



BRIDGESTONE GROUP

**GLOBAL SUSTAINABLE
PROCUREMENT POLICY**

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INTRODUCTION

Across many industries around the world, the movement towards Sustainable Procurement is gaining momentum and broad adoption. This concept builds upon Environmentally Responsible Procurement, but sets further expectations for key business partners and Suppliers to operate additionally with respect to human rights, responsible labor practices and good governance.

The Bridgestone Group (“Bridgestone”) is the world’s largest tire and rubber company and is focused on continually meeting rising global demand, as well as the quality standards for its products. Importantly, Bridgestone takes a broad view of Sustainable Procurement, which includes not only commonly discussed environmental aspects such as Deforestation, but also labor rights, land use, water use and quality, as well as many other critical elements. Bridgestone focuses on Sustainable Procurement practices to help ensure the Company’s expectations of its Suppliers regarding quality, cost and delivery (QCD) are not achieved with negative impact on key environmental, social and governance considerations.

To enhance and accelerate Bridgestone’s Sustainable Procurement activities, the Company collaborates with Suppliers to create new opportunities that can improve not only compliance, safety and QCD, but also create value for the entire supply chain through environmental stewardship practices, respect for human rights, support of fair labor practices, and increased Transparency. Bridgestone does this while positively contributing to the local communities in which its supply chains exist.

Bridgestone expects its Suppliers to recognize the importance of Sustainable Procurement, and work with the Company to implement appropriate practices to create value for all Stakeholders.



BRIDGESTONE'S CORPORATE PHILOSOPHY

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Mission

“Serving Society with Superior Quality”

Bridgestone aspires to offer the best for its customers and to society, not only in terms of products, services and technology, but in all corporate activities. The Company commitment to quality stems not from want of profit, but out of a passion for improving the safety and lives of people everywhere. Through its Mission, Bridgestone strives to be a company trusted by the world - a company in which all people can take great pride.

Foundation

“Seijitsu-Kyocho” [Integrity and Teamwork]

Seijitsu-Kyocho is about adhering to principles of good faith as one carries out work, in the way one treats others, and as one participates in and engages with society. It is about producing positive outcomes by respecting a diversity of skills, values, experiences, genders, and races and fostering teamwork.

“Shinshu-Dokuso” [Creative Pioneering]

Shinshu-Dokuso is about envisioning the future and proactively challenging one another to identify and develop innovations that will further benefit society and respond to customer needs – from the customer’s point of view. It is about unleashing creativity and innovation to develop new business domains and creating demand for new and beneficial products through Bridgestone’s unique methods.

“Genbutsu-Genba” [Decision-Making Based on Verified, On-Site Observations]

Genbutsu-Genba is about taking the time to go on-site and personally verify the facts, then use those observations to make informed decisions. It is about not being satisfied with the current situation, and making informed decisions that will lead the Company to even better products and solutions.

“Jukuryo-Danko” [Decisive Action after Thorough Planning]

Jukuryo-Danko is about investigating all options and the full range of possibilities, giving careful thought as to how to execute the decided course of action. It is about identifying what is necessary and deciding on a vision. And once a decision and course of action is determined, it is about moving forward with a sense of urgency.



BRIDGESTONE'S PROCUREMENT MISSION

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Bridgestone's procurement mission is to, *"Create value to society through Sustainable Procurement practices."*

Bridgestone is 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 Bridgestone's entire supply chain:

1. Transparency
2. Compliance
3. QCD & Innovation
4. Sustainable Procurement Practices



**BRIDGESTONE'S
COMMITMENT TOWARDS
100% SUSTAINABLE
MATERIALS**

BRIDGESTONE'S COMMITMENT TOWARDS 100% SUSTAINABLE MATERIALS

Bridgestone commits to ensuring that the products and services it procures come from Suppliers acting in accordance with Bridgestone's Global Sustainable Procurement Policy ("Policy").

The journey towards "100% Sustainable Materials," Bridgestone's goal for 2050 and beyond, will not be simple, nor can Bridgestone achieve it alone. In addition to industry association membership and support, Bridgestone also relies on other useful internationally recognized standards and tools to support its efforts toward a sustainable business.



**BRIDGESTONE'S
COMMITMENT TO NATURAL
RUBBER SUSTAINABILITY**

BRIDGESTONE'S COMMITMENT TO NATURAL RUBBER SUSTAINABILITY

Bridgestone provides a full range of rubber and related products and services, but has become known worldwide for its tire brands. The performance expectations of tires are great and equally critical for ensuring the safety of the driving public. Meeting the performance needs of tires requires a combination of both natural rubber and synthetic rubber, as well as other compound ingredients, raw materials, fibers, cords and textiles.

Industry experts project tire demand to expand along with global population growth and subsequent motorization. Natural rubber consumption also is expected to increase globally, making the realization of a Sustainable Natural Rubber supply chain a business imperative.

Bridgestone is committed to helping create a thriving and Sustainable Natural Rubber economy. The natural rubber economy is massive and fragmented, and made up of many layers of Small Holders and farmers, medium to large estates, raw material dealers, processing plants, and rubber product manufactures. A large quantity of natural rubber is produced in Southeast Asia and is sold and/or processed by a relatively manageable number of top tier Suppliers. While Southeast Asia represents a significant mass, it's important to recognize the great majority of natural rubber is sourced from small and typically unsophisticated land holders from rubber producing regions all around the world.

The work towards achieving a Sustainable Natural Rubber economy is never-ending and will require collaborations with industry players, as well as broader public awareness. The costs and challenges for this work are too numerous for any one tire and rubber company to address alone. Bridgestone is continuing to work diligently studying this issue in totality and meeting with varying different Stakeholders from non-governmental organizations (NGOs) to customers, as well as other tire Suppliers within the parameters of industry trade association memberships.

Bridgestone recognizes that natural rubber is a renewable natural resource that can be produced in ways that are sustainable for the environment, society, and the Bridgestone business. Worldwide natural rubber operations and supply chains – those operated by Bridgestone included – can continue to further benefit from advancements in technology and innovative ideas.

To improve on the sustainability aspects of Bridgestone's natural rubber supply and business, Traceability needs to be enhanced such that there is greater visibility to the Point of Origin of the natural rubber materials sourced throughout its supply chain.

Improved Traceability allows Bridgestone to better understand where, how, and who is involved in the natural rubber production process, and in turn provides the opportunity to create improved environmental, social and governance conditions.

Bridgestone's commitment to improving the natural rubber supply chain comes from the awareness that a growing global population will lead to an increase in demand for mobility options, and as a result, for Bridgestone products. Increased demand can present challenges associated with complex social issues, Forests, water systems, biodiversity, and greenhouse gas emissions globally. After all, the Bridgestone business is reliant on the health and well-being of the natural environment, as well as the people who live in it.

Bridgestone experts have contributed to past work such as the Sustainable Natural Rubber Initiative (SNR-i), which was established in partnership with the International Rubber Study Group (IRSG), an inter-governmental organization composed of global rubber producing and natural rubber consuming Stakeholders. The SNR-i program established widely accepted criteria that balance economic, environmental, and societal aspects to secure a global Sustainable Natural Rubber economy benefiting all industry Stakeholders. When conducting due diligence in the natural rubber supply chain, Bridgestone will refer to institutions such as the Organization for Economic Co-operation and Development (OECD) Due Diligence Guidance(s).

Bridgestone openly calls on farmers, Suppliers, brokers, business partners, peers, other industry groups, NGOs, and other experts to collaborate with Bridgestone teams to achieve the Company's ambitious goals – not just for Bridgestone or for the rubber industry, but for all who enjoy and benefit from Earth's natural resources.



BRIDGESTONE'S GLOBAL SUSTAINABLE PROCUREMENT POLICY

BRIDGESTONE'S GLOBAL SUSTAINABLE PROCUREMENT POLICY

This Policy will be used to promote Sustainable Procurement practices and help Bridgestone identify and/or evaluate qualified Suppliers of products and services. The Policy is applicable to all points of Bridgestone's various supply chains. Adherence with the Policy requires that Suppliers adopt the following foundational elements to guide the inclusion of Bridgestone's requirements and Preferred Practices into their businesses.

1. Transparency
2. Compliance
3. QCD (Quality, Cost, Delivery) & Innovation
4. Sustainable Procurement Practices

Suppliers are **required** to meet at least the Minimum Requirements defined in this Policy to do business with Bridgestone. In addition, Suppliers are **encouraged** to meet Preferred Practices. These are aspirations that Bridgestone believes will enhance its various supply chains – most notably the natural rubber supply chain. Bridgestone is willing to work together with Suppliers in helping them achieve Preferred Practices.

Should a Supplier not meet the Minimum Requirements in this Policy, Bridgestone may support Suppliers to bring them into compliance with Minimum Requirement levels. Should these efforts be unsuccessful, and/or the Supplier is unwilling to comply with the Policy, Bridgestone will reconsider its relationship with that Supplier, up to and including termination of that relationship. When evaluating the relationship with such a Supplier, Bridgestone will assess various potential impacts that changes may have on the Supplier, including environmental, social, and economic impacts.

Direct Suppliers are **required** to comply with the Policy and **encouraged** to extend/share it with their own suppliers, with the aim of reaching into the supply chain, back to the Point of Origin, if possible. Suppliers are **required** to report to Bridgestone any events, issues or emergencies that may disrupt or impact Bridgestone business as quickly as possible.

Suppliers are **required** to comply with all relevant national, regional and local laws and regulations in the countries or regions in which they operate. Unless otherwise defined, Suppliers are **encouraged** to respect international norms, such as those in Annex II.

The Policy also serves as a communication and improvement tool for Suppliers, Bridgestone procurement personnel, and other Stakeholders. Bridgestone will review and update this Policy as it deems appropriate. Guided by the expertise of Bridgestone employees and business partners, this Policy may be reviewed and updated to reflect changing circumstances and developments in the industry, as well as environmental and social conditions globally. Updated versions of this Policy will be shared internally within Bridgestone and then with Suppliers, with the expectation that Suppliers take note of relevant changes, and share the information with their own suppliers. Bridgestone will also publish the Policy, as well as any changes to it, publicly via company websites and other external communications.

Bridgestone requests Suppliers to deepen and expand their sustainability knowledge and initiatives in collaboration with their business partners, by developing and communicating their own policies and guidelines, aligned with this Policy.

Bridgestone welcomes constructive feedback on the Policy from all business partners and Stakeholders.

1. TRANSPARENCY

Bridgestone considers Transparency critical to its overall business as it directly supports two key goals – Traceability and good governance.

Bridgestone believes that enhancing Traceability in its operations and across its supply chain is fundamental to maintaining and enhancing the high-quality products and services it procures. Traceability is also crucial to help identify risks and opportunities associated with environmental, social and governance issues.

Bridgestone continually works to strengthen its corporate governance, and is committed to developing, communicating, and abiding by fair, transparent decision-making and management policies in its business, operations, relationships with business partners, and dealings with Suppliers and all points along the supply chain while respecting the terms of its business agreements and appropriate levels of confidentiality.

1.1 TRACEABILITY

Over time, and with proper planning, Bridgestone's aspiration is to develop or adopt a system that enables effective measurement of progress towards its sustainability goals.

Reaching this ambitious target will take time, and Bridgestone welcomes collaboration with Suppliers or others to speed the process.

Bridgestone actively explores and tests new technologies and methods to enhance the Traceability of the products and services it procures. As Bridgestone is better able to trace more of its supply to the Point of Origin, the Company will, in good faith, share its progress publicly on websites, in reports and via other means of communication.

EXPECTATIONS OF SUPPLIERS: ENHANCE TRACEABILITY

MINIMUM REQUIREMENTS

- Suppliers are **required** to make best efforts to have full knowledge of the origin of the products and services they supply by, for example, implementing a management system to identify and trace their sources.
- Suppliers are **required** to make best efforts to respond in a timely fashion to Bridgestone requests for information regarding the origin of the products or services they provide.

PREFERRED PRACTICES

- Suppliers actively collaborate with Bridgestone on enhancing Traceability.
- Suppliers explore options for, and participate in, programs that enhance Traceability, such as piloting new technologies or engaging in communication programs at the Point of Origin.
- Suppliers provide evidence of a complete understanding of who their suppliers are and from where they source their products and services to the Point of Origin.

- Suppliers demonstrate contribution to United Nations Sustainable Development Goals (SDGs) such as SDG 12 – Responsible Consumption and Production.

1.2 GOVERNANCE

To Bridgestone, good governance means having transparent policies, procedures and processes that lead to clear decision making and accountability to Stakeholders. Good governance also helps ensure Bridgestone does not participate directly or indirectly in any form of corruption, Bribery, extortion, or embezzlement.

Bridgestone believes Transparency in its business operations and good governance increases the understanding of and ability to address risks associated with environmental and social impacts. Bridgestone embraces Stakeholder engagement and Free, Prior and Informed Consent (FPIC) principles, as there are many Stakeholders, including, but not limited to, local communities, Indigenous Peoples, NGOs, industry associations, other organizations, and governments that the Company must consider when conducting business. In addition to local Stakeholders in specific regions, Bridgestone collaborates and regularly communicates with international Stakeholders. Considering Stakeholder needs and expectations, Bridgestone will review, update, and communicate this Policy as it deems necessary.

Bridgestone **encourages** its Suppliers to hold themselves accountable to the same values as those described above.

EXPECTATIONS OF SUPPLIERS: DEMONSTRATE GOOD GOVERNANCE PRACTICES

MINIMUM REQUIREMENTS

- Suppliers are **required** to respond to requests for information from Bridgestone, consumers and/or customers with appropriate information concerning their products and operations.
- Suppliers are **prohibited** from participating in or tolerating any forms of corruption, Bribery, extortion, or embezzlement.
- Suppliers are **required** to maintain sound and stable financial controls commensurate with the scale and scope of their business operations.
- Suppliers are **required** to implement appropriate safeguards to protect confidential information and/or intellectual property of their business partners, as well as personal data and/or personal information including, but not limited to, individual's Privacy.

PREFERRED PRACTICES

- Suppliers demonstrate compliance with this Policy by reporting to Bridgestone on an annual basis, via questionnaires or direct communication.
- Suppliers implement clear management practices, including policies, supplier selection criteria, record keeping, reporting, and response procedures for consumer and/or customer requests, which can be shared with their business partners.
- Suppliers install grievance mechanisms that allow for anonymous comments, which are kept on record, and procedures are established to take appropriate actions to remediate any issues that have been identified through this mechanism.

2. COMPLIANCE

Bridgestone is committed to compliance with all applicable laws and regulations in the countries/regions in which it does business, and intends to work together with Suppliers to promote and meet relevant international standards.

EXPECTATIONS OF SUPPLIERS: DEMONSTRATE COMPLIANCE

MINIMUM REQUIREMENTS

- Suppliers are **required** to comply with competition laws and regulations concerning practices such as monopolizations, improper trade restrictions (cartels, bid rigging, etc.), unfair business practices, or abuse of dominant positions.
- Suppliers are **required** to comply with all applicable labeling laws and regulations in their country and/or region of operation, and with Bridgestone labeling requirements.
- Suppliers are **required** to ensure their upstream supply chain operates in compliance with applicable laws and regulations of their country and/or region of operation.
- Commensurate with the scale and scope of their business operation, Suppliers are **required** to establish and deploy policies, strategies, codes of conduct, reporting systems, training programs and other means necessary to ensure compliance.

PREFERRED PRACTICES

- Suppliers work towards complying with international standards and best practices relative to their business.
- Suppliers **encourage** and support their upstream supply chain to learn about and comply with international standards and best practices relative to their business.
- Suppliers verify their own and their upstream supply chain operates in compliance with international standards and best practices relative to their business.

3. QCD (QUALITY, COST, DELIVERY) & INNOVATION

Bridgestone will continue to work collaboratively with Suppliers to identify ways to ensure high quality materials and services are delivered on time, and at reasonable costs. Bridgestone continually works on improving its products, such as reducing mass, increasing durability, recycling and reuse, and offering retreading services for tires.

In addition, Bridgestone will continue to advance and explore innovative technologies with a strong commitment to supporting global communities. Bridgestone also will continue to find ways to incorporate advanced technologies into its operations and manufacturing processes, including natural rubber sourcing and its own natural rubber farms.

EXPECTATIONS OF SUPPLIERS: DEMONSTRATE QCD PRINCIPLES

MINIMUM REQUIREMENTS

- Suppliers are **required** to meet the quality standards mandated by applicable laws and regulations, and meet Bridgestone's quality requirements.
- Suppliers are **required** to establish a quality assurance system to ensure they meet quality and safety, as well as documentation and reporting requirements under applicable laws and Bridgestone standards.

PREFERRED PRACTICES

- Suppliers continually strive towards improving the quality of their products and services, and explore new technologies or practices to increase production or delivery efficiencies and/or reduce costs, while meeting Bridgestone's specifications and quality requirements.

EXPECTATIONS OF SUPPLIERS: DEMONSTRATE INNOVATION

PREFERRED PRACTICES

- Suppliers explore existing and emerging technologies, and assume a role in the innovation of new processes or practices.
- Suppliers optimize productivity/efficiency in accordance with best practices or other standards, as requested by Bridgestone.

4. SUSTAINABLE PROCUREMENT PRACTICES

Bridgestone considers Sustainable Procurement to include Environmentally Responsible Procurement, respect for human rights, land use, health, safety, disaster prevention, and resilience.

The procurement of products, particularly raw materials such as natural rubber, can potentially create challenges in terms of environmental and human rights impacts. To reduce the impacts that procurement of products may have, Bridgestone works to procure products and raw materials according to the practices outlined in this Policy.

The international norms listed in Annex II represent best practices and standards to which Bridgestone aspires throughout its supply chains in relation to environmentally and socially Sustainable Procurement. Bridgestone strives to avoid complicity in human rights abuses in procurement operations, or any other business function. However, implementing these norms is not as straight forward as writing them down in a policy or guidance document. Bridgestone must consider the unique characteristics and circumstances of each region from which it sources products and services, to identify ways to continually improve sustainability.

When issues arise related to the Sustainable Procurement for products or services, addressing such issues may be subject to Bridgestone's consultation with relevant Stakeholders, and action plans or other solutions will abide by the principles of Free, Prior and Informed Consent (FPIC).

4.1 ENVIRONMENTALLY RESPONSIBLE PROCUREMENT

Bridgestone will collaborate with Suppliers to explore options to develop and implement Environmental Management Systems, as well as provide educational information to Suppliers on environmental topics.

EXPECTATIONS OF SUPPLIERS: DEMONSTRATE ENVIRONMENTALLY RESPONSIBLE PROCUREMENT PRACTICES

MINIMUM REQUIREMENTS

- Suppliers are **required** to comply with all applicable environmental laws and regulations in their country and/or region of operation.
- Commensurate with the scale and scope of their business operations, Suppliers are **required** to have an Environmental Management System with the intention to maintain compliance and to minimize overall negative impact to the environment.

PREFERRED PRACTICES

- Suppliers continually work to enhance the Traceability of products or services, to identify potential environmental impacts.
- Suppliers continually identify, monitor and reduce negative environmental impacts.
- Suppliers develop training or other initiatives to enhance their employees' knowledge of environmental issues and sustainable practices.
- Suppliers work towards complying with international standards and best practices relative to environmental practices.
- Suppliers **encourage**/support their upstream supply chain to learn about and comply with international standards and best practices relative to environmental practices.
- Suppliers ensure/verify their own and their upstream supply chain operates in compliance with international standards and best practices relative to environmental practices.
- Suppliers' operations are **encouraged** to be certified to meet internationally recognized standards for good environmental management practices, such as ISO14001.

When considering potential major impacts that procurement operations may have on the environment, and what can be done to reduce them, Bridgestone places further focus on seven points:

1. **Net-Zero Deforestation**
2. **No Development on Peatlands**
3. **Biodiversity Considerations**
4. **Water Management**
5. **Conserving Resources and Reducing Waste**
6. **Reducing Energy Usage and Greenhouse Gas Emissions**
7. **Control of Chemical Substances**

4.1.1 NET-ZERO DEFORESTATION – Bridgestone advocates for the protection and restoration of primary Forests as well as High Conservation Value (HCV) and High Carbon Stock (HCS) areas that are critical to addressing climate change and preserving wildlife. The Company may work with its Suppliers, business partners, and other Stakeholders to identify sensitive areas, using participatory mapping.

When considering natural rubber on its own farms, Bridgestone actively conducts reforestation, which includes restoring deforested areas to their natural state, whenever possible and feasible. Bridgestone will continue to conduct assessments and map its own rubber farms using various techniques and tools.

MINIMUM REQUIREMENTS

- Suppliers are **required** to comply with all national, regional and local laws and regulations regarding forest protection.
- Suppliers are **required** to make best efforts to have full knowledge of the Point of Origin of the products and services they supply to identify possible Deforestation or associated risks.
- Suppliers are **prohibited** from converting primary natural Forests to farm crops or other non-forest uses.
- Suppliers are **required** to protect and preserve HCV and HCS areas.
- Suppliers are **required** to follow Free, Prior, and Informed Consent (FPIC) principles when assessing any development opportunities, mapping forested areas, or creating management plans related to this topic.

PREFERRED PRACTICES

- Suppliers make a company-wide 'Zero-Deforestation' commitment, which includes protection and preservation of HCV and HCS areas, and a time-bound implementation plan.
- Suppliers support reforestation efforts, including mitigation/remediation plans for damaged or disturbed areas.
- Suppliers demonstrate contribution to United Nations Sustainable Development Goals (SDGs) such as SDG 15 – Life on Land.

4.1.2 NO DEVELOPMENT ON PEATLANDS – Peatlands, when drained of water and burned, release large amounts of carbon dioxide into the air, contributing to climate change, disturbing ecosystems, and impacting human health.

MINIMUM REQUIREMENTS

- Suppliers are **required** to comply with all national, regional and local laws and regulations regarding protection of Peatlands.
- Suppliers are **prohibited** from draining, clearing, burning, or developing on Peatlands, regardless of depth, for any reason.
- Suppliers are **required** to make best efforts to have full knowledge of the Point of Origin of products and services they supply to identify possible associated risk of clearing, draining, or burning of Peatlands.

4.1.3 BIODIVERSITY CONSIDERATIONS – Each region in which Bridgestone operates has unique biodiversity and ecological traits. Taking this into consideration, Bridgestone seeks to understand the special characteristics of each area and address potential impacts of its procurement activities, particularly those related to natural rubber operations and supply.

MINIMUM REQUIREMENTS

- Suppliers are **required** to comply with all national, regional and local laws and regulations regarding conservation, restoration, and infrastructure development.
- Suppliers are **required** to make best efforts to have full knowledge of the Point of Origin of the products and services they supply to identify potential biodiversity risks or opportunities.
- Suppliers are **required** to protect and preserve HCV and HCS areas, which includes assessing biodiversity.

PREFERRED PRACTICES

- Suppliers work collaboratively with experts, such as NGOs or other organizations, to identify biodiversity risks unique to their area.
- Suppliers develop, and share publicly upon request, an environmental management plan that includes biodiversity considerations throughout the entire lifecycle of the product, including product development, procurement, production, customer use, and end-of-life stages.
- Suppliers develop remediation plans for damaged or disturbed areas.
- Suppliers develop and implement activities to protect local endangered or threatened species.
- Suppliers demonstrate contribution to United Nations Sustainable Development Goals (SDGs) such as SDG 9 – Industry, Innovation and Infrastructure and SDG 15 – Life on Land.

4.1.4 WATER MANAGEMENT – Laws and regulations regarding water quality and use vary by country and/or region. Bridgestone seeks to understand the unique challenges related to water availability, quality, and usage in each locality where it does business, and address potential impacts accordingly. On a global scale, Bridgestone works to conduct all operations in ways that do not negatively impact surface and groundwater availability or quality.

MINIMUM REQUIREMENTS

- Suppliers are **required** to comply with all national, regional and local laws and regulations regarding water usage and effluent discharge.
- Suppliers are **required** to make best efforts to have full knowledge of the Point of Origin of the products and services they supply to identify associated potential water risks or opportunities.
- Suppliers are **required** to manage their water usage and prevent unlawful effluent discharge.

PREFERRED PRACTICES

- Suppliers reuse or recycle wastewater, and utilize techniques to capture rainwater, reduce water intake, and explore water saving technologies.
- Suppliers optimize and/or reduce water usage in operations.
- Suppliers analyze their operations, and identify risks related to environmental, social, or business impacts, particularly in Water Stressed Areas.
- Suppliers' operations are certified to meet internationally recognized standards for good environmental management practices, such as ISO14001.
- Suppliers demonstrate contribution to United Nations Sustainable Development Goals (SDGs) such as SDG 6 – Clean Water and Sanitation.

4.1.5 CONSERVING RESOURCES AND REDUCING WASTE – Laws and regulations regarding waste and recycling vary by country and/or region. Bridgestone advocates for good waste management practices, namely reduction, reuse, recycling, and recovery, within all business operations regardless of location.

MINIMUM REQUIREMENTS

- Suppliers are **required** to comply with all national, regional and local laws and regulations regarding waste and recycling.
- Suppliers are **required** to prevent unlawful pollution and make best efforts to reduce waste.

PREFERRED PRACTICES

- Suppliers improve resource efficiency and minimize waste in the development, production and delivery of products and services through reducing, reusing, and recycling activities or programs.
- Suppliers reduce the amount of packaging and packaging materials used, including in logistics.
- Suppliers share new methods of reduction, reuse, recycling and/or recovery with Bridgestone, while meeting Bridgestone product specifications and quality standards.
- Suppliers' operations are certified to meet internationally recognized standards for good environmental management practices, such as ISO14001.
- Suppliers demonstrate contribution to United Nations Sustainable Development Goals (SDGs) such as SDG 12 – Responsible Consumption and Production.

4.1.6 REDUCING ENERGY USAGE AND GREENHOUSE GAS EMISSIONS – Laws and regulations regarding energy consumption and emissions vary by country and/or region. Bridgestone continually looks for opportunities to maximize energy efficiencies, reduce energy usage, incorporate renewable energy options, and limit greenhouse gas emissions throughout its product's or services' Life Cycles.

MINIMUM REQUIREMENTS

- Suppliers are **required** to comply with the requirements of all national, regional and local laws and regulations regarding energy usage and emissions.
- Suppliers are **required** to make best efforts to have full knowledge of Point of Origin of the products and services they supply to identify ways to reduce energy usage and limit emissions.

PREFERRED PRACTICES

- Suppliers reduce their energy consumption and/or increase efficiencies.
- Suppliers develop an energy management and reduction plan, and share with Bridgestone.
- Suppliers develop an emissions reduction plan and share with Bridgestone.
- Suppliers explore and implement technologies that reduce or eliminate Greenhouse Gases.
- Suppliers switch to fluorocarbons with a low greenhouse effect, or to fluorocarbon-free materials in operation centers and in delivered products, if applicable.
- Suppliers' operations are certified to meet internationally recognized standards for sustainable operations, such as ISO14001.
- Suppliers' operations are certified to meet internationally recognized standards for energy usage, such as ISO50001.
- Suppliers' demonstrate contribution to United Nations Sustainable Development Goals (SDGs) such as SDG 7 - Affordable and Clean Energy.

4.1.7 CONTROL OF CHEMICAL SUBSTANCES – Bridgestone is committed to compliance with all national, regional and local laws and regulations related to the control of chemical substances.

MINIMUM REQUIREMENTS

- Suppliers are **required** to comply with national, regional and local laws and regulations including, but not limited to, the control, use and reporting of chemical substances.
- As needed, Suppliers are **required** to comply with requirements of Bridgestone customers, such as, for example, those indicated by the Global Automotive Declarable Substance List (GADSL).
- Suppliers are **required** to provide products and services that are free from chemical substances prohibited by national, regional and local laws and regulations, or those prohibited by Bridgestone’s customer requirements.

PREFERRED PRACTICES

- Suppliers reduce chemical substances emissions.
- Suppliers are **encouraged** to respect international norms, such as those in Annex II and strive to deploy best practices.
- Suppliers instruct and/or support their business partners to formulate control systems for chemical substances.
- Suppliers share information to educate the supply chain about the control, use and reporting of chemical substances

4.2 RESPECT FOR HUMAN RIGHTS – Bridgestone believes addressing human rights and labor issues are crucial to sustainability and ensuring long-term stability and benefit in terms of human and natural capital. In Bridgestone’s business operations, there are various types of materials and services procured, some of which come from regions in the world with different governments, laws and regulations, cultures, traditions, education, ways of thinking, and levels of income.

Bridgestone respects international norms for human rights, such as the fundamental principles generally reflected in the United Nations Universal Declaration of Human Rights (UDHR), the United Nations Guiding Principles on Business and Human Rights, the International Labour Organizations’ (ILO) various Conventions, and others listed in Annex II. Bridgestone agrees with and works to apply the Food and Agriculture Organization of The United Nation (FAO) Voluntary Guidelines on the Responsible Governance of Tenure (VGGT).

EXPECTATIONS OF SUPPLIERS: DEMONSTRATE RESPECT FOR HUMAN RIGHTS

MINIMUM REQUIREMENTS

- Suppliers are **required** to comply with all laws and regulations regarding human rights in their country and/or region of operation.
- Suppliers are **required** to make best efforts to have full knowledge of the source of the products and services they supply to enhance the Traceability of products and services and identify potential human rights impacts.

PREFERRED PRACTICES

- Suppliers develop training and enhance their employees’ knowledge on human rights and other social issues.

- Suppliers work towards complying with international standards and best practices regarding human rights, working conditions, or other related issues.
- Suppliers **encourage** and support their upstream supply chain to learn about and comply with international standards and best practices regarding human rights, working conditions, or other related issues.
- Suppliers verify that they and their upstream supply chain operate in compliance with international standards and best practices relative to human rights, working conditions, or other related issues.

Bridgestone will work, as appropriate, within its supply chains to respect internationally acceptable standards. Considering potential major impacts that procurement operations may have on human rights, and what can be done to reduce possible impacts, Bridgestone places further focus on five points:

1. **Child Labor**
2. **Forced Labor**
3. **Land Rights**
4. **Labor and Working Conditions**
5. **Fair and Equal Treatment**

4.2.1 CHILD LABOR – In accordance with Bridgestone’s corporate commitments, Child Labor is **prohibited**.

MINIMUM REQUIREMENTS

- Child Labor is **prohibited**.
- In cases where a Supplier relies on a family farm or operation where Young Workers may live, and who are expected culturally, traditionally, or practically to contribute to the family’s work, Supplier is **required** to demonstrate, upon request, to Bridgestone that the work performed by the Young Worker(s) does not subject them to situations that can be harmful to their health or development, either physically, mentally, or emotionally.

PREFERRED PRACTICES

- Supplier supports the education of children and Young Workers, for example, by providing reasonable opportunity and access to obtain education.

4.2.2 FORCED LABOR – In accordance with Bridgestone’s corporate commitments, Forced Labor is **prohibited**.

MINIMUM REQUIREMENTS

- Forced Labor is **prohibited**.

PREFERRED PRACTICES

- Suppliers take measures to ensure that all employees are employed voluntarily, and retains evidence, such as signed contracts in a language the employee can understand.
- Suppliers keep records of all employees’ employment status, pay rates, and pay slips.
- Suppliers do not require fees from employees to obtain employment, and provides evidence that such practices are not in use.

4.2.3 LAND RIGHTS – Land rights and land use issues are complex and vary by country and region. Bridgestone aims to understand the circumstances related to land rights and usage in each area where it does business, and address potential social and environmental impacts accordingly. Bridgestone works

to conduct business in ways that do not directly nor indirectly lead to the illegal acquisition of land, or in ways that negatively impact the rights of local communities, including those of Indigenous Peoples.

Bridgestone commits to the principles of Free, Prior and Informed Consent (FPIC) whenever it develops or expands operations, and will not participate in or source from those who have participated in Land Grabbing.

Bridgestone respects legitimate land tenure rights, including the rights of forest-dependent people and communities to have access to forest resources and suitable farm land to ensure food supply. Further, Bridgestone believes that people should receive fair compensation and resettlement for land use activities that infringe on their rights and/or livelihoods.

MINIMUM REQUIREMENTS

- Suppliers are **required** to acquire or use land only by legal means.
- Suppliers are **prohibited** from participating in or sourcing from those who have participated in Land Grabbing.
- Suppliers are **required** to respect legitimate land tenure rights.
- Even if legally acquired, Suppliers are **required** to follow FPIC principles, and must not participate in Land Grabbing for any development projects.

PREFERRED PRACTICES

- Suppliers follow the FAO's Voluntary Guidelines on the Responsible Governance of Tenure (VGGT), should land be necessary for development projects.

4.2.4 LABOR AND WORKING CONDITIONS – Each locality in which Bridgestone operates has differing labor laws and regulations, including minimum wage, collective bargaining, freedom of association, and working condition standards. Taking this into consideration, Bridgestone seeks to understand the laws and regulations and unique characteristics of each area and address each situation appropriately, should the requirements contained within this Policy not be met.

Ideally, all individuals involved in Bridgestone's supply chains would experience working conditions that are internationally recognized as "best practice," according to ILO standards, United Nations principles, and other relative practices.

Bridgestone welcomes collaboration with Suppliers and other business partners to raise the level of labor and working conditions in ways that benefit all Stakeholders.

MINIMUM REQUIREMENTS

- Suppliers are **required** to comply with their national, regional and local laws and regulations for working conditions and working hours.
- Suppliers are **required** to respect freedom of association and collective bargaining in accordance with applicable national, regional and local laws and regulations.
- Suppliers are **required** to pay, at least, the national, regional or local minimum wage to employees, without Discrimination as to national or social origin, religion, language, nationality, gender, culture, immigration, or any other status.
- Suppliers are **required** to make potable water, sanitation, rest areas, emergency exits, and emergency aid available and visible to all employees, as appropriate.

PREFERRED PRACTICES

- Suppliers offer their employees fair, market-competitive pay and benefits.

- Suppliers create written contracts between the management and employee, in a language the employee can understand.
- Suppliers provide evidence of hiring in non-discriminatory ways.
- Suppliers conduct trainings, workshops, or other educational programs to educate management and employees on non-discrimination practices.
- If needed, Suppliers offer on-site housing to employees, and living conditions offer reasonable living space, access to potable water, access to food, sanitation and a source of electricity.
- If needed, Suppliers provide access to healthcare, education, local markets, or other basic necessities made available through established and safe infrastructure.
- Supplier meets the international standards of ILO Conventions 87 and 98 regarding freedom of association and collective bargaining.
- Suppliers' operations are certified to meet internationally recognized standards for decent work conditions, such as SA8000, relative ILO Conventions, ILO Decent Work Indicators, Fair Trade International Standards, or others.

4.2.5 FAIR AND EQUAL TREATMENT – To Bridgestone, having Respect for others means refraining from Abuse, Harassment, and breaches of Privacy. Bridgestone works to maintain non-discriminatory, fair, equal, and respectful relationships with Suppliers, and expects Suppliers to treat their employees and business partners in the same way.

Bridgestone is open to working with Suppliers to provide supportive materials or trainings on non-discrimination practices and related topics.

MINIMUM REQUIREMENTS

- Suppliers are **required** to Respect their employees always.
- Suppliers are **required** to eliminate abusive situations in their operations.
- Suppliers are **required** to practice non-discrimination, fairness, and equality in their business operations and business relationships.

PREFERRED PRACTICES

- Suppliers conduct trainings, workshops, or other educational programs to educate management and employees on non-discrimination.
- Suppliers enable employees to report any instance of Harassment, without fear of retaliation, intimidation, or Harassment.
- Suppliers adhere to International standards and principles for non-discrimination and equal treatment, such as ILO Convention 111 – Discrimination (Employment and Occupation), the Fair Labor Association Principles, Fair Trade International standards, or other relative international standards or principles.

4.3 HEALTH AND SAFETY (H&S), AND DISASTER PREVENTION

Bridgestone believes health and safety (H&S) management and disaster prevention are of critical importance for securing sustainable and stable benefits for all Stakeholders.

EXPECTATIONS OF SUPPLIERS: DEMONSTRATE COMMITMENT TO H&S AND DISASTER PREVENTION

MINIMUM REQUIREMENTS

- Suppliers are **required** to comply with their national, regional and local laws and regulations regarding health and safety (H&S), and disaster prevention.
- Suppliers are **required** to have a policy and plans/procedures established regarding these issues, as well as adequate resources to implement such a system and plans.
- Suppliers are **required** to communicate their H&S and disaster prevention policies and plans/procedures to all employees, and train all employees on incident prevention, as well as the actions that need to be taken should an incident occur.
- Suppliers are **required** to provide necessary Personal Protective Equipment (PPE) to employees, such as eye protection, face masks, ventilation devices, hard hats, heavy duty gloves, steel toe work boots, etc., with instructions on how to use such PPE.

PREFERRED PRACTICES

- Commensurate with the scale and scope of their business operations, Suppliers have a management system in place to address H&S and disaster prevention.
- Suppliers develop an emergency/incident recovery plan, taking into consideration employee safety and security.
- Suppliers operations are certified to meet internationally recognized standards for good health and safety management practices.

In some of the countries where Bridgestone does business, health and safety laws and regulations, and opinions on what is considered “healthy” or “safe” may differ. Disaster prevention regulations or practices may also differ by country. However, the following four sub-sections outline the components that Bridgestone believes are important to be part of a health and safety, and disaster prevention management system, commensurate with the scale and scope of any business operation.

1. **Preventative Activities**
2. **Early Detection of Incidents**
3. **Emergency Response Activities**
4. **Activities to Prevent Recurrence**

4.3.1 PREVENTATIVE ACTIVITIES – Bridgestone advocates that to protect employees and workplaces, it is crucial to minimize risks through proactive health, safety and disaster prevention activities. Based on Bridgestone’s Safety Mission Statement, Bridgestone applies preventative activities in four areas (housekeeping, hazard recognition, Risk Assessment (RA) and safety rules).

4.3.1.1 HOUSEKEEPING – A housekeeping program distinguishes items that are necessary and unnecessary for work, and removes the items that are unnecessary. The program can guide teams to clarify and maintain what items are needed, where they are needed, and how much/many of the item is needed. A program will help keep items and the workplace clean and orderly.

MINIMUM REQUIREMENTS

- Suppliers are **required** to implement a housekeeping program as part of the H&S policies and plans/procedures.

PREFERRED PRACTICES

- Suppliers regularly educate all employees on their housekeeping program.

4.3.1.2 HAZARD RECOGNITION – Hazard recognition programs help enable employees to detect hazards at the workplace beforehand, and to take actions to prevent incidents from occurring.

MINIMUM REQUIREMENTS

- Suppliers are **required** to employ a hazard recognition program as part of their H&S policies and plans/procedures.

PREFERRED PRACTICES

- Suppliers regularly educate and engage employees on hazard recognition programs.

4.3.1.3 RISK ASSESSMENT – Risk Assessment (RA) programming allows for the identification of sources of potential risks at the workplace, assesses the potential impact of these identified risks, and act to mitigate these risks.

MINIMUM REQUIREMENTS

- Suppliers are **required** to implement a RA program.
- Suppliers are **required** to take measures to mitigate the risks identified. Measures include, but are not limited to, installing fire alarm systems, fire extinguishers, indoor fire hydrants, fire shutters, and other necessary equipment accordingly.
- Suppliers are **required** to inspect safety equipment regularly, to ensure that they function properly in case of an incident.
- Suppliers are **required** to regularly conduct safety inspections and maintenance on the workplace and on machinery.
- Suppliers are **required** to clearly indicate and inspect evacuation routes and emergency exits regularly, to ensure that they function properly in case of emergency.

PREFERRED PRACTICES

- Suppliers keep documentation of when safety inspections and maintenance have taken place.
- Suppliers install safety mechanisms such as fail-safe, foolproof, and inter-lock devices/equipment.
- Suppliers monitor dangerous areas with technology such as cameras, radar, sensors, lasers, etc.

4.3.1.4 SAFETY RULES – It is important to set rules at each workplace to protect the safety of employees. Communicating these rules to all employees, and ensuring adherence to the rules is critical. Specific rules include, but are not limited to:

- Energy Isolation Standards and protocols (such as Lock Out, Tag Out, “LOTO”)
- Machine Guarding and Barrier Standards
- Fall Protection Standards
- Identification and labeling of hazardous chemical substances and measures to ensure their safe handling, storage, disposal, and/or recycling, if applicable.
- Hazardous/prohibited marking area standards

MINIMUM REQUIREMENTS

- Suppliers are **required** to develop rules about identifying, avoiding, and responding to risks in the workplace as part of the H&S management system.
- Suppliers are **required** to communicate these rules with all employees.

PREFERRED PRACTICES

- Suppliers set their own LOTO standards, respecting international norms and recognized best practices.
- Suppliers clearly indicate areas that are dangerous/hazardous or off-limits.

- Suppliers identify and label hazardous chemical substances and take measures to ensure their safe handling, storage, disposal, and/or recycling, if applicable.
- Suppliers install safety devices and protective barriers.

4.3.2 EARLY DETECTION OF INCIDENTS – Bridgestone’s disaster management approach is to apply preventative activities. However, Bridgestone also believes in the importance of detecting fires and other incidents at an early stage, to prevent spreading and/or wider impact.

MINIMUM REQUIREMENTS

- Suppliers are **required** to install fire alarm systems and other necessary detection equipment

4.3.3 EMERGENCY RESPONSE ACTIVITIES – Bridgestone believes it is important to clarify the necessary steps/measures employees should take in advance, to minimize damage to employees and workplaces in case of an emergency. Bridgestone communicates timely developments that would impact its ability to serve its portion of the supply chain and expects its Suppliers to do the same.

MINIMUM REQUIREMENTS

- Suppliers are **required** to train and alert all employees at every site of potential emergencies, and show them evacuation routes prior to an emergency.
- Suppliers are **required** to prepare necessary supplies for evacuation in advance, such as first-aid equipment, and provide these supplies during evacuation procedures.
- Suppliers are **required** to report any emergency cases that impact the supply chain to Bridgestone as quickly as possible.

PREFERRED PRACTICES

- Suppliers are **encouraged** to perform emergency evacuation drills and incorporate learnings into processes and procedures.

4.3.4 ACTIVITIES TO PREVENT RECURRENCE – Bridgestone believes that it is important to learn from past incidents to prevent future recurrence of H&S incidents or disasters. Bridgestone may share its established measures, and new experiences and adjusted measures with Suppliers, as appropriate.

MINIMUM REQUIREMENTS

- Suppliers are **required** to incorporate recurrence prevention planning (“lessons learned”) into their H&S and disaster prevention policies and plans/procedures.

PREFERRED PRACTICES

- Suppliers are **encouraged** to incorporate new learning and non-required elements into their existing H&S and disaster prevention plans/procedures.

4.4 RESILIENCE

4.4.1 RESILIENCE – Bridgestone recognizes that not all circumstances can be controlled, even when best efforts for risk reduction and mitigation are implemented. Unforeseen situations, such as natural disaster, impacts of climate change, disease outbreak, political turmoil, and others, have the potential to interrupt, or even halt, operations in production areas. Such impacts can have lasting effects on the supply chain, the environment, and local communities.

Bridgestone aims to strengthen the resilience and agility of its supply chain and the local communities that support procurement operations so that, when the Company is faced with challenges, it can respond quickly and appropriately.

Bridgestone defines resilience as, “the ability to cope with change.” The Company defines agility as, “the ability to respond quickly to change.”

MINIMUM REQUIREMENT

- Suppliers are **required** to comply with their national, regional and local labor laws and regulations regarding disaster prevention and risk mitigation.

PREFERRED PRACTICES

- Suppliers create resiliency and agility in their operations through disaster prevention and risk mitigation planning.
- Suppliers create plans for unforeseen circumstances regarding consumer or customer needs, such as disruption in supply, demand, or other issues.



ANNEX I – TERMS AND DEFINITIONS

ANNEX I – TERMS AND DEFINITIONS

Abuse is any form of physical, sexual, verbal, or psychological harm that is intentionally caused to a person. “Abuse of authority” is the improper use of a position of influence, power, or authority against another person.

Bribery, according to the United Nations Anti-Corruption Toolkit, is the bestowing of a benefit in order to unduly influence an action or decision. It can be initiated by a person who seeks or solicits bribes or by a person who offers and then pays bribes. Bribery is probably the most common form of corruption.

Child Labor is the employment of persons who are under the lowest legal labor age of the country and/or region in which they are located. If no law and/or regulation exists, child labor is considered to be, according to ILO Convention 138, under 15 years of age for light work, and under 18 years of age for dangerous or hazardous work. In certain developing countries, 14 years old is the minimum age to work, except in conditions allowed by the ILO or aforementioned national, regional and local laws and regulations.

Deforestation is the clearing of natural primary Forests, or areas of High Conservation Values (HCVs) and High Carbon Stock (HCS) in order to expand any operations.

Discrimination is any act that impairs individual dignity or discrimination based on race, ethnicity, nationality, gender, age, language, religion, creed, ideology, social status, disability, or any other protected characteristic.

Environmental Management Systems are a set of processes and procedures that promote good environmental stewardship, which can be implemented in organizations.

Environmentally Responsible Procurement encourages the selection of materials and components with low impact on the environment, and/or producing products and services in ways that consider the environment.

Free, Prior and Informed Consent (FPIC) was developed by the United Nations collaborative initiative on Reducing Emissions from Deforestation and forest Degradation (REDD). FPIC is based on the principles that consultation, consent and inclusion of stakeholders in forest-dependent communities can help protect human rights, the rights of Indigenous Peoples, and reduce risk to businesses. “Free,” “prior” and “informed” are defined according to the UN-REDD Programme’s FPIC definition.

Forced Labor is defined by ILO Convention No. 29 as all work or service which is exacted from any person under the menace of any penalty and for which the said person has not offered himself voluntarily.

Bridgestone further defines Forced Labor as:

- Labor that is against one’s will
- Labor for debt, which limits the freedom of job turnover due to unpaid debt
- Labor obtained as a result of human trafficking
- Inhumane prison labor in harsh environments
- Prohibition of voluntary job turnover with reasonable notice
- Employer requirement to withhold an employee’s identification cards/passports/work permit cards*

- Deposit of salary into an account held and controlled by the employer against the employee's wishes
- The inability of the employee to leave the premises

**This employer requirement is not considered as Forced Labor if specifically required by law or if the employee chooses to have the employer withhold identification documents. In such case, the employee should have free and complete access to such identification documents and have them returned immediately when the employee expresses an intent to travel abroad and when the employment relationship ends.*

Forests are defined, according to the FAO, as land spanning more than 0.5 hectares with trees higher than 5 meters and a canopy cover of more than 10 percent, or trees able to reach these thresholds in situ. It does not include land that is predominantly under agricultural or urban land use.

Greenhouse Gases are gases that trap heat in the atmosphere, which contributes to global climate change. The greenhouse gases defined by UNFCCC (United Nations Framework Convention on Climate Change) are:

- Carbon dioxide (CO₂)
- Methane (CH₄)
- Nitrous oxide (N₂O)
- Hydrofluorocarbons (HFCs)
- Perfluorocarbons (PFCs)
- Sulfur hexafluoride (SF₆)
- Nitrogen trifluoride (NF₃)

Harassment is unwanted, unwelcomed and uninvited behavior that demeans, threatens or offends the victim and results in a hostile environment for the victim.

High Carbon Stock (HCS) areas are defined according to the High Carbon Stock Approach. They are considered to contain higher levels of carbon sequestration potential compared to alternative land uses. The HCS Approach is, as defined by the HCS Approach Steering Group, "a methodology that distinguishes forest areas for protection from degraded lands with low carbon and biodiversity values that may be developed.

High Conservation Values (HCV), according to the HCV Resource Network, are biological, ecological, social, or cultural values which are considered outstandingly significant or critically important, at the global, national, regional, or local level. Bridgestone considers HCV areas to be those that are defined by the HCV Resource Network.

Indigenous Peoples are described by the United Nations as those people with:

- Self-identification as indigenous peoples at the individual level and accepted by the community as its member.
- Historical continuity with pre-colonial and/or pre-settler societies
- Strong link to territories and surrounding natural resources
- Distinct social, economic or political systems
- Distinct language, culture and beliefs
- Form non-dominant groups of society
- Resolve to maintain and reproduce their ancestral environments and systems as distinctive peoples and communities.

Land Grabbing, according to the International Land Coalition's Tirana Declaration, is defined as land acquisitions or concessions that are one or more of the following:

(i) in violation of human rights, particularly the equal rights of women; (ii) not based on free, prior and informed consent of the affected land-users; (iii) not based on a thorough assessment, or are in disregard of social, economic and environmental impacts, including the way they are gendered; (iv) not based on

transparent contracts that specify clear and binding commitments about activities, employment and benefits sharing, and; (v) not based on effective democratic planning, independent oversight and meaningful participation.

Life Cycle(s) is the cycle through which every product goes from introduction to withdrawal, end of appropriate use or eventual demise. It is not limited to manufacturing and non-production sites of products or services, but rather the entire value chain.

Local Communities are groups of people living in a certain area, with or near one other.

Minimum Requirements are those which Bridgestone **requires** of Suppliers. These are what Bridgestone believes to be fundamental to achieving a sustainable supply chain, and creating stronger, healthier communities that, in turn, contribute to long-term business partnerships and success.

Net-Zero Deforestation, according to the World Wildlife Fund means no net forest loss through deforestation and no net decline in forest quality through degradation. Net-Zero allows for the clearance or conversion of Forests for agricultural purposes when such clearance or conversion is offset by environmentally sound forest restoration, provided the net quantity, quality and carbon density of the forests are re-established and maintained in the restored area.

Peatlands are swampy areas of partly decomposed plant materials that have accumulated in a water-saturated environment.

Point of Origin is the original place that materials or natural resources are found or produced. In terms of Traceability, a Supplier should be able to trace a resource back through the supply chain to the original place it was found and produced.

Preferred Practices are those which Bridgestone considers aspirations. Bridgestone understands that not all Suppliers can achieve these higher level standards immediately, due to various conditions in their business, region, and/or country.

Privacy is protecting confidential or sensitive information that should not be shared with others unless permission is obtained by the individual or business to which the information is relevant.

Respect is having esteem for or a sense of the worth or excellence of a person, a personal quality or ability, or something considered as a manifestation of a personal quality or ability. It is also deference to a right, privilege, privileged position, or someone or something considered to have certain rights or privileges.

Smallholder means a small-sized, usually family run farm. As defined by the Food & Agriculture Organization of the United Nations, smallholders are small-scale farmers, pastoralists, forest keepers, fishers who manage areas varying from less than one hectare to 10 hectares. Smallholders are characterized by family-focused motives such as favoring the stability of the farm household system, using mainly family labor for production, and using part of the produce for family consumption.

Stakeholder(s) is a person or entity that has an interest in or could be affected by another person's or entity's activities. In relation to Bridgestone's business, stakeholders include, but are not limited to, consumers, customers, international and local communities, Indigenous Peoples, industry associations, shareholders, employees, NGOs, other organizations, and national, regional, and local governments.

Suppliers are defined in this policy as Bridgestone's direct business partners, which supply Bridgestone with products or services, such as natural rubber.

Sustainable Natural Rubber is that which is produced in a way that complies with all components in Global Sustainable Procurement Policy.

Sustainable Procurement practices set expectations for key business partners and Suppliers to operate with Respect to environmental concerns, human rights, responsible labor practices and good governance.

Traceability is the ability to clearly know and verify where raw materials and products come from, how they are produced, who is involved, and the impacts the sourcing of these materials or products have on all involved in the supply chain.

Transparency means clear communications, accurate and honest business dealings, inclusion, fair relationships, and pride in demonstrating integrity, for all procurement and wider business operations.

Water Stressed Areas are those that face water shortages and scarcity. As climate change impacts the globe, certain regions may face further risk associated with water availability.

Young Worker is defined by Social Accountability International as any worker under the age of 18 but over the age of a child as defined under Child Labor.



ANNEX II – REFERENCES USED

ANNEX II – REFERENCES USED

The following references were consulted in the creation of this Policy.

- [Convention on International Trade in Endangered Species of Wild Fauna and Flora](#)
- Food and Agriculture Organization of the United Nations (FAO), [“Global Forest Resources Assessment Working Paper \(FRA\) 2015”](#)
- [FAO’s Voluntary Guidelines on the Responsible Governance of Tenure \(VGGT\)](#)
- [Global Automotive Declarable Substance List \(GADSL\)](#)
- [High Carbon Stock Approach Steering Group](#)
- [High Conservation Value Resource Network](#)
- [International Covenant on Civil and Political Rights](#)
- [International Covenant on Economic, Social and Cultural Rights](#)
- [International Institute for Sustainable Development \(IISD\)](#)
- [International Labour Organizations](#) Conventions:
 - 138 - The Minimum Age Convention, defines that no person below 15 years old, or 14 years old in some developing countries, is allowed to work, except in very specific circumstances.
 - 146 – Minimum Age Recommendation, recommends minimum age to be 16 years, and also addresses hazardous employment work and employment conditions.
 - 182 - The Worst Forms of Child Labour Convention describes the circumstances under which any person under 18 years of age may not be exposed to.
 - 29 – Forced Labour Convention, describes commitments to suppress the use of forced or compulsory labor in all its forms.
 - 105 - Abolition of Forced Labour Convention, describes commitments to the non-use of forced labor.
 - 110 - Plantations Convention, describes the conditions of employment of plantation workers, including migrant workers.
 - 111 – Discrimination (Employment and Occupation), addresses discrimination within the field of employment and occupation, and defines the term “discrimination.”
 - 100 – Equal Remuneration Convention, recognizes basic or minimum wage of a worker which shall be equal for both men and women.
 - 87 - Freedom of Association and Protection of the Right to Organise Convention, addresses the freedom of association and protection of the rights to organise
 - 98 - Right to Organise and Collective Bargaining Convention, addresses the right to organize and collectively bargain to protect against anti-union discrimination.
 - 169 - Indigenous and Tribal Peoples Convention – is an international treaty open for ratification that deals exclusively with the rights of Indigenous and tribal peoples.
- [ISO14001](#) – Environmental Management Systems Standard
- [ISO20400](#) – Sustainable Procurement Guidance
- [ISO 26000](#) – Guidance on Social Responsibility
- [ISO 9001](#) – Quality Management Systems Standard
- [Occupational Health and Safety Administration \(OSHA\)](#)

- [Social Accountability International](#) (SAI)
- [Tirana Declaration](#) – “Securing land access for the poor in times of intensified natural resources competition”
- [Tokyo 2020 Olympic and Paralympic Games Fundamental Principles for the Sustainable Sourcing Code](#)
- [United Nations collaborative initiative on Reducing Emissions from Deforestation and forest Degradation](#) (REDD+)
- [United Nations Declaration on the rights of Indigenous Peoples](#)
- [United Nations Environment Programme](#)
- [United Nations Guiding Principles on Business and Human Rights](#)
- [United Nations High Commissioner](#) for Refugees Policy on Harassment, Sexual Harassment, and Abuse of Authority
- [United Nations New York Declaration on Forests](#)
- [United Nations Office on Drugs and Crime](#)
- United Nations [Sustainable Development Goals](#)
- [United Nations Universal Declaration on Human Rights](#)