

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 supply chain:

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

In 2018, the Bridgestone Group introduced its [Global Sustainable Procurement Policy](#) that aligns with its goal of using 100% sustainable materials by 2050 and beyond.

ENSURING COMPLIANCE

To better understand the strengths and vulnerabilities of suppliers, the Bridgestone Group worked with EcoVadis to conduct enhanced environmental, social and governance (ESG) risk assessments of the Group's new and existing major Tier 1 suppliers to its tire business. As of March 2020, 48% of the Group's Tier 1 tire material suppliers completed the third-party assessment with EcoVadis. Of suppliers who were reviewed, 55% earned an EcoVadis Medal, which corresponds to confirmed compliance with our sustainable procurement practices.

The Bridgestone Group conducts sustainable procurement seminars in all business regions for certain suppliers based on our sustainable procurement policy and the results of their ESG risk assessment, to help support their efforts to improve ESG activities. In 2019, 65 suppliers attended the seminars in Japan.

NATURAL RUBBER SUSTAINABILITY

The Bridgestone Group is focused on continually meeting the rising global demand for natural rubber. Doing so, while also addressing key environmental issues and social risks arising from increased natural rubber production, is vital for the Group's sustainable procurement strategy.

It is important to realize that smallholder natural rubber farmers in Southeast Asia produce most of the natural rubber in the world. The Bridgestone Group hosts workshops to help smallholder farmers in Thailand and Indonesia improve the quality of their operations. It also 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.

In addition to holding an annual conference to deepen understanding of the Bridgestone Group's procurement policies among its natural rubber suppliers, representatives from the Group visited more than 100 approved natural rubber factories to support quality improvement and enhance traceability and sustainability in 2019, and revisited three suppliers with low scores in the EcoVadis assessment to support their ESG activities.

COLLABORATING WITH STAKEHOLDERS

While these initiatives are significant, true supply chain improvement must take place across the industry. Together with other stakeholders, Bridgestone and other tire companies launched the [Global Platform for Sustainable Natural Rubber \(GPSNR\)](#) to transform the natural rubber supply chain for the better. Through the GPSNR, tire companies, including Bridgestone, and other stakeholders are harmonizing 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. In 2020, the Group will continue working with the GPSNR, NGOs, suppliers, customers and others to continue increasing transparency and traceability in the natural rubber supply chain.

“Bridgestone has been a key contributor toward our vision of social, economic and environmental sustainability of the natural rubber value chain. As a Founding Member of GPSNR and member of our Executive Committee, Bridgestone is actively involved in the conceptualization and design of critical GPSNR processes such as our assurance system, financial model and grievance mechanism. Together with other members of the platform, Bridgestone participates on several GPSNR Working Groups where, through fruitful discussions and sharing of insight and data, we are making progress in defining GPSNR's objectives and strategies as well as their implementation.”

- Stefano Savi, Director, Global Platform for Sustainable Natural Rubber (GPSNR)

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