

LR Independent Assurance Statement

Relating to Bridgestone Group's Environmental and Social Data for the calendar year 2020

This Assurance Statement has been prepared for Bridgestone Corporation in accordance with our contract but is intended for the readers of this report.

Terms of engagement

Lloyd's Register Quality Assurance Limited (LR) was commissioned by Bridgestone Corporation (the Organisation) to provide independent assurance on its environmental and social data ("the report") for the calendar year 2020, that is, from 1 January 2020 to 31 December 2020¹, against the assurance criteria below to a level of assurance and materiality using LR's verification procedure and ISO 14064-3:2006 for greenhouse gas (GHG) emissions data. LR's verification procedure is based on current best practice, is in accordance with ISAE 3000 and uses the following principles - inclusivity, materiality, responsiveness and reliability of performance data.

Our assurance engagement covered operations and activities of Bridgestone Group² and specifically the following requirements:

- Verifying conformance with Bridgestone Group's reporting methodologies for selected datasets
- Evaluating the accuracy and reliability of data for only the selected indicators listed below:

Environmental:

- Amount of raw materials used, Ratio of Recycled/Renewable Material
- Total energy consumption, Energy consumption (fuels, consumption of fuels oriented from renewable energy, Energy consumption (purchased electricity, consumption of purchased electricity oriented from renewable energy, Energy consumption (purchased steam), Energy consumption (self-generated renewable electricity from non-fuel sources; solar, etc.), Electricity sold, Total energy consumption (renewable), Total energy consumption (non-renewable),
- Total water withdrawal, Total water withdrawal in water stress area, Water withdrawal (surface water), Water withdrawal (groundwater), Water withdrawal (water supply, industrial water), Water withdrawal (seawater),
- GHG emissions^{3 4} (Scope 1), GHG emissions (Scope 2) Market-based and Location-based, GHG emissions (Scope 3) Categories⁵ 1, 2, 3, 4, 5, 6, 7, 9, 10, 11, 12 and 14,
- NOx emissions, SOx emissions,
- Volume of waste generated, Volume of recycled waste, Recycling waste rate, Volume of waste to landfill, Volume of regulated hazardous waste generated, Volume of regulated hazardous waste recycled, Volume of regulated hazardous waste to landfill,
- Resource productivity, and
- Sites with ISO14001 certification

¹ The Volume of regulated hazardous waste generated, recycled and landfilled of the sites in Japan uses data from 1 April 2020 to 31 March 2021 and the Occupational illness frequency rate (OIFR) uses data from 1 July 2020 to 31 December 2020.

² Except non-production sites for environmental data. 159 production sites for energy consumption, Scope 1 and Scope 2 GHG emissions, NOx emissions and SOx emissions, 157 production sites for water withdrawal and waste data in the world are covered. Out of social data, OIFR covers operations and activities of Bridgestone Group's production sites in Japan and overseas. Female ratio covers the group companies in Japan and overseas but a part of group companies are excluded from the subject for the quantification (approx.12% of the total group employees).

³ Scope 1 and 2 GHG emissions are as defined in The Greenhouse Gas Protocol – A Corporate Accounting and Reporting Standard.

⁴ GHG quantification is subject to inherent uncertainty.

⁵ The categories of Scope 3 GHG emissions are as defined in the Greenhouse Gas Protocol – Corporate Value Chain (Scope 3) Accounting and Reporting Standard, Table 5.3.

Social:

- Lost-time injuries frequency rate of employees, Lost-time injuries frequency rate of the contractors, and, Occupational illness frequency rate (OIFR), and
- Female ratio

Our assurance engagement excluded the other data and information of the Organisation's suppliers, contractors and any third-parties mentioned in the report.

LR's responsibility is only to the Organisation. LR disclaims any liability or responsibility to others as explained in the end footnote. The Organisation's responsibility is for collecting, aggregating, analysing and presenting all the data and information within the report and for maintaining effective internal controls over the systems from which the report is derived. Ultimately, the report has been approved by, and remains the responsibility of the Organisation.

LR's Opinion

Based on LR's approach nothing has come to our attention that would cause us to believe that the Organisation has not, in all material respects:

- Met the requirements above
- Disclosed accurate and reliable performance data and information as no errors or omissions were detected

The opinion expressed is formed on the basis of a limited level of assurance and at the materiality of the professional judgement of the verifier.

Note: The extent of evidence-gathering for a limited assurance engagement is less than for a reasonable assurance engagement. Limited assurance engagements focus on aggregated data rather than physically checking source data at sites. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

LR's approach

LR's assurance engagements are carried out in accordance with our verification procedure. The following tasks though were undertaken as part of the evidence gathering process for this assurance engagement:

- Auditing the Organisation's data management systems to confirm that there were no significant errors, omissions or mis-statements in the report. We did this by reviewing the effectiveness of data handling procedures, instructions and systems, including those for internal verification. We also spoke with those key people responsible for compiling the data and drafting the report.
- Visiting Wuxi Plant, China to sample source data for selected datasets to confirm its accuracy and reliability.
- Conducting remote verification to Kitakyushu Plant, Japan and Bridgestone Group's carbon black factory in Thailand via Microsoft Teams for the similar purposes as above, in consideration of preventing from expansion of new coronavirus infection (COVID-19).
- Conducting review of the following datasets through the verification processes:
 - Environmental: Reclaimed products rate, Energy consumption outside of the organisation, Energy intensity (energy consumption per unit of sales), Reduction volume of energy consumption, CO₂ emissions per unit in lifecycle stages, and CO₂ emission reduction rate per unit in the operations and products' after-use (compared with 2005)
 - Social: Number of fatalities of employees, and, Number of fatalities of the contractors

LR's recommendations

The Organisation should continue to implement efforts to share in-depth understating among the group staff and continually improve through implementing the procedures of collection and internal checks of data including the added items and the updated information.

LR's standards, competence and independence

LR implements and maintains a comprehensive management system that meets accreditation requirements for ISO 14065 Greenhouse gases – Requirements for greenhouse gas validation and verification bodies for use in accreditation or other forms of recognition and ISO/IEC 17021 Conformity assessment – Requirements for bodies providing audit and certification of management systems that are at least as demanding as the requirements of

the International Standard on Quality Control and comply with the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants.

LR ensures the selection of appropriately qualified individuals based on their qualifications, training and experience. The outcome of all verification and certification assessments is then internally reviewed by senior management to ensure that the approach applied is rigorous and transparent.

The verification is the only work undertaken by LR for the Organisation and as such does not compromise our independence or impartiality.

Signed

Dated: 21 May 2021



Michiaki Chiba
LR Lead Verifier
On behalf of Lloyd's Register Quality Assurance Limited
Queen's Tower A, 10th Floor, 2-3-1 Minatomirai, Nishi-ku
Yokohama 220-6010, Japan

LR reference: YKA00000672_3a

Lloyd's Register Group Limited, its affiliates and subsidiaries, including Lloyd's Register Quality Assurance Limited (LRQA), and their respective officers, employees or agents are, individually and collectively, referred to in this clause as 'Lloyd's Register'. Lloyd's Register assumes no responsibility and shall not be liable to any person for any loss, damage or expense caused by reliance on the information or advice in this document or howsoever provided, unless that person has signed a contract with the relevant Lloyd's Register entity for the provision of this information or advice and in that case any responsibility or liability is exclusively on the terms and conditions set out in that contract. The English version of this Assurance Statement is the only valid version. Lloyd's Register Group Limited assumes no responsibility for versions translated into other languages.

This Assurance Statement is only valid when published with the Report to which it refers. It may only be reproduced in its entirety.

Copyright © Lloyd's Register Quality Assurance Limited, 2021. A member of the Lloyd's Register Group.

**Assurance Statement related to
GHG Emissions Inventory 2020
Prepared for Bridgestone Corporation**

Terms of Engagement

This Assurance Statement has been prepared for Bridgestone Corporation.

Lloyd's Register Quality Assurance Limited (LR) was commissioned by Bridgestone Corporation (the Organisation) to assure its Greenhouse Gas (GHG) Emissions Inventory for the calendar year 2020, that is from 1 January 2020 to 31 December 2020 (hereafter referred to as "the Report").

The Report relates to direct GHG emissions (Scope 1¹), energy indirect GHG emissions (Scope 2¹) and other indirect GHG emissions (Scope 3²). The Report covers Bridgestone Group's 159 production sites in the world for GHG emissions Scope 1 and Scope 2.

The Organisation's GHG Emissions Inventory excludes GHG emissions from operations and activities of Bridgestone Group's non-production sites, emissions of GHGs other than CO₂, CH₄, N₂O from use of energy, GHG emissions from mobile sources used outside of the production sites. Categories 10 and 11 of Scope 3 GHG emissions are calculated for tires of passenger cars, trucks and buses as the main products only. These GHG emissions excluded from the calculation are relatively small to the total GHG emissions of the Organisation.

Management Responsibility

The Organisation's management was responsible for preparing the Report and for maintaining effective internal controls over the data and information disclosed. LR's responsibility was to carry out an assurance engagement on the Report in accordance with our contract with the Organisation.

Ultimately, the Report has been approved by, and remains the responsibility of the Organisation.

LR's Approach

Our verification has been conducted in accordance with ISO 14064-3:2006, 'Specification with guidance for validation and verification of greenhouse gas assertions' to provide limited assurance that GHG emissions data as presented in the Report have been prepared in conformance with the Organisation's in-house procedures.

To form our conclusions the assurance engagement was undertaken as a sampling exercise and covered the following activities:

- conducted site tour of Wuxi Plant in China and reviewed processes related to the control of GHG emissions data and records;
- conducted remote site tour and review of Kitakyushu Plant in Japan and Bridgestone Group's carbon black factory in Thailand via Microsoft Teams for the similar purposes as above, in consideration of preventing from expansion of the new coronavirus infection (COVID-19);

¹ Scope 1 and 2 GHG emissions are as defined in The Greenhouse Gas Protocol – A Corporate Accounting and Reporting Standard.

² The categories of Scope 3 emissions are as defined in the Greenhouse Gas Protocol – Corporate Value Chain (Scope 3) Accounting and Reporting Standard, Table 5.3.

- reviewed the management system documents for GHG emissions data, information and records, covering all the processes up to the preparation of the GHG Inventory at the head office in Tokyo;
- interviewed relevant staff of the Organisation responsible for managing GHG emissions data and records;
- assessed effectiveness of implementation of the GHG management system and the internal data verification; and
- verified historical GHG emissions data and records at an aggregated level for the calendar year 2020.

Level of Assurance & Materiality

The opinion expressed in this Assurance Statement has been formed based on a limited level of assurance and at a materiality of the professional judgment of the Verifier.

LR's Opinion

Based on LR's approach nothing has come to our attention that would cause us to believe that the total direct GHG emissions and energy indirect GHG emissions and other indirect GHG emissions disclosed in the Report as summarized in Table 1 below are not materially correct and that the Report has not been prepared in conformance with the Organisation's in-house procedures.

LR's Recommendations

The Organisation should periodically review the emission sources of each site, the calculation methods and factors used for calculation of GHG emissions.

Dated: 21 May 2021



Michiaki Chiba
LR Lead Verifier

On behalf of Lloyd's Register Quality Assurance Limited
Queen's Tower A, 10th Floor, 2-3-1 Minatomirai, Nishi-ku, Yokohama 220-6010, Japan
LR reference number: YKA00000672_3a

Table 1. Summary of Bridgestone Group's GHG Emissions Inventory 2020

Scope of GHG emissions	Tonnes CO ₂ e
Direct GHG emissions (Scope 1) CO ₂ <small>Note1</small>	1,503,530
Energy indirect GHG emissions (Scope 2, Market-based) CO ₂ <small>Note1 Note2</small>	1,658,860
Energy indirect GHG emissions (Scope 2, Location-based) CO ₂ <small>Note1 Note2</small>	1,931,932
Total GHG emissions (Scope 1&2, Market-based) CO ₂	3,162,390
Total energy oriented CH ₄ , N ₂ O emissions (Scope 1&2 total) <small>Ref. Note1</small>	13,696
Other indirect GHG emissions (Scope 3) Categories 1, 2, 3, 4, 5, 6, 7, 9, 10, 11, 12, and 14	109,130,520
<p>Note1: Energy oriented CH₄ and N₂O emissions are separately calculated and shown in the total amount of Scope 1&2.</p> <p>Note2: Scope 2, Location-based and Scope 2, Market-based are defined in the GHG Protocol Scope 2 Guidance, 2015</p>	

This Assurance Statement is subject to the provisions of this legal section:

This Assurance Statement is only valid when published with the Report to which it refers. It may only be reproduced in its entirety.

Lloyd's Register Group Limited, its affiliates and subsidiaries, including Lloyd's Register Quality Assurance Limited (LRQA), and their respective officers, employees or agents are, individually and collectively, referred to in this Legal Section as 'Lloyd's Register'. Lloyd's Register assumes no responsibility and shall not be liable to any person for any loss, damage or expense caused by reliance on the information or advice in this document or howsoever provided, unless that person has signed a contract with the relevant Lloyd's Register entity for the provision of this information or advice and in that case any responsibility or liability is exclusively on the terms and conditions set out in that contract.

Due to inherent limitations in any internal control, it is possible that fraud, error, or non-compliance with laws and regulations may occur and not be detected. Further, the verification was not designed to detect all weakness or errors in internal controls so far as they relate to the requirements set out above as the verification has not been performed continuously throughout the period and the verification carried out on the relevant internal controls were on a test basis. Any projection of the evaluation of control to future periods is subject to the risk that the processes may become inadequate because of changes in conditions, or that the degree of compliance with them may deteriorate.

The English version of this Assurance Statement is the only valid version. Lloyd's Register assumes no responsibility for versions translated into other languages.

In the case of any conflict between the English and Japanese versions of this legal section, the English version shall prevail.