

## Guidelines for Determining Whether Outside Directors are Sufficiently Independent

In order to ensure that Bridgestone Corporation (“Bridgestone”) achieves the objectivity and transparency necessary for appropriate corporate governance, it is best that outside directors be as independent as possible. Bridgestone has accordingly established these guidelines concerning the requisite independence of Outside Directors. If any of the following items applies to an Outside Director (or to a candidate for such position. The same applies hereafter), they shall be deemed to lack the required level of independence. A person who:

1. In the past was an Executing Person of Bridgestone or a consolidated subsidiary of Bridgestone (collectively, the “Bridgestone Group”).<sup>1</sup>
2. Is a major shareholder of Bridgestone.<sup>2</sup>
3. Is an Executing Person of a company or entity to which one of the following is applicable:
  - (1) A major supplier or customer of the Bridgestone Group.<sup>3</sup>
  - (2) A major lender to the Bridgestone Group.<sup>4</sup>
  - (3) A company or entity of which the Bridgestone Group holds 10% or more of the voting shares.
4. Is a certified public accountant with an auditing firm that is an accounting auditor of the Bridgestone Group.
5. Is a professional, such as a consultant, accountant, tax accountant, lawyer, judicial scrivener, or patent attorney who has received a large amount<sup>5</sup> of money or other assets from the Bridgestone Group.
6. Is a person who has received a large amount of donation from the Bridgestone Group.<sup>6</sup>
7. Is an Executing Person of another company, which position constitutes an interlocking director or corporate auditor position<sup>7</sup> for the Outside Director.
8. Has a close relative<sup>8</sup> to which any of the above items 1 through 7 applies (but other than with respect to item 4 or 5, limited to a significant person<sup>9</sup>).
9. Is a person to which any of the above items 2 through 8 has applied within the last 5 years.
10. Notwithstanding the above, is a person with respect to which any other particular factors exist that could create a conflict of interest with Bridgestone.

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Notes: <sup>1</sup> This means one who is currently an executive director, executive officer, corporate officer or other similar person or employee (each, for purpose of these Guidelines, an “Executing Person”) or who has been an Executing Person of the Bridgestone Group at any time in the past.

<sup>2</sup> A “major shareholder” shall mean a shareholder holding 5% or more of the voting shares, either in their own name or a third party’s name, as of the end of Bridgestone’s fiscal year. If the major shareholder is an organization such as a company (or other legal entity) or partnership, it shall mean an Executing Person of the organization.

<sup>3</sup> A “major supplier or customer” means a supplier or customer of the Bridgestone Group products whose annual total transactions with the Bridgestone Group exceeds 2% of Bridgestone’s consolidated aggregate sales or 2% of the consolidated aggregate sales of the other party. In addition, automobile manufacturers which are customers of the Bridgestone Group tire products, and synthetic rubber manufacturers and steel cord manufacturers which are suppliers to the Bridgestone Group are considered major suppliers or customers regardless of actual annual transaction amounts.

<sup>4</sup> A “major lender” means a financial institution from which the Bridgestone Group receives loans where the outstanding loan amount as of the end of Bridgestone’s fiscal year exceeds 2% of Bridgestone’s consolidated gross assets or 2% of the financial institution’s consolidated gross assets.

<sup>5</sup> “Large amount” means the occurrence of either of the following in response to the professional’s provision of services:

- (1) In the event that the professional is providing services to the Bridgestone Group as an individual, the receipt by the professional from the Bridgestone Group of compensation (excluding compensation for services as a director or corporate auditor) of an amount exceeding 10 million yen per year.
- (2) In the event the professional services are provided by an organization such as a company (or other legal entity) or a partnership, the receipt by the organization from the Bridgestone Group of the total amount of compensation exceeding 2% of the annual aggregate income of the organization. Even if not more than 2%, if the organization receives more than 10 million yen per year as compensation for services in which the professional was directly involved, it is considered a “large amount”.

<sup>6</sup> This means the recipient of a donation exceeding 10 million yen per year from the Bridgestone Group. If the recipient is an organization such as a company (or other legal entity) or a partnership, any member of the organization who is directly involved with the research, education or other activity related to the donation.

<sup>7</sup> “Interlocking director or corporate auditor position” means an Executing Person of the Bridgestone Group who is an Outside Director or Corporate Auditor for another company, where an Executing Person of such other company is also an Outside Director of Bridgestone.

<sup>8</sup> A “close relative” means a spouse or a relative within two degrees of family relation.

<sup>9</sup> A “significant person” means a director, executive officer, corporate officer or an Executing Person who is a division manager or above, or an Executing Person with authority similar to any of the foregoing.

Note: The above standards shall apply from March 24, 2016 (upon the transition to the Company with Nominating Committee, etc., subject to the approval of Proposal 2 “Partial Amendments to the Articles of Incorporation” at this meeting). The Company applies Guidelines for Determining Whether Outside Directors / Corporate Auditors are Sufficiently Independent in which the similar standards are set for both Outside Directors and Corporate Auditors until then.

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