

CSR Report **2012**

Corporate Social Responsibility Report



Editorial Policy

The Bridgestone Group has compiled this Report as a communication tool to help stakeholders understand how the Group designs and pursues CSR activities. It also serves to encourage dialog with stakeholders, and the Group looks forward to receiving feedback on its CSR activities.

The Report includes some special features exploring Group CSR activities where significant progress was made in 2011. These activities were selected from a pool of initiatives identified from the dual perspectives of what is important for society and what is important for the Bridgestone Group. The highlighted activities are divided into the following categories: products, initiatives to address social issues through business operations, and local communities.

The Report consists of published and online components. The booklet is intended to be read by a broad range of stakeholders, including customers, business partners, shareholders, employees, residents of the communities in which we do business and CSR experts, while the website adds content in response to requests from individuals who need more detailed information than is provided by the booklet.
(URL: <http://www.bridgestone.com/csr/index.html>)

Starting this year, we are working to reduce resource consumption by reassessing the roles of different media and compiling a pamphlet that summarizes the contents of the PDF document.

About this report

Period

This Report focuses on data and activities for the 2011 fiscal year (from January 1 to December 31, 2011), although it also includes some information applicable to years before and after fiscal year 2011.

Organizational coverage

This Report covers the initiatives of the Bridgestone Group, including Bridgestone Corporation and its subsidiaries and affiliates in Japan and around the world. Throughout the text, “Bridgestone” refers to Bridgestone Corporation, while “Bridgestone Group” refers to the entire group, including subsidiaries and affiliates in Japan and around the world. Notes are provided where this distinction does not apply. For an overview of the Group, see page 61 of this Report.

Guidelines referenced

Environmental Reporting Guidelines (Fiscal Year 2007 Version)
(published by the Ministry of the Environment of Japan)
Sustainability Reporting Guidelines (Version 3.0) (published by the Global Reporting Initiative)

Third-party evaluation

An independent party's evaluation and opinions of this Report have been included to increase its reliability.

CONTENTS

Editorial Policy / About this report	1
CONTENTS	2
Commitment of Management	3
Aiding in the Recovery from the Great East Japan Earthquake	5
The Bridgestone Essence (Corporate Philosophy)	6
The Bridgestone Group's approach to CSR	7
CSR management	9
Corporate Governance	10





Feature

1 Bridgestone products and technologies that support a safe and secure society	11
2 Addressing global social issues through business activities	19
3 Initiatives aiming to live together with local communities in various countries	25

The Bridgestone Group's Role in Achieving a Sustainable Society:

Dialog with CSR Experts	29
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Initiatives Related to the 22 CSR Focus Points

 Fundamental CSR activities	35
 CSR through business activities	39
With customers	39
With business partners	44
With shareholders and investors	46
 CSR through environmental activities	47
 CSR from a social standpoint	53
With employees	53
With society and communities	58

Outline of the Bridgestone Group	61
Opinions from stakeholders and our responses	62
Independent evaluation statement	63

Bridgestone Group is deepening its CSR activities by further strengthening management and governance through a new executive structure

This March, I assumed the position of CEO of Bridgestone Corporation. Going forward, I will be working together with the COO and Chairman of the Board to further accelerate the management reforms we have been pursuing so that we can accomplish our ultimate management goal of being “the undisputed World No.1 tire and rubber company in both name and reality.”

○ We will offer Group-wide assistance for the recovery from the Great East Japan Earthquake which occurred on March 11, 2011.

Once again, I would like to express my deepest condolences to all those who lost loved ones or were otherwise affected by the Great East Japan Earthquake and Tsunami. I wish for a quick and peaceful recovery.

In the immediate aftermath of the Great East Japan Earthquake, Bridgestone Group embraced the social mission of offering reconstruction assistance to disaster-stricken areas and launched a series of aid efforts. For more information about these ongoing efforts, please see page 5 of this Report.

Going forward, the Group will continue to pursue potential actions, bring to bear its organizational capabilities and resources, and offer support to the recovery and reconstruction.

○ We will pursue additional management reforms and initiatives on a global basis.

Under a rapidly changing business environment, we have implemented this new management alignment as the best way to position the company for optimum management on a group and global basis in the face of the speed and scope of change, and to reinforce the company's focus on corporate governance.

To that end, we built this new management structure separating management responsibilities and execution responsibilities, clearly defining responsibilities among Chairman of the Board, CEO, and COO positions. The CEO is responsible for corporate strategy and general management, while the COO has responsibility for overall daily operations. The Chairman has no direct operational responsibilities; however he must work as a facilitator between management and the Board of Directors, ensuring effective governance and oversight of the corporation by the Board. This new structure defines an explicit array of management and operational roles, while enhancing functions of checks and balances like the separation of the three government powers.

After viewing the outstanding results of this new management organization in the Americas two years ago, we found them to be highly effective. The structure was implemented in European operations effective January 1 of this year, and we at Bridgestone Corporation in Japan followed suit in March 2012. By enhancing the organization's management efficiency and accelerating business reforms, we will respond quickly to social changes and create new values.

○ We will parlay the Group's strengths to ensure innovation.

The Bridgestone Group is characterized by not only the horizontal expansion of its global operations, but also the vertical expansion of the supply chain that extends from the natural rubber farms that lie upstream to the sales channel network downstream.

Vertical expansion confers one of the Group's most important competitive advantages by fostering innovation through the utilization of knowledge and expertise at all stages of its operations.

For example, tires with run-flat technology help lower the environmental impact while offering customers a superior level of safety and peace of mind. Similarly, our solutions businesses use of the retread process for trucks and buses serves to significantly reduce resource consumption. Each of these businesses is operated globally, and each is a manifestation of the strengths that accrue from horizontal and vertical expansion.

We are also involved in the development of revolutionary technology that would reduce by half the volume of raw materials used in tire manufacturing through the Half-weight Concept Tire. In this way, the Group will continue to bring its various and unique assets to bear to resolve social issues globally.

○ We will pursue consistent, steadfast CSR activities.

The Bridgestone Group has identified 22 CSR Focus Points to pursue consistent, steadfast CSR activities on a Group and global basis. These 22 Focus Points serve as a common language for the Group's CSR initiatives. Group “instructions” are issued to embody specific objectives, policy directions, and approaches for

each Focus Point under the PDCA cycle (“plan,” “do,” “check,” and “act”). During 2011, we sought to enhance this cycle through a system of self-assessments by which Group companies reviewed their own progress. In this way, we were able to clarify which actions have already been taken and which need to be pursued in the future. We will continue to strengthen activities on a Group and global basis.

We also refined the Corporate Philosophy in 2011 by explicitly identifying our mission of “Serving Society with Superior Quality,” the company credo expressed by Bridgestone’s founder. Also in order to fulfill this mission, Bridgestone Group has used the concept of “foundation” to demonstrate the sustained commitment of employees. Our belief that CSR is both an integral part of management and the realization of the Bridgestone Essence remains unchanged.

○ We will pursue environmental activities in line with our long-term environmental vision.

As the world’s largest tire and rubber company, we recognize that the Group’s initiatives have a significant impact on the Earth’s

environment. We pursue environmental activities with the ultimate goal of achieving a sustainable society by realizing three important environmental perspectives: ecological conservation, resource conservation, and reducing carbon emissions.

In May 2012, we announced a long-term environmental vision for 2050 and beyond: achieving “100% sustainable materials,” contributing to the globally-agreed target (reducing CO₂ emissions by at least 50%) as a means of combating climate change, and existing in balance with nature.

The Bridgestone group has grown by providing advanced, high-quality products that play an essential role in mobility to customers around the world. Going forward, we will strive to contribute to a sustainable society and help ensure a healthy environment for current and future generations.



Masaaki Tsuya
CEO and Representative Board Member

Masaaki Tsuya
CEO and Representative Board Member



Kazuhisa Nishigai
COO and Representative Board Member



Aiding in the Recovery from the Great East Japan Earthquake

Bridgestone extends its heartfelt sympathy to all those who have been affected by the Great East Japan Earthquake which occurred on March 11, 2011. We wish for a quick and peaceful recovery.

Since the Earthquake, the Bridgestone Group has offered support in a variety of forms. The Group will continue these activities based on its belief that its social mission consists of contributing to the recovery and reconstruction of affected areas by maximizing the use of its total capabilities and resources. This page reports on initiatives undertaken by the Group in fiscal year 2011.

Reconstruction assistance for disaster-stricken areas

Although we were forced to grapple with the issue of raw material shortages in the immediate aftermath of the earthquake, the Group took advantage of its global supply chain to minimize the impact of such shortages so that it could continue to supply the products and services needed in recovery on a priority basis.

The Group also donated 277 million yen, along with Bridgestone bicycles and bedding (worth 100 million yen).

Further, the Group introduced a volunteering program to allow employees to join in disaster-affected areas in April 2011, and a total of 628 people had participated by March 2012.

Bridgestone will continue to pursue these activities in order to aid in the recovery and reconstruction of disaster-stricken areas.



Volunteers work in the city of Ishinomaki in Miyagi Prefecture in October 2011.

Wings of Dream Project

Bridgestone has made a commitment to support the Wings of Dream Project as part of its disaster recovery assistance. The project, which is dedicated to providing long-term support to children who lost their parents in the Great East Japan Earthquake, facilitates activities by NPOs, teams of student volunteers, and other groups. Specifically, the program seeks to look out for the growth of these children over the long term by regularly offering a place for them to enjoy time together.

Bridgestone decided to offer its support based on the project's core mission of "helping children grow and make friends while sharing and experiencing a variety of activities such as sports and tours of different facilities in the form of an overnight camp."



Bridgestone invited the children to a company-owned recreational facility (in the city of Ome in Tokyo, December 2011).

Supporting customers' business continuity efforts

The Bridgestone Group moved quickly to supply food, clothing, and other aid to dealers that were damaged in the earthquake.

We are also offering assistance by loaning service equipment free of charge and helping clean up damaged stores so that customers can quickly rebuild and resume sales.

Going forward, we will continue to offer support in a variety of forms for the efforts of customers in disaster-stricken areas to continue their business operations.

Initiatives for reducing power consumption

The Bridgestone Group set the goal of reducing maximum power use at a total of 12 worksites with contract demand of 500 kW or greater (i.e., major users of power) by 25% compared to the same period of the previous year (July through September) in order to deal with serious power shortages in Japan during the summer of 2011. We successfully reduced power utilization by 37%. We also sought to visualize power use at individual worksites while undertaking various initiatives to slash public power use, including halting the operation of or limiting the hours of operation of some production lines in plants, modifying equipment to lower power usage, making use of co-generation systems (in-house generation systems that effectively utilize heat generating power as byproduct), efficiently utilizing power generated by a special incinerator for used tires at the Tochigi Plant, utilizing stored nighttime power during daylight hours (by using sodium-sulfur batteries, originally installed as a means for dealing with power outages), and deploying diesel-powered generators. We also reassessed air conditioning temperatures at all 12 worksites and reviewed every area of operations to find power savings, for example by turning off some light fixtures and replacing conventional bulbs with their LED equivalents.

In the future, we will work to ensure the efficiency of our business operations and to reduce power consumption by limiting in-store and signage lighting as well as air conditioning temperatures, drawing up voluntary power-saving plans, and disseminating information about successful power-saving activities not only at plants, but also at worksites such as sales offices and tire retail shops.

Future assistance

In addition to continuing to provide the products and services needed in recovery efforts on a priority basis, Bridgestone will continue to bring its full capabilities and resources to bear in offering assistance to business partners, stores, and others that suffered damage in the earthquake.

The Bridgestone Essence (Corporate Philosophy)

The Group's mission is based on the words of its founder: "Serving Society with Superior Quality." To fulfill this mission, Bridgestone Group has used the concept of "foundation" to demonstrate the sustained commitment of employees to provide its customers with world class products and services and to serve the communities where Bridgestone does business. The words, integrated corporate culture and our diversity that today's company has inherited has been redefined into "The Bridgestone Essence" and a shared sense of values that can be embraced by Bridgestone employees around the world.



Mission

Serving Society with Superior Quality

We aspire to offer the best for our customers and to society, not only in terms of our products, services, and technology, but in all of our corporate activities. Our commitment to quality stems not from want of profit, but out of a passion for improving the safety and lives of people everywhere. Through our Mission, we strive to be a company trusted by the world - a company in which all of us can take great pride.

Foundation

“Seijitsu-Kyocho” [Integrity and Teamwork]

Seijitsu-Kyocho is about adhering to principles of good faith as you carry out your work, in the way you treat others, and as you participate in and engage 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 ourselves 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 our own 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 using those observations to make informed decisions. It is about not being satisfied with the current situation, and making informed decisions that will lead us ever closer to ideal 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.

The Bridgestone Group's approach to CSR

We at the Bridgestone Group conduct our daily business activities in a way that increases the overall level of our CSR activities based on our belief CSR is at the heart of management itself. These CSR initiatives help the Bridgestone Group achieve its ideal state.

Framework for pursuing CSR activities

More than just a series of abstract philosophical principles, CSR must be put into practice in the course of Group companies' daily business activities. Based on this belief, the Bridgestone Group has taken a two-pronged approach to CSR that includes company activities at the management level as well as employee activities at the individual level. We also strive to enhance and expand both the scope and quality of our CSR programs by examining past activities through CSR communication with stakeholders.

CSR activities at both the corporate (organizational) and employee (individual) levels



The company's CSR activities

Pursuing CSR activities that are consistent with our business activities

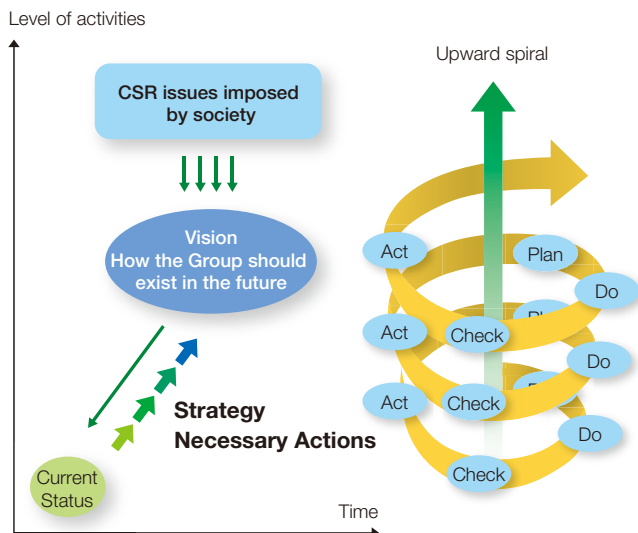
The Bridgestone Group considers CSR to be a core component of management that should be omnipresent in our daily business operations and activities. We have developed specific policies in the form of a Mid-term Management Plan to identify and achieve our CSR vision and goals. In short, CSR activities are conducted in the PDCA ("plan," "do," "check," "act") cycle for achieving the goals of the Plan so that they are an integral part of that process.

22 CSR Focus Points

In 2007, the Bridgestone Group established 22 CSR Focus Points to serve as a Group-wide common language that would guide the pursuit of consistent, steadfast CSR activities. The Focus Points were selected from a range of general societal requirements and organized according to three perspectives: importance to the Bridgestone Group, importance to stakeholders and progress by the Group in taking appropriate actions.

We pursue these 22 Focus Points by means of Group-wide "instructions" that embody specific objectives, policy directions and approaches. These instructions are reviewed and revised on a regular basis to ensure that we take into account changes in societal requirements.

CSR and the Mid-term Management Plan



Structure of the 22 CSR Focus Points



In 2011, the entire Bridgestone Group conducted a self-assessment to ascertain whether the instructions based on the 22 CSR Focus Points were being implemented. Since the self-assessment helped us better visualize these activities, we are now pursuing improvement initiatives based on its findings.

We also reviewed the level of Bridgestone's activities based on ISO 26000, which was issued in November 2010. We have developed an action plan prioritizing those items that the results of this review indicate we need to address through further initiatives.

Individual CSR

We believe that the awareness and the way individual employees pursue their daily responsibilities are critical in the Group's business activities and approach to CSR. Each employee must

apply CSR to his or her own work and take positive action to achieve the Group's vision.

Bridgestone employees deepen their understanding of the Group's CSR activities by attending CSR Report Reading Workshops and Bridgestone Essence Workshops. Individual employees also make a personal commitment that lays out what they believe to be important in their jobs and how they intend to conduct themselves so that they are better able to behave in a manner that earns the trust of stakeholders.

CSR communication

The Bridgestone Group strives to strengthen its CSR activities by communicating with local communities, customers, shareholders, business partners and employees. Additionally, we work to increase the transparency of our activities by publicizing our progress toward achieving CSR goals in annual CSR reports.

Independent evaluation of CSR activities

Based on its CSR initiatives in areas such as the environment, human rights, and labor, Bridgestone has been selected for inclusion in the Dow Jones Sustainability Indexes (DJSI) Asia Pacific, an international socially responsible investment (SRI) index. The company also continues to be included in the Morningstar Socially Responsible Investment Index (MS-SRI), a leading Japanese SRI index. (This information is current as of April 1, 2012.)



Initiatives addressing global issues that affect the entire tire industry

Together with other leading tire manufacturers, Bridgestone is examining potential environmental impacts of tires through the Tire Industry Project, which was formed under the Geneva, Switzerland-based World Business Council for Sustainable Development (WBCSD).

1. Examining the environmental and ecological impacts of Tire and Road Wear Particles (TRWP)

Tire and Road Wear Particles (TRWP) are generated as tires wear down during use. Having identified methods for collecting and quantifying TRWP, project members are now examining the impact of TRWP on the environment and its ecosystems.

2. Examining effective end-of-life tire (ELT) management systems and publishing ELT management manual

There is variation in ELT management systems among

different countries and regions, both in the methods and in the level at which they are implemented.

Following a review of how ELTs were being managed, The Tire Industry Project published a manual, End-of-Life Tires: A Framework for Effective ELT Management Systems in an effort to propose an effective system for managing ELTs worldwide.

3. Compiling guidelines on the use of nano-materials

Bridgestone is involved in a project dedicated to compiling guidelines on the research, development and industrialization of new nano-materials, particularly in tire development and manufacturing, in partnership with the Organization for Economic Co-operation and Development (OECD).



CSR management

Structures for pursuing CSR activities

The fundamental approach to CSR initiatives throughout the Bridgestone Group is set by the Integrated CSR Enhancement Committee, which is chaired by the CEO and Representative Board Member. The Global Management Platform (GMP), which is responsible for pursuing activities in each issue area, then develops a basic direction for the Group's initiatives based on that approach.

Strategic business units, or SBUs, which are responsible for conducting business operations, translate that direction into action after taking into account specific circumstances and conditions in individual countries and regions.

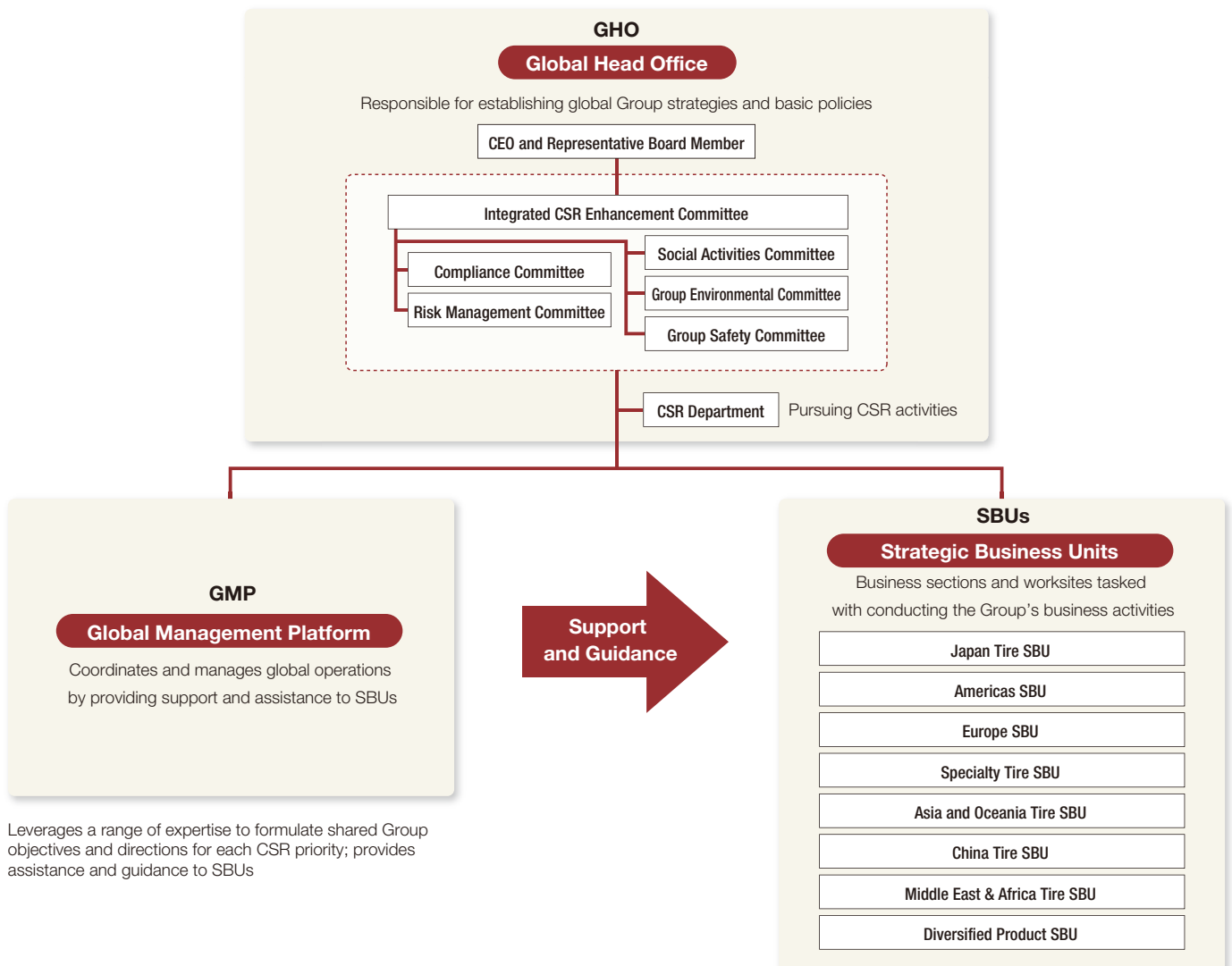
Additionally, the following committees have been formed to advise the Integrated CSR Enhancement Committee and assist in guiding initiatives undertaken in each issue area: the Compliance

Committee, the Risk Management Committee, the Social Activities Committee, the Group Environmental Committee and the Group Safety Committee.

Framework for CSR activities in Japan

The Bridgestone Group strives to promote CSR awareness through lectures for management-level employees, a company magazine and its corporate intranet. Each division and plant elects a key CSR person whose job is to organize CSR Report Reading Workshops for administrative and technical employees. The Group also holds training sessions and workshops in Japan for certain corporate officers and employees of overseas Group companies in an effort to promote CSR awareness throughout the Group.

Structures for pursuing CSR activities



Implement common Group CSR activities and enhance activities by pursuing those courses of action that are needed in particular countries and regions

Corporate Governance

Corporate governance structure

Continually enhancing corporate governance is one of management's most important focus points. This will ensure that the Bridgestone Group continues to fulfill its founding mission as stated in its corporate philosophy of "Serving Society with Superior Quality."

Based on this approach, in accordance with the responsibility and authority delineated in the Administrative Authority Rules, as well as in the Policy Management Rules, Bridgestone Corporation is committed to developing, communicating and abiding by fair, transparent decision-making and management policies.

Bridgestone has adopted a corporate officer system to more clearly distinguish between management and operational responsibilities. This allows the Board of Directors to focus more effectively on overseeing the execution of business operations.

To strengthen corporate governance, such as by further engaging the Board of Directors, nine new directors, including four outside directors, were elected at the General Meeting of Shareholders held on March 27, 2012.

Bridgestone employs a corporate auditor governance model as specified in the Companies Act. As of March 27, 2012, a four-member Board of Corporate Auditors (including three outside corporate auditors, one of whom serves full-time) was created to expand the Board of Directors' supervision of directors' activities and execution of their responsibilities.

Following the General Meeting of Shareholders and the Meeting of the Board of Directors held on March 27, 2012, Bridgestone has a new management structure comprising Chairman of the Board, CEO, and COO. The operational functions previously handled by the President have been split into two positions. Now, CEO and Representative Board Member has overall responsibility for management and strategy, and COO and Representative Board Member has overall responsibility for operations. Chairman of the Board leads meetings of the Board of Directors and the General Meeting of Shareholders. As a Board member without

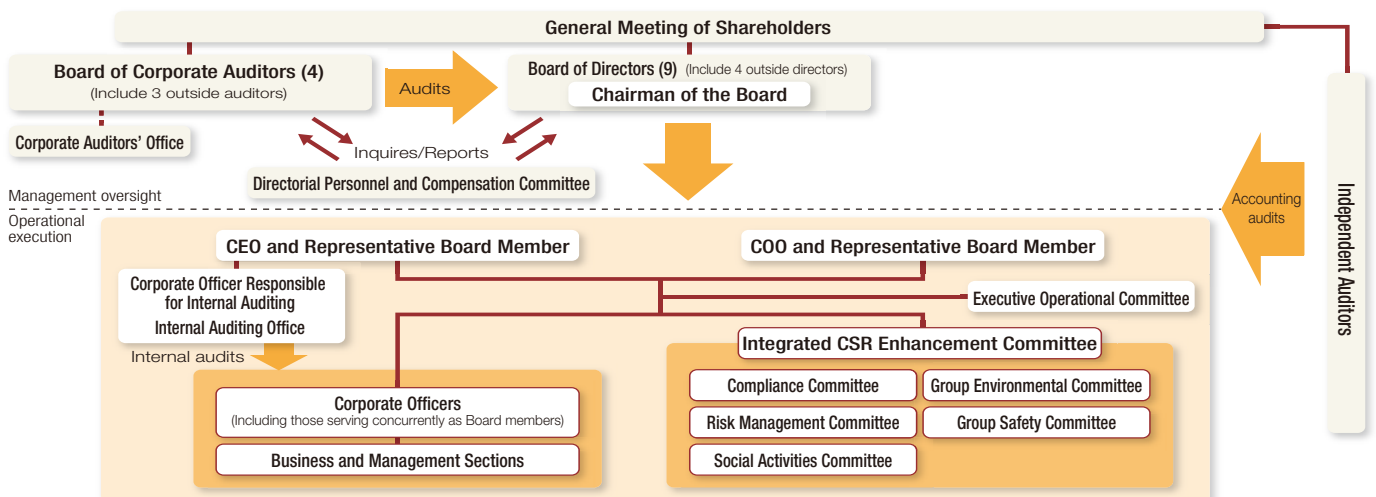
direct responsibility for operational and execution duties, the Chairman of the Board has a role of a facilitator between the Board of Directors and operating divisions and is responsible for effective management supervision through meetings of the Board of Directors. Under this new structure, Bridgestone will work to advanced separation and clarification of the respective roles and authority of Chairman of the Board, CEO, and COO. This would advance information sharing; and increase transparency in decision-making process. In this way, Bridgestone will work to further strengthen its corporate governance system. The following diagram provides an overview of corporate governance under this new management system.

Internal control systems: Basic approach and implementation

On May 1, 2006, the Board of Directors instituted an official company policy governing internal control systems; Bridgestone Group reevaluates its activities in this area each year, aiming to ensure appropriate internal control. In regard to the Japanese Financial Instruments and Exchange Act, and in particular to the section regarding the evaluation of the internal control systems to assure the reliability of financial reporting and related information, Bridgestone Group will work to ensure an effective and reliable system of internal controls on a Group-wide basis and to further raise the level of internal control throughout the Group.

Bridgestone has no connection whatsoever with antisocial force or groups that threaten public order and safety, and takes a resolute stand against such activities. A department has been established to evaluate information received regarding such matters and take necessary action to ensure compliance with this policy, and Bridgestone Group has worked to build relationships of trust and cooperation with external institutions, such as the police and other related organizations. Bridgestone Group is working to create a manual for dealing with inappropriate or illegal requests, evaluating contracts and the parties thereto ensure their appropriateness and that they have no relationship with any organization or group that are illegal or threaten public order of safety, and implementing other related measures.

Corporate governance structure (as of March 27, 2012)



Feature 1

Bridgestone products and technologies that support a safe and secure society

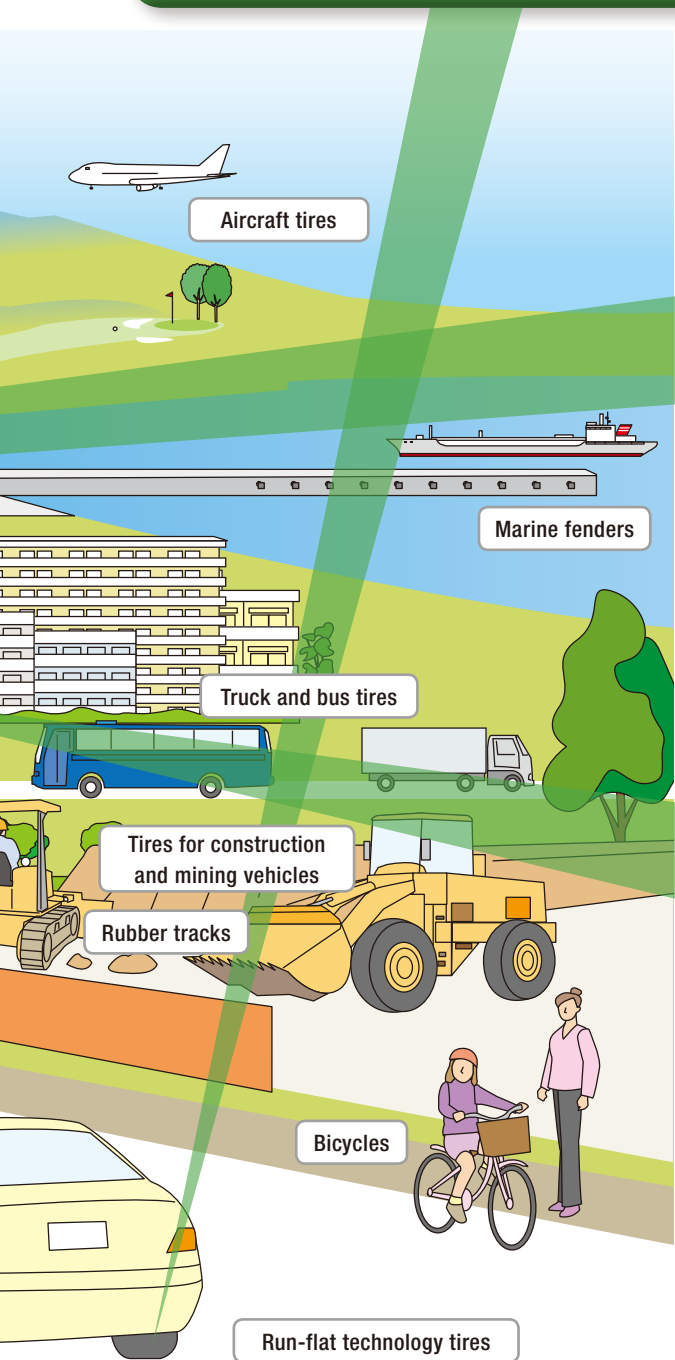
The Bridgestone Group's corporate philosophy identifies its mission as "Serving Society with Superior Quality." In order to support the safe and comfortable lifestyles of people worldwide through superior quality, Bridgestone contributes to the safety and security of society through a broad range of products and services around the world.



Run-flat technology tires



Bridgestone run-flat technology tires can be driven following a loss of air pressure. These tires allow the vehicle to be driven a certain distance to a location where they can be safely repaired, reducing risk for the driver. When used as original equipment tires on new vehicles, run-flat technology tires eliminate the need to carry a spare, saving resources and improving fuel efficiency.



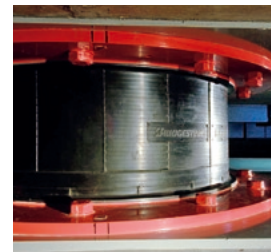
Winter tires

Winter tires are developed to allow vehicles to drive, turn, and stop reliably even on snowy and icy roads. Bridgestone winter tires continue to evolve, allowing drivers to travel with peace of mind on snowy days.



Elastomeric seismic isolation bearings

Seismic isolation is an important structural technology that allows buildings to better withstand earthquakes. Through the installation of laminated rubber bearings (elastomeric seismic isolation bearings) –particularly those consisting of alternating layers of rubber and steel sheeting– onto building foundations and load-bearing columns, seismic energy can be absorbed so that the transfer of the earthquake's force to the building is limited. These products protect buildings, households and human lives from the effects of earthquakes.



Run-flat technology tires

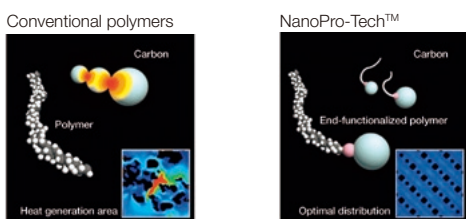
The evolution of tires contributes to safety and the environment

Run-flat technology (RFT) tires offer excellent safety advantages. They help prevent the vehicle from swerving out of control after a loss of air pressure while driving, and allow it to be driven a certain distance at a manufacturer-designated speed, even with zero

inflation pressure. In short, these tires enable drivers to avoid the risk of changing flat tires alongside fast-moving expressway traffic by allowing them to drive to a safe location where the work can be performed. Since RFT tires used as original equipment tires on new vehicles eliminate the need to carry a spare –around 59 million* of which are discarded new and used each year– RFT tires greatly help to conserve environmental resources. In addition to freeing up extra space in the car, they lower the vehicle's loaded weight and improve fuel efficiency.

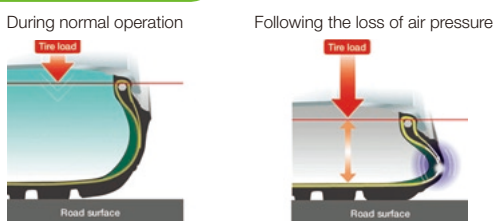
* According to a Bridgestone survey (the number of vehicles with spare tires was calculated by subtracting the number of vehicles equipped with RFT tires and the number of vehicles with tire repair kits from the total number of passenger cars produced worldwide in 2008).

Reducing heat generation following the loss of air pressure



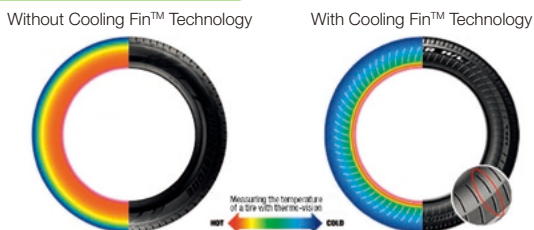
Friction heat generated following the loss of air pressure is a major cause of tire damage, which in turn affects safety. NanoPro-Tech, a proprietary, molecular-level technology, reduces this heat.

Using heat to curb deformation



The framework material uses the heat that remains despite NanoPro-Tech to contract. In this way, deformation of the tire itself is minimized, allowing tires that can run a certain distance with a limited speed under zero inflation pressure condition.

Dissipating heat through airflow

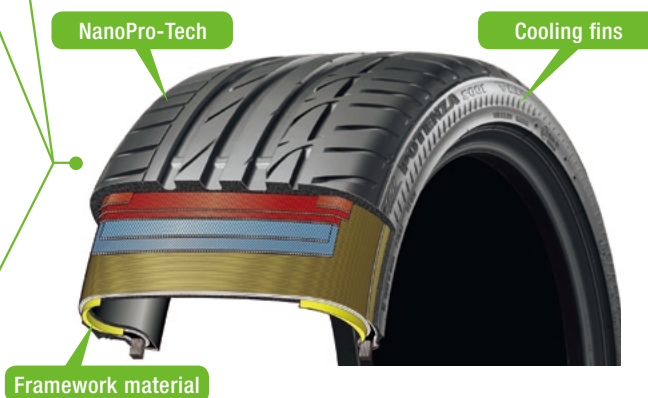


Protuberances (cooling fins) on the side of the tire disrupt the movement of air around the tire, providing a cooling effect to its surface area. Lower heat means increased durability.

The evolution of technology leads to enhanced safety

Behind the exceptional performance of tires with RFT is Bridgestone technology. The heat generated when a tire is punctured to allow the rubber on its sidewalls to deform is a major cause of tire damage. NanoPro-Tech, a molecular-level technology that is used in sidewall reinforced rubber, reduces the amount of heat generated to roughly half that of a conventional tire. Advanced RFT tires are made possible by proprietary technologies such as wide framework materials that keep the tire from separating from the wheel and cooling fins that cool the surface of the tire by changing the flow of air as it strikes the tires. All of these technologies help ensure driver safety.

Features of advanced RFT tires that help ensure safety



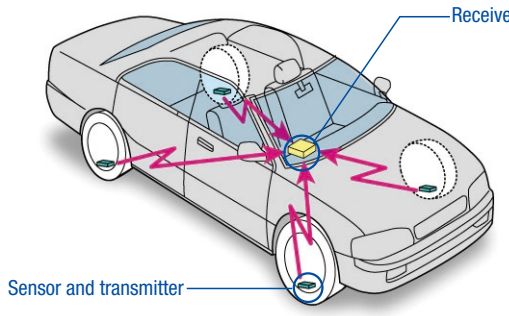
The tire pressure monitoring system (TPMS) keeps watch over tire safety

Driving, turning, and stopping: tires are an important auto part that transmits the driver's intentions to the road surface, and the inflation pressure of individual tires has a significant effect on the tire's intrinsic safety and energy-saving performance. The tire pressure monitoring system (TPMS) uses a wheel-mounted sensor to check the tire's inflation pressure. The system keeps the driver informed of the state of the vehicle's tires by sending pressure values to an onboard monitor.

Eliminating a variety of problems caused by inadequate tire inflation

The advantage of RFT tires is that they can be run a certain distance under zero inflation pressure condition. In other words, they are distinguished by the fact that it is harder for the driver to realize that air pressure has been lost. To ensure the driver's ability to realize a tire has gone flat immediately and react appropriately, TPMS is needed to keep him or her informed of each tire's status. What's more, if the driver can be informed of inadequate inflation pressure early enough, it is possible to avoid worsening fuel efficiency and tire damage.

TPMS B-01* system components



Receiver

Sensor and transmitter

When the inflation pressure is too low

Notification of the driver

An LED on a receiver installed in the driver's line of sight keeps him or her informed.

Sensors and transmitters are installed on each tire, and a receiver is installed inside the vehicle. The sensors detect inadequate inflation pressure, and the driver is notified by an LED. In this way, the system helps avoid worsening fuel efficiency and tire damage that can be caused by inadequate inflation pressure, assuring safety.

* TPMS B-01 is available as an aftermarket TPMS from Bridgestone Retail Japan Co., Ltd.

In the words of the engineer

We put safety first and strive to achieve ride comfort at the same time.



Takeshi Watanabe
Advanced Tire
Engineering
Department

RFT tires incorporate reinforced rubber on their sidewalls so that the vehicle can be stopped safely or driven to a safe location following the loss of air pressure. Due to this feature, they have not offered the same level of ride comfort as conventional tires.

During the technical development process, we struggled with the need to achieve these two aspects of tire performance: ride comfort on the one hand, and safety from tire durability following the loss of air pressure on the other. NanoPro-Tech technology used in the reinforced rubber and technology for controlling heat with cooling fins on the tire sidewalls served to drive forward the evolution of RFT tires. We had to overcome difficult manufacturing issues in order to commercialize these two technologies, but the involved departments came together to make the improvements needed to bring a product to market.

Failure is an inevitable part of the technology development process, but I believe it gives rise to new insights and technologies. My greatest joy as an engineer is when my belief in the potential of a technology to be commercialized through sustained diligence and never give up attitude bears fruit, allowing me to thank others for working with me and to enjoy a feeling of accomplishment together.

Winter tires

A new material that makes winter driving safer

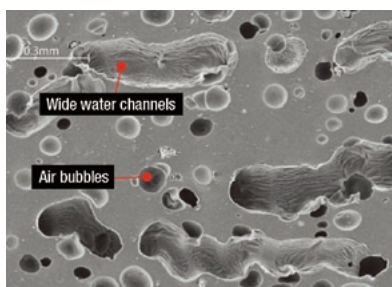
The mission of winter tires is to safely and effectively allow the vehicle to drive, turn and stop on a road surface covered with snow and ice. Icy roads are more slippery than roads that are not icy due to a film of water that forms on the ice, acting as a lubricant. To accomplish this, the Bridgestone Group developed a multi-cell compound material to use in new studless tire products. Air bubbles in the multi-cell compound and water channels linking

those bubbles remove the water film that forms on the surface of the ice. In this way, Bridgestone tires provide exceptional grip, even on icy roads.

Ensuring safety on winter roads with new technologies

The design of the tire's tread pattern, including such factors as the depth of its grooves, exerts a significant influence on its frictional force. The Bridgestone Group conducts research into how tires interact with the ground when turning and stopping. Our newest studless tire, the REVO GZ, features an optimal tread pattern design on each area of the tire's surface. This effort led us to develop an asymmetrical tread pattern as well as an asymmetrical tire profile, helping to dampen chassis and tire wobble caused by bumps and undulations. The Bridgestone Group creates tires that can be driven with peace of mind on winter roads that are prone to cause driver concern, for example wet, snowy, and icy roads.

Multi-cell compound eliminates the cause of slipping.



By incorporating air bubbles into the rubber, Bridgestone can remove the water film that causes slipping. Multi-cell compound has evolved over the years, and the latest tires augment air bubbles in multi-cell compound with wide water channels connected by the bubbles. These channels allow the tires to more effectively eliminate water film, increasing tire grip on icy roads.

Tread patterns and profiles designed to accommodate all winter road conditions



Bridgestone's asymmetrical profiles and tread patterns are based on extensive research into how tires make contact with the road surface. Bridgestone Group engineers conducted a detailed analysis on the areas of the tire that heat up when turning and stopping. By using an effective pattern in each of these areas, it is possible to securely drive on snowy, wet, and dry roads alike.

Keys to studless tire safety

Tread pattern

Tires incorporate effective tread patterns for turning and stopping.



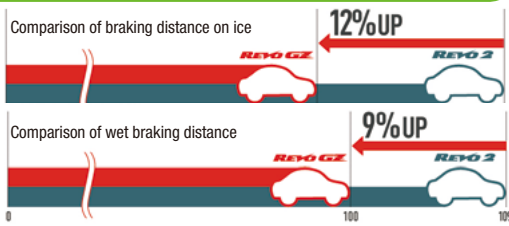
Asymmetrical profile

Tire profiles let motorists drive with peace of mind on snowy, wet, and dry roads alike.

Multi-cell compound

Air bubbles in the rubber help remove the water film that causes slipping.

Continuing research and development to assure greater safety



Bridgestone's latest winter tire, the REVO GZ, improves braking distance on ice*1 by 12% and wet braking distance*2 by 9% compared to our previous studless tire (the REVO 2).

*1 Test conditions Test location: Bridgestone Hokkaido Proving Ground (icy road surface) / Driver: Company test driver / Initial braking speed: 30 km/h / Outside air temperature: -1.2°C to -1.1°C / Icy road surface temperature: -1.9°C / Tire size: 215/60R16 95Q / Rims: 16x7J / Braking method: ABS brakes / Vehicle: Toyota Mark X (DBA-GRX125) / Displacement: 2,500 cc / Drive: 4WD / Inflation pressure: 230 kPa (front and rear) / Passengers: Equivalent to 2

*2 Test conditions Test location: Bridgestone Hokkaido Proving Ground (wet straight course [asphalt surface]) / Rims: 16x7J / Driver: Company test driver / Initial braking speed: 80 km/h / Water temperature: 9.9°C to 10.1°C / Water depth: 2 mm / Tire size: 215/60R16 95Q / Braking method: ABS brakes / Vehicle: Toyota Mark X (DBA-GRX120) / Displacement: 2,500 cc / Drive: Front-engine, rear-wheel-drive / Inflation pressure: 230 kPa (front and rear) / Passengers: Equivalent to 2

CAIS: Detecting road surface conditions for tires

Driving on snowy or frozen roads is inherently dangerous. The Bridgestone Group is developing a system that will allow drivers

to navigate such roads with peace of mind. Compact generators and sensors embedded in tires are used to analyze information about the road surface. In this way, the Contact Area Information Sensing (CAIS) system contributes to the safety of driving on winter roads. The system classifies road surface conditions into one of seven categories in real time, even if those conditions change suddenly due to an unexpected snowstorm or other development, and then quickly communicates that information to the driver via an onboard display.

Currently, we have begun a joint study with Nexco-Engineering Hokkaido Company Limited in an effort to commercialize this system. We are working to place CAIS in snow and ice patrol cars used on expressways to streamline winter road management. Furthermore, we are studying the possibility of applying the technology to systems that would alert ordinary drivers to dangerous road conditions. In February 2012, road surface condition detection technology based on this CAIS concept received the Tire Technology International Awards for Innovation and Excellence 2012 from Tire Technology International, a British tire industry journal. The Bridgestone Group will continue to support the safety of our automobile-based society by contributing to safe driving on winter roads through tires and system technologies.

The global spread of studless tires

Today, awareness and demand for winter tires is surging in China and Russia, countries which both have a cold climate and snowfall along with rising car ownership. Previously in China, most drivers were not accustomed to switch between summer and winter tires, and car ownership was limited to a small portion of the population. Today the number of drivers aware of winter tires continues to grow, and the Bridgestone Group's high-quality studless tires are attracting attention. Bridgestone Group will continue to promote safety in the world's colder regions with high quality studless tires.

In the words of a developer

I'll continue to conduct tests in the field using all of our technologies so that we can deliver superior safety.



Kento Hashimoto
 Winter Tire Development Department

Winter roads are not only characterized by frozen surfaces, but also soft and deep snow, snow that has been packed hard by other cars, melting snow, wet surfaces, and a variety of other conditions. I have worked hard to evaluate and support safety on these various surfaces and to bring to the market tires that perform under these challenging conditions. In using the summer tires' asymmetrical tread pattern technology on winter models, it was necessary to consider the characteristics of icy roads. Additionally, it was not possible to simply use that technology without modification of the extremely soft winter tires. We prepared countless types of tires to study groove placement, which is important on icy roads, sometimes carving the tire grooves in the field to improve the tread profile in a series of repeating tests and analyses. The result of this process was the asymmetrical technology featured on our current winter tire, the REVO GZ, which delivers peace of mind under a variety of road surface conditions.

Elastomeric seismic isolation rubber bearings

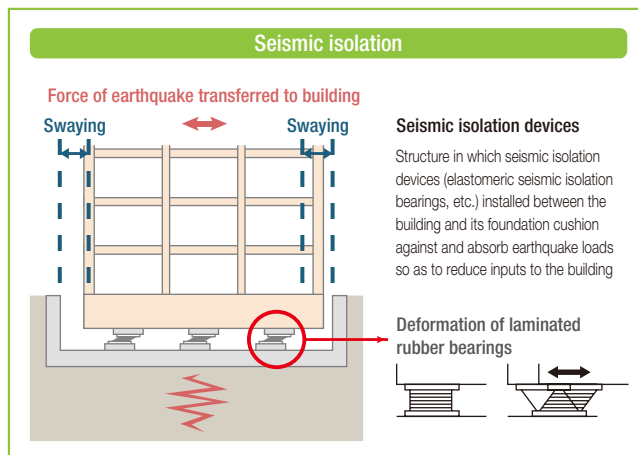
Elastomeric seismic isolation bearings that only a rubber company can supply support a safe and secure society

Bridgestone developed elastomeric seismic isolation bearings, which can be used with peace of mind over the long term, by drawing on rubber formulation technology, adhesion technology, and durability assessment technology cultivated through the development of tires and rubber products. The Bridgestone Group began developing the seismic isolation rubber bearings in 1980, as a rubber manufacturer promoting safety and security.

Seismically isolated structures and elastomeric seismic isolation bearings

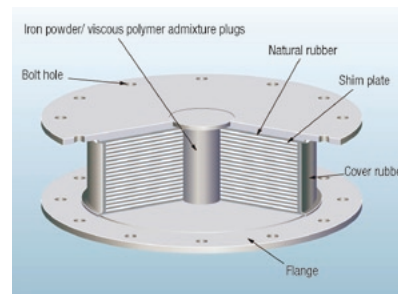
Structural technologies used to help buildings withstand earthquakes include earthquake resistance, vibration damping, and seismic isolation. Seismically isolated structures use seismic isolation materials to prevent the vibrations of an earthquake from being transferred to buildings. Compared to structures incorporating earthquake resistance or vibration damping, seismically isolated structures are more effective not only at preventing damage to columns, beams, and wall materials, but also at keeping furnishings from falling over and becoming damaged.

Out of a range of available seismic isolation materials, the Bridgestone Group is focusing on a seismic isolation system using laminated rubber bearings (elastomeric seismic isolation bearings) that consist of alternating layers of rubber and steel



Seismic isolation structure for withstanding earthquakes

sheeting. When installed on a building's foundation, these bearings absorb seismic energy and prevent the force of an earthquake from being transferred to the building. In this way, the flexibility of the bearings allows them to deform and then revert to their original shape along their horizontal axis when an earthquake occurs, reducing vibration and protecting buildings and household effects.



e-RB iron powder / viscous polymer plug rubber bearings

*Load history dependence: The property by which stiffness and damping change during repeated deformations or stiffness declines after the material experiences significant deformation, preventing it from returning to its original level.

In the words of a developer

Supporting everyday peace of mind through elastomeric seismic isolation bearings



Hideaki Kato
Seismic Isolation
Development Unit 1
Infrastructure Products
Development
Department

In addition to development capabilities cultivated as a leading company in the rubber industry, Bridgestone's strengths include materials formulation technologies that allow in-house development of new materials and advanced simulation and analysis technologies, which play an essential role in product development and quality control.

For example, since we used a new, proprietary damping material in our laminated rubber bearings with iron powder/ viscous polymer admixture plugs, we had to develop everything from scratch, including manufacturing methods and material evaluation techniques. It was a very challenging process, but I believe we were successful in taking advantage of Bridgestone's strengths to develop a product that meets the needs of customers who have a high level of interest in the environment.

I look forward to continuing to provide an environment in which customers can enjoy peace of mind, by supplying high-quality elastomeric seismic isolation bearings to more customers and remaining cognizant of the fact that these products support customers' security and safety.

We are also working actively to develop new products that meet society's needs. Our new H-RB (X0.6R) high-damping laminated rubber bearings use a newly developed high-damping rubber material to deliver reduced load history dependence* and improved damping performance both properties that have long been sought by designers of seismically isolated buildings. Thanks to these characteristics, which past materials have not offered, engineers can expect to conduct more precise simulations during the design process. We also developed e-RB iron powder / viscous polymer plug rubber bearings, which avoid the use of lead in order to lower the environmental impact of the bearings at the time of disposal.

All of our elastomeric seismic isolation bearing products have been developed to support safe and secure lifestyles based on a unique and proprietary approach that is made possible by the Bridgestone Group's passion for elastomeric seismic isolation bearing materials, characteristics, and analytical techniques.

Initiatives promoting use of seismically isolated structures

The number of projects involving the installation of elastomeric seismic isolation bearings continues to increase with each passing year, both inside and outside of Japan. For example, the Fire Fighting Disaster Control Center in the city of Tome in Miyagi Prefecture, which utilized Bridgestone elastomeric seismic

isolation bearings, escaped major damage during the Great East Japan Earthquake in March 2011, allowing it to maintain its firefighting functions and even to serve as a temporary evacuation center for local victims of the disaster. Bridgestone elastomeric seismic isolation bearings are also being used to protect historical buildings with high conservation value, including the Marunouchi side of Tokyo Station, The National Museum of Western Art, and the Osaka City Central Public Hall.

We also cooperated with reconstruction efforts in Sumatra, Indonesia, which suffered a major earthquake in 2009, by supplying elastomeric seismic isolation bearings through the NPO Engineers without Borders. These bearings were used in the rebuilding of the headquarters of the provincial government in West Sumatra so that it could serve as a refuge in the event of an earthquake, contributing to the security and safety of residents.

Going forward, the Bridgestone Group will continue to advance seismic isolation technologies designed to have a lower environmental impact, develop products that support a safe and secure society, and bring them to markets worldwide.



Osaka City Central Public Hall

For future safety and security

The future as revealed by Non-Pneumatic (Airless) Concept tire

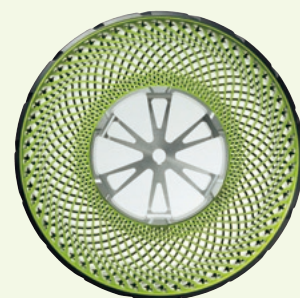
Introducing a tire without the risk of punctures

All tires are subject to the risk of going flat. The time has finally come to abandon this way of thinking. The non-pneumatic (airless) concept tire announced by Bridgestone in 2011 is a tire that does not need to be refilled with air.

In ordinary tires, air surrounded by rubber supports the car. However, airless tires do not need air and are not made entirely of rubber. A unique structure of spokes stretching along the inner sides of the tire* supports the weight of the vehicle, instead of air, while absorbing shock from the ground.

Since they do not need air, these tires relieve drivers from concerns about low inflation pressure and punctures. Although Bridgestone is still in the basic study phase for lightweight, low-speed electric vehicles used in social welfare applications, it is clear that the new technology resolves various safety issues that have been associated with conventional tires.

*Spokes extend from the center of the tire and are connected to its outer frame.



Non-Pneumatic (Airless) Concept tires

Changing the environment of the future with Non-Pneumatic (airless) Concept tires

The spoke structure within the tire is made from reusable thermoplastic resin. Along with the rubber used for the surface of the tire, the materials used in the tires are 100% recyclable. The environmentally friendly tires achieve the Bridgestone Group's goal of manufacturing all its products using recyclable resources (see "Using 100% sustainable materials" on page 20). Since there is additionally no need to inflate these tires, they also excel in terms of reduced maintenance. The Bridgestone Group is continuing research into the commercialization of airless tires based on the belief that it will be possible to achieve high levels of environmental friendliness, safety, and comfort by promoting widespread use of these tires.

Feature 2

Addressing global social issues through business activities

In the course of developing its businesses globally, the Bridgestone Group supplies advanced and high-quality products to meet the needs of people around the world.

In addition, the Group strives to address global social issues through its business activities so that it can contribute to the realization of a sustainable society taking into consideration for the social conditions in each country.

Establishing long-term environmental vision

As one of the world's largest tire and rubber companies, the Bridgestone Group is aware that its initiatives have a significant impact on the Earth's environment. Reflecting its belief that it can contribute to the realization of a sustainable society by

undertaking concrete environmental actions, the Group has established a long-term environmental vision, targeting 2050 and beyond.

Long-term environmental vision targeting 2050 and beyond

The population is estimated to reach 9 billion by 2050. And by then there will be more than 2 billion vehicles on the world's roads. That's twice the number of vehicles in service today. Our responsibility is to respond with integrity to the growing need for tires and other products and services that support society and improve the lives people around the world.

On the other hand, the development of mobility cannot be considered in isolation from environmental issues such as climate change, air pollution, and resource depletion. As a leading tire company, Bridgestone believes that it has a role and responsibility to contribute to the realization of a sustainable society. The Group refined its Environmental Mission Statement in 2011, announcing that it will pursue environmental activities with the three goals of existing in harmony with nature, valuing natural resources, and reducing CO₂ emissions. In 2012, The

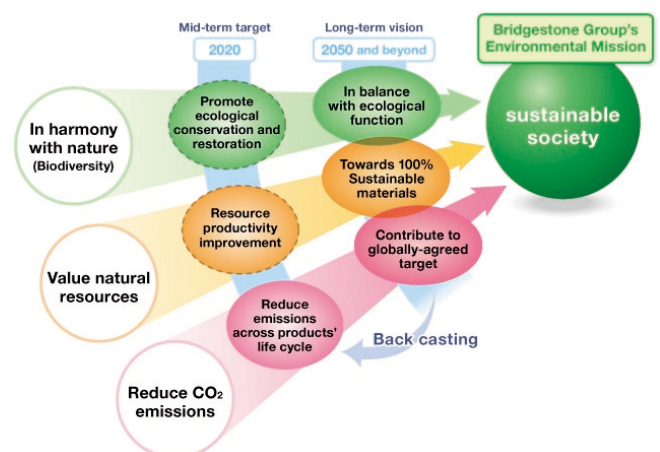
Group has a responsibility for ensuring a constant and reliable supply of advanced and high-quality products to meet the needs of people around the world. We set our environmental long-term vision targeting 2050 and beyond, based on the rationale that, while meeting the various needs in the market, we will work to balance our operations with the earth's capacity, maintaining harmony with nature.

Biodiversity: Existing in harmony with nature

Resource conservation: Valuing natural resources

Low-carbon: Reducing CO₂ emissions

Bridgestone Group Long-term Environmental Vision



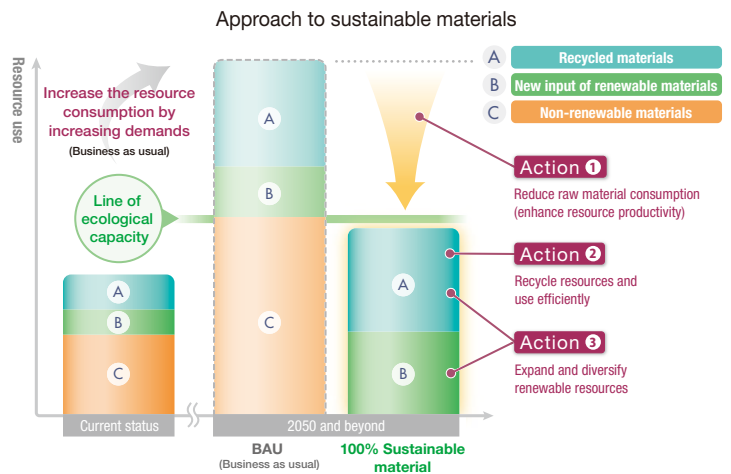
Long-term vision

Achieve 100% sustainable materials*.

The Bridgestone Group has identified the goal of achieving 100% sustainable materials as a way to value natural resources.

- (1) Reduce raw material consumption (enhance resource productivity).
- (2) Recycle resources and use effectively.
- (3) Expand and diversify renewable resources.

The Bridgestone Group is striving to achieve a sustainable society throughout its businesses through such efforts as the half-weight tire project, the development and sale of tires with run-flat technology, the expansion of the solution business utilizing tread technologies, the improvement of natural rubber productivity, and the adoption of diversified technologies.



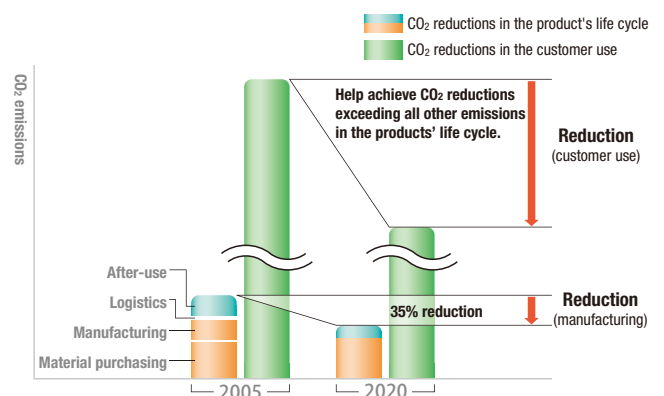
* The term "sustainable materials" as used by Bridgestone is based on the Company's definition of materials that are not expected to be depleted should be continued, as opposed to fossil resources and other finite resources.

Long-term vision

Contribute to the globally-agreed target (reduce CO₂ emissions by at least 50%).

The Bridgestone Group has established, and is working to achieve, Year 2020 objectives in preparation for the achievement of a sustainable society (35 reduction in CO₂ per sales from the company's total operations and its products' "after-use," and improving tire rolling efficiency so that it exceeds all other emissions in the product's life cycle). The Group has also set the goal of reducing its overall CO₂ emissions by at least 50% based on the global objective of halving greenhouse gas emissions worldwide by 2050. As a company involved with mobility, Bridgestone is working to reduce CO₂ emissions and promote ecological conservation.

CO₂ emissions per sales (tonne/100 million yen)



Long-term vision

In balance with nature

Following up on its adoption of Approach toward Biological Diversity in 2010, the Bridgestone Group in 2012 adopted "in balance with nature" as its long-term vision for ecosystems. "In balance with nature" refers to an approach that seeks to eliminate overall ecosystem losses by minimizing impacts on biodiversity

and making up for such negative impacts through positive activities like preserving biodiversity in other ecosystems. The Bridgestone Group will pursue "in balance with nature" initiatives to ensure its contribution to biodiversity will exceed the negative impact on ecosystems of its business activities.

Achieving sustainability in local communities and business operations

Succeeding together with local communities

The Bridgestone Group is involved in business activities at approximately 180 facilities in 25 countries worldwide. In each of these countries, the Group has pursued community service activities based on the belief that it is important to live together with local residents and their communities.

In these activities, Bridgestone consistently focuses on what the Group can do through its businesses to help resolve local social issues, and on what roles those local communities expect

the Group to play. The key is to create and foster mechanisms that revitalize local communities while playing a useful role in the Group's businesses. Bridgestone believes that this process embodies its contribution to a sustainable society.

This section introduces an activity that simultaneously facilitates the development of the local community while securing a stable procurement of high-quality raw materials.

Indonesia Regional support and a stable supply of raw materials in natural rubber procurement

The relationship between the Bridgestone Group's rubber tree farm and small-scale farms called "Smallholders"

Natural rubber is a major raw material in tire production.

The Bridgestone Group is one of only a few tire manufacturers to own rubber tree farms, and the Group operates such facilities in Indonesia, the world's second largest rubber producing country.

Smallholders account for the majority of natural rubber tree cultivation in Indonesia. In general, they suffered from low productivity of latex (sap of rubber tree and a raw material used in the production of rubber) as well as fluctuation in quality and production volume, preventing them from maintaining stable harvest volumes. A major cause of these challenges is that farms have had few opportunities to learn properly how to grow high-quality seedlings and use harvesting techniques. Bridgestone Sumatra Rubber Estate (BSRE), which operates rubber tree farms in Sumatra, Indonesia, provides highly productive natural rubber seedlings free of charge and offers education and training in tapping and grafting techniques in an effort to improve both the quality and volume of latex harvested by nearby smallholders. In addition to offering economic support for such farms, the program helps stabilize the quality and volume of latex purchased from smallholders by BSRE.



Providing highly productive natural rubber seedlings to smallholders



Donated natural rubber seedlings

Providing natural rubber seedlings free of charge

BSRE began providing seedlings as a form of support for smallholders. The seedlings were highly productive clones, bud grafted by the Group. Starting in 2001, the company began offering tens of thousands of seedlings annually, working in conjunction with the World Agroforestry Centre, a research organization supporting smallholders in Africa and Southeast Asia, and other organizations.

Offering education and training in latex harvesting and grafting techniques

Starting in 2008, BSRE began offering two new means of support. The first consisted of providing tools and technical assistance for tapping, the process by which a rubber tree is cut to harvest sap. There are a variety of techniques for maximizing quality of sap over the long term, and these address such aspects of the process as the angle and location where the cuts are made. Since many smallholders lacked that knowledge and consequently used improper harvesting techniques that were harder than necessary on the rubber trees, they were unable to continue harvesting sap as long as they ought to have been able. BSRE continues to offer technical assistance for tapping so that farms can harvest sap from each tree over the long term.

The other new means of support consisted of technical assistance for grafting. By grafting buds from highly productive clones onto seedlings grown from seeds of low-productive trees, it is possible to reliably increase the amount of sap. If smallholders having highly productive seedlings can graft successive seedlings by themselves in order to grow highly productive rubber tree seedlings, they will be able to maintain a high level of quality and productivity on their own.

Thanks to highly productive seedlings and education and training in tapping and grafting techniques provided by BSRE, some smallholders were able to double the productivity per unit area of their natural rubber trees. In this way, the quality and volume of the sap increased, boosting their income.



Training in grafting techniques

Training for small-scale farmers



1.
Numerous farmers
participate
in each session.



2.
Knowledge about natural rubber
trees is provided through
classroom instruction.



3.
Individual farmers learn about
grafting techniques through a
practical, hands-on approach.



4.
Guidance is offered on proper
tapping (sap harvesting)
methods.



5.
Instructors also explain how to
treat root diseases of natural
rubber trees.

Initiatives continue to expand

Following the success of the initiatives in Sumatra, Bridgestone Kalimantan Plantation (BSKP) began a similar program in 2008. By providing highly productive natural rubber seedlings and offering education and training in tapping techniques, the company has improved the productivity of smallholders in Kalimantan. BSKP also offers training in grafting methods and maintenance of natural rubber trees.

Bridgestone began a similar program in the Republic of Liberia in Africa in 2006. While assuring stable procurement of high-quality raw materials for the Bridgestone Group, initiatives designed to facilitate the development of local communities through the improvement of productivity and quality are taking root in local communities across the country.



A farmer receives guidance in how to graft a tree.



Before (left) and after (right) proper tapping



A grafted seedling (top) and a tree after grafting (bottom)

In the words of a local farmer

Helping smallholders make their dreams come true by continuing this program



Abdus Salam
Chairman,
Malintang Sejahtera
(the local farmers'
association)

We are extremely grateful for the program that allows us to receive benefits such as natural rubber seedlings and instruction in tapping and grafting techniques from BSRE. I believe that this effort is helping smallholders master an extensive range of knowledge, including the management methods that are needed in order to operate a successful rubber farm. We hope that this support will continue over the long term. Thanks to this program, farmers' incomes have risen, and their standard of living has improved. It is my heartfelt hope that smallholders will be able to implement better rubber farms through the continuation of this program.

In the words of a local manager

Expanding support while improving communication



Ferry Samosir
Project Manager,
Swisscontact

Swisscontact is an NPO that is involved with projects that support small-scale rubber farms in Indonesia by working with BSRE. I believe that the support BSRE provides to rubber farms is an ideal program. BSRE's training goes beyond instruction in tapping and grafting techniques to provide the knowledge to operate a rubber farm, and it is generating extremely good results for smallholders. Another major benefit is that farms can gain a direct understanding of customers' needs from BSRE through training, which is helpful because they don't have contact with customers since latex is usually sold through Dealers. I hope that this type of support is expanded in the future while improving communication with smallholders.

Fostering the development of local communities and the Bridgestone Group

By disseminating techniques for cultivating highly productive, high-quality natural rubber trees throughout society instead of keeping them under wraps internally, the Bridgestone Group is seeking to resolve social issues through its business operations and foster the development of local communities and the Group together.

Initiatives that have continued since 2001 are steadily bearing fruit. Increases in the amount of latex harvested by smallholder have led to increases in Indonesia's overall natural rubber production volumes, and Bridgestone received a letter of thanks from the Rubber Association of Indonesia in 2011 recognizing the development of the country's natural rubber industry.

Going forward, the Bridgestone Group will continue and expand initiatives like these as it creates models through its businesses that allow local communities and the Group to grow and develop together in every region.



Letter of thanks from the Rubber Association of Indonesia

Striving to utilize the Group's total resources to solve social issues

The Bridgestone Group, which has operations in countries and regions around the world, believes that working to solve social issues globally is part of its social responsibility. We recognize that certain issues demand a coordinated response led by the Group as a whole, while others need to be addressed by individual facilities based on an understanding of local conditions in that country or region. The former involves the pursuit of

results through coordinated, Group-wide initiatives in the manner of our long-term environmental objectives, while the latter consists of efforts to build and maintain sustainable relationships with local communities in the manner of the support we offer smallholders in Indonesia for cultivating natural rubber trees. Going forward, the Bridgestone Group will continue to work to address social issues in these two domains.

Feature 3

Initiatives aiming to live together with local communities in various countries

Bridgestone Group companies around the world are involved in the activities to address a variety of issues in the local communities of which they are a part. To fulfill the responsibility as a company having operations in those communities, we have been working with each community to solve the issues they face.

Supporting local residents' daily lives



India

Helping the local community bring healthy tomorrow

Health Awareness Campaign for local residents



Indore District is located in southwestern Madhya Pradesh around the center of the Indian subcontinent. The villages near the plant operated by Bridgestone India Private Limited (BSID) in the district capital of Indore, which has a population of approximately 1.6 million, have long struggled with infectious diseases such as dengue fever, malaria and cholera, all of which are enabled by inadequate education about public health. In addition to the lack of opportunities for learning about health and hygiene, lagging development of medical infrastructure has badly influenced the spread of various diseases.

Driven by the realization that its plant cannot be healthy if the region is not healthy, BSID launched a health and hygiene awareness program in 2009 after considering what it could do to best assist the local community. In an effort to spark interest

among the village residents regarding health and hygiene, the company handed out pamphlets and displayed posters in villages. BSID employees set up venues and were actively involved in assisting the operation of the health awareness program. Residents who gathered for the consultations received a good amount of knowledge regarding managing drinking water in order to prevent infectious disease. At the end of the program, participants received water-purifying chlorine tablets with instructions about how to use them.

Evolution of the health consultation program

In an effort to increase the penetration of the program, in the second year, BSID employees went door to door before each session and invited residents to stop by the venue. They explained that the meeting included simple topics that would teach participants to purify the water used in their daily lives. When residents remained hesitant, the employees explained the importance of understanding how to avoid getting sick while showing them pamphlets and photographs of the previous year's sessions.

As a result of this steady, step-by-step approach, the number of participants from the village has increased over time, prompting extensive coverage by local media.

Based on the experience, knowledge, and feedback the participants gained prior to May 2011, the company further

I was encouraged by participants' smiles.

Dr. Sharma

Chief Medical Officer, Bridgestone India



As a member of the community, I was able to gain a deep understanding of the problems of the village residents by participating in the physical checkup program. This realization was made possible by the efforts of the hospital doctors and other health professionals who supported the program. Additionally, the smiles of the children and women who participated in the counseling energized and inspired me. I am confident that by bringing enthusiastic smiles to participants' faces and enthusiasm to the employees participating voluntarily in the program, we can continue it in 2012 and beyond.



Health Awareness Campaign with the village residents



Physical checkup program



focused the program into a physical checkup initiative. Gynecologists, dentists, internists, orthopedic surgeons, and cardiovascular surgeons were invited to participate in the new program. BSID employees provided support by working in advance to increase local awareness of the program, setting up venues, and assisting in event operation.

The physical checkup program was launched in the village of Kheda near the Indore Plant and expanded to the three nearby villages of Khandwa, Sagore, and Kali Billod. A large number of village residents participated, with a total of 1,552 –men and women alike of all ages– coming to the venue over the five-day program. Public health consultations were also held, and participants continued to ask questions enthusiastically even after the scheduled ending time had passed.

Five physical checkup sessions were held in 2011. A physical checkup program specifically for women and infants was launched in January 2012, including health checks by

This program is a major driver of improved public health knowledge.



Lakhan Patel

Sarpanch (Head of Village Governing Body), Kali Billod

I would like to express my appreciation by saying “Thank you” for what the people of BSID have done for people in our village through their physical checkup and health awareness program. I believe that the valuable, health-related knowledge and empathetic advice that participants received will serve as an opportunity for village residents to think about and take care of the health of themselves and their families. By spreading this knowledge beyond our own village to other nearby communities, we can improve the area’s overall level of health and hygiene. I hope BSID will continue to offer this support for our younger generation.

gynecologists and advice about the importance of hygiene, nutritious meals, and regular physical checkups.



Venezuela

Helping people of the village gain the skills to earn income

Offering vocational training to the community



In Venezuela where the unemployment rate is high, it is particularly difficult for women to find a stable job, leaving many dependent on the incomes of their husbands or partners.

Reacting to this state of affairs, Bridgestone Firestone Venezolana (BFVZ) launched a vocational training project in 2008 to help people learn useful skills by offering a variety of free courses for family members of employees and others unemployed or with unstable jobs in the community. The various skills are targeted to help them independently earn an income and increase their quality of life.

The courses allow participants to master a broad range of skills, including nail care techniques and the production of jewelry, craft products, clothing, and accessories. Approximately 300 people have taken the courses, each of which totals 90 hours of instruction offered two days per month over a span of six months. A series of new courses was introduced in 2012 to teach skills such as making handcrafted soap and woodwork, making

confections, packaging gifts, and repairing electronics. As the initiative continues, the number of cases where a student’s training helps them find employment –for



Offering vocational training

example, students who took the nail care course and then got jobs at beauty salons– is increasing.

BFVZ will continue its vocational training project in the future so that many people can find stable jobs where they can use these newly taught skills.

In the words of a participant

I want the program to be continued for the benefit of others who want to learn.



Jenny Daza

I had a very good teacher in my BFVZ course and learned quite a bit. But there are a lot of people like me who want to study in such a course so that they can increase their household income, even by a little. I hope that BFVZ will keep offering these courses.

Offering aid to disaster victims



Japan

Aiding in the earthquake recovery

Volunteer response to the Great East Japan Earthquake



The Bridgestone Group's volunteer response in support of recovery for disaster-stricken areas started in April 2011, when transportation links to the Tohoku region were reestablished. The first team to offer assistance consisted of 20 individuals, most of whom worked for the Corporate Communications Division of Bridgestone Corporation. The team performed work such as cleaning up debris that was scattered in the areas affected by the disaster and assisting in understaffed efforts to remove furniture from disaster victims' homes and clean up discarded items. One participant notes, "There were so many things to do. I first understood how big a disaster this was when I visited the site."

Starting in May, we began recruiting volunteers from among the employees of all domestic Group companies and their families. Teams worked primarily in the city of Ishinomaki, Miyagi

Prefecture, until August digging mud out of gutters, shoveling it into sandbags, and carrying them away in order to restore drainage in damaged areas.

Ensuring that volunteer activities continue over the long term

By September, the number of areas in Ishinomaki where the gutters needed to be cleaned had declined significantly, so the team of disaster recovery volunteers moved its base of activities to the Oshika Peninsula. The area is one of the famous places in Japan where oysters are raised, but volunteers found fishing gear cast up on mountains and fishing boats turned over in valleys. Fishermen asked them to help with tasks including recovering fishing gear, moving boats, and making weights to secure oyster rafts, efforts which continued until November.

In January 2012, the teams resumed activities in the cities of Kesenuma, Miyagi Prefecture, and Rikuzentakata, Iwate Prefecture, where they worked to remove debris and enable the resumption of oyster farming. Participation in the effort, which lasted until March 31, 2012, reached a total of 628 volunteers in



Removing tsunami-damaged tatami mats from houses (Iwanuma)



Attaching ropes to anchors for oyster rafts (Oshika Peninsula)



Removing mud deposited by the tsunami in gutters (Ishinomaki)



Helping hold events for evacuees in the Tokyo area

22 teams. The needs of disaster-stricken areas are continuously changing from help with cleanup efforts to livelihood support for victims and assistance to help the industry recover. Going forward, Bridgestone will continue to offer assistance needed by these areas, like restoration of the natural environment for example.

There are a large number of Bridgestone employees who want to visit to disaster-stricken areas but are unable to do so for a variety of reasons. For those employees, volunteer activities in the Tokyo metropolitan area have been arranged. For example, we are cooperating in the healthcare events orchestrated by NPOs for Fukushima Prefecture residents who have evacuated to the Tokyo region. In 2011, Bridgestone volunteers oversaw a gaming area at four events, and in 2012, we plan to hold events that offer a place for evacuees who are now living in Tokyo to meet other evacuees from the same towns and cities so that they can share their concerns and worries and seek advice.

I feel signs of recovery every time I visit one of the areas stricken by the disaster.

Giza Emil

Reinforcement Material Development Department, Bridgestone



When I wanted to participate in volunteer activities after seeing the disaster but felt that it would be difficult to do so on my own, I was able to take action thanks to the support of the company in the form of this program. I participated in a total of 10 volunteer efforts from May 2011 to April 2012. I felt the solidarity of the Bridgestone Group when I saw how people with completely different workplaces and job skills could work together on the same team, showing an incredible degree of teamwork that belies the fact that they were meeting each other for the first time. At first, I was shocked by the extent of the damage, which exceeded what I had seen on media. But each time I return, I realize how life is slowly returning to normal, with residents coming back and debris being cleaned up. I hope that the Bridgestone Group will continue to play a useful role in disaster-stricken areas in the future.

 **Thailand**

Recovery assistance from employees driven by enthusiasm



Response and recovery assistance in the aftermath of flooding in Thailand (Thai Bridgestone Co.,Ltd.)

Flooding began in Thailand in July 2011, less than half a year after the Great East Japan Earthquake, and continued to cause extensive damage in the Chao Phraya River basin for five months. Seven industrial parks sat under water for about 40 days, forcing numerous local companies to halt production.

Management and employees at Thai Bridgestone Co., Ltd., (TBSC) worked together to minimize damage by reinforcing the plant's flood control wall and placing sandbags in accordance with the company's prepared business continuity plan (BCP).

Even as TBSC worked to continue its business operations, including restarting production, the company began offering recovery assistance to the local community. The entire area around the plants suffered from the disaster, and recovery and reconstruction efforts were due to the hard work of every individual, employee and local resident alike. TBSC was ready to provide emergency supplies such as food and other necessities, but the problem was that all transportation networks had been damaged by the flooding, leaving no way to deliver supplies. Still, TBSC's employees did not give up. They packed the food and other necessities, which they had purchased when floodwaters



Delivering relief supplies to a flooded area



Donating supplies that had been packed in bags by employees

threatened adjacent communities, into bags by themselves and delivered them to people and business partners in those communities over flooded roads using four-wheel drive vehicles and boats. Safety-conscious efforts to deliver supplies to the areas that had been isolated by the flooding were supported by their perseverance and enthusiasm and continued until the end of November, when the flooding began to recede.



The Bridgestone Group's Role in Achieving a Sustainable Society: Dialog with CSR Experts

We invited experts in the field to share their views on what Bridgestone can and should do to facilitate the development of a sustainable society (at a meeting held on April 4, 2012).

CSR as the heart of a company's activities

Tsuya: The Bridgestone Group refined its entire corporate philosophy, The Bridgestone Essence, last March. We adopted our founder's goal of "Serving Society with Superior Quality" as our mission and outlined four basic stances as the foundation of defining an appropriate level of awareness to be maintained by executives and employees so that this mission can be accomplished. I believe we succeeded in refining the corporate philosophy that has been passed down from the time of our founding into a simple format that will resonate throughout the world.

CSR exists as a means of realizing The Bridgestone Essence, the refined corporate philosophy. Our group's CSR is at the heart of management itself, and increasing the level of those activities boosts the capability of the entire Group and brings us closer to our ideals.

The Group established 22 CSR Focus Points to serve as a



Group-wide common language that would guide the pursuit of consistent, steadfast CSR activities. Group-wide activities have been identified as "compulsory exercises," and we encourage a

complementary program of "free exercises" to address region-specific social expectations and requirements.

Last year's main CSR initiatives were part of a self-assessment of Group companies' progress in implementing CSR activities and a review of how well Bridgestone's CSR activities comply with ISO 26000. Although the self-assessment indicated that objectives were being met in most issue areas, some companies' efforts were found to be lagging, and we have launched initiatives accordingly to make improvements in those areas. Our review of ISO 26000 compliance indicated that most guidelines were being followed, but we discovered some areas where initiatives need to be strengthened. We will prioritize and address these areas going

forward.

Adachi: I believe Bridgestone Group is implementing several initiatives in a manner that is appropriate to a leading company, but it is the lot of global companies that their decisions and activities hugely impact the environment and society.

I believe that the key to pursuing a more robust CSR program lies in the ability to discuss not only positive but also negative impacts internally without any sense of taboo, and to disclose the associated processes. If you peruse overseas CSR reports, you will notice that some companies use a section entitled "Dilemmas" to highlight the adverse impacts of their corporate activities. By indicating the extent and limits of their capabilities based on actual information in response to external demands, those companies will be better able to properly disclose information about negative impacts.














As a result, they receive a certain amount of praise for fulfilling their accountability.

Tsuya: I understand. The continued viability of companies that fail to properly recognize problems and think about how to address them and how to explain them to society will be called into question. Since there is room to examine the methods and processes by which we can do that, I'd like to do so while receiving input from both inside and outside the company.

Earthquake reconstruction assistance: A sustained initiative

Nishigai: Although we halted production at five plants in the Kanto region immediately after the Great East Japan Earthquake on March 11, 2011, we were able to resume production at all plants by March 25 due to the lack of significant damage. I believe that our success in minimizing damage can, in part, be

Participants (organizational affiliations and titles current at time of meeting)

Experts							
	Eiichiro Adachi Counselor, and Head of ESG Research Center, The Japan Research Institute, Limited	Kaori Kuroda Executive Director, CSO Network Japan	Sachiko Takami Chief Executive, The Natural Step Japan	Kikuko Tatsumi Board Member, Nippon Association of Consumer Specialists	Facilitator Mitsuo Ogawa President, Craig Consulting		
	Bridgestone						
		Masaaki Tsuya CEO and Representative Board Member	Kazuhisa Nishigai COO and Representative Board Member	Narumi Zaitzu Vice President and Senior Officer Member of the Board Responsible for Quality Management Concurrently responsible for Global Logistics Center	Yoshiyuki Morimoto Vice President and Senior Officer Member of the Board Responsible for Products Development Concurrently responsible for Production Technology	Akihiro Eto Vice President and Officer, CFO, and COO Manager, Corporate Management Office Officer in Charge of Internal Auditing Officer in Charge of Corporate Communications and Motorsport Production Technology	Naomi Eto Vice President and Officer, in Charge of Environmental Affairs

traced back to the trying experience we had with a large fire at our Tochigi Plant in 2003. In the aftermath of that disaster, we actively developed a business continuity plan (BCP) that included such measures as earthquake-resistant construction based on what we had learned.

In terms of assistance to disaster-stricken areas, we supplied products needed in the recovery effort on a priority basis, donated a total of 277 million yen from throughout the Group, and donated bicycles, sleeping gear, and other supplies worth 100 million yen. We also formed teams of employee volunteers that allowed a total of 628 employees to participate in local assistance efforts by this March. We're also participating in the Wings of Dream Project, which offers assistance to children who lost their parents in the earthquake. We're involved in this project with the understanding that our support will continue until these children reach adulthood.



We also pursued reductions in power consumption to help deal with power shortages during the summer after the earthquake, successfully lowering power use by 37% compared to our goal of a 25% year-on-year reduction during the third quarter of 2011.

Adachi: I think the reconstruction assistance program has yielded a number of remarkable successes. But what these areas want most right now is a vision for long-term reconstruction initiated by companies and government. Though there remains a question of whether to keep production facilities in Japan as a key issue in the manufacturing industry, in light of current conditions, some companies have made the great decision to relocate such facilities to disaster-stricken areas or to expand facilities in those areas. I would ask Bridgestone to make a long-term commitment to disaster-stricken areas in an operational area of its choosing.

Tsuya: I believe that the process of creating high-value-added

products and services leads to the creation of new opportunities. Whether in business or social activities, it's best not to give up easily once you embark on a course of action. In our support for the Wings of Dream Project, we must continue to provide that assistance until the children who have lost their families become adults.

Technical guidance and human resources development for natural rubber farms: Contributing to local communities

Zaitzu: The assistance to small-scale rubber farms in the vicinity of our natural rubber plantation in Sumatra, Indonesia, began in 2001. Through this program, we are donating highly productive natural rubber seedlings, offering guidance in cultivation techniques, donating tapping tools, and offering other technical guidance. As a result, the productivity of natural rubber trees at some of these smallholders has increased compared to previous levels by almost double. The Group has benefited from an ability to procure a stable supply of high-quality natural rubber from these farmers, and the improvements have helped create a sustainable relationship with the local community.

In 1981, we established a technical training school on the site of our Bekasi Plant in Indonesia in order to spur human resources development at the request of the Indonesian government. The students, who are high-school graduates, receive a free-of-charge education in subjects such as machinery, electrical equipment, and foreign languages over a period of two years. They are free to pursue any career they wish after graduation, and so far more than 600 graduates have found employment as technicians in a variety of industries, including at Bridgestone Group companies. The success of this



program as a long-term initiative was recognized by the Indonesia Ministry of Industry and Trade in 2010.

Kuroda: When I visited Indonesia this March, I had the opportunity to have a telephone conference with the manager of a Bridgestone subsidiary that operates a rubber farm, and I also visited the technical training school. I would like to introduce the activities being pursued by your rubber farm to other companies as praiseworthy examples of initiatives in the area of “community involvement and development,” a core topic for ISO 26000. I have the impression that these activities create a win-win-win relationship for Bridgestone’s local subsidiary, the local community, and employees of small-scale farms and their family members.

If I may make a suggestion, it would be that these initiatives be disclosed as efforts undertaken not only by Bridgestone, but also in concert with a variety of stakeholders including local residents, government, and NGOs. I also had the opportunity to speak with a number of students at the technical training school, and I got the feeling that all of them had a high level of awareness and that they were receiving a good education.



Despite the fact that Bridgestone is engaged in a forward-looking human resources development initiative that contributes not only to the company

but also to society at large, the company has been very reserved in the way it communicates that program to the general public. I think it would be entirely appropriate to publicly promote the program more actively.

Zaitu: It will be very informative to look at the Group’s activities not only from our own point of view, but also from the point of view of the local communities in which they are unfolding. Additionally, I think we need to consider whether our style of communication has been too reserved.

Eto (Akihiro): I think it is important to lay out a clear direction, undertake activities based on that direction, organize information about those activities, and communicate it in a manner that is easily understood by the target audience, in other words, to skillfully match the methods by which activities are promoted to the reality of their execution. Additionally, while there are limits to the scope of activities that we can undertake on our own, it is possible to go beyond those limits by working together with the community. To date, we have done our best to pursue initiatives conceived so as not to exceed our own capabilities, and I feel that it will be important in the future to expand our own vision and identify the position of our activities in the context of the entire community.



Takami: I believe that when communicating to the public about CSR activities, it is important to explain them using a single, coherent narrative that extends from the reason for the initiative to its results. By structuring the explanation as a narrative, it is possible to stimulate the audience’s interest. If the explanation is presented in a fragmentary manner so that the connection between the motivation and the results is unclear, the audience will not be interested. For example, a chain of hamburger restaurants in Sweden recently made public an initiative based on an easily understood narrative: an investigation of a hamburger’s impact on global warming throughout its life cycle revealed that 70% of that impact stems from the production of the beef. Yet it’s not realistic for the chain to stop selling beef hamburgers, so the company began including information about CO₂ emissions for everything on the menu so that their customers would be able to choose menu items with lower global warming impacts. After the chain introduced a variety of measures such as switching to wind power for all of its restaurants’ electricity use, sales of menu items with lower global warming impacts increased 12%, and the company gained numerous fans. As a result, the company’s overall sales rose, and it took the top place in an environmental magazine’s rankings for its industry. Surely it can be said that constructing a narrative rather than communicating initiatives individually promotes understanding and empathy.

Communicating with consumers through a labelling system

Eto (Akihiro): I’d like to talk a bit about a labelling system that provides information consumers need to make intelligent purchase decisions. This labelling system was drawn up by the Japan Automobile Tyre Manufacturers Association (JATMA) as a voluntary standard in 2010. The system calls for tire labelling to indicate two inherently conflicting performance goals: the tire’s fuel efficiency, which is its rolling resistance coefficient, and the tire’s braking distance on a wet surface, which is its wet grip performance. This labelling allows consumers to purchase products that balance environmental performance and safety by letting them compare the two types of performance in an objective manner. Starting this November, a similar labelling system will be introduced in Europe. The Bridgestone Group will continue to strive to provide even more easily understood information to consumers.

Tatsumi: I believe that this activity is an excellent one, but at the same time, there are not many consumers who possess a deep understanding of the impact of tires on fuel economy and safety. It seems, rather, that many consumers consider fuel economy to be a function of engine performance and instead base their tire purchases solely on price. I would request that in addition to actively promoting the fuel efficiency and safety of tires, Bridgestone further spread the adoption of this labelling system and work to increase the average consumer’s understanding of tires. Consumers will begin to take an interest in these issues only when labelling that explicitly quantifies fuel efficiency and safety can be found on many products.

Morimoto: When the voluntary standard was established, we were very hopeful that the entire industry would come together to contribute to the environment by promoting widespread use of fuel-efficient tires. In order to communicate the environmental benefits of these tires to consumers in a clearer manner, I would like to ascertain the penetration rate of environmentally friendly, fuel-efficient tires and pursue additional initiatives accordingly.

Communication through the Environmental Mission Statement: Long-term environmental objectives

Eto (Naomi): Last May, we refined our Environmental Mission Statement to make it easier to understand through the use of simpler language. The Environmental Mission Statement serves as the foundation of the Bridgestone Group’s environmental activities, and it clarifies the general direction of the policies by which we will achieve our goal: ecological conservation, resource conservation and reducing carbon emissions. Additionally, when we think about environmental communications, it is necessary to recognize the impact of our business operations on the environment.

The Group is deeply involved with the automobile industry. Automobiles are essential to the development of industry, but they also have an impact on the environment. Many resources are used in the manufacture of tires, and these tires impact the environment at the time of their disposal. They also have an



impact on energy consumption when they are used.

Consequently, we have significant influence on the environment as the world’s largest tire and rubber manufacturer, and we have

established a long-term environmental vision based on our obligation to contribute to sustainability through our business activities. Specifically, we adopted three priorities with a focus on 2050 and beyond: achieving 100% sustainable materials, contributing to the globally-agreed target (reducing CO₂ emissions by at least 50%) as a means of combating climate change, and existing in balance with nature. In addition to working to promote tires with run-flat technology and offering solutions using retread tires (among other measures) in order to reduce CO₂ emissions and assure effective use of resources, we are also involved in a number of trials such as developing a natural rubber resource known as guayule.

Morimoto: Guayule is a perennial grown in North America. Having realized that it can serve as a raw material for natural rubber with the same performance as the rubber tree, we are pursuing research into cultivation and processing technologies for the plant. If the process can be commercialized, it can be expected



to help ease the current overconcentration of natural rubber cultivation, and it would also have the benefit of allowing local production and local consumption of rubber in North America. We are planning to start trial production by 2015.

Takami: I believe that by establishing long-term objectives related to the environment and making use of the technique of backcasting, Bridgestone has been able to articulate a destination as well as the road leading to it. However, experts tell us that in order to keep the increase in temperature to 2 degrees or less, CO₂ emissions must be slashed 50% to 85% worldwide, and eliminated entirely in developed nations by 2050. It may be necessary to reexamine Bridgestone’s thinking in this area in light of this forecast.

Eto (Naomi): I would like to reexamine our CO₂ reduction targets.

Takami: Please do. It would be ideal to have an ambitious objective as well as a narrative for getting there. It would also be interesting if a narrative could be developed in the area of biodiversity.



Morimoto: I would like to consider various possibilities for a more multifaceted narrative as we strive to achieve 100% sustainable materials.

Nishigai: Promoting tires manufactured from sustainable materials is an issue we need to consider in the future.

Adachi: More than 100 participants from local companies joined in the CSR seminar that we held in Beijing this year. In a divergence from past precedence, I feel that CSR awareness is increasing rapidly in countries such as China and India. In fact, there are many areas where I think they are looking more toward the future than we are.

I would like to see Japanese companies reassess their belief that Asian consumers want only mass-market, inexpensive products and instead more aggressively promote the fact that, as Japanese companies, they are manufacturing high-quality products engineered with an eye toward sustainability, thereby asking for the support of those Asian consumers.

Kuroda: The ISO 26000 standard is being actively embraced by Asian countries, too. Local communities are microcosms of larger societies — they have environmental problems and struggle with a variety of issues. I hope to see the Bridgestone Group foster awareness both domestically and overseas that aligns the Group with initiatives dedicated to ensuring coexistence with local communities, even as it moves to address these issues as a member of the community.

Today we have received valuable advice as well as some useful hints for our future CSR activities. Thank you all for your thoughtful input.

Initiatives Related to the 22 CSR Focus Points

The Bridgestone Group has identified 22 CSR focus points as a way to remain committed to our unwavering CSR activities throughout the Group.

Following the 22 CSR Focus Points, we engage in CSR activities in the context of PDCA (“plan,” “do,” “check,” “act”) process in order to achieve the objectives outlined in the Group’s Mid-term Management plan.

What are the 22 CSR Focus Points?

The 22 CSR Focus Points were identified in 2007 to serve as a common language that would guide discussions surrounding our CSR initiatives, which are organized according to three perspectives: importance to society, importance to the Bridgestone Group and progress by the Group in taking the necessary measures.

Starting in 2009, we identified specific objectives, directions and approaches as a means of achieving the ideal states outlined in each of the 22 CSR Focus Points.

CSR activities, based on these instructions, are achieved through the PDCA process in order to attain the objectives outlined in our Mid-term Management plan.

In 2011, we reviewed progress in activities for each focus point by having Group companies perform a CSR self-check. We also deepened the reach of our CSR activities by comparing the provisions of ISO 26000 with the level of those activities.



22 CSR Focus Points and Bridgestone's Ideal State for the Future

Fundamental CSR activities

From P35

- | | | |
|----------|---|--|
| 1 | Securing stable profits as a business | To secure stable revenue and profits for the company to allow the ongoing development of its businesses while contributing to social and environmental sustainability |
| 2 | Ensuring a thorough understanding of and adherence to compliance | To build a foundation for relationships of trust with all stakeholders through better business practices based and to make ethical decisions, adhering to all laws and in-house rules, practicing proper business ethics, and acting in accordance with company values and decision-making standards |
| 3 | Ensuring business continuity | To work first and foremost to prevent and avoid risks; when potential risks become adverse events, to limit damage, protect the safety and profits of stakeholders and minimize the impact on society |
| 4 | Communicating with stakeholders | To engage in open and honest communication with stakeholders and bring their input to bear on company activities |

CSR through business activities

From P39

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| Customers | 5 | Providing attractive, high-quality products and services | To provide products and services of outstanding quality throughout the supply chain by embracing the mission of "serving society with superior quality" and striving to achieve an even better quality system by adopting the customer's perspective at Group companies worldwide |
| | 6 | Technological innovation that generates new value | To respond to the issues society is facing through technological innovation and providing valuable products and services to society that customers can enjoy |
| | 7 | Development of products and services based on customers' voices | To continuously assess whether the value we provide measures up to customer expectations through dialog with our customers and to apply those research findings to improve our products and services |
| | 8 | Commitment to fair business practices and competition | To enforce standards throughout the Group to make certain that all applicable national laws and Group principles related to fair business practices and competition are observed based on an understanding of the Group's responsibilities as a corporate citizen |
| Suppliers | 9 | Fair procurement activities | To build and maintain fair and equal relationships with suppliers |
| | 10 | Enhancing CSR procurement | To strive to enhance our CSR activities throughout the supply chain, including suppliers |
| Shareholders | 11 | Returning profits by enhancing corporate value | To strive to improve future business performance and encourage business development based on an understanding that shareholder profits are a key priority |
| | 12 | Disclosing information in a timely and appropriate manner | To communicate a synopsis of the Group's management and business activities, along with a fair evaluation of its value, through the timely and appropriate disclosure of information |

CSR through environmental activities

From P47

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|-----------|---|--|
| 13 | Contributing to the conservation of the environment through products and services | To work with customers to lower environmental impacts and to offer customers worldwide products and services that help existing in harmony with nature, valuing natural resources and reducing CO ₂ emissions |
| 14 | Contributing to the conservation of the environment throughout the supply chain (procurement, production, distribution, and sales) | To pursue business activities in a way that contributes to exist in harmony with nature, to value natural resources, and to reduce CO ₂ emissions throughout all aspects of the manufacturing process, including procurement, manufacturing, logistic and sales |
| 15 | Contributing to the environment through social activities | To help achieve a sustainable society through social activities that strive to exist in harmony with nature, to value natural resources, and to reduce CO ₂ emissions |

CSR from a social standpoint

From P53

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|-------------------------|-----------|---|---|
| Employees | 16 | Continued Enhancement of Job Satisfaction and pride | To foster a workplace encourage employees growth and job satisfaction through their work |
| | 17 | Enhancing workplace safety and health, and employee health management | To maintain safe, accident-free workplaces, and to foster an environment in which employees can enhance their skills by promoting physical and mental health |
| | 18 | Respect for diversity | To contribute to a working environment in which individuals who have diverse values and personalities can work comfortably and demonstrate their abilities, by doing so, to improve employee satisfaction, activating and improving the company, and increase stakeholders' profits |
| Society and communities | 19 | Respect for fundamental human rights, including the rights of children and others to be free from forced labor | To promote human rights, value diversity and treat every employee with dignity and respect |
| | 20 | Developing social activities to build a sound and sustainable society | To contribute as a corporate citizen to the realization of better communities |
| | 21 | Encouraging employees to do volunteer work in their communities | To encourage employees to volunteer in their local communities |
| | 22 | Helping realize a safe society | To promote safe driving that is free of traffic accidents |

Fundamental CSR activities

Activities that progressed the most in 2011 are shown in different colors.

Focus Point

1

Securing stable profits as a business

Objectives for achieving our ideal state • To maintain stable profits by achieving the objectives outlined in the Mid-term Management plan

Principal achievements in 2011

- **Developing our businesses strategy that is in-line with the Mid-term Management plan** and the “Lean & Strategic” approach

Principal plans for 2012 and beyond

- Remaining consistent with the Mid-term Management plan to secure profits through initiatives such as business reorganization. This will facilitate the development of new business models and improvements in management efficiency, while staying consistent with the social and environmental aspects in which we do business

Securing stable profits as a business

The Bridgestone Group works continuously to secure stable profits and develop its businesses in order to support our local communities. Throughout 2011, we continued to strengthen our company’s operating base and implement strategic policies, while abiding by the terms outlined in our Mid-term Management plan

and keeping with our “Lean & Strategic” approach. In December 2011, the Bridgestone Group’s consolidated net sales increased 6% to ¥3,024.3 billion, while operating income rose 15% to ¥191.3 billion. Ordinary income increased 21% to ¥179.3 billion, and net income rose 4% to ¥102.9 billion.

Focus Point

2

Ensuring a thorough understanding of and adherence to compliance

Objectives for achieving our ideal state • To comply with laws, regulations and company policies, and to make ethical decisions that implement better business practices

Principal achievements in 2011

- **Holding a meeting for major Group companies in Japan to exchange information related to compliance activities**
- **Compiling casebooks at Bridgestone for different target groups** (employees engaged in manufacturing and sales)

Principal plans for 2012 and beyond

- Distributing information regularly, developing awareness-raising tools, and continuing and enhancing training programs for Bridgestone and Group companies in Japan
- Confirming and developing programs of compliance activities at Group companies which are located out of Japan

Basic approach to compliance

The Bridgestone Group believes compliance consists of properly satisfying societal requirements and expectations. We comply with laws, regulations, and company policy; act ethically; and make ethical decisions that implement better business practices. We are also committed to building a basis for relationships of trust with all stakeholders by conducting our business operations in a responsible manner and with a consistent focus on ethical decision-making.

Compliance structures

In 2003, Bridgestone appointed a Chief Compliance Officer (CCO) as the individual with ultimate responsibility for compliance. We have also established a department specialized in compliance and worked to strengthen and ensure the effectiveness of our structure. At our company, the head of each division responsible for compliance is named as Compliance Activity Chief, who then appoints a Compliance Activity Leader and works with them to enhance training, awareness and compliance structures.

Furthermore, we have formed a Compliance Committee to

deliberate on matters such as company compliance policies and important related issues. This committee regularly reports on the status of compliance activities to the Integrated CSR Enhancement Committee and the Board of Directors.

In 2011, we held a meeting to exchange information about compliance activities among major Group companies in Japan and relevant departments at Bridgestone. At the meeting, we discussed enhancing our training program and developing a functional helpline based on the results of a self-check program, which we conducted in 2010 to assess the state of compliance at major Group companies in Japan.

Basic compliance program

Bridgestone has adopted a three-pronged basic program to ensure a thorough understanding of compliance among employees:

1. Strengthening management-level leadership, which serves as the driving force behind the Group's compliance efforts
2. Raising awareness of compliance-related issues among employees
3. Enhancing the structures that support these efforts

Each year, we have implemented a number of measures in these three areas and worked to ensure that our employees are upholding these measures. In addition to continuing this program, we will stay strong in our efforts to promote a thorough understanding of compliance.

Compliance training

Since 2005, Bridgestone has been compiling a Compliance Casebook based upon past incidents. In 2011, we compiled a new Compliance Casebook featuring cases that are more familiar to our employees engaged in manufacturing and sales. We have distributed these casebooks to Bridgestone and Group companies and conducted training in individual workplaces.

In addition to offering position-specific training in compliance, Bridgestone provides discussion-based workshops to all employees using cases. During 2011, these workshops used internal documents frequently seen in the workplace for clerical and technical employees, as well as cases from the newly compiled casebook for manufacturing employees. In 2011, all employees, about 16,000 individuals, participated in discussion-based workshops.

Bridgestone is also focusing on training employees in managerial positions, who are responsible for ensuring compliance throughout the company's operations. In order to provide specialized knowledge to Compliance Activity Chiefs and Leaders who are responsible for implementing compliance activities in each workplace, we conduct Compliance Activity Chief and Leader training. For other employees in managerial positions, we hold compliance management training sessions in order to offer compliance-related knowledge that is needed by individuals in management-level positions. In 2011, about 340 employees participated in these training programs, including employees at Group companies in Japan.



Compliance training

Compliance helplines

Bridgestone has created two compliance helplines –both internally and externally– to bring compliance-related issues to light and respond to the issues as quickly as possible. The use of both an internal and external helpline ensures that individuals can report compliance issues anonymously and without fear of retribution. Both helplines provide feedback concerning the results of any investigation and the direction taken by the company to address related concerns.

We also strive to encourage employees to use the helpline by providing contact information, data showing the change in the number of cases, descriptions of the types of cases, and other information on the corporate intranet. In 2011, there were 98 cases, of which 45% involved interpersonal relations and 37% involved confirmation of the rules with which employees should comply to do their work.

Focus Point

3

Ensuring business continuity

Objectives for achieving our ideal state

- To prevent risks and develop standards that will help the business return to its normal operations as quickly as possible after an emergency occurs

Principal achievements in 2011

- Identifying potential risks throughout the Bridgestone Group
- Preventing risks and minimizing losses by pursuing countermeasures to address “Enterprise Managed Risks”
- **Conducting a comprehensive review of business continuity plans (BCPs) for use in the event of a major earthquake to reflect experiences from the Great East Japan Earthquake**
- **Conducting a drill simulating a major earthquake in the Tokyo region to confirm feasibility that participants simultaneously establish on-site task forces in three districts (Head Office, Kodaira, and Yokohama) and emergency affairs offices in coordination with each other**
- Updating the safety confirmation system and expanding its use to domestic Group companies in Japan

Principal plans for 2012 and beyond

- Continuing to identify potential risks throughout the Bridgestone Group
- Managing progress in implementing countermeasures addressing “Enterprise Managed Risks” and regularly reviewing these measures
- Enhancing the Group Global Risk Management System in light of the conditions and features of overseas SBUs
- Conducting practical drills at on-site task forces in three districts (Head Office, Kodaira, and Yokohama) to prepare for a major earthquake in the Tokyo region
- Completing the implementation of the safety confirmation system at domestic Group companies in Japan

Risk management system

The Chief Risk Management Officer (CRO) is responsible for establishing and operating the Bridgestone Group’s risk management systems in accordance with the Risk Management Basic Manuals. In 2012, we began working to further enhance our comprehensive risk management system on a group and global basis with the ultimate which is designed to manage and control any kind of risk.

At the same time, we established a Risk Management Committee, which is chaired by Group global CRO and reports to the Integrated CSR Enhancement Committee, in order to ensure that important risks on a Bridgestone Group Global basis are managed in an appropriate manner. Responsible divisions develop action plans for selected important risks, and those plans are then implemented by divisions and SBUs.

Addressing risk and expanding the BCPs

We began identifying risks at Bridgestone as well as the Group companies (excluding certain Group companies in which Bridgestone has equity of 50% or less) in 2009. Starting in 2012, we are working to upgrade the countermeasures against risks by classifying a broad range of identified risks according to whether they are managed by worksites, divisions and SBUs, or Group global basis.

To address one of the important risks of a major earthquake and prepare for possible impediments to the business operation in the event of such a disaster, Bridgestone and domestic Group companies in Japan are developing and reviewing major earthquake BCPs designed to (1) promote a rapid initial responses and (2) assure business continuity and early restoration of operations.

In addition to conducting a comprehensive review of major earthquake BCPs in light of the experiences of the Great East

Japan Earthquake in 2011, key response personnel (personnel appointed in advance to staff each countermeasure organizations that will respond in the event of a major earthquake) strive to deepen their awareness of their roles and verify their effectiveness through regular drills based on major earthquake BCPs.

As another way to prepare for a major earthquake anywhere in Japan, we are also strengthening structures designed to facilitate contact with employees in the event of an emergency by expanding use of the safety confirmation system from Bridgestone to all domestic Group companies in Japan.

Dealing with New-type influenza

The Bridgestone Group has formulated BCPs for individual worksites to address the spread of novel infections such as New-type influenza and minimize their impact on business operations. In 2011, we revised the New-type Influenza Response Standards, which provide a series of guidelines governing action items for each epidemic level so that personnel can initiate an early response to new-type influenza even though the extent of the danger of the virus in question might not yet be clear. We will continue to work to enhance new-type influenza countermeasures by spreading awareness of the New-type Influenza Response Standards throughout the Group.

Emergency drills

Looking to institutionalize the lessons learned from a fire at its Tochigi Plant in September 2003, the Bridgestone Group has designated September 8 of each year as Bridgestone Group Disaster Prevention Day. We hold comprehensive emergency drills, providing an opportunity for employees to reaffirm their commitment to preserving the memory of that day and to doing their best to prevent another fire from occurring in the future.

TOPICS

Conducting major earthquake BCP drill simulating a large-scale disaster

Bridgestone regularly conducts drills based on its major earthquake BCP in order to assure continuity of business operations and the safety of employees and visitors in the event of a major earthquake.

Seeking to draw on the reflections and lessons of the Great East Japan Earthquake, we held a drill in October 2011 to confirm feasibility that participants simultaneously establish on-site task forces in three districts (Head Office, Kodaira, and Yokohama) and emergency affairs office in coordination with each other based on a scenario postulating a major earthquake occurring in the Tokyo region. During the drill, countermeasure personnel, who were summoned via the PA system and mobile phone messages, set up a task force in accordance with instructions from the secretariat while depending on emergency lighting. As countermeasure

personnel completed a variety of practical drills including checking the extent of damage in other districts using emergency communications equipment (satellite phones, etc.) and verifying the safety of employees with the safety confirmation system, they were able to deepen their awareness of their own roles and verify the effectiveness of the major earthquake BCP.



At the major earthquake BCP drill

Focus Point

4

Communicating with stakeholders

Objectives for achieving our ideal state

- To build effective communication structures that address the needs of both the local community and Bridgestone's business
- To actively pursue effective communication with various stakeholders

Principal achievements in 2011

- Exchanging and reviewing information about Group companies' mid-term objectives regarding communications with public relations officers of major strategic business units (SBUs)

Principal plans for 2012 and beyond

- Reviewing developing communications structures at Group companies to achieve mid-term objectives
- Examining the support provided by SBU headquarters as an effort to develop communications structures at Group companies

Establishing and enhancing communications structures

In 2010, the Bridgestone Group established a basic communications strategy and worked to promote understanding at the Group company level by setting mid-term objectives. We continue to develop communications structures that will serve as a foundation for enhanced communication with a variety of stakeholders.

During 2011, we exchanged views with the public relations officers of major SBUs about the Group companies' mid-term plans. Through this process, we reviewed and revised the approaches and objectives that individual Group companies should adopt and pursue based on their operating conditions and the roles they are expected to play in the regional public relations system.

In 2012, we will examine how SBU headquarters can provide effective support in this area. Examples include developing structures to provide information about public relations activities (interviews and news releases) in the regions they are located, and providing information when Group companies in those regions need it. At the same time, we will continue to develop communications structures at all Group companies.

TOPICS

Held dialogues with community

We held dialogues with the community at Bridgestone's Kumamoto Plant in October 2011 and in the Kodaira district in November 2011. Local residents (including representatives from local government and citizens' groups) shared their evaluations of Bridgestone's activities and proposed future activities. The Bridgestone Group continues to pursue a range of communication activities based on the basic communications structures. (For more information, see Bridgestone's website, www.bridgestone.com/index.html)



Dialogue with community (Kodaira)



Dialogue with community (Kumamoto)

CSR through business activities

With customers

Activities that progressed the most in 2011 are shown in different colors.



Providing attractive, high-quality products and services

Objectives for achieving our ideal state

- To coordinate all supply chain activities with an awareness of the need to provide safe, high-quality products and services
- To build systems for implementing raw material procurement, design, development, production, logistics and sales in a safe, high-quality manner

Principal achievements in 2011

- **Building systems to effectively analyze a variety of voice-of-customer (VOC) data, including not only complaints but also consultations, questions and opinions, and apply them internally**
- Identifying common issues in Group companies based on Quality Management Self-assessment results and improving issues specific to individual companies.
- Implementing quality improvement activities that have been shaped by a common, global direction across the entire Group
- Developing a quality assurance system designed to minimize major quality risks
- **Building standards for 16 items in our Japanese operations that address areas such as standardization of tire change work and improvements in delivery operations in order to improve sales and service quality**
- Expanding the quality assurance system in Japan for products that use the fuel-efficient tire grading system

Principal plans for 2012 and beyond

- Implementing and enhancing systems designed to link VOC input to quality improvements quickly and precisely
- Expanding the scope of the Quality Management Self-assessment and enhancing quality management throughout the supply chain
- Continuing quality improvement activities that have been shaped by a common, global direction across the Group
- Continuing to develop a quality assurance system designed to minimize major quality risks
- Improving sales and service quality overseas
- Building and implementing a global quality assurance system for products that use the fuel-efficient tire grading system

Basic approach to quality management

The Bridgestone Group is committed to quality by establishing the following approach for employees to “strive to build in ever higher levels of quality by adopting the customer’s perspective at all times and to provide superior quality throughout the supply chain.” To pursue quality activities in a consistent, coordinated manner throughout the Group, we strive to embrace a “Customer First” philosophy in all operations, Establishment and Enhancement of Quality Management Foundation & Structures, Minimization of Major Quality Risk (throughout the whole supply chain) and Enhancement of Corporate Brand Value (Attractive Quality) in accordance with the Group Global Quality Management Guidelines.

Quality management (quality) mission

Embracing the company’s mission of “serving society with superior quality,” we strive to produce even higher levels of quality by putting our customers’ needs first at all times, and to provide superior quality throughout the supply chain.



Quality activities through the supply chain

Supply chain



Visualization of quality management constitution



Activity domains of departments in charge of quality in the Bridgestone Group



Group Global Quality Management Self-assessment

The Bridgestone Group introduced the Group Global Quality Management Self-assessment in 2008 as a tool for visualizing quality management at Group companies in order to more effectively establish and enhance the quality management approach. The self-assessment provides a framework with which companies can assess their own approach to quality management in the following five areas: (1) Quality Management Commitment; (2) Establishment of trustful relationship with stakeholders; (3) Conditions of Quality Management Activities and its development; (4) Human Resource Development; and (5) Overall results of Quality Management Activities.

We are reenergizing our improvement activities based on information obtained from the Quality Management Self-assessment in order to improve assessment scores.

The number of Group companies conducting the Quality Management Self-assessment increase every year, with 81 Group companies (11 more than the previous year) having conducted the assessment in 2011.

During 2012, we will revise the Quality Management Self-assessment's questions to make them easier to understand, thereby making the assessment itself more effective.

Developing and enhancing structures for pursuing quality activities

The departments responsible for quality at Bridgestone, which cover the entire supply chain from product planning to after-sales service, strive to make improvements throughout the supply chain based on the Group Global Quality Management Guidelines, which concretely explains the Group Global Management Policy.

During 2011, we expanded the range of products that use the fuel-efficient tire grading assurance system*¹ and created VOC Improvement Project Offices as part of Group companies' quality sections to develop systems for linking customer feedback to quality improvements. Additionally, we built a Group CQO organization comprised of GMP*²-CQO*³ and SBU-CQOs appointed by the respective SBUs in order to enhance our global quality governance structure. CQOs share global quality policies and respond quickly and appropriately to quality issues affecting their own SBU and business domain.

During 2012, we will work to build and implement a global quality assurance system for the fuel-efficient tire grading system, implement and enhance systems for linking VOC data to quality improvements quickly and precisely, and further enhance our quality governance structure through the Group CQO organization.

Initiatives designed to increase customer satisfaction

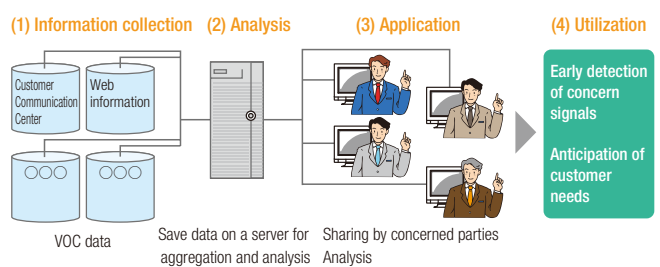
To help improve customer satisfaction, the Bridgestone Group has implemented a cycle designed to improve the quality of its products and services based on the collection and analysis of information about customer requirements and evaluations of Bridgestone products.

In 2010, we developed a monitoring system designed to facilitate quality improvements based on the collection and analysis of feedback received at the Customer Communication Center as well as market information. In 2011, we further broadened the domain of these efforts by building and starting the use of a VOC Management System. This consists of systems designed to facilitate the early detection of problems by synthesizing not only information from the Customer Communication Center, but also other internal and external information and Web data (information posted to blogs and Twitter). The VOC Management System, which can classify and identify problems from a variety of data using IT tools, is being used in quality improvement initiatives by companies' Quality Assurance Sections.

At the same time, feedback provided to the Customer Communication Center includes information such as requests and praise that can be used to improve products and services. Consequently, we are looking to anticipate customer needs and use this information in the development of new products and businesses by utilizing an internal portal to share information with product planning, development, sales, and other departments.

During 2012, we will finish implementing this VOC Management System and use it to further enhance our operations.

VOC Management System



Analysis and application of collected information using IT systems

*1 A consistent quality assurance system extending from development to manufacturing processes and performance testing; the system was developed by Bridgestone starting in 2010 in order to guarantee rolling resistance and wet grip performance for each grade in a grading system for fuel-efficient tires (passenger car summer tires) sold in Japan.

*2 GMP (Global Management Platform): A platform that offers support and services to SBUs as part of its global coordination and management functions.
SBU (Strategic Business Unit): An operational department or worksite that conducts business activities.

*3 CQO (Chief Quality Officer): The officer with ultimate responsibility for quality at a given worksite.

Focus Point
6

Technological innovation that generates new value

Objectives for achieving our ideal state • To realize new technologies that enable us to supply products and services that markets and customers find valuable

Principal achievements in 2011

- **Starting supply of environmentally friendly run-flat technology tires for the replacement market**
- **Developing road surface detection technology** based on the CAIS concept, supporting safety in our automobile-oriented society
- **Developing environmentally sustainable technology for printing on tires**
- Developing lead-free seismic isolation rubber bearings for architectural use
- **Developing an electric bicycle with a child seat that ensures safety and is stylish**

Principal plans for 2012 and beyond

- Coordinating research and development to help commercialize new technologies
- Enhancing production technologies with accommodations for additional technological innovation
- Training personnel involved in development work

Providing valuable products and services

The Bridgestone Group continuously engages in timely research and development of new technologies to provide products and services that customers will find valuable. We also continue to apply new structures of tire and enhance the foundation underlying our development program, by developing technologies that allow the manufacture of products using new materials, as well as offering human resources training. The process of sharing technologies throughout the Group and putting them to use in the creation of our products embodies the very basis of the Group's approach.

The Bridgestone Group's technological development structures

The Bridgestone Group develops technologies globally. They maintain Technical Centers for tire products in Japan (Tokyo), the U.S. (Akron, Ohio), Italy (Rome), and China (Wuxi) as part of

an effort to develop technologies that meet customer needs, which are based on an understanding of the requirements and characteristics of markets worldwide. At the Technical Center for diversified products, which is located on the grounds of the Yokohama Plant, employees strive to enhance the company's ability to meet customer needs and accelerate product development.

Our Tire development departments specialize in various technologies such as rubber formulation, processing, computer simulation and other analytical technologies. Urethane, film, rubber and metal adhesive technologies are managed by our diversified product development departments. These technologies are shared among departments.

TOPICS

Developing technology for printing on tires with care for the environment

Bridgestone has developed tire printing technology that differs completely from previous color tire technology.

White striped tires and tires with white lettering have long been available, but the use of white rubber results in an increased tire weight. Our newly developed tire printing technology is capable of "dressing up" tires without increasing their weight in an environmentally friendly manner that takes fuel economy into account.

Going forward, we will work to commercialize this technology as a completely new way of "dressing up" as early as possible by conducting field evaluations and transforming it into a marketable technology.



Image of a tire using Bridgestone's new printing technology

Developing an electric bicycle with a safe and stylish child seat

First and foremost, bicycles designed to carry children must be safe. Yet some people use child seats from manufacturers that do not comply with the standard regulations, such as the Consumer Product Safety Association's Safe Goods (SG) in Japan because compliant models are perceived to be unattractive in design.

Recognizing this issue, Bridgestone Cycle worked with Very, a women's magazine published by Kobunsha, to develop the brand "HYDEE.B", an electric assist bicycle with a child seat that was launched in 2011. Our goal for the "HYDEE.B" was to create a design that could be used by both men and women and put to use in a variety of lifestyles while maintaining a high level of safety. The "HYDEE.B" received a 2011 Good Design Award for incorporating feedback from customers with children and combining safety with style.



HYDEE.B

Focus Point

7

Development of products and services based on customers' voices

Objectives for achieving our ideal state

- To identify differences and changes in the needs and user sensitivities of each market, and apply them to product improvement, next-generation product development, and company-wide product strategies
- Develop a system to deal with customers based on speed, courtesy, fairness, and facts

Principal achievements in 2011

- **Sharing VOC (voice of customer) information and successful examples of initiatives applied to product development at global conferences**, and applying those initiatives throughout the Group
- Continuing initiatives to share feedback received by the Customer Communication Center with relevant departments and apply it to corporate activities
- Applying the customer-first philosophy to all of the company's activities by **incorporating a program involving listening to actual customer feedback into Bridgestone internal training**

Principal plans for 2012 and beyond

- Conducting a market survey to evaluate products one year after launch with the purpose of utilizing more VOC data in the product planning process
- Enhancing the regular collection and analysis of product performance data and VOC survey results and utilize them in product improvement and next-generation product development
- Building mechanisms at Group companies in Japan for developing a database for VOC data collected at the Customer Communication Center, stores, sales companies, and other sources, then efficiently apply that data to product planning and other corporate activities

Sharing of customers' voices

The Bridgestone Group has put in place structures for gathering customers' voices from around the world by a variety of means, including the Customer Communication Center, customer interaction at retailers, product monitoring, market surveys, and surveys conducted by outside entities. This information is consolidated at the business segment and product group level, and we are working to share it throughout the Group.

In the 2012 fiscal year, we launched an effort starting with Group companies in Japan to build mechanisms for developing a database of VOC data collected at the Customer Communication Center, stores, sales companies, and the Internet, so that we can apply customer inquiries and feedback more timely and effectively to products planning and corporate activities.

Customer Communication Center activities

The Customer Communication Center of Bridgestone received a total of 13,401 inquiries and suggestions from customers in 2011, of which approximately 85% were inquiries related to tires. The Center also received 11,573 inquiries by phone and 1,828 inquiries by e-mail or post. This customer feedback is tabulated, analyzed, and formatted into a monthly report for use by management, relevant departments, and sales companies. After data analysis by Quality Assurance sections, this information is utilized in the Group's business activities.

In 2011, we launched an initiative to count "thank-you calls" –calls in which customers express thanks– in an effort to further improve customer satisfaction by modifying the manner by which coordinators at the Customer Communication Center of Bridgestone explain information to callers and by paying attention to the language that they use.

In managing customers' personal information, the Bridgestone Group adheres to all relevant legal protections and other regulations of each country in which it operates.

Group initiatives

Each Group company strives to implement a customer-first approach throughout its organization. For example, the swimming school operated by the Bridgestone Sports Arena Corporation, a Group company which is located in Japan, administered a questionnaire in order to solicit a more detailed level of customer feedback. Based on this feedback, the corporation took certain measures including assigning lifeguards separate from instructors to assure children's safety and installing automated external defibrillators (AEDs). The facility worked to increase customer trust by communicating these measures to customers via the swimming school's information board.



Assigning lifeguards at the swimming pool

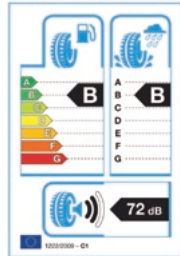
Tire labelling system initiatives

In 2010, Japan's tire industry introduced a nationwide tire labelling system*1 that enables tire manufacturers to indicate tire performance (in terms of rolling resistance and wet grip) using a single set of common evaluation criteria.

In Japan, Bridgestone has introduced nine products that meet



Example of a fuel-efficient tire label in Japan



Example of a tire label in Europe

the fuel-efficient tire performance requirements of the new tire labelling system: the ECOPIA EP100S, ECOPIA EP100, ECOPIA EX10, REGNO GR-XT, SNEAKER SNK2 ECOPIA, ECOPIA PZ-X, ECOPIA PRV, ECOPIA PZ-XC, and Playz RV ECOPIA PRV-1.

Similar systems are scheduled to be introduced in Europe*2 and South Korea*3 in 2012 and in the United States*4 in or after 2013. The Bridgestone Group will actively support these systems in an effort to provide useful information to help customers choose tires.

*1 The labelling system was developed as a series of voluntary standards by the tire industry (acting through JATMA, the Japan Automobile Tyre Manufacturers Association). In addition to certifying tires that satisfy certain quantitative standards of rolling resistance and wet grip performance as "fuel-efficient tires," the system provides appropriate information to consumers through labels. This applies to summer tires for passenger vehicles that are purchased at tire retailers. More information about the labelling system is available on the JATMA website.

*2 More information about tire labelling systems in Europe is available on the ETRMA website.

*3 More information about tire labelling systems in South Korea is available on the MIKE website.

*4 More information about tire labelling systems in the United States is available on the NHTSA website.

Focus Point

8

Commitment to fair business practices and competition

Objectives for achieving our ideal state

- To create practical "Standards" and establish "Systems" regarding the prohibition of cartel and bribery which meet the elements required by the U.S. Department of Justice, taking the results of the evaluation of the risk level to be conducted by each Group Company into account

Principal achievements in 2011

- Continuing training in fair business practices and competition for employees of the Group companies which are located out of Japan
- Continuing training in fair business practices and competition for various departments at Bridgestone. This also includes sales staff at Group companies in Japan as well as Japanese employees seconded to the Group companies outside of Japan
- **Appointing a U.S. Foreign Corrupt Practices Act (FCPA) Compliance Officer**

Principal plans for 2012 and beyond

- Continuing to expand training for employees of Bridgestone and Group companies
- Issuing an instruction guide to Group companies regarding commitment to fair business practices and competition, which encompasses the FCPA compliance program required by the U.S. Department of Justice
- Establish Bridgestone's "Standards" and "Systems" regarding fair business practices and competition as a sample for the Group companies

Structures and training designed to assure fair business practices

In May 2007, an international cartel involving the sales of marine hoses was revealed, and suspicions of improper payments to foreign government officials were discovered in subsequent investigations. Since then, the Bridgestone Group has made efforts to prevent cartel activities and bribery of foreign government officials. Our commitment to fair business practices and competition begins with compliance with the laws of the countries in which we do business and extends to efforts to establish "Systems" that will promote compliance with the Group's own "Standards." As a first step in 2012, we will develop "Standards" and "Systems" at Bridgestone and pursue similar activities at Group companies.

We are particularly focused on training for employees. We have continued our efforts in preventive measures, including training for various departments at Bridgestone, sales staff at Group companies in Japan and Japanese employees outside of Japan.

Since 2010, we have also continued training for employees at the Group companies outside of Japan in order to enhance our Group-wide initiatives. By using materials prepared in each country's native language, and having Bridgestone's legal staff explain standards and structures directly to employees, these training sessions are aimed to enhance understanding of the importance of complying with laws, preventing inappropriate practices and promoting actions that align to such understanding. We have local attorneys attend these training sessions as needed in order to discuss circumstances and legal systems that are specific to the respective countries. In 2011, approximately 500 employees attended trainings in Singapore, Malaysia, Taiwan, Thailand, Indonesia, South Korea and India.

Furthermore, we will support measures taken by our Group companies outside of Japan to try to prevent inappropriate practices by having Bridgestone's legal staff communicate directly with the employees working out of Japan and assess local business practices and other customs.



Fair procurement activities

Objectives for achieving our ideal state

- To aggressively implement policies on fair procurement activities and develop related systems
- To develop fair and impartial systems for selecting suppliers

Principal achievements in 2011	Principal plans for 2012 and beyond
<ul style="list-style-type: none"> • Expanding employee participation throughout Japan in education classes about Japan's Act against Delay in Payment of Subcontract Proceeds and enhancing audit system structures • Sharing information related to fair procurement activities at Bridgestone and domestic Group companies at educational classes about Japan's Act against Delay in Payment of Subcontract Proceeds in order to improve the level of compliance activities 	<ul style="list-style-type: none"> • Enhancing internal education programs in order to increase the overall level of fair procurement activities, including compliance with laws such as the Act against Delay in Payment of Subcontract Proceeds • Creating and applying an audit program for domestic and overseas Group companies by Bridgestone's audit team (covering all procurement and purchasing operations)

Enhancing fair procurement activities

The Bridgestone Group pursues a variety of initiatives worldwide in Japan and overseas in order to enhance its fair procurement activities. During 2011, we expanded participation in study courses about Japan's Act against Delay in Payment of Subcontract Proceeds, a law related to the Anti-Monopoly Act, to include all domestic Group companies in Japan. Bridgestone also offers biannual training sessions to further enhance the level of fair procurement activities.

Enhancing internal audits

Bridgestone formed an audit team in 2011 to increase the level of fair procurement activities at domestic and overseas Group companies. In addition to compiling a checklist of approximately 60 items to facilitate effective auditing of all procurement and purchasing operations, we conducted a trial of the checklist at some Group companies.

Bridgestone has also been working to enhance its audit program, developing a cross-audit program in 2011. Through this program, in which three to four worksites audit one another's

operations, we are working to enhance our audit capabilities by training auditors to adopt the dual perspectives of the entity undergoing the audit as well as the entity conducting it.

Enhancing compliance with the Act against Delay in Payment of Subcontract Proceeds and audit programs in Japan and overseas

Bridgestone continues to offer education in the thorough implementation of fair procurement activities. Employees involved in business transactions with subcontractors are required to participate in educational courses about Japan's Act against Delay in Payment of Subcontract Proceeds and to pass a comprehension test. In 2011, a total of 951 Bridgestone and domestic Group employees in Japan passed the test, approximately double the amount that had passed the previous year.

An e-learning program reviews what students learn in the courses on the Act against Delay in Payment of Subcontract Proceeds. Furthermore, the course and comprehension exam are being rolled out to other Group companies in Japan.



Enhancing CSR procurement

Objectives for achieving our ideal state

- To build relationships with business partners and ensure the enhancement structure of CSR implementation

Principal achievements in 2011	Principal plans for 2012 and beyond
<ul style="list-style-type: none"> • Holding conferences to explain the procurement policy in Southeast Asia, and introducing the use of the CSR Self-Check sheet at participating business partners • Supporting CSR initiatives by visiting business partners 	<ul style="list-style-type: none"> • Having Group companies encourage more business partners to conduct voluntary checks using the CSR Self-Check sheet • Continuing to support business partners' efforts to improve their CSR initiatives

Initiatives designed to promote CSR procurement

We pursue CSR procurement through a "Supply Chain Partnership Development System" framework, which improves overall competitiveness of the Bridgestone Group and its business partners.

Bridgestone has established the CSR Procurement Guidelines that address such areas as human rights and labor, the environment,

health and safety, disaster prevention, fair business practices and ethics and information security. CSR procurement initiatives are carried out in line with these guidelines. As part of this effort, we created a CSR Self-Check sheet consisting of approximately 300 questions based on the CSR Procurement Guideline, to which we ask business partners to respond in order to deepen their understanding of CSR procurement.

Holding conferences to explain procurement policy

Bridgestone hold an annual conference to explain procurement policy and ensure that business partners understand the Bridgestone Group's procurement policies. In 2011, a total of 104 companies attended the conference, at which company officials introduced the Supply Chain Partnership Development System, an initiative established to improve overall competitiveness of the Bridgestone Group and its business partners together, and asked business partners to make voluntary CSR improvements to our supply risk management activities. Bridgestone also introduced the Group's environmental activities, diversified products business and efforts to lower transport costs by using fuel-efficient tires and retread. The conference recognized exceptional VA proposals* given by business partners, and Bridgestone worked to enhance communication with all business partners.

In 2011, we held a conference to explain procurement policy for natural rubber suppliers in Asia as part of a global rollout of this initiative.

* VA proposal system: A system that promotes the mutual cost competitiveness of both business partners and Bridgestone by encouraging business partners to make proposals that lead to mutual cost improvements for procured items.

Global rollout of the CSR Self-Check sheet

In 2011, the Bridgestone Group launched an initiative to promote a better understanding of its CSR activities on the part of business partners outside of Japan. As part of this initiative, we distributed CSR Self-Check sheets to 145 business partners in Europe, bringing the total number of worldwide companies targeted by the checklist to 594.

In order to support our business partners' voluntary improvement activities, Bridgestone analyzed the CSR Self-Check sheet results and proposed general improvements. An analysis of the business partners' CSR activity level, based on the CSR Self-Check sheet, indicated that 94% of all checklist items elicited level 3 responses with replies such as, "The company has begun some CSR activities". It is evident that our business partners' activities meet or exceed a required level. Going forward, we will continue to strive to improve the level of our business partners' CSR activities.

Holding CSR seminars

Bridgestone holds CSR seminars for business partners that are selected, based on the results of their CSR Self-Check sheet, in support of their efforts to improve the level of CSR activities.

During 2011, we held CSR seminars for 82 companies. Each seminar featured lectures on topics such as human rights, labor and import and export compliance. Positive feedback from participants indicated that the seminars allowed them to study difficult CSR issues in an easy-to-understand manner.

Improvements in the level of CSR activities relative to the previous year were observed for business partners who participated in the past seminars. Through seminars and other means, the Bridgestone Group will continue to support business partners' efforts to improve the level of their CSR activities in 2012 and beyond.

Offering on-site environmental assistance to business partners

In 2009, Bridgestone began offering on-site assistance to business partners whose CSR Self-Check sheet results indicated environmental initiatives that needed improvement. In 2011, we offered such assistance to two companies, sending environmental responsibility staffs to the business partners' sites to review their environmental initiatives and propose improvements. We do more than just asking business partners to conduct initiatives through the CSR Self-Check sheet; we work with business partners to improve the level of CSR activities throughout the supply chain. We plan to continue offering on-site assistance in 2012.



Returning profits by enhancing corporate value

Objectives for achieving our ideal state

- To pay dividends based on a comprehensive evaluation of business performance and financial standing in the context of a philosophy emphasizing the importance of offering a dividend that stays consistent over time

Principal achievements in 2011

- Comprising interim dividends of ¥10.0 and year-end dividends of ¥12.0 per share, annual dividends for fiscal 2011 totaled ¥22.0 per share

Principal plans for 2012 and beyond

- Returning profits to investors in an appropriate manner by enhancing the Group's management base in preparation for the future development of its business and improving financial performance

Achieving stable, long-term growth and improving corporate value

Regarding the interests of shareholders as an important management priority, Bridgestone follows a basic policy of strengthening its management base in preparation for future business developments while working to improve business results. Our basic aim is to continue paying stable dividends and meeting the expectations of shareholders, in light of overall considerations of current and future business results and financial position. The company pays dividends twice a year, comprising interim and year-end cash dividends. Interim dividends are subject

to approval by a resolution of the Board of Directors, while year-end cash dividends are subject to approval by a resolution of the annual shareholders meeting. Reflecting increased profit in 2011 compared to the previous year and an outlook calling for good performance in 2012, Bridgestone paid a cash dividend of ¥22.0 per share, comprising an interim cash dividend of ¥10.0 per share and a year-end cash dividend of ¥12.0 per share. Further, Bridgestone strives to strengthen the long-term stability of its management base by using retained earnings to improve and expand production and sales foundation while advancing research and development activities in Japan and overseas.



Disclosing information in a timely and appropriate manner

Objectives for achieving our ideal state

- To disclose information in a fair and impartial manner
- To provide information that the Bridgestone Group deems relevant to investment decision-making in a timely and ongoing manner, where disclosure is possible

Principal achievements in 2011

- Holding review meetings on annual, semi-annual financial results, Mid-term Management Plan and posting audio recordings of the meetings to the website
- **Issuing business reports in English**

Principal plans for 2012 and beyond

- Improving communication with shareholders by enhancing the quality of information provided in Annual Shareholders' Meeting, review meetings on annual and semi-annual financial results and on the Mid-term Management Plan
- Enhancing information disclosure by more attractive and comprehensive business reports, annual reports and the IR website

Disclosing information about management and business activities in a timely and appropriate manner

Bridgestone strives to disclose information in a fair, impartial manner in accordance with Japan's Financial Instruments and Exchange Act, other applicable laws and the rules set by the stock exchanges on which its shares are listed. Even if disclosure is not legally required, we follow a basic policy of providing information as long as such information is relevant to investment decision-making and possible to be disclosed in a timely and ongoing manner. Through these disclosure activities, we seek to acquire adequate understanding of our management and business activities and provide an accurate assessment of our corporate value.

Ensuring effective communication with shareholders and investors

Bridgestone holds review meetings on its financial results in February and August. In 2011, we augmented this information by holding a presentation outlining the Mid-term Management Plan in October. We also strive to disclose information in a fair and timely manner by posting audio of these events to our website on the day of the event.

In 2011, in addition to publishing its Annual Report and English IR website, Bridgestone began issuing business reports in English. We are also working to enhance the quality of information we provide to shareholders and investors in Japan and overseas and to ensure effective, two-way communication.

CSR through environmental activities

Environmental Mission Statement

Environmental Mission Statement

The refined Environmental Mission Statement continues to portray the Bridgestone Group’s unchanging environmental philosophy —“to help ensure a healthy environment for current and future generations.” It also defines three areas of environmental progress (products and services, operations, and community activities) and two core strategies for growth (Total Environmental Advanced Management System [TEAMS], our global standardized environmental management system), and environmental communication. We are striving to take our environmental management program to the next level by implementing three important environmental perspectives in the drive to realize a sustainable society: ecological conservation, resource conservation, and reducing CO₂ emissions.

Our Environmental Mission Statement, which was originally formulated in 2009, was refined in May 2011 with the goal of further increasing environmental awareness at all Group companies worldwide and strengthening initiatives conceived to realize a sustainable society by clarifying the direction of Bridgestone’s long-term environmental aspirations and using simple, easy-to-understand language. The word “refine” was chosen to reflect the idea that the changes serve to enhance and add value to a corporate asset that we have cultivated over time.



Long-term environmental vision

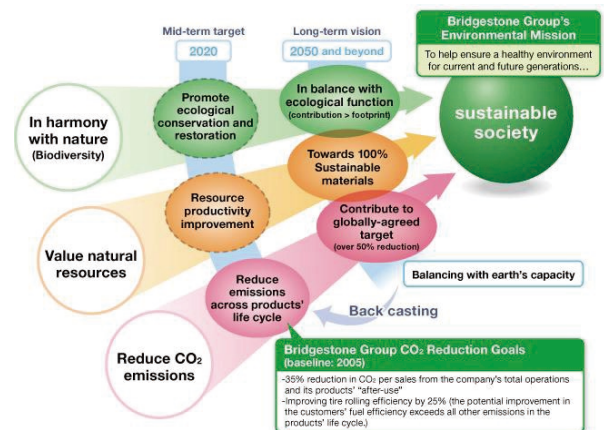
In May 2012, the Bridgestone Group announced the long-term environmental vision*1 targeting 2050 and beyond in the three activity areas of existing in harmony with nature, valuing natural resources, and reducing CO₂ emissions. These initiatives are conceived to help realize the sustainable society described in our Environmental Mission Statement, which outlines the direction of its long-term environmental aspirations.

The establishment of the long-term environmental vision was predicated on the prediction*2 that the world’s population is estimated to increase from its current level of 7 billion to 9 billion by 2050 and that soaring demand for energy, food, and natural resources fueled by increases in standard of living worldwide would precipitate additional environmental issues. In particular, as experts point to the possibility that humankind may face major challenges as it encounters the limits of resource consumption, the Bridgestone Group believes that its status as the world’s largest tire and rubber company confers responsibility for supplying advanced, high-quality products in a sustainable manner to facilitate safe and comfortable mobility.

The Group is committed to contributing to the realization of a sustainable society by balancing its business activities with the Earth’s capacity to coexist in harmony with nature, even as it continues to meet the various needs of consumers worldwide.

*1 More detailed information about Bridgestone’s long-term environmental vision is available in Feature 2.
 *2 OECD Environmental Outlook to 2050 (OECD, 2012).

Long-term environmental vision



Global environmental management

TEAMS total environmental advanced management system

The Bridgestone Group has developed TEAMS (Total Environmental Advanced Management System), an original environmental management system, to serve as a foundation for its environmental activities. Based on an internationally accepted environmental management system, TEAMS was refined by adding the concepts of “Total” (denoting the participation of all SBU and facility functions and employees throughout the Group) and “Advanced” (denoting the Group’s commitment to the consistent pursuit of advanced, world-class activities and the active disclosure of associated information).

As part of TEAMS, all domestic and overseas Group companies’ production operations plan to earn ISO 14001 certification for all facilities greater than 50 people by the end of 2012. The great majority are already certified: a total of 173 facilities* (96.1% of all within the targeted criteria) have already been certified.

Bridgestone earned companywide, integrated ISO 14001 certification for all domestic plants, its Head Office, and its Technical Center in December 2005.

* As of December 2011. The number of target facilities decreased from the previous year due to the elimination and consolidation of certain facilities.

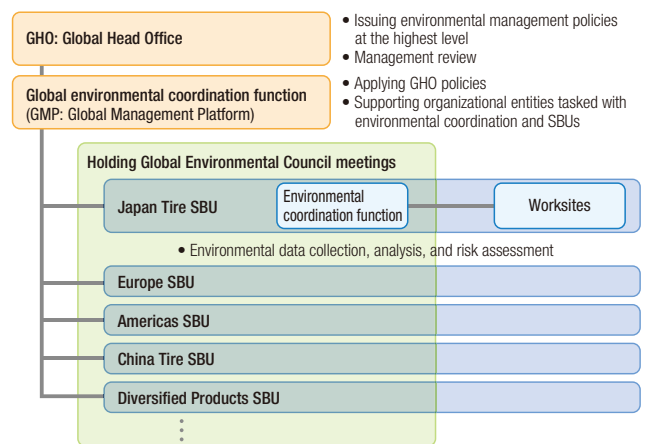


TEAMS Guidelines

Global environmental management structures

The Global Head Office function (GHO), global environmental coordination functions (GMPs), and strategic business units (SBUs) work together to pursue TEAMS activities to help achieve the objectives of the Mid-term Plan. We strive continuously to enhance the level of our environmental activities, for example by holding a variety of liaison conferences linking GMPs, SBUs, and facilities and sharing information about issues and the directions of activities.

Global environmental management structures



Group Environmental Committee

The Group Environmental Committee was formed to track progress in the Bridgestone Group’s environmental activities and to determine how the Group will address new issues. The CEO joins corporate officers and other committee members in discussions and decision-making.



43rd meeting of the Group Environmental Committee (held in October 2011)

Activities that progressed the most in 2011 are shown in different colors.



Contributing to the conservation of the environment through products and services

Objectives for achieving our ideal state

- To improve resource productivity on an ongoing basis
- To pursue the development of technologies and business models that contribute to greater use of sustainable materials
- To help achieve CO₂ reductions that exceed the emissions related to Bridgestone's total operations and its products' "after-use" by improving tire rolling efficiency by 25% compared to a 2005 baseline by 2020

Principal achievements in 2011

- **Announcing The Bridgestone Approach to Resource Conversation**
- Reducing the coefficient of tire rolling resistance by 5.8% compared to a 2005 baseline while maintaining wet grip performance
- Increasing sales of ECOPIA fuel-efficient tires
- **Achieving the top grade under Japan's domestic tire labelling system**
- **Selling aftermarket tires with run-flat technology, which eliminate the need for spare tires (in Japan, Europe, and North America)**
- Expanding the solutions business using retread tires in developing nations, including in Asia
- **Developing the Non-pneumatic (Airless) Concept Tire using 100% recyclable materials**
- **Announcing a Half Weight Concept with the goal of halving the use of raw materials in tire manufacturing**

Principal plans for 2012 and beyond

- Expanding availability of eco products through the global application of Bridgestone's "Standards for Eco Products"
- Developing products and technologies that contribute to improved resource productivity (defined as sales divided by raw material use)
- Developing technologies that contribute to expanded use of sustainable materials*
- Further expanding the solutions business using retread tires
- Further reducing the coefficient of tire rolling resistance while maintaining wet grip performance
- Expanding Bridgestone's fuel-efficient tire lineup and making it available worldwide

* The term "sustainable materials" as used by Bridgestone is based on the Company's definition of materials that are not expected to be depleted should be continued, as opposed to fossil resources and other finite resources

Expanding our offerings of eco products and services

The Bridgestone Group's pursuit of initiatives based on the three key priorities identified in its long-term environmental vision (►P19 Feature 2) in order to realize a sustainable society extends to its products and services.

In May 2011, we announced The Bridgestone Approach to Resource Conservation as a guiding principle in our efforts to value natural resources, and in May 2012, we announced a commitment to using 100% sustainable materials as a part of our long-term environmental vision with a focus on 2050 and beyond. The latter effort will utilize such means as reducing use of raw materials, recycling resources, using resources efficiently, and expanding and diversifying use of renewable resources.

Specific examples of products that embody this commitment include run-flat technology tires, which eliminate the need for spare tires since they can be driven with zero inflation pressure after going flat following the loss of air pressure, and retread tires, which are manufactured by replacing the worn tire tread surface, and which contribute to the effective utilization of resources since they can be reused. Furthermore, in 2011, we announced tires based on the Half-weight Concept Tire, which strives to halve use of raw materials, and the Non-pneumatic (Airless) Concept Tire, which uses 100% recyclable materials.

Regarding our effort to improve tire rolling efficiency by 25% compared to a 2005 baseline by 2020, a mid-term objective that is intended to help reduce CO₂ emissions, we are pursuing a range of initiatives, including expanding our lineup of fuel-efficient tires such as those in the ECOPIA family. During 2011, we successfully improved tire rolling efficiency by 5.8%*1 compared to a 2005 baseline while maintaining wet grip performance. Going forward, we will continue to steadily broaden the range of environmental contributions made through our products and services.

*1 Based on the weighted average of passenger car, truck and bus tires sold during the year. For more information, we have described in the CSR Web site.

The Bridgestone Approach to Resource Conservation

We, the Bridgestone Group, are committed to ongoing improvement to be an ever better steward of our natural resources. We continually innovate our processes, products and services to reduce, reuse or recycle raw materials, water and energy.

Key activities

We continually improve resource productivity, doing more with less, based on sales per raw material use.

We promote the development of technologies and business practices that encourage the recycling of raw materials, utilization of renewable resources and conservation of finite natural resources.

We reduce water consumption in our manufacturing processes by efficient use and recycling, while also promoting the protection and preservation of water in our global communities.

TOPICS

Environmentally friendly products win awards

Tires with run-flat technology receive award

In December 2011, the POTENZA S001 RFT received the Chairperson's Award from the Eco-products Awards Steering Committee (Award for Excellence) at the 8th Eco Products Awards, held by the Eco Products Awards Council. The Council recognized the fact that by eliminating the need for spare tires, which are usually discarded without ever having been used, and thereby lowering vehicle weight, the POTENZA S001 RFT helps reduce waste, save resources, and improve fuel economy.

ECOPIA earns the first carbon offset certificate in the tire industry in New Zealand

In June 2011, Bridgestone New Zealand Ltd. earned an internationally recognized carboNZero carbon offset certificate for ECOPIA fuel-efficient tires sold in New Zealand as well as for its efforts to manage and reduce greenhouse gas emissions. The ECOPIA becomes the world's first tire to earn a carboNZero certificate.

The carboNZero program certifies products as having effectively zero CO₂ emissions. Participating manufacturers measure greenhouse gas emissions over the product's life cycle, strive to slash emissions by the equivalent amount through their business activities, and purchase emissions credits for any remaining balance.



Contributing to the conservation of the environment throughout the supply chain (procurement, production, distribution, and sales)

Objectives for achieving our ideal state

- To make appropriate use of chemical substances and natural resources
- To pursue procurement, production, distribution, and sales activities that contribute to improved resource productivity and expanded use of sustainable materials
- To make sustainable use of water resources
- To lower CO₂ emissions per sales from the company's total operations (procurement, production, logistics, and sales) and also its products' "after-use" by 35% compared to fiscal 2005 levels by 2020

Principal achievements in 2011

- **Announcing The Bridgestone Approach to Resource Conservation**
- Incorporating provisions on the reduction of CO₂ emissions and the conservation of biodiversity into the CSR Procurement Guidelines
- **Conducting an assessment of biodiversity potential at Bridgestone's 16 plants in Japan**
- **Reducing CO₂ emissions per sales from the company's total operations and also its products' "after-use" by 14.0% compared to fiscal 2005 levels***
- Transitioning to the use of gas fuels, deploying energy-saving equipment and enhancing heat recovery at production worksites
- Saving electricity at worksites in Japan
- Continuing the zero waste to landfill status with regard to waste products at all plants in Japan
- **Launching a program to monitor water resource use (at the Kitakyushu Plant)**
- Enhancing management of chemical substances by improving associated systems
- Adopting tire product labelling that takes into account the need to reduce these products' environmental impact

* Disclosures of CO₂ emissions reductions are subject to independent review.

Principal plans for 2012 and beyond

- Trialing policies designed to pave the way for procurement of sustainable materials*
- Trialing water management policies with the goal of using water resources in a sustainable manner
- Achieving further reductions in CO₂ emissions from the company's total operations and its products' "after-use"
- Pursuing use of renewable energy
- Expanding energy-saving diagnostics at production bases and improving production equipment and methods to achieve higher energy and production efficiency

* The term "sustainable materials" as used by Bridgestone is based on the Company's definition of materials that are not expected to be depleted should be continued, as opposed to fossil resources and other finite resources

Pursuing business operations to help realize a sustainable society

Initiatives being pursued by the Bridgestone Group based on the three activity areas identified in its long-term environmental vision in order to help realize a sustainable society extend to the operational domain, including such areas of operations as procurement, production, distribution, and sales.

In the activity area of valuing natural resources, Bridgestone has achieved full zero waste to landfill status, signifying that it has consistently eliminated the portion of industrial waste products designated for final disposal at all 16 domestic plants in Japan as well as its four tire plants in China. In May 2011, we announced The Bridgestone Approach to Resource Conservation, and in May 2012, we announced 100% sustainable materials as a part of our

long-term environmental vision with a focus on 2050 and beyond.

In the activity area of reducing CO₂ emissions, we successfully lowered emissions by 14% since 2005 as a result of efforts such as switching fuels and recovering heat energy at plants. These efforts are in accordance with our goal of reducing CO₂ emissions per sales from the company's total operations and its products' "after-use" by 35% compared to fiscal 2005 levels by 2020, as announced in April 2010.

In 2011, we began working to ensure the transparency of information about our CO₂ emissions by asking an outside organization to review our performance in this area with a written opinion.

In the activity area of existing in harmony with nature, we have adopted the approach of "in balance with nature" as a long-term

vision in accordance with The Bridgestone Approach toward Biological Diversity, which we announced in 2010.

During 2011, we surveyed biodiversity on the premises of all 16 of plants in Japan as well as in the surrounding environment. In addition to assessing the level of biodiversity potential at each plant, this effort allowed us to identify green areas and rivers

with the potential to form an ecological network with plants as well as rare species and symbolic species that should be targeted for conservation.

Going forward, we will continue to help realize a sustainable society in accordance with our long-term environmental vision.

TOPICS

Carbon management project receives award

Bridgestone received an Incentive Award at the 8th Life Cycle Assessment Society of Japan Awards held by the Life Cycle Assessment Society of Japan in December 2011 in recognition of initiatives related to promoting life cycle assessment (LCA) and reducing CO₂ emissions through the Group's carbon management project.

The honor reflects a comprehensive evaluation of Bridgestone's initiatives to realize a low-carbon society by using the LCA method, including by establishing CO₂ emissions reduction targets for Group companies worldwide throughout the product life cycle, calculating CO₂ emissions using the LCA method, announcing results whose transparency has been assured through independent review, and building companywide carbon management structures that cut across organizational boundaries.

Participating in an international conference on biodiversity

Bridgestone and Bridgestone Americas, Inc., participated in the First Meeting of the Global Platform for Business and Biodiversity (organized by the Secretariat of the Convention on Biological Diversity, the Keidanren Committee on Nature Conservation, Japan's Ministry of the Environment, and the International Union for Conservation of Nature). The meeting was held in December 2011 with the goal of contributing to the implementation of the COP10 decision on business engagement (X/21)*.

In addition to introducing the Bridgestone Group's initiatives in the area of biodiversity conservation, including wildlife protection activities in the U.S., at panel sessions and poster displays, the companies exchanged views with stakeholders.

* A resolution at the 10th Conference of the Parties (COP10) to the Convention on Biological Diversity encouraging the business sector to pursue biodiversity conservation initiatives.

Focus Point

15

Contributing to the environment through social activities

Objectives for achieving our ideal state

- To facilitate efforts by all Group companies to protect biodiversity, move toward a recycling-oriented society, prevent global warming, and educate the next generation as appropriate in light of regional environmental issues

Principal achievements in 2011

- Pursuing social activities in response to regional environmental issues

Principal plans for 2012 and beyond

- Enhancing the pursuit of social activities in response to regional environmental issues in four priority areas for our eco-Projects
- Enhancing the dissemination both inside and outside the company of information about initiatives undertaken to address environmental issues at Group companies

The eco-Project approach

The Bridgestone Group is working worldwide to contribute to the environment through a program of social activities known as eco-Projects. The program emphasizes the following four objectives based on the environmental issues being faced by the regions in which Bridgestone does business.

(1) Protecting biodiversity

Contribute to preserve the original ecosystem of the area and to nurture its recovery

(2) Moving toward a recycling-oriented society

Contribute to the realization of sustainable society through the conservation of natural resources, energy saving, 3R (reduce, reuse, and recycle) activities, etc.

(3) Preventing global warming

Contribute to reduce CO₂, one of the reported causes of global warming

(4) Educating the next generation

Activities to raise the environmental awareness of many people, such as the children who will lead the next generation

TOPICS

Protecting biodiversity:

Supporting efforts to protect a river environment (Canada)

Bridgestone Canada Inc. is supporting efforts to protect a river environment near its plant in Joliette by providing funding to a local environmental preservation group involved in surveying the natural environment around the river and formulating a conservation action plan.



The river targeted by protection efforts

**Moving toward a recycling-oriented society:
Raising awareness of the 3Rs on Earth Day (Spain)**

As part of a program of activities conceived to help realize a recycling-oriented society, Bridgestone Hispania S.A.'s Burgos Plant held an educational activity focusing on the 3Rs (reduce, reuse, and recycle) for children on Earth Day in April 2011. The company held the workshop-structured event, which allows children living in Burgos to learn about the 3Rs, again in April 2012.



At the Earth Day Workshop

Preventing global warming:

Offering eco-driving lessons (China)

Bridgestone (China) Investment Co., Ltd., offers driving lessons for the general public on its test course. The program offers eco-driving advice to participants in an effort to improve their driving skills and awareness by focusing on safety and environmental considerations. By allowing them to experience the difference between normal and environmentally conscious driving, the lessons give drivers a feel for the improved fuel economy that results from eco-driving.



An eco-driving lesson

**Protecting biodiversity/Educating the next generation:
Lake Biwa — Sustainable Environment for Local Communities Project (Japan)**

Bridgestone's Hikone Plant works with employees, their families, and the local community to preserve the environment at Lake Biwa. The company is involved in a range of initiatives with the goal of encouraging participants to maintain an interest in Lake Biwa's natural environment and work in a sustained manner to preserve its integrity. During 2011, a total of about 1,000 local residents —primarily children— and Hikone Plant employees participated in 13 nature field events. Going forward, the facility will continue to work to protect Lake Biwa's invaluable natural environment.



An ecological survey conducted as part of a nature field event

CSR from a social standpoint

With employees

Activities that progressed the most in 2011 are shown in different colors.



Continued Enhancement of Job Satisfaction and pride

Objectives for achieving our ideal state

- To put in place a human resources system that fairly evaluates and compensates employees, thereby encouraging them to excel at their jobs
- To design a training system that encourages development and growth of motivated employees

Principal achievements in 2011

- **Rolling out the standard position-specific training program worldwide**
- Assisting in the developing of human resources and compensation systems at Group companies

Principal plans for 2012 and beyond

- Formulating common guidelines in Bridgestone Group and pursuing the development of consistent, Group-wide human resources and compensation systems based on those guidelines
- Pursuing the development of position-specific education and training programs at Group companies

Approach to job satisfaction and pride, and related initiatives

The Bridgestone Group has adopted the following approach to pursuing job satisfaction and pride.

Approach to Continued enhancement of job satisfaction and pride

The Bridgestone Group shall strive to offer employees a motivating workplace environment that inspires pride by means of the following measures:

The Group shall strive to offer employees the satisfaction of personal growth made possible by the use of interests, motivation, skills, and knowledge to overcome difficulties and achieve goals.

The Group shall strive to develop a human resources system that encourages employees to excel by fairly evaluating their achievements and compensating them accordingly.

The Group shall put in place an educational system to aid employees in independent efforts to learn and develop skills.

In this way, we will continue working to ensure Bridgestone is a company where workplaces encourage employee growth and job satisfaction and where employees take pride in their association with the company.

Based on this approach, we worked to develop human resources systems and enhance position-specific training programs at Group companies in 2011. In 2012, we will strive to embody The Bridgestone Essence; we will formulate guidelines in Bridgestone Group to implement workplaces that inspire job satisfaction and pride, and implement consistent, Group-wide human resources and compensation systems along with education and training programs based on those guidelines.

Group-wide training of manufacturing professionals

Since opening in 2007, the Global Manufacturing Education Center (G-MEC), which is located in Japan, has pursued a range

of activities to fulfill its mission of training Bridgestone-style manufacturing professionals.

G-MEC's principal role consists of pursuing human resources development activities worldwide in three key areas: creating standards for human resources development programs, training program planners, and applying these programs to the existing corporate system.

The scale of G-MEC training programs surged from approximately 2,000 trainees within 73 training courses in 2007 to more than 6,000 trainees within 104 courses in 2011. Going forward, G-MEC will continue to make key contributions in this important area.

Group production outside of the domestic Japanese market has increased to 70%. As a result, the need to implement the system for human resources development that will allow Group companies to pursue manufacturing activities at a high level has become a pressing need. Going forward, G-MEC plans to train master instructors at Group companies to offer leadership regarding further advanced manufacturing activities at production bases.

C-MEC (China), AP-MEC (Asia and Oceania), E-MEC (Europe), NA-MEC (North America), and LA-MEC (South America) were organized by 2011 as part of a continuing emphasis on human resources development worldwide.



G-MEC basic training of the tire

Focus Point
17

Enhancing workplace safety and health, and employee health management

Objectives for achieving our ideal state

- To develop structures that will prevent serious injuries by maintaining a high level of safety awareness, developing safe equipment and systems, building a management system that creates safe workplaces, and enhancing mental and physical health management

Principal achievements in 2011

- Expanding activities to keep the workplace safe for the Group companies
- Improving measures for equipment safety among the Group companies
- Implementing improvement activities based on the visualization of safety and health activity status information at Group companies

Principal plans for 2012 and beyond

- Engaging in risk foresight, small-group activities, and other initiatives to increase safety awareness at the workplace and company levels
- Continuing to pursue activities intended to reduce or eliminate the causes of risks posed to human workers by machinery
- Developing mechanisms to facilitate ongoing compliance with safety rules

Approach to occupational safety and health

The Bridgestone Group focuses its safety activities on consciousness, engineering, and systems management as it works to develop an occupational safety and health management system. We also strive to increase the level of safety at our facilities by visualizing the status of activities in each area and progressively improving safety standards.

The Bridgestone Group continuously works to lower risks in order to develop safe workplaces in accordance with its Safety Mission Statement, which states that safety is the basis of all worker activity, that the assurance of safety is a precondition for all corporate activities, and that safety is an irreplaceable value that serves as both the source of mutual trust and the root of robust corporate activities.

These activities have been arranged in the form of Mid-term plans for safety, health, and disaster prevention that are being enforced throughout the Bridgestone Group.

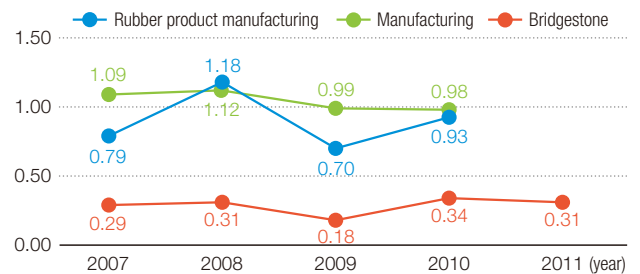
In addition to compiling injuries statistics on a quarterly basis, we put the results to use in preventing similar future injuries.

During 2011, the number of work related injuries at Bridgestone facilities in Japan fell far below the average Japanese manufacturing industry level in terms of both frequency and severity. While the number of serious injuries at the Bridgestone Group's 190 production and logistics worksites has fallen since the start of 2006, a total of 26 serious injuries occurred in 2011. In light of these incidents, the Group will continue to implement specific policies in the areas of consciousness, engineering, and systems management.



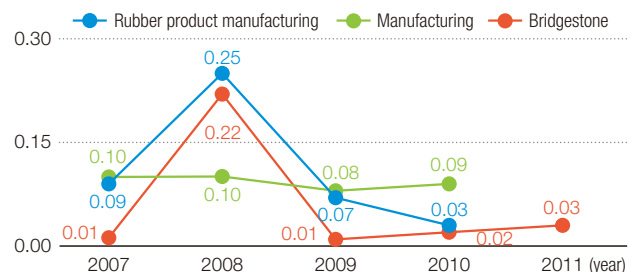
The Bridgestone Commitment to Safety

Frequency rate*1



*1 (No. of casualties caused by injuries that resulted in a work stoppage of at least 1 day / total hours worked) × 1,000,000

Severity rate*2



*2 (Total no. of working days lost / total hours worked) × 1,000

Injuries

The Bridgestone Group has established Global criteria for occupational injury in order to assess injuries occurring at Group production, distribution, and sales facilities as well as warehouses.

Bridgestone Group Mid-term safety objectives and policies

The Bridgestone Group has developed a mid-term safety and health plan to establish specific policies in the areas of consciousness, engineering, and systems (management). The mid-term plan and associated policies are discussed and finalized each year at a Group-wide meeting.

In 2009, in order to facilitate speedier adoption of policies throughout the Group, we began issuing Bridgestone Group Safety Activity Guidelines, a series of activity directives for each fiscal year.

Promoting safety consciousness

To create safe workplaces, it is essential to convey safety awareness as a means of ensuring employees adhere to applicable standards at all times. To do so, a series of corporate actions and, the distribution of a Safety Consciousness Survey were implemented in 2009.



Pursuing practical measures to create safe workplaces

Actions to keep the workplace safe

Starting in 2009, Bridgestone's management team began visiting worksites operated by Bridgestone and the Group companies in Japan to discuss the importance of giving priority to safety over all other considerations. During 2011, we expanded this activity by having the management of Group companies participate. In 2012, we will strive to increase autonomous safety awareness in the workplace.

Safety Consciousness Survey

In 2009, we began conducting a survey of approximately 100 questions in each of the injury-related categories to assess the safety awareness among employees and verify the effectiveness of the Group's safety measures. In 2011, the survey was administered at 87 worldwide Group facilities. Going forward, we will expand the survey to Group companies out of Japan.

Engineering initiatives

Work procedures and equipment that could lead to serious injury must issue reliable measures for preventing injuries. In terms of technology, we are working to lower risk, starting from the equipment design stage. This includes store and warehouse equipment as well as production equipment, and maintaining safety during equipment use. These efforts include conducting risk assessments to identify work procedures and parts of equipment that are inherently dangerous.

During 2011, we continued to assign and train safety engineers (SE) as experts in equipment safety conducted risk assessments. Based on the results, we are working to implement safety measures, giving priority to equipment with major injury risks. This effort includes both store and warehouse equipment.

System- (management-) related initiatives

The majority of the Bridgestone Group's production worksites use a checklist to assess the status of safety and health activities including legal compliance, while making improvements to rectify inadequacies.

Additionally, from the standpoint of preventing recurrences, personnel utilize communications networks to effect the timely share information about workplace injuries and fires that have occurred at Group facilities as well as preventative measures to be undertaken. These activities comprise a series of improvements in the form of a safety management system. Starting in 2012, we will prioritize the development of rules and mechanisms for assuring compliance with these safety rules.

Focus Point

18

Respect for diversity

Objectives for achieving our ideal state • To provide a work environment in which members of a diverse staff can tap their full potential

Principal achievements in 2011

- **Offering career design training for women in career positions at Bridgestone and their supervisors** in order to promote diversity
- **Continuing multicultural training for non-Japanese employees and their supervisors in Bridgestone** in order to promote mutual understanding
- Striving to create workplaces where a broad range of employees can do their jobs with confidence and peace of mind in Bridgestone, for example by **holding off-site meetings to discuss how to balance work and parenting responsibilities**

Principal plans for 2012 and beyond

- Continuing training as part of Bridgestone's promotion of diversity
- Introducing new systems and offering training, in Bridgestone to create a comfortable workplaces where a broad range of employees can do their jobs with confidence and peace of mind, for example e-learning to spread respect for diversity and a leave program allowing employee spouses to accompany their husband or wife on overseas job postings

Approach to respecting diversity and related initiatives

The Bridgestone Group formed a responsible unit to oversee the promotion of diversity in Japan in 2008 and began applying its approach to respecting diversity throughout the Group in 2009.

Our Group's stance of "Respect for diversity"

The Bridgestone Group contribute a working environment in which individuals who have diverse values and personalities can work comfortably and demonstrate their abilities. To do it,

We recognize and respect diversity of culture and customs in each country of the world.

We sympathize with ideas from diverse viewpoints of diverse persons and create considerable new values.

We establish a system in which employees can perform their duties with peace of mind and demonstrate their abilities to the fullest, across the various stages of their lives.

And finally, we accomplish "Improving employees' satisfaction," "Activating and improving company," "Increasing stakeholders' profits."

In 2010, Bridgestone Group companies established a series of voluntary objectives in diversity-related areas such as gender and disability and incorporated initiatives for achieving those objectives into their Mid-term plans.

During 2011, we were able to verify the status of activities for diversity promotion in the Group companies based on CSR self-assessment results. In 2012, we plan to review follow-up points and action plans of each in Group company.

Bridgestone launched training for female employees and their supervisors in 2009 as a way to support a greater role for women in its organization. Since 2010, Bridgestone has been working to create workplaces where non-Japanese employees can take advantage of their full potential by launching a training program for non-Japanese employees along with their supervisors. Bridgestone We also sought to support various styles of work, for example by transitioning non-regular employees into regular positions as circumstances permitted.

As part of our program of activities to promote understanding of diversity in Bridgestone, we began to hold a range of lecture meetings featuring outside experts in 2009. In 2011, the topics of such meetings included "Work-life Balance as a Management Strategy" and "Work-life Balance: From the Standpoint of Nursing Care."

Furthermore, Bridgestone created a Parenting and Nursing Care Guidebook summarizing national and company programs related to parenting and nursing care. Bridgestone is working to promote use of childbirth, parenting, and nursing care support programs, for example by distributing the guidebook to employees of Bridgestone and Group companies in Japan.

TOPICS

Offering career design training for female employees and managers

We offer training for female employees around fifth-year career positions at Bridgestone with the goal of encouraging them to consider their future career plans and address any concerns or doubts about a career with Bridgestone. Round-table discussions with female managers pursuing active careers at Bridgestone give participants an opportunity to learn how these professionals balance career demands with household responsibilities. Female employees who have participated in the program note that it has increased their motivation by allowing them to imagine where they will be in 5 to 10 years.

Bridgestone also offers training for all managers who work with female subordinates in career positions with the goal of fostering awareness of the need to support the careers of female employees.



Career support training for female employees

Focus Point

19

Respect for fundamental human rights, including the rights of children and others to be free from forced labor

Objectives for achieving our ideal state • “To pursue corporate activities based on “Our Group’s Stance of Human Rights”

Principal achievements in 2011

- Continuing to hold briefings to outline “Our Group’s Stance of Human Rights” for employees at Bridgestone
- **Issuing translations of “Our Group’s Stance of Human Rights” in 15 languages**

Principal plans for 2012 and beyond

- Striving to achieve 100% awareness of “Our Group’s Stance of Human Rights” at Group companies worldwide by the end of 2012
- Launching an effort to assess human rights risks in the regions where we do business in or after 2013 within the regions where we do business

The Bridgestone Group’s Stance of Human Rights

In addition to respecting human rights in accordance with “Our Group’s Stance of Human Rights,” we appointed a Chief Human Rights Officer in 2009 and are taking steps to ensure that the Group’s approach to this issue is well understood throughout the organization.

“Our Group’s Stance of Human Rights”

1. Prohibition of discrimination

In all corporate activities, Bridgestone prohibits any acts that impair individual dignity or discrimination based on race, ethnicity, nationality, gender, age, language, religion, creed, social status, and disability or any other related factors.

2. No harassment

No personnel shall speak or act in ways that degrade individual dignity based on issues such as gender, authority or any other type of harassment.

3. No child labor/forced labor

Bridgestone prohibits child labor/forced labor in any country.

Spreading awareness of “Our Group’s Stance of Human Rights” worldwide

The Bridgestone Group is aiming to accomplish a 100% of institutionalization rate of “Our Group’s Stance of Human Rights” at Group companies worldwide by the end of 2012. To ensure success, we translated the document of “Our Group’s Stance of Human Rights” into 15 languages for the Group companies worldwide in 2011. We are also working to set up intranet and human rights hotlines at Group companies.

As a result of a 2011 self-assessment, we reviewed the status of activities regarding “Our Group’s Stance of Human Rights” at Group companies, and found that efforts to set up human rights hotlines were lagging at some. In response, we are working with the departments administer the businesses in question in order to meet our 100% goal by 2012.

In or after 2013, as the next step, we plan to launch an initiative to assess human rights risks in the regions in which we do business.

Focus Point

20

Developing social activities to build a sound and sustainable society

Objectives for achieving our ideal state

- To ensure all Bridgestone Group companies pursue social activities to clarify and work toward the solution of local issues and needs through dialog with the local community

Principal achievements in 2011

- **Implementing and pursuing social activities at each Group company in line with the issues being faced by the local community**
- **Offering support for areas affected by large-scale natural disasters with terms and timing that suit the local community based on communication with local officials**

Principal plans for 2012 and beyond

- Updating Bridgestone's Social Activity Policy to reflect social demands and an emphasis on actively participating in the community, supporting those who are socially vulnerable
- Formulating a Social Activity Evaluation Sheet and using it to evaluate and review the social activities in which the Bridgestone Group is involved
- Updating the corporate citizenship website and distributing information to stakeholders in a comprehensive format

Structures for pursuing social activities

The Bridgestone Group is engaged in a variety of activities worldwide, including efforts to raise safety awareness, conserve the environment, and undertake community service initiatives that suit local communities' needs.

Bridgestone has formed the Social Activities Committee, consisting of corporate officers responsible for relevant sections of the company, under its Integrated CSR Enhancement Committee. It serves to discuss the overall direction of the Group's social activities and associated action items and information. We are also working to enhance the structures that support Group-wide social activities by creating a section dedicated to the further advancement of these initiatives.

In addition, we have established the "Social Contribution Award," which can be earned by group companies and their employees in Japan, and the "Bridgestone Group Award for Contribution to Society," which can be earned by Group companies all over the world. In 2012, we presented three awards to groups and 13 to individuals recognizing their involvement in such activities as offering economic support to help small-scale rubber farms in Indonesia.

Social activities that address the issues and needs of the local community

All Bridgestone Group companies are engaged in social activities based on the Social Activity Policy, which mandates activities that help resolve problems in response to the specific needs of local communities.

During 2011, we communicated with local government officials, supporting local needs to provide supplies when and where they were needed in areas affected by the Tohoku Earthquake and Tsunami and other large-scale natural disasters.

Going forward, we will share information about successful activities within the Group and further enhance our ability to distribute information to stakeholders. Additionally, as we pursue these activities, we will work to strengthen communication between Bridgestone Group and local communities while

welcoming feedback, for example by holding local dialogues on CSR-related topics.

TOPICS

Supporting community activities to recover from the flood (Thailand)

In addition to donating funds, the Bridgestone Group has offered a range of assistance to areas affected by flooding in Thailand, including distributing water, food, and other necessities.



Donating funds

Welcoming students from the Gifu College of Nursing as interns (Japan)

Twice each year, Bridgestone's Seki Plant welcomes students from the Gifu College of Nursing as interns at the facility. To date, a total of more than 300 students have participated in this program. The students work with the plant's nurse to provide health guidance to employees and even experience manufacturing operations through factory training.

Working to increase literacy (South Africa)

Since 2007, Bridgestone South Africa Limited has been working to increase literacy by improving the quality of education available to residents of outlying areas. Personnel have visited 28 schools over the initiative's six-year history. During 2011, the company helped improve the quality of literacy education and develop an effective educational environment at two schools by sending them books, writing supplies, soccer balls, clothing, food, and other supplies.



Students at a school receiving support

Focus Point
21

Encouraging employees to do volunteer work in their communities

Objectives for achieving our ideal state • Supporting employees' participation in volunteer activities by providing information, time, funding, and opportunities

Principal achievements in 2011

- Building frameworks for activities in which all Group company employees in Japan and their families in Japan can participate in order to provide information and opportunities to more people, and conducting social activities that demonstrate the Group's full capabilities (Great East Japan Earthquake recovery assistance volunteers)

Principal plans for 2012 and beyond

- Developing and promoting frameworks for social activities in which more employees can participate (activity formats, personnel programs, means for providing information, etc.)

Structures for supporting employees' social activities

Bridgestone supports employees' volunteer activities by providing time and funding, for example by creating a volunteer leave program and introducing the employee-driven Chobora Fund gift-matching program. We also recognize and encourage not only the organization's but also employees' social activities through the Social Contribution Award and the Bridgestone Group Award for Contribution to Society. As one way to recognize employees' active participation in social activities.

Past social activities undertaken by employees

The Chobora Fund is a voluntary employee contribution program that offers financial support to social activity groups in which employees, their families, and retirees can participate. Groups are selected for funding through an internal process, and Bridgestone matches employee donations for those groups' activities. In addition to supporting and encouraging employees' social activities, the Chobora Fund enables employees who cannot directly participate in social activities to make a positive contribution to society by donating funds. A total of 5,659

employees (as of December 31, 2011) have participated in this program which supported 32 activities in 2011.

During 2011, a total of 117 employees took advantage of Bridgestone's volunteer leave program (compared to 11 during 2010).

Starting in April 2011, Bridgestone assembled disaster recovery volunteers and sent a total of 628 volunteers on 22 missions to areas affected by the Great East Japan Earthquake and Tsunami (as of March 31, 2012). These activities took advantage of the Bridgestone Group's primary framework to allow employees of all domestic Group companies and their families to participate in volunteer programs, allowing the Group's full capabilities and resources to be utilized in assisting disaster-stricken areas. Going forward, Bridgestone will continue to offer assistance in these areas.

Individual Group companies also pursue a variety of social activities in which their employees can participate. The Bridgestone Group will continue to work to create opportunities for additional social activities and to encourage Group employees to participate in such programs.

TOPICS

Disaster recovery volunteers in areas affected by the Great East Japan Earthquake and Tsunami

In 2011, a total of 498 Group employees and their families participated as volunteers in recovery assistance efforts in the wake of the Great East Japan Earthquake and Tsunami. In 2012, we continue to send out employee teams of recovery assistance volunteers and promote employee participation in support of reconstruction activities in affected areas and employee participation.



Activities in the city of Ishinomaki, Miyagi Prefecture

Example of an activity undertaken by Bridgestone employees (groups receiving funding from the Chobora Fund)

Employees have launched a listening volunteer group that visits nursing homes and similar facilities to talk with senior citizens.

During 2011, the group also pursued "listening activities" (intended to give people somebody to talk to) for evacuees who had been displaced by the Great East Japan Earthquake. Additionally, these volunteers helped sort relief supplies.



A "listening activity" at a social welfare facility

Example of an activity undertaken by Bridgestone employees (groups receiving funding from the Chobora Fund)

An employee's parents are taking advantage of their experience living overseas by opening an English school for local residents. Bridgestone provides support through the Chobora Fund for activities undertaken by not only employees, but also their families.



Members of the English conversation club

Focus Point
22

Helping realize a safe society

Objectives for achieving our ideal state

- To ensure all Group companies pursue activities to communicate appropriate use of our products (tires, bicycles) and contribute to road safety in local communities

Principal achievements in 2011

- Promoting safety directly to drivers through activities calling attention to the importance of regular tire inspections worldwide (tire safety activities)
- Expanding activities that promote awareness of safety through the Internet and other media
- **Holding the Bridgestone Tire Safety Championship**

Principal plans for 2012 and beyond

- Continuing to communicate appropriate use of tires and bicycles (for example, through tire safety activities and bicycle safety seminars)
- Pursuing initiatives to improve road safety in response to related issues in local communities (for example, through driving seminars for young drivers, safety seminars for children, and participation in local road safety campaigns)
- Enhancing the provision of information both inside and outside the company about initiatives related to safety issues at worksites

Approach behind Bridgestone's tire safety activities

In addition to developing safety technologies which contribute to the development of a safer society, the Bridgestone Group pursues activities to promote the importance of regular tire inspections and conducts other social activities to help improve road safety in local communities. The Group pursues social activities related to safety, which it refers to worldwide as "tire

safety activities". Through these activities, we seek to communicate the Group's passion for safety to the world by providing information in a variety of formats and offering hands-on experiences designed to achieve the following goals: Encouraging an understanding of the Bridgestone Group's products (tires and bicycles) so that they can be used more safely Helping improve road safety in local communities

TOPICS

Tire Safety Championship

In 2011, Bridgestone held a video and planning contest to encourage more people to think about tires and safety by promoting regular tire inspections and traffic safety. We recognized exceptional plans and ideas among the 48 videos submitted by the general public in the video category and 40 ideas in the planning category, including a plan to promote regular tire inspections among female drivers. In the future, we look forward to actively pursuing two-way initiatives to promote tire inspections and road safety.



A tire safety inspection in the Netherlands

Road safety activities utilizing the Internet

Reacting to the large number of traffic accidents involving young drivers in the U.S., Bridgestone Americas, Inc., is pursuing a variety of activities conceived to encourage these drivers to practice traffic safety through the Internet. In addition to featuring videos, games, and other content designed to raise awareness of traffic safety and encourage young drivers to drive safely, the traffic safety education website "TeensDriveSmart.com" provides a range of information and content for their parents and teachers.



Road safety education website "TeensDriveSmart.com"

Promoting tire inspections

Bridgestone Group companies in Europe are involved in activities calling on drivers to conduct regular tire inspections across the continent by holding complimentary tire checks in outdoor parking lots, orchestrating events to raise road safety awareness at locations such as stores and shopping malls, and promoting safe winter driving techniques in cooperation with local police departments and other organizations. By increasing awareness of tire safety, these companies are helping to reduce the number of traffic accidents throughout Europe.

Outline of the Bridgestone Group

Corporate profile

Company name: Bridgestone Corporation

Head Office: 10-1 Kyobashi 1-chome, Chuo-ku, Tokyo, 104-8340, Japan

Representative Director: Masaaki Tsuya
CEO and Representative Board Member

Paid-in capital: JPY 126,354 million
(as of December 31, 2011)

Sales (consolidated) : JPY 3,024.3 billion (FY 2011)

Sales (non-consolidated) : JPY 971.2 billion (FY 2011)

Employees (consolidated) : 143,124 (as of December 31, 2011)

Employees (non-consolidated) : 16,019 (as of December 31, 2011)

Summary of Bridgestone's manufacturing plants:
178 plants in 25 nations
(Bridgestone Group total as of April 1, 2012)

Major products and operations

Tires

Tires and tubes for passenger cars, trucks and buses, construction and mining vehicles, industrial machinery, agricultural machinery, aircraft, motorcycles and scooters and others; tire-related supplies; retreading materials and services; automotive maintenance and repair services; raw materials for tires and others



Diversified products

<Chemical and industrial products> Anti-vibration and noise-insulating materials, polyurethane foam products, electromaterials, industrial rubber products, building materials, belts, hoses and other products

<Sporting goods> Golf balls, golf clubs, golf wear, tennis goods and other sports-related products

<Bicycles> Bicycles, bicycle goods and related products

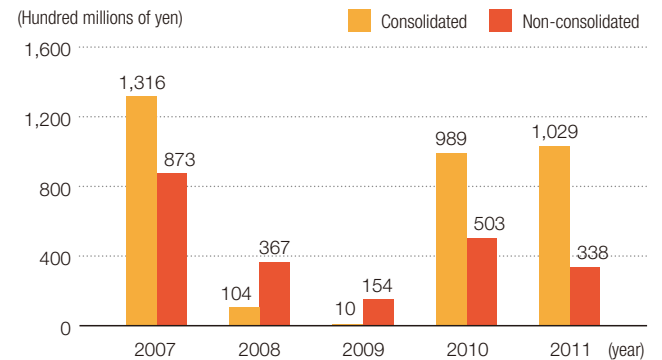


Financial summary

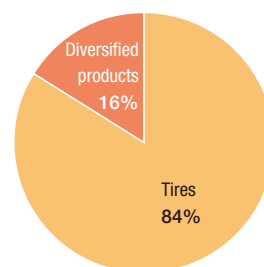
Net sales



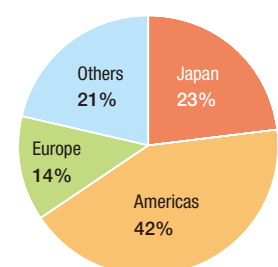
Net income



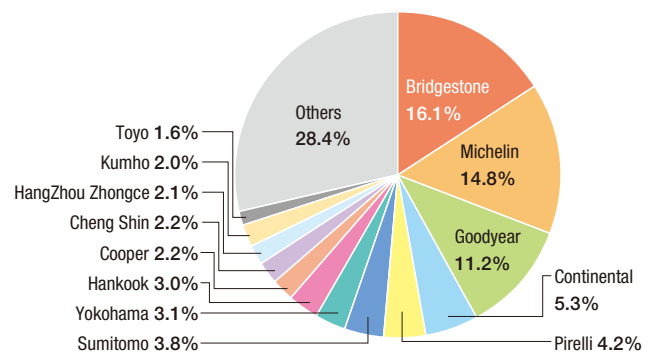
Consolidated sales by business segment (FY 2011)



Consolidated sales by geographical segment (FY 2011)



Global tire market share (based on consolidated sales figures for 2010)



Source: 2011 Global Tire Company Rankings (Tire Business)

Opinions from stakeholders and our responses

We have received extensive feedback concerning CSR Report 2011 from independent observers, questionnaires and our website. This section includes a representative sample of some of the questions we have received along with the Group's responses.

	Opinion or suggestion	Outline of the Group's response	See pages
CSR management	Bridgestone should compare the provisions of ISO26000, which was issued in 2010, with the Group's 22 CSR Focus Points to identify areas where additional action is needed.	We will check the level of the Bridgestone Group's CSR activities in 2010 in reference to ISO26000, prioritize areas where we believe additional action is needed, and work as a Group to address those areas in the future.	P8
Communication	I expect that clarifying the roles and responsibilities of SBU headquarters in building a communication network among Group companies will help transform the Bridgestone Group's CSR activities into a truly global program.	We are working to reassess and recalibrate the roles of Group companies and SBU headquarters within our regional public relations system, and to develop structures that will ensure each SBU headquarters is capable of providing information to Group companies.	P38
Development of products and services	I strongly encourage Bridgestone to bring the labelling-based tire grading system to Asia and other areas outside of Japan.	Similar systems are expected to be introduced in Europe and South Korea in 2012, and the Bridgestone Group will work actively to accommodate them so that we can provide useful information to help customers select tires.	P43
CSR procurement	It is necessary to establish CSR procurement objectives considering the rectification or prevention of CSR problems.	To help enhance the level of CSR activities undertaken by its business partners, Bridgestone is administering a CSR Self-Check Sheet and holding a CSR seminar for selected business partners based on the results. We also visit business partners whose check sheet results indicate a need to improve their environmental initiatives in order to offer assistance.	P45
Biodiversity	I would like to see the Group pursue specific initiatives to protect biodiversity in order to achieve its goal of existing in harmony with nature.	Bridgestone has conducted a survey of biodiversity in and around all 16 of its plants in Japan, providing an understanding of the potential level of biodiversity at each plant and identifying endangered and symbolic species requiring conservation.	P51
Diversity	While it can be difficult to establish a uniform series of objectives due to differences in local conditions in individual countries and regions, I would like to see the Group give shape to its objectives to the greatest extent possible.	In 2011, we used a CSR self-check to review the status of Group companies' initiatives. In 2012, we will review follow-up points and action plans of Group companies.	P56
Human rights	I would like to see Bridgestone, which is one of Japan's pioneering global companies, take action on human rights not just for its employees, but from a global perspective.	Our goal is to achieve 100% awareness of "Our Group's Stance of Human Rights" at Group companies worldwide by the end of 2012. In 2013 and beyond, we plan to begin an assessment of human rights risks in the regions in which we do business.	P57
CSR Report	If Bridgestone can clarify the respective roles of the paper and Web editions of its CSR Report and limit the number of pages in the paper edition, I think it will become even easier to read.	We continue to reexamine the role of different types of media, and we are working to use fewer resources by reducing the number of pages in the paper edition of the CSR report and treating it as a digest of the PDF edition, which will provide the same amount of information as last year. We will continue to offer more detailed information online.	P1

Independent evaluation statement

I would like to address the CSR Report from the three standpoints of the environment, society, and corporate citizenship.

First, in terms of the environment, I commend Bridgestone for establishing the three specific goals of “achieving 100% sustainable materials”, “contributing to the globally-agreed target (reducing CO₂ emissions by at least 50%)” and “existing in balance with nature.” Clear, shared goals serve to give direction to an organization’s initiatives. The use of 100% renewable resources in the effort to commercialize the Non-pneumatic (Airless) Concept Tire described in Feature 1 is an example of this fact. Additionally, Bridgestone’s effort to develop technologies related to the use of guayule as a new natural rubber resource should also stimulate a high level of reader interest. CSR gives rise to innovation, with benefits for both society and the companies who practice it.

Bridgestone’s approach to CSR is distinguished by the company’s classification of issues into 22 focus points and its use of the PDCA cycle for CSR activities. In the area of the environment, I would like, in particular, to see the company implement the procurement of sustainable materials as part of the measures it has planned for 2012 and beyond.

I would like to see more action taken to achieve “existing in balance with nature.” While the company has taken appropriate steps, for example by conducting a survey at all of its plants in Japan, the path to implementing its objectives is not entirely clear. A stakeholder has pointed out that there is room for a more ambitious approach in the company’s CO₂ emission reduction target, and I would like to see more action in that area as well.

In the area of society, Bridgestone has set the goal of achieving 100% awareness of its human rights policies at Group companies worldwide by the end of 2012, and the company’s initiatives in this area are fast becoming a global-scale effort. Bridgestone will begin to assess human rights risks in individual regions in 2013, and I urge the company to both disclose information about the risks as much as possible and to integrate those considerations

into its business operations. In particular, NGOs have pointed out some issues with the labor environment on rubber tree farms, and it is desirable that the company take a more proactive approach to disclosing information.

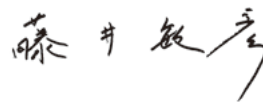
Concerning diversity, it is time for the company to establish reasonably specific objectives. In light of the issue’s great regional different, one way forward would be to establish region-specific objectives or to establish objectives only for those regions where progress is lagging.

Concerning corporate citizenship, I believe that BSID’s approach in India –that a plant cannot be healthy unless its surrounding community is healthy– as it works to offer health consultations for local residents is the most appropriate expression of the philosophy of coexisting with the local community that lies at the heart of Bridgestone’s corporate citizenship activities.

Initiatives in Indonesia, Venezuela, Thailand, and other countries all make valuable contributions in their regions.

In closing, I would like to address the dialog with stakeholders. I commend Bridgestone for working earnestly to address the issues that are pointed out in each year’s dialog, and for having an NGO participate in the dialog.

The company is also forward-looking in its pursuit of dialogs with stakeholders in the community. Going forward, I would suggest that Bridgestone also pursue dialogs with stakeholders outside of Japan. Such an initiative would surely help transform Bridgestone’s CSR activities into a truly global program.



Toshihiko Fujii
Visiting Professor, Saitama University Graduate
School of Economic Science
Consulting Fellow, Research Institute of Economy,
Trade and Industry



Back cover

The Bridgestone Group holds the Bridgestone Children’s Eco-Art Contest each year as a way to encourage the children who will be our future leaders to begin thinking about the environment. For the contest’s ninth year, we received 33,251 entries depicting the theme, “We and the living creatures.” The back cover of this report introduces five entries that received the Special Award.



Upper left: Haruko Yamashita, age 7
Upper right: Shuichiro Wakatsuki, age 8
Center: Akari Nishimura, age 12
Lower left: Tomoya Sakurai, age 9
Lower right: Chiaki Imai, age 9

The winning works of 9th Bridgestone Children's Eco-Art Contest



Bridgestone Corporation

CSR Department

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<http://www.bridgestone.com/>