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 a 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 <u>Annual Report</u> and <u>online</u>.

