)</li> <li>Vocational training schools at manufacturing facilities (8.6)</li> </ul>
Promoting Healthier Communities		 <ul style="list-style-type: none"> <li>Health check-up camp for residents of remote villages (3.8)</li> </ul>
<b>Environment</b>		
In Harmony with Nature	 	<ul style="list-style-type: none"> <li>Reducing water withdrawal per unit at manufacturing facilities (6.4)</li> <li>Reducing VOC solvent in manufacturing process (12.4)</li> <li>Forest restoration initiatives around natural rubber farms (15.2)</li> </ul>
Value Natural Resources		 
Reduce CO <sub>2</sub> Emissions		 <ul style="list-style-type: none"> <li>Retread tire (12.2)</li> <li>Development of high-strength rubber (12.2)</li> <li>Zero waste to landfill at manufacturing facilities (12.5)</li> </ul>
<b>Management Fundamentals</b>		
Responsible business practices through Management Fundamentals	    	<ul style="list-style-type: none"> <li>Enhancing sustainable supply chain through Global Sustainable Procurement Policy and Global Platform for Sustainable Natural Rubber (12.2, 17.17)</li> <li>Advancing fundamental human rights and responsible labor practices by implementing Global Human Rights Policy (5.5, 8.5, 8.7)</li> <li>Implementing a global Code of Conduct that covers a broad range of ethics and compliance topics including corruption and bribery (16.5)</li> </ul>

# Furthering *Our Way to Serve* within the Bridgestone Group



## A message from Christine Karbowski

**Executive Vice President and Executive Officer of Bridgestone Corporation, responsible for Global Public Relations, Government Relations and Sustainability  
Global CSR Enhancement Committee Chairperson**

The Bridgestone Group takes a holistic view of sustainability. While the environment is one important aspect of these initiatives, the Company's purview is far wider and deeper. That's why the Group launched *Our Way to Serve* in 2017, built upon three Priority Areas and six Management Fundamentals. It is also why the Bridgestone Group launched the global Code of Conduct and global policies on Human Rights and Sustainable Procurement in 2018. Because they are foundational to achieving the ambitious goals the Group set for itself, development and implementation of the Code and policies were recognized with a Bridgestone Group Award in 2019.

*Our Way to Serve* will succeed only if all the Bridgestone Group employees are engaged. In 2018, the Group surveyed employees around the world to understand their awareness and support of the global CSR commitment and learned that:

- 72% are aware of *Our Way to Serve*;
- 71% believe *Our Way to Serve* is important for the Bridgestone Group; and,
- 61% understand the Priority Areas.

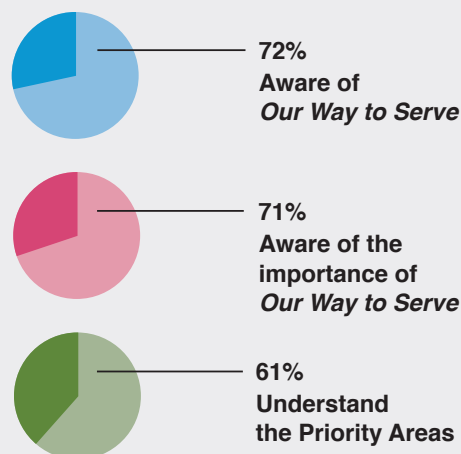
A little over one year into this journey, the Bridgestone Group is encouraged by these findings, as well as the work to date, and looks forward to further embedding *Our Way to Serve* in the Company's culture. The intent is that *Our Way to Serve* informs the Company's work and becomes part of its DNA. Key to doing so is the engagement of leaders on the Global Executive Committee, Strategic Business Unit Presidents, members of the Global CSR Enhancement and Global Quality Management committees, and the Bridgestone Group employees around the world.

The Bridgestone Group is especially proud of the collaborative work it has done with other members of the [Tire Industry Project](#), part of the [World Business Council for Sustainable Development](#), to launch the [Global Platform for Sustainable](#)

[Natural Rubber \(GPSNR\)](#). Together, GPSNR members, including participants from the natural rubber value chains and many NGOs, are moving the industry toward even stricter standards around human and land rights, protection of biodiversity and water resources, improved yields, and increased transparency and traceability. Being a part of important initiatives like this is another way the Bridgestone Group is fulfilling the Company's Mission of "Serving Society with Superior Quality."

The Bridgestone Group is also proud of and excited to share progress in the Mobility, People and Environment Priority Areas, as well as the Management Fundamentals in this Sustainability Report. Thank you for your continued interest in the Company's work.

## Engaging global employees in *Our Way to Serve*





Priority Area

Mobility 



**In the fast-changing world of mobility, the Bridgestone Group is pioneering solutions that benefit end-users, customers and society. High-performance mobility can improve quality of life in cities with better public transportation, reduced congestion and traffic-related accidents, and increased accessibility.**

**By using resources more efficiently, the Bridgestone Group can help deliver a safer and smarter transportation experience that also improves social and environmental outcomes across the globe.**

**The Group is delivering on its Mobility commitments by addressing accessible mobility, smart mobility and safe transportation.**

To further advance this work, the Bridgestone Group is partnering, for example, with mobility and technology-focused venture capital firms Iris Capital in Europe and The Wesley Group in the U.S. In doing so, it is in a position to strengthen an open innovation strategy to nurture new mobility services and solutions.



# Accessible Mobility

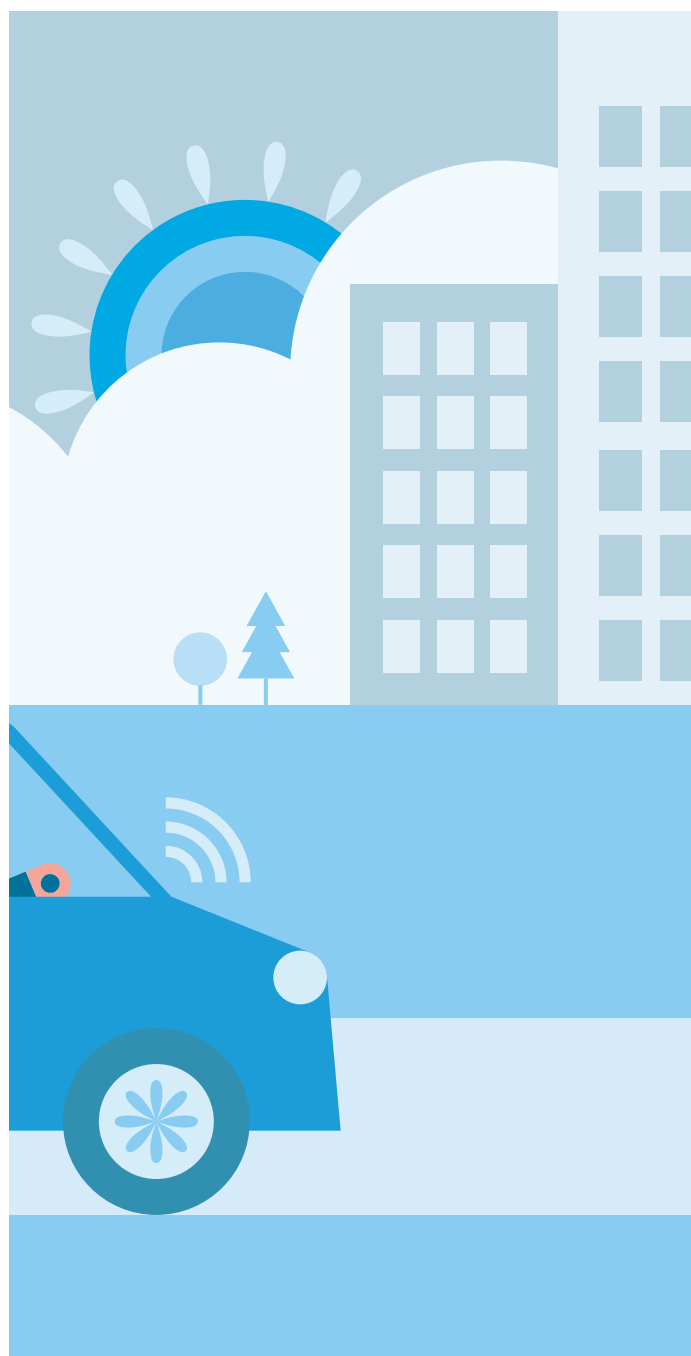
**Bridgestone EMEA and its retail business, First Stop, are helping to make smooth, seamless mobility available through initiatives like the Ranger Mobility Solution in Spain.**

**Ranger Mobility Solution** vans offer mobile tire maintenance, service and recharges, providing peace of mind for drivers and fleets interested in electric vehicles.

Development also continues in Japan on a **Precision Docking Tire and Curb** solution that improves a bus' proximity to the curb. By minimizing this gap with special barrier-free concept tires and next-generation curbstones, public transportation can be truly accessible for riders with physical challenges. This work was recognized with a Bridgestone Group Award in early 2019.

**Bridgestone Americas and Bridgestone EMEA have also pioneered two commercial offerings to make the right tires quickly accessible to consumers.**

- TireHub, formed in partnership with The Goodyear Tire & Rubber Company, provides most U.S. tire dealers and retailers with same-day delivery. This level of service is critical for these businesses to meet consumers' needs and expectations, while also reducing the need for and expense of on-site inventory.
- In Europe, MOBOX provides premium tires, a warranty for all tire damages, regular maintenance operations (i.e., oil, battery, brake, etc.) and other services for an affordable monthly fee. The all-inclusive subscription service—similar to that for mobile phone usage—provides convenience and peace of mind to the consumer.





## Leadership Commitment



**Gordon Knapp**  
**Vice Chair and Executive Officer,**  
**Bridgestone Corporation**

**Member of the Board, CEO**  
**and President of Bridgestone**  
**Americas, Inc.**

**“Around the world, how we get from place to place is changing rapidly. Transportation is literally driving economies and human progress. As a responsible corporate citizen, the Bridgestone Group is working to deliver a safer and smarter transportation experience while also improving social and environmental outcomes. We’ve prioritized this work and energized our employees around the Group’s ability to meaningfully contribute to a future sustainable society. The efforts and energy around *Our Way to Serve* will make a difference for our organization, communities, employees and environment for generations to come.”**

# Smart Mobility

## Being able to travel greater distances using fewer resources is one example of smart mobility.

To help support the research and development that advances innovations of this nature, Bridgestone is again sponsoring the biennial [Bridgestone World Solar Challenge](#) in 2019 by providing tires to the solar car teams of engineering students from leading universities on the forefront of solar energy research.

Bridgestone Cycle developed new electric-assist bicycle technology with regenerative charging that extends travel distance without increasing battery capacity. The Company is introducing the new technology in all its dual-drive—or pedal-assist—bicycles in Japan.

Always looking toward the future, the Bridgestone Group is also exploring smart products that are part of a connected vehicle ecosystem, especially for commercial customers who need to track performance and safety in real-time. Bridgestone Americas has introduced **IntelliTire™** that includes a unique QR code that tracks, monitors and measures performance across

a tire's full lifecycle. Bridgestone EMEA launched **FleetPulse**, a three-in-one solution comprised of a mobile app, a centralized website and Tire Pressure Monitoring System hardware, helping fleets increase vehicles' uptime, while also keeping people and the roads safe. Bridgestone EMEA also acquired [TomTom Telematics](#). This acquisition builds on previous work at the Bridgestone Group to strengthen its digital capabilities and provides a reinforced footprint in mobility solutions. With demand for fleet-based mobility growing, fleet managers need a reliable and innovative partner to help them maximize their effectiveness and efficiency through increased productivity and minimized total cost of ownership. The Bridgestone Group and TomTom Telematics have the tools, insights and experience to fulfill those demands, creating a fleet solutions powerhouse that will lead the industry into the future of mobility.



# Safe Transportation

The Bridgestone Group's safety mission statement—**Safety First, Always**—touches every aspect of the organization.



In 2014, Bridgestone introduced [DriveGuard](#) tires that are engineered to travel up to 80 kilometers/ 50 miles to safety after a puncture.

This work began in the 1980s in Japan when the Company introduced run-flat technology for vehicles used by people with physical disabilities and then began manufacturing the tires for mass-produced vehicles. As the Bridgestone Group works to continue to advance safety in transportation, it is now testing run-flat tires on automated driving systems at the Bridgestone proving grounds and, at the same time, working to ensure compliance with noise reduction regulations in Europe, Asia, Japan and other countries.

**The Bridgestone Group also supports a number of road-safety initiatives around the world:**

- At Bridgestone Americas' headquarters in Nashville, Tennessee, [Bridgestone Teens Drive Smart](#) is a free, half-day workshop that pairs classroom instruction with behind-the-wheel driving exercises, with activities focused on eliminating distracted driving behaviors and improving practical driving skills. More than 4,300 teens have participated since the program was launched in 2010.
- In Australia/New Zealand, the Bridgestone Group **road safety education workshops**, that attract more than 50,000 high school students each year, lay the foundation for safe road use throughout their lives.
- In Colombia, Costa Rica, the Dominican Republic and Mexico, the Bridgestone Group employees conduct [Think Before You Drive](#) programs to promote driver safety in partnership with schools, universities and government agencies. Since 2016, they have reached more than 31,000 students.
- Bridgestone India organized eye-check camps for commercial drivers at 24 fleet locations across the country and distributed 1,085 powered spectacles to needy drivers.
- Bridgestone EMEA Technical Center employees in Rome, Italy volunteered for the **CulTire** program and educated more than 175 high school students on road safety, driving behaviors and tire maintenance.
- In Indonesia, Bridgestone's **Ban Sehat, Anda Selamat** **tire-safety campaign** has educated more than 17,000 people on road safety and tire maintenance over 10 years.

**More information on the Bridgestone Group's commitment to Mobility is available [online](#).**

## Leadership Commitment



**Akihiro Eto**  
**Member of the Board**  
**President, COO and**  
**Representative Executive Officer,**  
**Bridgestone Corporation**

**“One of the Bridgestone Group’s strengths is the passion of its teammates for its Mission of “Serving Society with Superior Quality.” This is crystalized in *Our Way to Serve*, which inspires us to accelerate our solutions business approach to respond to the expectations of a changing society. The Group will continue working to provide true value to society and its customers by leveraging its assets, including service channels, advanced technologies and products. I am dedicated to continuously improving our capabilities to further enhance our competitiveness and differentiation. Collectively, the Group is committed to achieving the essential transformation of our organization to prepare it for future opportunities and challenges.”**



**Priority Area**

**People** 



**As a global leader seeking to build a truly global Company, the Bridgestone Group strives to have a positive impact on the communities where it operates around the world. The Bridgestone Group is delivering on its People commitments by investing in a safer society, supporting accessible and inclusive education, and promoting healthier communities.**

## Contributing to a Safer Society

Natural disasters such as floods, hurricanes, tornadoes, volcanic eruptions, earthquakes, tsunamis, and others strike quickly and can have devastating effects on communities. Bridgestone has numerous initiatives underway to help support people experiencing natural disasters, including the following:

- Some of the most difficult-to-access areas are sites impacted by extreme disasters such as earthquakes, mudslides, hurricanes and tsunamis. To help rescue people and ensure safety in these situations, Bridgestone is partnering with the Tokyo Institute of Technology on the development of “tough robots” that can operate under difficult conditions. This collaboration has led to the development of a high-powered artificial “muscle,” or actuator that generates motion and power, using tire rubber that is powerful but lightweight, with significant resistance to impact and vibration. This is an important first step in the practical application of robots in these extreme environments.
- As part of its commitment to help create a safer society, especially when natural disasters occur, **Bridgestone Tire Japan has prepared its retail stores to accommodate people who need a place to rest or are unable to reach their homes during earthquakes, flooding and other disasters.** This work was recognized with a Bridgestone Group Award in early 2019.

- In 2010, Bridgestone teammates in Indonesia organized a **voluntary rescue team** that is regularly trained on emergency preparedness to support colleagues and the community. The team has handled more than eight rescue operations since its formation. This work was recognized with a Bridgestone Group Award in early 2019.
- More information about the Global Disaster Prevention Center is include in the Safety, Industrial Hygiene section of this report.



# Accessible and Inclusive Education



**“Bridgestone Indonesia's LLK training program has had a big impact on my life, particularly the strong alumni support that I value today. I've been able to share the knowledge I learned with my community through technical courses for adults and language courses for children. Whenever I am asked why I can speak English and Japanese and understand electricity, I always answer with a big smile... because I learned it at LLK.”**

**—Edi Prayitno, Section Manager, Bridgestone Indonesia**

**The Bridgestone Group supports many programs that are aligned with its goal of helping people develop job and life skills that, in turn, strengthen communities.**

In 1981, Bridgestone was one of the first companies in Indonesia to respond to the government's request to address the country's skilled manpower shortage with the creation of the **Loka Latihan Keterampilan (LLK) vocational training program** operated by the Company at its Bekasi manufacturing facility. Now in its 37<sup>th</sup> year, Bridgestone Indonesia accepts 48 students every two years for the residential program focusing on mechanical and electrical skills. To date, more than 50 percent of the program's 754 graduates have chosen to build their careers at the Bridgestone Group.

In the U.S., the Bridgestone Group is reducing the cycle of poverty by providing work skills that are in high demand. The Group is helping to educate high school students about automotive service careers in partnership with Metro Nashville Public Schools' Academies of Nashville college and career preparation program at the Maplewood High School Automotive Training Center in Nashville, Tennessee, with a near-replica operating Firestone Complete Auto Care store and training curriculum. Since 2015, 70 students have graduated, 33 of these former students are working for the Bridgestone Group and one has gone on to a management trainee program at Bridgestone. Ten more work in the automotive or transportation industries. In October 2018, a similar classroom and automotive service center was created at the Akron, Ohio, East Community Learning Center, in partnership with Akron Public Schools and the United Way of Summit County.



# Accessible and Inclusive Education

**To increase financial independence for women in Pune, Maharashtra, India, Bridgestone India partnered with the Federation of Indian Chamber of Commerce & Industry Ladies Organization in 2018 to provide training for women to start their own businesses and become nurses or delivery personnel.**

The Group and its employees also recognize the importance of introducing young people to new opportunities that expand their horizons. The Bridgestone Group supports a number of programs that help make this personal exploration possible:

- Bridgestone CAP's Happy Tangram Project in China **provides students in rural areas with otherwise unavailable art, music and physical education classes.** Also, since 2009, the Company has donated more than 102,000 books and established 40 libraries through this project.
- Bridgestone Retail Operations has raised more than JPY 726.0 million/USD 6.6 million<sup>6</sup> for Boys and Girls Clubs of America (BGCA) since 2015 through the Driving Great Futures program. Because research shows that the more children attend the Club, the greater their chances for academic and social success, Bridgestone Retail Operations' financial grants help Clubs with vehicle maintenance and, in some cases, the purchase of new vans to transport children to and from Clubs. This work was recognized with a Bridgestone Group Award in early 2019.
- Bridgestone Thailand's U-Camp project led by employees at its Nong Khae facility provides **leadership development skills** to students at 14 area universities.
- Also in Thailand, Bridgestone employees developed a distance-learning program and built school libraries for 1,600 underprivileged children at 13 schools in remote areas.
- In Japan, the Bridgestone Group employees visit elementary schools and **teach children about manufacturing and the Company's work improving the environment.** Through a fun board game, children experience plant management virtually and think about the environment and work.
- Bridgestone France's retail and manufacturing locations hosted, **trained and mentored more than 50 young adults.** Students acquired tire technical skills and became more familiar with the working environment, increasing their employability.



<sup>6</sup> Based on the average exchange rate used in the Bridgestone Group's 2018 Financial Report.



# Leadership Commitment



**Gabriel Asbun**  
**Vice President and Senior Officer,**  
**Bridgestone Corporation**  
**Member of the Board, CEO**  
**and COO, Bridgestone Asia**  
**Pacific Pte. Ltd.**

**“Asia Pacific is one of the most dynamic regions of the global economy. However, we are also seeing a widening of the inequality gap and the rise of environmental issues. Opportunities for sustainable growth will only benefit everyone if we also reduce poverty and improve the quality of people’s lives by practicing strong environmental stewardship. The Bridgestone Group partners with governments, organizations and employees to create solutions that enhance human potential and protect natural resources. As an organization with a deep Asian heritage, the Group aims to be a positive catalyst in building a sustainable future for the region.”**

# Promoting Healthier Communities

**The Bridgestone Group has long believed that a better world can be built through sports. In 1957, Bridgestone founder, Shojiro Ishibashi, donated 21 swimming pools to schools in Kurume, Fukuoka, Japan.**

**Currently Bridgestone Sports manages 18 swimming schools in Japan.**

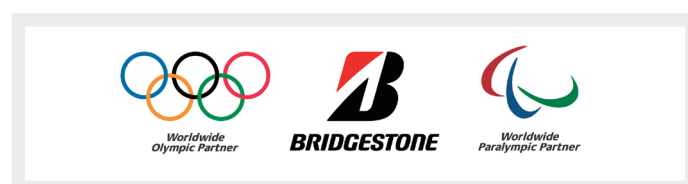
For more than 30 years, with the Bridgestone Group's ongoing support, two of these schools (in Kurume and Saga) have provided lessons to more than 10,800 people with disabilities who otherwise would not be able to enjoy swimming.



Today, the Bridgestone Group values sports as one important way to promote healthier communities. That's why it is **proud to support the Olympic and Paralympic Games**, as a worldwide partner of both the International Olympic Committee and the International Paralympic Committee. Multiple tenets of the Olympic and Paralympic Movements—community service, diversity, environmental stewardship and sustainability—also lie at the heart of *Our Way to Serve*.

The Bridgestone Group's support of the Olympic and Paralympic Movements influences it in additional ways as well:

- In Japan, the [Bridgestone x Olympic x Paralympic a GO GO!](#) is bringing the excitement of the Olympic and Paralympic Movements to communities across the country through a fun event with top-level athletes to help everyone from children to the elderly recognize the fun of playing sports.
- Bridgestone CAP promotes the employment of people with disabilities across the region. In Thailand, **10 employees are para-athletes** training to compete the Tokyo 2020 Paralympic Games.
- Bridgestone CAP also created an opportunity for children from a local South Korean orphanage to **see the torch relay and experience the Olympic Winter Games PyeongChang 2018**.
- Bridgestone EMEA leveraged the Company's support of the Olympic and Paralympic Games to **encourage employees to adopt healthier lifestyles** and support cancer prevention. The online platform around the Olympics encouraged approximately 17,000 employees in the region to reach a common goal of moving 1 million kilometers in one year. After just six months, the team reached its goal and, in the process, raised JPY 21.3 million/USD 193,800<sup>6</sup> for 14 nonprofit organizations active in cancer prevention.
- Bridgestone is using the Company's tire technology and innovation to **support para-athletes in Japan**. Employees created rubber soles for sports prosthesis that make it easier to run on a variety of surfaces and gloves that help wheelchair athletes more efficiently propel the wheels of the chair.
- In the United States, the company partnered with its **Team Bridgestone athlete ambassadors** to support local youth programs and charitable organizations, including Boys and Girls Club of America, Children's Healthcare of Atlanta, and the Scott Hamilton's Learn-to-Skate Program in Nashville.



<sup>6</sup> Based on the average exchange rate used in the Bridgestone Group's 2018 Financial Report.

## Supporting women, indigenous communities and children

Following are some additional ways the Bridgestone Group promoted healthier communities in 2018:

- [International Women's Day](#) is celebrated globally on March 8. In recognition, Bridgestone India organized **11 breast cancer and other health screening events** for more than 100 women in rural health centers across Khed taluka, Maharashtra, India. In addition to tests for breast and cervical cancer, blood pressure and diabetes, women received a free supply of protein, iron and calcium supplements for their overall health.
- More than 300 Bridgestone EMEA Technical Center employees in Rome, Italy supported the [Italian Multiple Sclerosis Society's \(AISM\)](#) research and services.
- Imagine a caravan of Bridgestone Group vehicles traveling the mountainous, difficult terrain of Argentina to bring much needed supplies to remote, usually indigenous communities. That's exactly what the **Bridgestone Solidarity Caravan** has been providing since 2010. Employees collect medicine, clothing, school and cleaning supplies, kitchen utensils and furniture and then deliver them during a week-long journey. Along the way, Caravan members help make improvements to schools and communities such as installing solar panels and pumps for drinking water.
- Bridgestone, in partnership with Ochanomizu University (one of two women's national universities in Japan) has launched the Future Starting Point Project to **help cultivate the next generation of female leaders**. Women in high school, undergraduate university and graduate school participate in a dialogue about future societal needs with stakeholders from business, education and local government.
- Firestone's Natural Rubber operations in Liberia co-sponsored a team of medical professionals from [Children's Surgeries International](#) to provide more than 100 free surgeries for cleft lips and palates, hernias and a variety of urological conditions at the Firestone Medical Center in Duside. This is the seventh such mission since the collaboration began in 2010.

More information on the Bridgestone Group's commitment to People is available [online](#).





**Priority Area**

**Environment** 

# Environment



With the social and environmental impact of climate change, resource depletion and biodiversity loss becoming more pronounced, the Bridgestone Group has established a framework to address these challenges within its operations and to contribute—throughout the lifecycle of its products—to addressing them within the larger community.

The Bridgestone Group is committed to continually working toward a sustainable society with integrity and in unity with its customers, partners, communities and the world.

The Group's long-term environmental vision targeting 2050 and beyond aims to exist in harmony with nature, valuing natural resources and reducing CO<sub>2</sub> emissions.

**Environmental Mission Statement**

To help ensure a healthy environment for current and future generations...

We, the Bridgestone group, are committed to continually working toward a sustainable society with integrity and in unity with our customers, partners, communities and the world around us.

Therefore, we are focused on three objectives.



**In harmony with nature**

To contribute to biodiversity through habitat enhancement, and through environmental education and research.



**Value natural resources**

To continually improve natural resource conservation through operational improvements and product design.



**Reduce CO<sub>2</sub> emissions**




To continually reduce emissions of Greenhouse Gases, including CO<sub>2</sub>, from our products' complete life cycle.

The Bridgestone group's environmental mission covers all aspects of our business.



**One Team, One Planet.**

**BRIDGESTONE**

 In harmony with nature	<b>Long-term environmental vision</b> (for 2050 and beyond)  In balance with nature <sup>7</sup> (Contribution > Footprint)
 Value natural resources	Towards 100% sustainable materials <sup>8</sup>
 Reduce CO <sub>2</sub> emissions	Contribute to globally agreed target <sup>9</sup> (Over 50% reduction of CO <sub>2</sub> emissions)

<sup>7</sup> "In balance with nature" is our commitment to contribute to biodiversity through habitat enhancement, and through environmental education and research.  
<sup>8</sup> The Bridgestone Group defines sustainable materials as materials that 1) come from resources with a guaranteed continual supply, 2) can be used as part of the business over the long term and, 3) have a low environmental and social impact over the lifecycle from procurement to disposal.  
<sup>9</sup> At the G8 Hokkaido Toyako Summit (held in July 2008), G8 leaders agreed on a reduction of at least 50 percent in greenhouse gas emissions worldwide by 2050. The same year, at the Major Economies Meeting on Energy Security and Climate Change, developed countries as well as certain emerging nations, such as China, India, etc., adopted this target as a shared global objective.

# In Harmony with Nature

The Bridgestone Group is working concurrently to minimize the environmental footprint of its business operations while also enhancing its environmental contributions.

## Minimizing its environmental footprint

The Bridgestone Group has set a target to reduce water withdrawal by 35 percent by 2020 (per unit from a 2005 baseline)<sup>10</sup>. In 2018, the Group exceeded its goal, reducing water withdrawal by 37 percent, reflecting significant improvements over the prior year.

To achieve these results, the Bridgestone Group reuses/recycles water at many manufacturing facilities, especially operations where there are serious concerns about water shortages, such as China and Mexico. It is also using water resources more efficiently by improving production processes and using rainwater where possible.

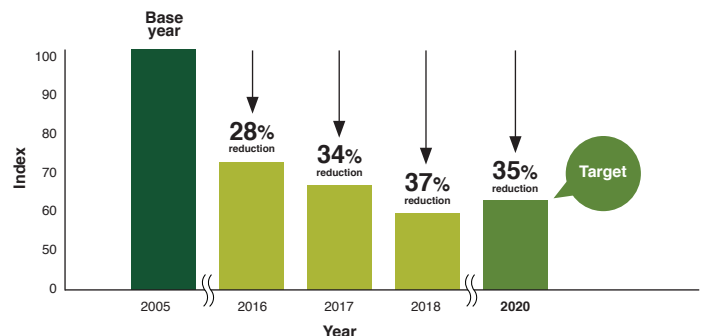
For example:

- At the Izmit, Turkey facility operated by the Bridgestone Group, employees identified ways to reduce the site's dependence on groundwater by recovering, treating and reusing rainwater and waste water. Through these steps—and an education campaign on the importance of using water wisely—the facility nearly halved its water withdrawal in 10 years. This work was recognized with a Bridgestone Group Award in early 2019.
- When building new tire manufacturing facilities, the Bridgestone Group conducts a risk assessment for water quality and volume to ensure that it takes efficient use of water resources and wastewater into consideration. It also uses the [World Business Council for Sustainable Development Global Water Tool](#) and [World Resources Institute \(WRI\) Aqueduct](#) to assess water risks at existing facilities and identify improvement opportunities for each location.

After almost 20 years of research, and in collaboration with the Bridgestone Technical Center in Europe, tire manufacturing facilities operated by Bridgestone in Bilbao and Burgos, Spain; Bari, Italy; Bethune, France and Poznan, Poland **succeeded in drastically reducing (by approximately 83 percent overall) volatile organic compound (VOC) emissions** related to the use of solvent in the production process by reducing solvent use. In particular, the Burgos plant eliminated all cement adhesives in the production process, contributing to an approximately 95 percent reduction in VOC emissions from the use of solvents since 1998, while enhancing the quality of the final products.

The Bridgestone Group's environment-related data is [verified by Lloyd's Register Quality Assurance](#), a third-party institution, to ensure the accuracy and transparency of this information.

**Target and Actual Figures of Water Withdrawal at Manufacturing Facilities (per Unit)**



<sup>10</sup> Bridgestone manages water withdrawal by unit of production volume and net sales for each business. A weighted average efficiency of the reduction is used as an index. The water withdrawal does not include recycled water from third-parties and rainwater.



**“We are honored that Bridgestone Americas has entrusted The Nature Conservancy to manage this important forest. It is setting an example for how corporations can proactively protect the planet in collaboration with the environmental community.”**

—Terry Cook, State Director, The Nature Conservancy in Tennessee

**In addition to minimizing its environmental footprint, the Bridgestone Group is also preserving and restoring habitats and conducting environmental education and research activities around the world as part of its commitment to operating in harmony with nature.**

### **Enhancing its contribution**

In the U.S., Bridgestone Americas celebrated World Environment Day on June 5 by donating 2,332 hectares of the Bridgestone Nature Reserve at Chestnut Mountain to [The Nature Conservancy in Tennessee \(TNC\)](#). The land is adjacent to more than 6,000 hectares of the Bridgestone/Firestone Centennial Wilderness Area the Company gifted to the Tennessee Wildlife Resources Agency in 1998 and 2000. The donation will protect and enhance habitats for a range of endangered plant and animal species. As part of the donation, TNC is completing a forest carbon offset project that will soon fund the management of the Bridgestone Nature Reserve at Chestnut Mountain and offset the carbon emissions from the Bridgestone Tower headquarters building in downtown Nashville, Tennessee, U.S. for an estimated 25 years.

Also in the U.S., as well as in Mexico, 11 of the Bridgestone Group manufacturing locations are Certified Wildlife Habitats. The Group works with the [Wildlife Habitat Council](#) to help manage the more than 1,200 hectares in the program to foster habitat conservation and improve biodiversity.

To help inspire the next generation’s interest in the natural environment, the Company established the [Bridgestone Environmental Education Classroom and Habitat \(BEECH\)](#) at its Warren County facility in Tennessee, U.S. Students in pre-kindergarten through fifth grade learn about wildlife habitats, water conservation and how to care for the environment. Since it was founded in 2008, nearly 20,000 students have visited the BEECH and the program has expanded to four counties in Tennessee and includes programs for children who are homeschooled. As of 2008, BEECH is a fully integrated part of the Warren County School curriculum.



# In Harmony with Nature



**“Bridgestone India's commitment to children, their families and the environment is enabling UNICEF to empower communities to manage water resources in Maharashtra. With their support, we are providing communities with the information, training and planning they need for long-term provision of safe drinking water, while also meeting agricultural and other needs.”**

— Richard Beighton, Chief, Resource Mobilization and Partnerships, UNICEF India

Bridgestone also works with local communities to help protect scarce water resources. In 2018, the Company initiated a three-year project with [UNICEF](#) to **improve water conservation and drinking water** in Maharashtra, India's second most-populated state. Water scarcity is one of the key challenges affecting Maharashtra due to long periods of drought that result in crop failure. Bridgestone India is donating JPY 63.6 million/USD 577,900<sup>6</sup> to help ensure that 10 villages have access to a clean, safe water supply.

Near the Bridgestone Kalimantan Plantation in Indonesia, there is a neglected state-owned forest that was destroyed by fire and other disasters. In 2012, **Bridgestone launched the W-BRIDGE project to help local residents restore the forest** in partnership with Waseda University, the Japan International Forestry Promotion and Cooperation Center, Lambung Mangkurat University and the Tanah Laut Regency Forestry Department. Local residents are taught improved land and forest management practices. To date, approximately 70 hectares of distressed land have been restored to productive, mixed-use of forest, Hevea production and agriculture.

In Indonesia and Thailand, local Bridgestone Group employees have planted thousands of mangrove trees to restore mangrove forests that protect people and the environment in coastal villages. Bridgestone Indonesia has also been working with

the [Borneo Orangutan Survival Foundation](#) since 2012 to help protect and reintroduce Bornean orangutans to their natural habitat. To help do so, the Company has committed to plant one hectare of forest each year for eight years. The Company is also sponsoring two orphaned orangutans by paying for their care and rehabilitation until they can be released back into their natural habitat.



<sup>6</sup> Based on the average exchange rate used in the Bridgestone Group's 2018 Financial Report.



# Leadership Commitment



**Paolo Ferrari**  
**Executive Vice President**  
**and Executive Officer,**  
**Bridgestone Corporation**  
**Member of the Board, CEO**  
**and President of Bridgestone**  
**Europe NV/SA**

**“The Bridgestone Group wants future generations to have the ability to live in a world where the planet's capacity to regenerate itself is not at risk. The Group also wants to develop and bring to market services and products that are responsibly responding to the needs of society and allowing it and its employees to thrive. At Bridgestone EMEA, we integrate sustainability in our strategy, as well as into our performance management and individual goal setting process because we believe that serving society is not just worthy in itself, but it also leads to profitable business.”**

# Valuing Natural Resources

**Around the world, the Bridgestone Group is working to conserve natural resources through operational improvements and product design. Its long-term vision is to use 100 percent sustainable materials<sup>8</sup> by 2050 and beyond.**

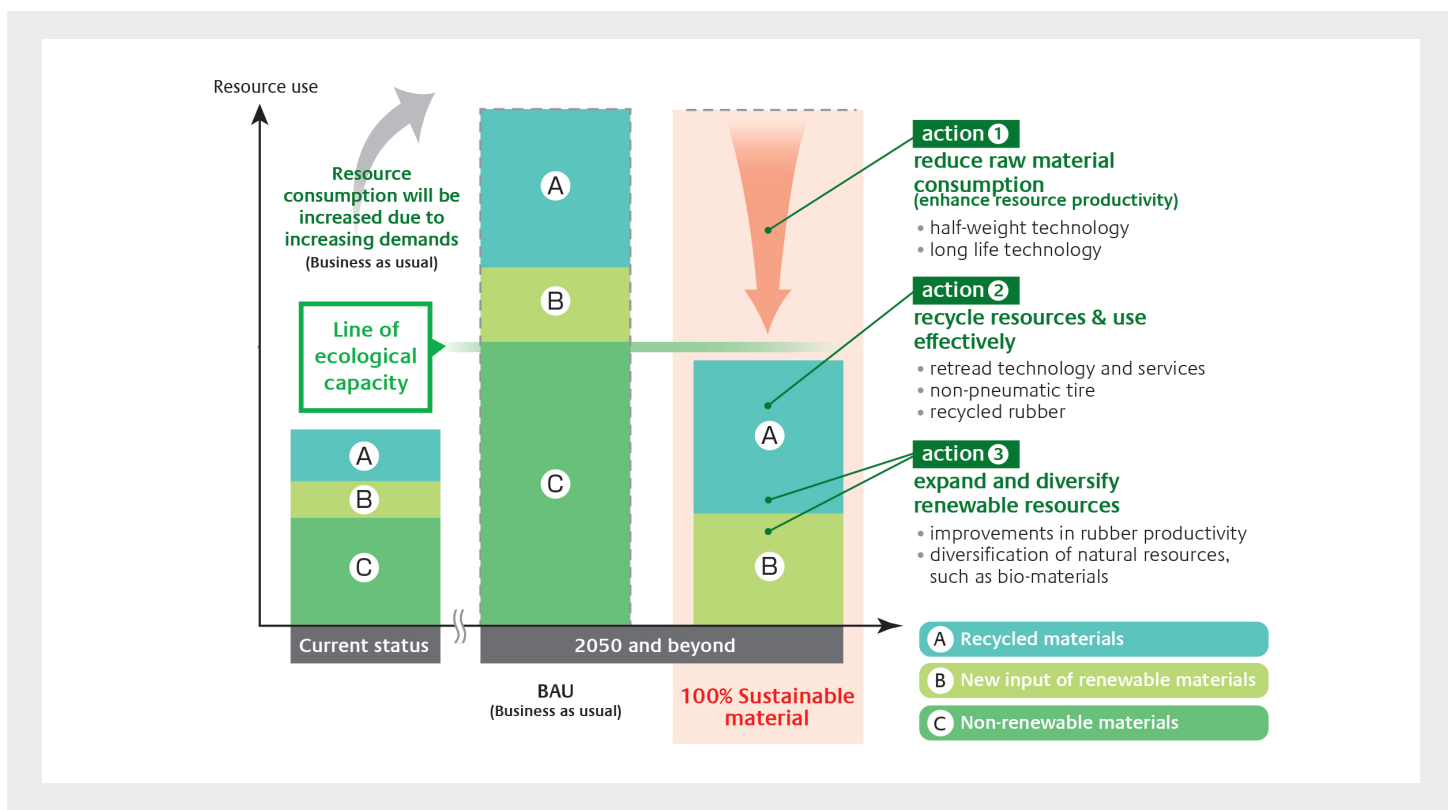
The Group is making progress on this journey by reducing raw material consumption, recycling resources and using them effectively both inside the company and also in collaboration with other companies, and expanding and diversifying renewable resources.

## Reducing raw material consumption

Given the increase in demand accompanying population growth and people's desires for more convenient lifestyles, there are concerns that, if nothing changes, the growth in demand for raw materials will exceed the earth's capacity. To avoid this will require constructing systems to decouple the environmental impacts caused by growing demand. To help assist this decoupling, the **Bridgestone Group is taking steps to improve its resource productivity**. The Group promotes new business models and the development of technology for reducing the volume of raw materials used to make each product.

One such example is the Group's work developing high-strength rubber that received the Environmental Achievement of the Year recognition in March 2019 at the Tire Technology International Awards. The durability and abrasion resistance of this next-generation material exceed that of natural rubber, which will enable the creation of tires that achieve the required levels of performance while using less materials.

## Long-Term Vision Toward 100 Percent Sustainable Materials



<sup>8</sup> The Bridgestone Group defines sustainable materials as materials that 1) come from resources with a guaranteed continual supply, 2) can be used as part of the business over the long term and, 3) have a low environmental and social impact over the lifecycle from procurement to disposal.

# In the circular economy that is rapidly gaining traction, society works collaboratively to keep resources in use as long as possible before recovering materials and regenerating them into new products.

## Recycling Resources

Like many others, the Bridgestone Group envisions a robust circular economy and is assessing the role of its products in this new paradigm.

The Group recently participated in the U.S. with the [Ellen MacArthur Foundation](#) and [CoreCentric](#) in a dialogue and subsequent [white paper](#) around the impact of remanufactured/ refurbished product sales, and in Europe on the #BetterThanNew project to promote tire retreading. Bridgestone EMEA is also working with the [R2Pi](#) consortium to explore circular economy opportunities within its business model.

It often surprises people to learn that **end-of-life tires are recycled and recovered at higher rates than aluminum cans, glass, cardboard and paper**<sup>11</sup>. Beneficial uses include construction materials, landscaping mulch, floor mats and even as components in new tires, and utilized as alternative fuel. Around the world, the Bridgestone Group is developing innovative approaches to further their reuse, including:

- Bridgestone Costa Rica's B-Happy Eco-Parks program uses **end-of-life tires to create playgrounds** in parks and education centers. So far, playgrounds have been created in El Salvador, Guatemala and Panama.
- In the U.S., Bridgestone Americas has committed to the beneficial reuse of the end-of-life tires removed from vehicles at Company-owned retail stores. In addition, through the Tires4ward program, **Bridgestone Americas offers free end-of-life tire collection and recycling during community-organized clean-up events** at rivers, lakes and other public waterways. Our goal is that all used tires returned to Company-owned retail stores get a beneficial next use.
- Through a joint research project with the Industrial Transformation Research Program in Australia, Bridgestone Australia is investigating the use of [used tires for various rail track components](#), including ballast and subgrade for improving the durability of ballasted rail tracks.

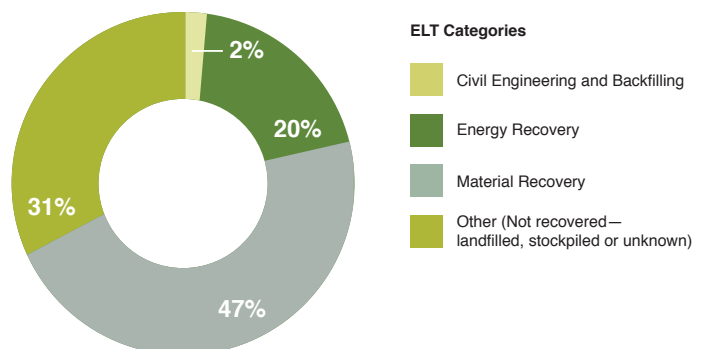
Using recycled materials in its products also helps achieve the Group's goal of using 100 percent sustainable materials by 2050 and beyond<sup>8</sup>.

- Not only are **Firestone Building Products metal roofing systems 100 percent recyclable at end-of-life**, they also include significant amounts of recycled aluminum, copper, steel and zinc.
- The Bridgestone Group **uses micronized rubber powder as a raw material in producing new, high-performance tires**, tires for agriculture and off-road applications, and pre-cured tread for tire retread.

## Expanding and diversifying renewable resources

One natural resource obviously critical to the Bridgestone Group, and one the world recognizes as potentially stressed in future years, is natural rubber. The company continues to actively participate in addressing this challenge in a number of ways. One example is the work **Bridgestone Americas is doing with the U.S. Department of Agriculture (USDA) National Institute for Food and Agriculture to develop a domestic source of natural rubber from guayule**. Guayule is a drought and heat-tolerant crop that produces natural rubber almost identical to that harvested from Hevea rubber trees. Bridgestone Americas was awarded a highly competitive USDA grant to continue this work with researchers from The University of Arizona, Colorado School of Mines, Colorado State University, New Mexico State University and the USDA Agriculture Research Service.

End-Of-Life Tires (ELT) Global Recovery Rates<sup>11</sup>



<sup>8</sup> The Bridgestone Group defines sustainable materials as materials that 1) come from resources with a guaranteed continual supply, 2) can be used as part of the business over the long term and, 3) have a low environmental and social impact over the lifecycle from procurement to disposal.

<sup>11</sup> Industry-wide data based on the World Business Council for Sustainable Development [https://docs.wbcsd.org/2018/02/ELT\\_Fact\\_Sheet.pdf](https://docs.wbcsd.org/2018/02/ELT_Fact_Sheet.pdf).

# Reducing CO<sub>2</sub> Emissions

As a responsible corporate citizen, the Bridgestone Group is paying close attention to science-based CO<sub>2</sub> emission-reduction goals and ongoing and projected impacts of climate change.

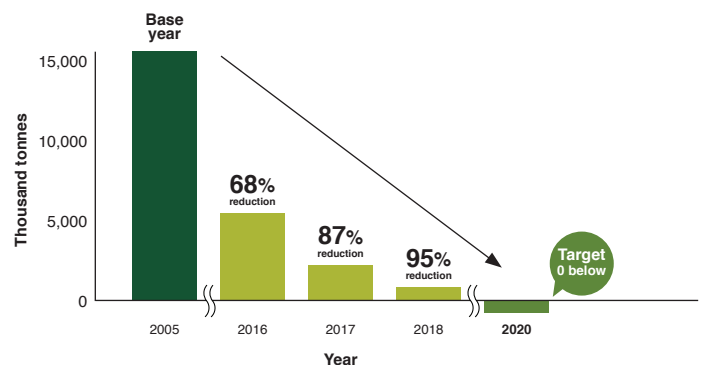
The Group's long-term (2050 and beyond) vision is to contribute to the globally agreed target to reduce CO<sub>2</sub> emissions. In the shorter term, the Group is focusing on reducing its CO<sub>2</sub> emissions from direct operations and, more impactfully, indirect emissions from its products in-use, which offers the greatest overall CO<sub>2</sub> reduction potential—reducing fuel combustion emissions when vehicles are moving. To move toward its 2050 vision, the Bridgestone Group has established a primary 2020 mid-term milestone and target: reduced emissions footprint from customers' use of Bridgestone tires will exceed the Group's emissions from raw material procurement, product manufacturing, distribution and its products' after-use.

Combining the CO<sub>2</sub> reductions from operations and products' in-use, the Group is 95 percent closer to its 100 percent reduction goal, in comparison with the 2005 baseline<sup>12</sup>.

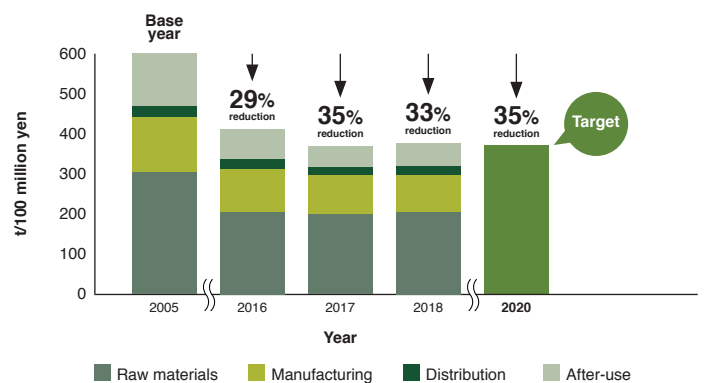
To achieve the 2020 primary mid-term milestone, the Bridgestone Group established two CO<sub>2</sub> reduction-related sub targets:

- By 2020, reduce CO<sub>2</sub> emissions per net sales from operations and products' after-use<sup>13</sup> by 35 percent (from a 2005 baseline). In 2018, the Group achieved a 33 percent reduction.
- Also by 2020, reduce tire rolling resistance by 25 percent (from a 2005 baseline). In 2018, the Group achieved a 21 percent reduction.

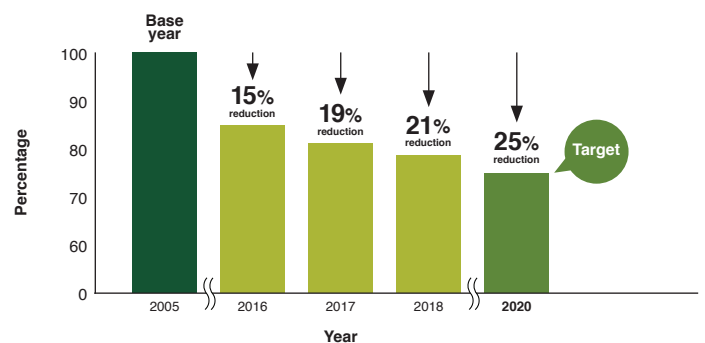
Difference in CO<sub>2</sub> Emissions from Operations and Products' After-use and Contribution to CO<sub>2</sub> reduction at the Usage Stage<sup>12</sup>



CO<sub>2</sub> Emissions Per Sales from Operations and Products' After-use other than Use<sup>14</sup>



Tire-Rolling Resistance Coefficient



<sup>12</sup> Calculated based on "Tyre LCCO<sub>2</sub> Calculation Guidelines Ver. 2.0" (The Japan Automobile Tyre Manufacturers Association, Inc., April 2012).

<sup>13</sup> Lifecycle stages other than use include raw material procurement, manufacturing, distribution and after-use.

<sup>14</sup> Includes CO<sub>2</sub> emissions reduction activities and exchange rate fluctuations of sales.

**The Bridgestone Group has a number of Group-wide and region-specific initiatives underway to reduce CO<sub>2</sub> emissions. For example:**

- Three Bridgestone Group tire manufacturing facilities (Bilbao, Puente San Miguel and Burgos) and one tire cord facility (Usansolo), all in Spain, sourced **100 percent of their electricity from renewable sources** in 2018.
- To reduce CO<sub>2</sub> emissions through its tires' lifecycle, the Bridgestone Group utilizes CDP to engage suppliers on climate change. In 2018, the Group engaged suppliers that account for 87.6 percent based on CO<sub>2</sub> emissions of procured tire raw materials through the CDP Supply Chain Program.

Approximately 71 percent of requested suppliers responded (CDP Climate questionnaire response rate was 53 percent) and 28 percent of responded suppliers received at least a B- rating (Management level) from CDP. **The Bridgestone Group also encourages suppliers to reduce their CO<sub>2</sub> emissions and self-report their environmental data through CDP.**

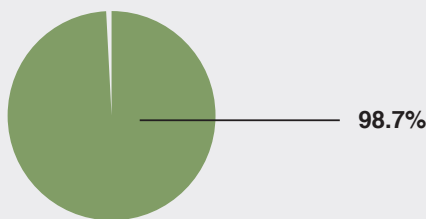
The Bridgestone Group's CO<sub>2</sub> emissions are verified by Lloyd's Register Quality Assurance, a third-party institution, to ensure the accuracy and transparency of this information.

**More information on the Bridgestone Group's commitment to Environment is available [online](#).**

**ISO 14001 certification demonstrates environmental commitment**

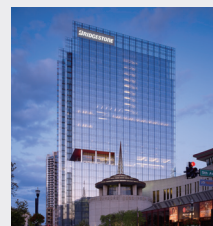
The Bridgestone Group requires all manufacturing locations with 50 employees or more (156 locations) to achieve ISO 14001 environmental management certification. Achieving this certification shows that operations are continuously working to minimize their impacts on the environment and comply with applicable environmental laws and regulations. At the end of 2018, 154 manufacturing locations (98.7%) were ISO 14001 certified.

**ISO 14001 Certified<sup>1,4</sup>**



**Bridgestone Tower achieves LEED certification**

In 2018, the Bridgestone Americas headquarters tower in downtown Nashville, Tennessee, U.S. achieved Leadership in Energy and Environmental Design (LEED®) Gold certification from the U.S. Green Building Council. Many products used in the 48,588 square-meter, 31-story building helped secure the LEED certification. The roof system was manufactured by Firestone Building Products. Having all employees in one building also facilitates new ways of working, encourages collaboration and creates a more inclusive culture. This work was recognized with a Bridgestone Group Award in early 2019.



<sup>1</sup> As of December 31, 2018.  
<sup>4</sup> 156 sites are targeted for ISO 14001 certification/154 sites are certified (98.7%).

# Management Fundamentals



## Compliance, Fair Competition

**Mission: Ensure excellence through compliance and integrity**

**We build trust with all stakeholders by ensuring that ethical decision-making guides responsible business practices across our operations.**

In recent years, the Bridgestone Group's long-standing regional compliance programs were united under a common global framework to promote a true culture of compliance, consistent with the company's Mission of "Serving Society with Superior Quality." The global ethics and compliance program strikes a balance between global consistency and the flexibility needed to effectively address localized risks.

The launch of the global Code of Conduct in 2018 was a significant advancement of this framework. The Code gives employees, suppliers and others worldwide guidance for handling a wide range of ethical issues, including anti-corruption, competition/antitrust, conflicts of interest, and corporate charitable and political donations.

Compliance is the responsibility of every Bridgestone Group employee. Accordingly, education and employee engagement are a key focus. These efforts start at the top, with business leaders regularly speaking about the importance of ethics and compliance and playing active roles in the company's compliance training and awareness programs. An extensive training program, including both e-learning and live trainings, is strategically deployed in each region. In 2018, these efforts were enhanced by extensive regional communication efforts, including a "Speak Up" hotline campaign in Bridgestone CAP and EMEA and worldwide promotion of the new Code of Conduct.

The Bridgestone Group emphasizes that doing the right thing includes speaking up when something is wrong. The BridgeLine, a web-based reporting system and phone hotline, is available to Group employees and others to confidentially and, where legally permissible, anonymously report any legal or compliance concerns without fear of retaliation. In 2018, for the key areas of corruption and antitrust/competition, there were no significant confirmed reports.

The Bridgestone Group's commitment to compliance extends to third parties with which it does business. Contractors and suppliers are subject to the expectations in the Code. The Group's suppliers are also subject to the requirements of its Global Sustainable Procurement Policy, which was established in 2018. The Group additionally conducts due diligence screening for certain high-risk arrangements.

**More information on the Bridgestone Group's global ethics and compliance program is available [online](#).**



# Business Continuity (BCP), Risk Management

**Mission: Prevent and mitigate operational risks**

**We anticipate, prevent and mitigate risk, and when crises arise, we protect our people, property and profits.**

**In 2018, the Bridgestone Group focused on three aspects of risk management important to its efforts to be a truly global company, including:**

## **Emergency action reporting requirements/procedures**

Bridgestone developed and issued new guidelines to clarify the types of incidents that should be reported to headquarters' leadership versus managed by regional leadership. In doing so, it identified five incident levels, along with criteria for each, to ensure consistent Group-wide reporting. Following the development of this approach, Bridgestone created a reporting template and trained appropriate individuals across the Group.

## **Integrated crisis management and business continuity support**

While the Bridgestone Group has four operating regions, the location of facilities within these strategic business units don't always align with their geographic descriptions. For example, Bridgestone Sports based in Japan makes golf balls in Atlanta, Georgia, U.S. In 2018, the Bridgestone Group initiated a project to create a common framework for managing issues and crises across the enterprise so all businesses are aligned on how to work together collectively to ensure globally consistent responses and sustain business continuity when situations arise.

## **Annual global risk-identification process**

Ten years ago, the Bridgestone Group initiated an annual, Company-wide process to identify potential business risks facing each Strategic Business Unit and the overall organization. The Bridgestone Group is now streamlining the process to make the information more meaningful and actionable, while also building in broader participation across the organization. In doing so, the goal is to gain a more complete understanding of potential risks across the Group, be better equipped to track and measure the impact of mitigation efforts, and share best practices about effective mitigation approaches.

**Additional information on this approach to Risk Management is available in the Company's [Annual Report](#) and [online](#).**



# Human Rights, Labor Practices

## Mission: Advancing fundamental human rights and responsible labor practices

**We will foster an inclusive culture in which all Bridgestone entities and locations adopt and apply ethical labor practices, build trust with our teammates, and model our respect for diversity and fundamental human rights.**

In early 2018, the Bridgestone Group introduced its [Global Human Rights Policy](#). The policy addresses the standards and behaviors that all the Bridgestone Group employees around the globe can and should expect from the Company, their managers and fellow employees. It outlines respect for diversity and inclusion, prohibition of discrimination and harassment, focus on workplace safety and health, commitment to responsible labor practices, and protection of free speech and association.

**Respect for diversity and inclusion (D&I) is an important element of the Bridgestone Group's Global Human Rights Policy. It is especially important "in a global enterprise consisting of diverse talent with varied backgrounds, cultures and experiences," according to the Global CEO Masaaki Tsuya. This commitment comes to life in multiple ways across the Bridgestone Group:**

- In the U.S., Employee Resource Groups (ERGs) create support networks for people with shared experiences, including African-Americans, LGBTQ<sup>15</sup> and allies, veterans, women and young professionals.
- Bridgestone Americas formed a D&I Committee in 2018 to advance these important topics and has sponsored the PRIDE Festival in Nashville that supports the LGBTQ rights movement for more than 10 years.

- The Group respects and encourages flexible work styles in numerous locations, including Japan and EMEA, and offers nursery facilities, various forms of paid maternity and paternity leave, as well as family care and volunteer leave in many locations.
- Bridgestone earned the highest rank of gold in Japan's annual PRIDE Index of LGBT-friendly workplaces. And, for the sixth consecutive year, it was named a Nadeshiko Brand in Japan for encouraging women's success in the workplace.
- Bridgestone Spain was recognized as a certified Family Responsible Company (efr certification) by [Fundación Másfamilia](#).

As part of its due diligence, the Bridgestone Group assesses the human rights and labor practices of potential new operations and projects.

Bridgestone regions also conduct regular surveys to understand employees' engagement and satisfaction with the Company.

Bridgestone's human resource-related data is [verified by Lloyd's Register Quality Assurance](#), a third-party institution, to ensure the accuracy and transparency of this information. This information will be available online from the middle of June 2019.

**More information on the Bridgestone Group's Human Rights and Labor Practices is available [online](#).**



<sup>15</sup> According to the GLAAD Media Guide, LGBTQ is a widely used acronym that stands for lesbian, gay, bi-sexual, transgender and queer.



# Safety, Industrial Hygiene

## Mission: Safety First, Always

**At Bridgestone, we make safety a business value. Creating a safe working place for all is everyone's responsibility.**

The Bridgestone Group introduces all employees to its fundamental safety activities and expects them to regularly conduct these activities in their workplaces. As a reminder of its aim to achieve perfect safety, the Group commitment is posted in all locations. The Group also introduced activity guidelines for contractors and visitors globally, to ensure their safety on its premises.

The Bridgestone Group's Global Safety and Industrial Hygiene Working Group recently established the structure for its global safety management system developed in reference to [ISO 45001](#), and is now generating the standards. In 2018, six new global safety standards were developed to be integrated into local standards in 2019. These included: disaster prevention, working at height, global injury reporting, lock out/tag out equipment, risk assessment standards, and mobile equipment safety. Additionally, ongoing training is conducted across the organization to meet both its exacting standards and all local regulatory requirements wherever the Bridgestone Group operates.



# Safety, Industrial Hygiene

## Safety Performance

In 2018, across the Bridgestone Group, there were 23 serious injuries<sup>16</sup> and no fatalities among employees. Unfortunately, the Group experienced one contractor fatality. The Group fully participated in the investigation with local authorities and continues to work toward its goal of perfect safety.

The Group's 2018 performance reflected a 20 percent reduction in the number of employee serious injuries and fatalities from 2017<sup>17</sup>.

Bridgestone Corporation (operations in Japan only) also tracks the frequency<sup>18</sup> and severity rates<sup>19</sup> of work-related lost-time injuries. In 2018, these indicators were below the average of both the Japanese manufacturing industry and rubber product manufacturing.

The Bridgestone Group began collecting and reporting this type of information on a global basis in 2019.

Bridgestone's safety-related data is [verified by Lloyd's Register Quality Assurance](#), a third-party institution, to ensure the accuracy and transparency of this information.

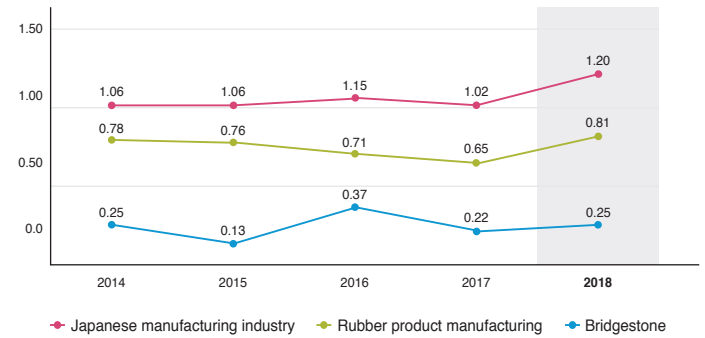
## Incident prevention

Fire prevention is also a key safety value at the Bridgestone Group. At the Global Disaster Prevention Center in Tokyo, the Group conducts hands-on training to help employees prevent fires and understand early detection techniques. It also conducts training on lessons learned from previous earthquakes.

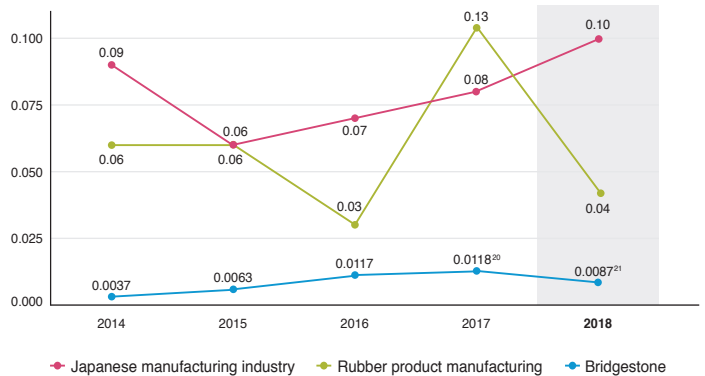
In Bridgestone EMEA, the demographics of the workplace are changing rapidly. Today, it has a far more multi-generational workforce. To be sure everyone is engaged and trained on its health and safety requirements, Bridgestone EMEA introduced gamification, new media and digital training that has been positively received. This work was recognized with a Bridgestone Group Award in early 2019.

**More information on the Bridgestone Group's Safety and Industrial Hygiene initiatives is available [online](#).**

## Frequency Rate



## Severity Rate



<sup>16</sup> The Bridgestone Group defines serious injuries as amputation (except some first joints of finger or toe), complete loss of vision, fracture (excluding finger, toe, foot, hand or infraction) and hospitalization of more than one month.

<sup>17</sup> In 2018, the Group reported no fatalities and 23 serious injuries among employees at 4,610 production and logistics sites, and retail shops. Across the entire group, there were 28 serious injuries and one fatality in 2017.

<sup>18</sup> Frequency rate = (number of lost-time injuries/total working hours) x 1,000,000.

<sup>19</sup> Severity rate = (total number of working days lost/total number of working hours) x 1,000.

<sup>20</sup> This number has been updated after the Labor Office finally judged the disability grade of a person injured in 2017.

<sup>21</sup> Bridgestone will update this number after the Labor Office confirms the working days lost of persons injured in 2018.

# Procurement

**Mission: Create value to society through sustainable procurement practices**

**We are committed to creating value and continually working toward a sustainable society to realize long-term environmental, social and economic benefits by incorporating the following into the entire supply chain:**

- **Transparency;**
- **Compliance;**
- **Quality, cost, delivery (QCD) and innovation; and,**
- **Sustainable procurement practices.**

In early 2018, the Bridgestone Group introduced its [Global Sustainable Procurement Policy](#) to help identify and evaluate qualified suppliers, promote best practices, and serve as a communication and improvement tool for the industry. Working with suppliers, the Group's goal is to contribute to faster realization of a sustainable supply chain for the environment and communities around the world.

Since the introduction of the policy, intensive new efforts have been underway in all regions globally. As of May 2019, acknowledgment of the policy has been completed by 98 percent (~2,400) of the Group's Tier 1 major suppliers and the majority are in the process of completing third-party assessments with [EcoVadis](#). As of May 14, 2019, 424 (41 percent) of the Group's Tier 1 tire material suppliers have completed the full assessment. Additionally, the Group has trained hundreds of procurement, legal, technical and customer-facing teams, among others across the enterprise.

For several years, the Bridgestone Group has held annual conferences in multiple locations for natural rubber suppliers and recently shared its Global Sustainable Procurement Policy. Representatives from the Group also visit approved natural rubber factories and hold face-to-face meetings once a year to support quality continuous improvement and enhance traceability and sustainability initiatives.

The Bridgestone Group's work with EcoVadis aligns with broader, industry-wide initiatives. In 2019, it will focus on reviewing assessment findings, addressing immediate concerns and developing its go-forward strategy toward industry best practices for supply chain sustainability and transparency.

**“The Bridgestone Group is great example of an organization that is leading in sustainability by increasing their focus on responsible procurement practices. Proactive collaboration with suppliers is the best way to improve performance across all corporate social responsibility indicators and drive positive change in the communities from which they source. This partnership will help the Group build on its existing efforts and make a real, lasting impact.”**

— Pierre-Francois Thaler, Co-CEO, EcoVadis



# Procurement

“2018 was a stand-out year for the Bridgestone Group’s engagement with WBCSD. Through our Tire Industry Project, the Group’s leadership in developing and launching the multi-stakeholder Global Platform for Sustainable Natural Rubber (GPSNR) was commendable. The GPSNR is a timely venture, building on WBCSD’s core mission, that by working together we can accelerate the transition to a sustainable world. Importantly, it is the dedication of WBCSD members like the Bridgestone Group that drives high-impact business solutions to address the most challenging sustainability issues.”

— Peter Bakker, President and CEO, World Business Council for Sustainable Development

## Partnerships

Although the Bridgestone Group’s commitments are significant, it cannot address supply chain improvements alone. That is why it is working collaboratively with 10 other leading tire companies that represent 65 percent of the world’s tire manufacturing capacity through the global [Tire Industry Project \(TIP\)](#) operated under the [World Business Council for Sustainable Development](#).

TIP members are using a scientific approach to continue to improve the sustainability efforts of the industry. They are also building on the existing body of knowledge to address the life-cycle impact of tires.

Together with other stakeholders, TIP members recently launched the [Global Platform for Sustainable Natural Rubber \(GPSNR\)](#) to transform the natural rubber supply chain for the better. Through the GPSNR, TIP companies, including Bridgestone and other stakeholder members, will work to harmonize standards to improve respect for human rights, prevent land-grabbing and deforestation, protect biodiversity and water resources, improve yields and increase supply chain transparency and traceability.

Even with these partnerships, it is important to realize that the majority of natural rubber production in the world is conducted by smallholder rubber farmers in Southeast Asia. The Bridgestone Group uses large volumes of natural rubber, but unfortunately, productivity of the rubber trees raised by these farmers is often low and the quality of natural rubber produced varies. To help smallholder farmers improve the quality of their operations, the Bridgestone Group provides Hevea rubber tree seedlings and conducts technical training in key producing countries using the same productivity-improvement techniques the Group developed for its own rubber farms.

The Bridgestone Group’s commitment to diversity and inclusion also impacts its procurement practices. For example, Bridgestone Americas aims to purchase from a supplier base representative of its employees, consumers, customers and communities. It is actively engaged in increasing work with diverse suppliers including aboriginal people, disabled, ethnic minorities, LGBTQ<sup>15</sup> communities, veterans and women.

More information on the Bridgestone Group’s Procurement practices is available [online](#).



# Quality and Customer Value

## Mission: Creating customer value and trust

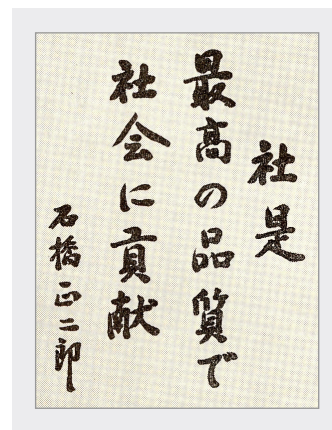
To create a global framework in collaboration with all related Bridgestone Group entities and stakeholders to proactively identify, prioritize and address customer quality issues in keeping with the intentions of our founder to “Serve Society with Superior Quality.”

Fifty years ago, when Bridgestone earned the Deming Prize for Total Quality Management (TQM), its quality journey truly began. Since that time, society and the Company have changed a great deal. But the Bridgestone Group has never wavered in its commitment to continuous improvement. In 2015, the Quality Mission Statement—Creating Customer Value & Trust—was established and translated into 20 languages and enhanced across the enterprise. As a reminder for employees, the Group’s commitment is posted in all locations.

Today, quality is not a department at the Bridgestone Group, it is an outcome of thoughtful planning and execution; it is a business principle, not only a product principle. This is why the Group’s cross-functional Quality Management System Task Force’s work overseeing the Global TQM<sup>22</sup> Culture of Continuous Improvement, including the “QMK”<sup>23</sup> approach to problem solving, was recognized with a Bridgestone Group Award in 2019.

Each year since 2010, the Group has held an annual Bridgestone Group Global TQM Conference. The meeting helps cultivate quality awareness and raise the level of TQM activities across the organization by sharing best practices. More than 325 employees from around the world attended the 2018 conference where 16 projects selected from more than 100 qualifying events were showcased.

More information on the Bridgestone Group’s commitment to Quality and Customer Value is available [online](#).



<sup>22</sup> TQM is an acronym for total quality management. Bridgestone’s TQM conferences serve as an opportunity for sharing information about superior workplace improvement activities in order to raise organization-wide quality awareness and enhance future TQM activities. In 2010, the Bridgestone Group began holding global-scale TQM conferences.

<sup>23</sup> QMK is an acronym that combines quality control and mondai kaiketsu (problem solving) to encourage problem solving through quality control.

## Leadership Commitment



**Shuichi Ishibashi**  
**Vice Chair and Representative**  
**Executive Officer,**  
**Bridgestone Corporation**

**Responsible for GBS**  
**(Global Business Support)**  
**Concurrently responsible for**  
**Technology and Quality Management**

**“As the Bridgestone Group transitioned 50 years ago to Chapter 2 in its history—modernizing its management structure and governance—it also established its Mission, “Serving Society with Superior Quality.” This commitment to quality is based on the belief that only a company that fundamentally operates with quality principles can create quality products and services. This requires the Group to strive for superior quality at all levels, including the quality of its management. This and all aspects of quality are included in the Management Fundamentals of *Our Way to Serve*. All members of the Bridgestone Group work together across its value chain to create common value for society and customers.”**

# Stakeholder Engagement

The Bridgestone Group prioritizes engagement with stakeholders as it strives to understand their perspectives and to share its point-of-view as well. This information helps inform the Group's business activities as it continues to sustainably grow its business.

Stakeholder Group	The Bridgestone Group Responsibilities	Communication Channels
<b>Customers</b>	<ul style="list-style-type: none"> <li>• Developing appealing products/services</li> <li>• Providing timely response and support</li> <li>• Providing appropriate information</li> <li>• Effectively managing customer information</li> </ul>	<ul style="list-style-type: none"> <li>• Responses to Customer Communication Center inquiries</li> <li>• Analysis, database compilation and internal utilization of customer input</li> <li>• Bridgestone TODAY Rubber and tire museum</li> <li>• Websites and social media</li> <li>• Daily sales and service activities (retail stores, dealer channels, online commerce)</li> <li>• Customer satisfaction survey</li> <li>• Auto shows</li> </ul>
<b>Shareholders And Investors</b>	<ul style="list-style-type: none"> <li>• Providing appropriate and timely information</li> <li>• Maximizing corporate value</li> </ul>	<ul style="list-style-type: none"> <li>• Annual Shareholders' Meeting</li> <li>• Corporate Governance Code Report</li> <li>• Corporate Governance Report</li> <li>• Financial results review meetings</li> <li>• Investor relations website</li> <li>• Reports based on International Integrated Reporting Framework</li> <li>• Individual meetings with investors</li> </ul>
<b>Business Partners</b>	<ul style="list-style-type: none"> <li>• Ensuring fair and impartial transactions</li> <li>• Communicating Sustainable Procurement Policy</li> </ul>	<ul style="list-style-type: none"> <li>• Daily procurement activities</li> <li>• Procurement policy explanatory forums/Sustainability seminars</li> <li>• Development of Sustainable Procurement and Global Human Rights policies</li> <li>• Supplier awards</li> <li>• Discussions with management (distributor meetings)</li> </ul>
<b>Employees</b>	<ul style="list-style-type: none"> <li>• Respecting human rights</li> <li>• Promoting diversity and inclusion, including diverse working styles</li> <li>• Developing and utilizing human resources</li> <li>• Promoting occupational health and safety, and health and productivity management</li> <li>• Facilitating mutual understanding between management and labor</li> </ul>	<ul style="list-style-type: none"> <li>• Bridgestone Code of Conduct and Global Human Rights Policy</li> <li>• Employee satisfaction surveys</li> <li>• Personnel evaluation systems and career development consultation</li> <li>• In-house open job application systems</li> <li>• Meetings between labor and management</li> <li>• In-house newsletters and intranet</li> <li>• Employee meetings and trainings</li> <li>• Bridgestone Group Awards and other reward systems</li> <li>• Internal events related to the Olympic and Paralympic Games</li> </ul>
<b>Local Communities, NGOs</b>	<ul style="list-style-type: none"> <li>• Contributing to local communities</li> <li>• Preserving local environments</li> <li>• Supporting activities in locations with the Bridgestone Group operating sites</li> </ul>	<ul style="list-style-type: none"> <li>• Donations and social contributions</li> <li>• Facility tours</li> <li>• Environmental and safety education activities</li> <li>• Sponsorship and aid for local events</li> <li>• Olympic and Paralympic sponsorships</li> <li>• Disaster relief support</li> <li>• Dialogue and collaborations with NGOs</li> </ul>
<b>Government Agencies, Industry Organizations And Education Institutions</b>	<ul style="list-style-type: none"> <li>• Contributing to the development of a safe and reliable mobile society</li> <li>• Supporting education activities</li> <li>• Participating in industry economic impact studies and supply chain assessments</li> </ul>	<ul style="list-style-type: none"> <li>• Trade association memberships, committees and conferences</li> <li>• Dialogue and collaborations with economic and industry organizations</li> <li>• Engagement with government officials</li> <li>• Participation in the <a href="#">Tire Industry Project</a> and the <a href="#">Global Platform for Sustainable Natural Rubber</a> operated under the <a href="#">World Business Council for Sustainable Development</a></li> <li>• Interaction and exchanges of opinion with municipal government agencies</li> <li>• Communication, coordination, and support of industry-government-academia partnerships</li> </ul>

# Bridgestone Group Awards 2019



**The Bridgestone Group Awards recognize innovation and continuous improvement toward the management goal of being a truly global company and “Dan-Totsu” in all aspects of its business.**

All Bridgestone Group organizations and employees are eligible for the Awards, which represent the highest level of recognition within the organization. Based on the Group's CSR commitment, *Our Way to Serve*, the awards include five categories: Achievement, Mobility, People, Environment and Management Fundamentals. The 2019 Bridgestone Group Awards winners are listed below and included within this Sustainability Report.

## **Achievement**

### **Bridgestone Americas, Inc.**

Shaping tomorrow: New Bridgestone Americas' headquarters (see page 36)

## **Mobility**

### **Bridgestone Corporation, Bridgestone BRM Co., Ltd.**

“Precision docking” tire and curb development for barrier-free (universal design) of advanced rapid transit (see page 15)

## **People**

### **Bridgestone Retail Operations, LLC**

Driving great futures: Transporting more youth safely to out-of-school programming (see page 23)

### **Bridgestone Tire Japan Co., Ltd., Bridgestone Corporation, Bridgestone Logistics Co., Ltd., Bridgestone Retail Japan Co., Ltd.**

Improvement of the support system in disasters (see page 21)

### **PT Bridgestone Tire Indonesia**

Bridgestone Indonesia rescue team for community (see page 21)

## **Environment**

### **Brisa Bridgestone Sabanci Lastik Sanayi ve Ticaret A.S.**

Reduction of ground water use in Izmit Plant (see page 29)

## **Management Fundamentals**

### **Bridgestone Europe NV/SA**

Safety transformation journey: new approaches to engage and train our teammates (see page 41)

**Bridgestone Corporation, Bridgestone Americas, Inc., Bridgestone Europe NV/SA, Bridgestone Asia Pacific Pte. Ltd.,** "Global TQM<sup>22</sup> Culture of Continuous Improvement" together with "QMK<sup>23</sup> Foundation" (see page 44)

### **Bridgestone Corporation, Bridgestone Americas, Inc., Bridgestone Europe NV/SA, Bridgestone Asia Pacific Pte. Ltd., Bridgestone Singapore Pte. Ltd.**

The launch and implementation of two key global policies: Global Sustainable Procurement Policy and Global Human Rights Policy; and the Bridgestone Code of Conduct (see page 37, 39, 42)

<sup>22</sup> TQM is an acronym for total quality management. Bridgestone's TQM conferences serve as an opportunity for sharing information about superior workplace improvement activities in order to raise organization-wide quality awareness and enhance future TQM activities. In 2010, the Bridgestone Group began holding global-scale TQM conferences.

<sup>23</sup> QMK is an acronym that combines quality control and mondai kaiketsu (problem solving) to encourage problem solving through quality control.



# ESG Data

See the Bridgestone Group's [GRI Index](#) online for complete information.  
Data items in bold are those for which [assurance](#) is provided.

## Management-related Data

Data item	FY2015	FY2016	FY2017	FY2018	GRI
Bridgestone Group sales <sup>1</sup>	JPY3,790 billion/ USD 31,425 million	JPY3,337 billion/ USD 28,646 million	JPY3,643 billion/ USD 32,242 million	JPY3,650 billion/ USD 32,883 million	102-7
Rubber production volume	1,790,000 tonnes	1,800,000 tonnes	1,880,000 tonnes	1,860,000 tonnes	102-7
Number of employees	144,303	143,616	142,669	143,509	102-7
Number of manufacturing facilities <sup>2</sup>	172	169	164	163	102-7

<sup>1</sup> Based on the average exchange rate used in the Bridgestone Group's 2018 Financial Report.

<sup>2</sup> Number of facilities as of April 1 each year. All other data reported as of December 31 each year.

## Environment-related Data<sup>3</sup>

Data item	FY2015	FY2016	FY2017	FY2018	GRI
<b>Materials</b>					
Amount of raw materials used	4,811 thousand tonnes	4,795 thousand tonnes	5,039 thousand tonnes	5,223 thousand tonnes	301-1
Resource productivity <sup>4</sup>	JPY 788 thousand/tonnes (USD 6.53 thousand/tonnes)	JPY 696 thousand/tonnes (USD 5.97 thousand /tonnes)	JPY 723 thousand/tonnes (USD 6.40 thousand/tonnes)	JPY 699 thousand/tonnes (USD 6.30 thousand/tonnes)	301-1
Amount of recycled rubber	16,066 tonnes	16,356 tonnes	20,369 tonnes	21,155 tonnes	301-2
Reclaimed products rate <sup>5</sup>	-	-	-	66%	301-3
<b>Energy</b>					
<b>Total energy consumption</b>	45,212 thousand GJ	44,860 thousand GJ	45,756 thousand GJ	46,358 thousand GJ	302-1
<b>Energy consumption (fuel)<sup>6</sup></b>	26,694 thousand GJ	26,416 thousand GJ	26,932 thousand GJ	27,305 thousand GJ	302-1
<b>Energy consumption (purchased electricity)</b>	4,649 thousand MWh	4,650 thousand MWh	4,802 thousand MWh	4,929 thousand MWh	302-1
<b>Energy consumption (purchased steam)</b>	1,864 thousand GJ	1,797 thousand GJ	1,630 thousand GJ	1,429 thousand GJ	302-1
Energy consumption per unit of sales <sup>1</sup>	1,193 GJ/JPY100 million (1,439 GJ/USD million)	1,344 GJ/JPY100 million (1,566 GJ/USD million)	1,256 GJ/JPY100 million (1,419 GJ/USD million)	1,270 GJ/JPY100 million (1,410 GJ/USD million)	302-3
Reduction volume of energy consumption	1,152 thousand GJ	352 thousand GJ	-896 thousand GJ	-602 thousand GJ	302-4
Energy consumption outside of the organization	1,460,987 thousand GJ	1,479,404 thousand GJ	1,549,645 thousand GJ	1,488,972 thousand GJ	302-2
<b>Water and Effluents</b>					
<b>Total water withdrawal<sup>7</sup></b>	77,445 thousand m <sup>3</sup>	74,221 thousand m <sup>3</sup>	71,477 thousand m <sup>3</sup>	74,039 thousand m <sup>3</sup>	303-3
<b>Water withdrawal (surface water)</b>	4,943 thousand m <sup>3</sup>	4,702 thousand m <sup>3</sup>	4,797 thousand m <sup>3</sup>	4,782 thousand m <sup>3</sup>	303-3
<b>Water withdrawal (groundwater)</b>	11,402 thousand m <sup>3</sup>	11,515 thousand m <sup>3</sup>	11,589 thousand m <sup>3</sup>	11,256 thousand m <sup>3</sup>	303-3
<b>Water withdrawal (water supply, industrial water)</b>	19,881 thousand m <sup>3</sup>	19,546 thousand m <sup>3</sup>	18,664 thousand m <sup>3</sup>	18,321 thousand m <sup>3</sup>	303-3
<b>Water withdrawal (seawater)</b>	41,200 thousand m <sup>3</sup>	38,457 thousand m <sup>3</sup>	36,426 thousand m <sup>3</sup>	39,681 thousand m <sup>3</sup>	303-3
Volume of recycled water	480,506 thousand m <sup>3</sup>	454,054 thousand m <sup>3</sup>	424,480 thousand m <sup>3</sup>	389,672 thousand m <sup>3</sup>	303-3
Total water discharge	61,744 thousand m <sup>3</sup>	58,677 thousand m <sup>3</sup>	56,801 thousand m <sup>3</sup>	60,146 thousand m <sup>3</sup>	303-4

# ESG Data

## Environment-related Data<sup>3</sup>

Data item	FY2015	FY2016	FY2017	FY2018	GRI
<b>Emissions</b>					
Greenhouse gas emissions (Scope 1)	1,856 thousand t-CO <sub>2</sub>	1,828 thousand t-CO <sub>2</sub>	1,871 thousand t-CO <sub>2</sub>	1,885 thousand t-CO <sub>2</sub>	305-1
Greenhouse gas emissions (Scope 2, market based) <sup>8</sup>	2,502 thousand t-CO <sub>2</sub>	2,448 thousand t-CO <sub>2</sub>	2,327 thousand t-CO <sub>2</sub>	2,264 thousand t-CO <sub>2</sub>	305-2
Greenhouse gas emissions (Scope 3) <sup>8</sup>	122,034 thousand t-CO <sub>2</sub>	122,834 thousand t-CO <sub>2</sub>	128,884 thousand t-CO <sub>2</sub>	135,670 thousand t-CO <sub>2</sub>	305-3
CO <sub>2</sub> emissions per unit in lifecycle stages <sup>9</sup>	366 t-CO <sub>2</sub> /JPY100 million (441 t-CO <sub>2</sub> /USD million)	412 t-CO <sub>2</sub> /JPY100 million (480 t-CO <sub>2</sub> /USD million)	378 t-CO <sub>2</sub> /JPY100 million (427 t-CO <sub>2</sub> /USD million)	389 t-CO <sub>2</sub> /JPY100 million (432 t-CO <sub>2</sub> /USD million)	305-4
CO <sub>2</sub> emission reduction rate in the operations and products' after-use (from a 2005 baseline)	37%	29%	35%	33%	305-5
NOx emissions <sup>10</sup>	4,066 tonnes	4,022 tonnes	4,069 tonnes	4,083 tonnes	305-7
SOx emission <sup>10</sup>	1,394 tonnes	1,095 tonnes	1,100 tonnes	901 tonnes	305-7
<b>Waste</b>					
Volume of waste generated <sup>11</sup>	296 thousand tonnes	311 thousand tonnes	312 thousand tonnes	355 thousand tonnes	306-2
Volume of recycled waste	265 thousand tonnes	282 thousand tonnes	282 thousand tonnes	315 thousand tonnes	306-2
Recycling waste rate	89%	91%	91%	89%	306-2
Volume of waste landfill	31 thousand tonnes	29 thousand tonnes	29 thousand tonnes	41 thousand tonnes	306-2
<b>Environmental Management</b>					
Sites with ISO 14001 certification <sup>12</sup>	99.4%	99.4%	98.7%	98.7%	-

<sup>3</sup> Data represents all Bridgestone Group facilities for the period of January 1–December 31 for each year referenced. Part of the data includes estimated figures.

<sup>4</sup> Sales per raw material used.

<sup>5</sup> Ratio of beneficial use such as material recycle, energy recovery, etc., except for retread, based on latest statistical data of tires.

<sup>6</sup> Includes fuel for in-house power generation.

<sup>7</sup> Water withdrawal data does not include recycled water from third-parties and rainwater.

<sup>8</sup> Category 8, 13 and 15 are excluded from the 15 categories in Scope 3 of the GHG protocol.

<sup>9</sup> CO<sub>2</sub> emissions per unit of sales produced from lifecycle stages from procurement to manufacturing, distribution and disposal.

<sup>10</sup> Emissions from combustion of fossil fuels estimated based on fuel consumption data and corresponding emission factors.

<sup>11</sup> Total volume of waste including non-hazardous waste and regulated hazardous waste.

<sup>12</sup> Sites targeted by the Bridgestone Group for ISO 14001 certification.

## Social and Governance related Data

Data item		FY2015	FY2016	FY2017	FY2018	GRI
Number of employees <sup>13</sup>	Total	144,303	143,616	142,669	143,509	102-7
	Japan	28,616	28,326	28,375	28,793	
	Americas	60,762	60,798	59,750	58,998	
	Europe, Russia, Middle East and Africa	16,760	17,240	17,510	17,637	
	China, Asia Pacific	38,165	37,252	37,034	38,081	
Global Executive Committee members <sup>13</sup>	Total	13	14	16	9	405-1
	Number of foreign members	5	6	8	5	
	Percentage of foreign members	38.5%	42.9%	50.0%	55.6%	
Executive Officers, Vice Presidents and Officers <sup>13, 14</sup>	Total	51	52	52	52	405-1
	Number of foreign members	7	9	12	10	
	Percentage of foreign members	13.7%	17.3%	23.1%	19.2%	
Product safety	Sites with ISO 9001 certification <sup>13, 15</sup>	-	98.7%	99.0%	99.3%	416-1

Data item	Region	Total	Top Management positions <sup>18</sup>	Management positions <sup>19</sup>		Total managerial positions	Other staff and positions	GRI
				Management positions <sup>19</sup>	Junior Management positions <sup>20</sup>			
Female Ratio <sup>16</sup>	Japan	11.1%	0.9%	1.8%	2.2%	1.9%	13.3%	405-1
	Bridgestone Corporation	8.8%	0.0%	2.7%	0.0%	1.9%	9.9%	
	Americas	11.2%	24.0%	15.5%	10.9%	12.2%	11.1%	
	Europe and Middle East <sup>17</sup>	11.7%	19.0%	13.6%	10.9%	11.5%	11.7%	
	China, Asia Pacific	8.1%	0.0%	10.0%	14.1%	13.1%	7.3%	

Data item		2018	GRI
Number of directors in Bridgestone Corporation (as of April 1, 2019)	Total	11	102-22
	Men	9	
	Women	2	
	Of which independent external directors	8	
	Men	6	
	Women	2	
Directors	Total fees <sup>21</sup>	JPY 228 million/ USD 2.073 million	102-35
Independent external directors	Total fees <sup>21</sup>	JPY 130 million/ USD 1.182 million	
Executive officers	Total fees <sup>21</sup>	JPY 577 million/ USD 5.245 million	

<sup>13</sup> Data as of December 31 for each year referenced.

<sup>14</sup> Including officers of Bridgestone subsidiaries.

<sup>15</sup> Sites targeted by Bridgestone for ISO 9001 certification.

<sup>16</sup> Data as of December 31, 2018 from 117663 employers and employees (82 percent of total workforce)

<sup>17</sup> Excluding Turkey, South Africa and Russia.

<sup>18</sup> Management positions with a reporting line at most two levels away from the CEO in each company.

<sup>19</sup> All managerial position excluding "Top management positions" and "Junior management positions."

<sup>20</sup> First-line managers, junior managers and the lowest level of management within a company's management hierarchy.

<sup>21</sup> Data on fees for January 1–December 31, 2018.



# Sustainability Report 2018–2019

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