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Environment

We, the Bridgestone Group, are committed to continually working toward a sustainable society with integrity and in unity with our employees, customers, partners, communities and the world around us.

We introduce our approach and activities of being in harmony with nature, which are important for promoting our Sustainability Business Model, and our responses to the Task Force on Climate-related Financial Disclosures (TCFD) and the Task Force on Nature-related Financial Disclosures (TNFD).

More information is available on the Company's website.

[Sustainability > Environment](#)

www.bridgestone.com/responsibilities/environment/index.html

In Harmony with Nature

In order to exist "in harmony with nature", the Group has continued to make comprehensive efforts to develop and utilize technologies that "value natural resources" while addressing the urgent matter of global warming through efforts to "reduce CO₂ emissions" based on the Environmental Mission Statement over many years. Becoming nature positive, the Group believes that a comprehensive approach and transformation that combines actions in various areas, such as efficient use of resources, sustainable production, and climate change countermeasures, as well as nature conservation are necessary. The Group will continue to evolve our Sustainability Business Model by incorporating the SBTs for Nature framework of "Avoid", "Reduce", "Restore and Regenerate" and "Transform".

The Group will strive to minimize the footprint of its business activities by reducing water withdrawal in water stress areas and reducing emissions to the air and water, while enhancing our contribution through conservation and restoration of ecosystems based on the long-term environmental vision of being "in balance with nature (Contribution > Footprint)" for 2050 and beyond, thereby contributing to realization of the vision of "living in harmony with nature" of the Convention on Biological Diversity.

In 2022, 148 initiatives¹ related to the environment were implemented in 19 countries, including 87 initiatives with external partners², with the involvement of 4,902 employee volunteers³, and reached 25,972 people⁴ in those communities.

Notes: 1. Counting of "initiatives" varies by country or region.

2. Counting of "partners" varies by country or region.

3. The number of volunteer is the total number, including estimates for some activities.

4. The number of people who directly benefited from the Group's activities, which varies by country and region

Example of Minimizing Footprint: Water Withdrawal Reduction Activities through In-house and Regional Cooperation

The Group recognizes that water is an essential resource for the continuation of its business, and that it has a responsibility to use water in a sustainable manner. Based on the [Water Stewardship Policy](#) established in 2020 for equitable and sustainable water use, the Group aims to develop and implement specific water stewardship plans by 2030 according to the environment in each local area, focusing on its manufacturing facilities located in water stress areas⁵. As of December 2022, 12 of the 17 sites included in the scope of the policy had completed development of water stewardship plans.

5. Manufacturing facilities that have water-related risks due to their locations, with a particular emphasis on the risk of deterioration of fresh water resources in terms of quantity and quality.

[Water Stewardship Policy](#)

www.bridgestone.com/responsibilities/environment/nature/footprint/pdf/water_stewardship_policy.pdf

» Contribution to Water Conservation

To highlight a specific achievement, the Buenos Aires plant (BSAR), located in a water stress area in Argentina, reduced water withdrawal per unit of production by 44% in 2022 when compared to a 2005 baseline.

In 2019 the plant started a partnership with cement manufacturer Loma Negra. In this collaboration, the water discarded from BSAR is reused as raw material in Loma Negra's cement production, resulting in a reduction in the overall amount of water withdrawal. Through this initiative, BSAR had supplied a cumulative total of 35,000 m³ of water by the end of 2022. BSAR is not only working on plant-related projects, but also on initiatives that contribute to water conservation in the Llavallol district of Buenos Aires. They will continue promoting projects to contribute to reducing water withdrawal in the region.

Example of Enhancing Contributions: Program for Promoting Biodiversity

The Group is working to implement ecosystem conservation and restoration activities at its manufacturing sites around the world to help ensure a healthy environment for current and future generations.

By contributing to the conservation and restoration of flora, fauna and their habitats, and by collaborating with various stakeholders, the Group is committed to preserving the environment for future generations, as stated in the "Ecology" value of the "Bridgestone E8 Commitment".

The Group operates approximately 130⁶ manufacturing sites and R&D facilities and conducts business in more than 150 countries. At its sites around the world, the Group aims to promote biodiversity conservation activities that are rooted in each local community. By doing so, the Group conveys the importance of biodiversity externally and internally, leading to further contributions. It also uses its wide-ranging internal network to share information on its biodiversity program and other activities.

6. As of September 22, 2022

» Tree Planting

Nestled in Saraburi Province, our colleagues from the Nong Khea branch of Thai Bridgestone Co., Ltd. (TBSC) took on an ambitious task to "greenify" their environment. Through comprehensive stakeholder engagement with the community, local government and even Bridgestone's customers, the team set out to achieve our collective aspiration to increase green space in and outside our TBSC Nong Khae plant, to create greater harmony with nature. The team collaborated with stakeholders to establish a program that engages school children and the community.

The program promotes activities for learning and caring about the environment, planting and the importance of biodiversity, waste reduction where possible, as well as for planting more trees of native to South East Asia. Since its inception back in 2013, the program has planted 5,400 trees



Planting trees

of native to South East Asia, covering 21,600 m², engaged 2,680 people in the community and 200 colleagues. These trees are estimated to sequester 349 tons of CO₂ over their lifespan (in total).

» The Woodlawn Wildlife Area

In the United States, the Woodlawn Wildlife Area is a habitat on a former landfill site in rural Cecil County, Maryland.

Bridgestone has been maintaining the site as a wildlife habitat since the early 2000s. The property features a mix of woodlands, grasslands and wetlands.

The team manages about 50 acres of forest dedicated solely to wildlife (there is no timber harvesting), in accordance with the Maryland Department of Natural Resources Forest Stewardship Program. Students and community volunteers are involved in invasive plant removal. A vernal pond was built in the forest to support amphibious creatures, and forest monitoring includes evaluating tree health. In 2001, a set of native grassland plants were planted to support the sustainability of grassland species. The grassland has maintained periodically by mowing, reassessing seeding needs and treating non-native invasive plants. Monitoring of the grassland includes tracking usage of nest boxes installed on-site for cavity-nesting birds.

The site is open to visitors and has a walking trail with information signage and benches. The trail helps to encourage observation and educates guests about the ecosystems and wildlife in the area.



Wildlife protection activities

Climate and Nature-related Risk Management and Responses to TCFD and TNFD

The Bridgestone Group supports the Task Force on Climate-related Financial Disclosures (TCFD). Furthermore, the Group began participating in the Task Force on Nature-related Financial Disclosures (TNFD) Forum in March 2022.

As the world becomes increasingly concerned about climate change and the loss of natural capital, there is a growing movement towards a decarbonized society, as exemplified by the Paris Agreement. Additionally, efforts to achieve a nature-positive world, as outlined in the Kunming-Montreal Global Biodiversity Framework, are gaining momentum.

In this context, the Group is working to comprehensively assess and manage its dependency and impact on the climate and natural capital, as well as the risks and

opportunities associated with climate change and the loss of natural capital, reflecting these in business strategy.

Status of Adoption of TCFD and TNFD Recommended Disclosures

The following index shows the Group's disclosures on recommendations of the Task Force on Climate-related Financial Disclosure (TCFD) and the Task Force on Nature-related Financial Disclosures (TNFD) β version v0.4.

Governance

Recommended Disclosures	Status of the Group's Response	
	TCFD	TNFD
Board of Directors' oversight of dependencies, impacts, risks and opportunities	<ul style="list-style-type: none"> The Board of Directors receive and review regular reports on the status of sustainability initiatives, including achieving carbon neutrality, contributing to a circular economy and progress toward being in harmony with nature. 	
Management's role in assessing and managing dependencies, impacts, risks and opportunities	<ul style="list-style-type: none"> The Global Executive Committee (Global EXCO), the highest level of corporate management, approves and manages the progress of mid- to long term strategies, targets and action plans, including achieving carbon neutrality, contributing to a circular economy and progress toward being in harmony with nature. 	

Strategy

Recommended Disclosures	Status of the Group's Response	
	TCFD	TNFD
Dependencies, impacts, risks and opportunities over the short-, medium-, and long-term	<p>Dependencies on climate and natural capital*</p> <ul style="list-style-type: none"> Dependency on nature's provision of water and biomass in the raw material procurement stage as well as climate and healthy soil maintenance and regulating services provided by ecosystems. Dependency on nature's provision of water in the tire production stage. <p>Impacts on climate and natural capital*</p> <ul style="list-style-type: none"> Impact of land use in the raw material procurement stage. Impact of water resource usage and waste generation in the tire production stage. Impact of greenhouse gas emissions, water resource usage, emissions to air, water and soil and waste generation throughout the value chain. <p>Physical risks and opportunities related to climate change and loss of natural capital</p> <ul style="list-style-type: none"> Risks of stronger typhoons and increased frequency of flooding and drought, which pose the risk of interrupting business activities. Risks related to the procurement of raw materials as a result of changing rainfall patterns leading to poor harvesting of natural rubber. Risk of lower demand for winter tires due to reduced snowfalls. Opportunities to commercialize natural rubber derived from guayule, which grows in arid regions. Risks due to poor harvesting of natural rubber derived from Para rubber trees, which are found predominantly in tropical regions. 	
Impact on businesses, strategy, and financial planning	<p>Risks and opportunities related to the transition to a decarbonized society and a society in harmony with nature</p> <ul style="list-style-type: none"> Risk of adverse effects on operating results and financial position, such as limitations on business activities and increased costs, if R&D expenses required to meet the rapidly changing needs of society and customers do not produce sufficient results when systems and regulations to combat climate change and loss of natural capital are introduced (for example, carbon taxes, CO₂ emission reduction obligations and emissions trading systems, and systems and regulations related to low-fuel consumption performance of tires, recycling used tires, water withdrawal and sustainable natural rubber, etc.). Opportunities associated with changes in competitive factors due to changes in mobility needs (for example, increased demand for tires for electric vehicles, increased demand for tires and solutions that help customers reduce CO₂ emissions). Opportunities to commercialize the recycling business resulting from increased regulation around the recycling of used tires. <p>* This refers to the main areas of dependency and impact throughout the value chain of the tire business that were evaluated as either "very high" or "high" in importance by the UN Environment Programme World Conservation Monitoring Centre (UNEP-WCMC) and industrial groups using ENCORE (Exploring Natural Capital Opportunities, Risks and Exposure).</p>	

Resilience of the organization's strategy, taking into consideration different scenarios	<ul style="list-style-type: none"> The Group assesses risks and opportunities based on multiple climate- and nature-related scenarios. It has already begun to address those important risks and opportunities identified and will continue to do so on a regular basis. 	
Locations applicable to direct operations, upstream and downstream <ul style="list-style-type: none"> Locations with high integrity ecosystems and/or areas of decline in integrity Areas where biodiversity is of high importance Water stress areas Areas where the organization is likely to have significant potential dependencies and/or impacts (TNFD recommended disclosure)	<ul style="list-style-type: none"> Expand CO₂ absorption and fixation through afforestation of degraded land 	<ul style="list-style-type: none"> The Group regularly evaluates production sites located in water stress areas with a risk of declining water resources in terms of quantity and quality. As of the end of 2022, nine sites in India, Indonesia, China and other countries were located in river basins assessed as having "extremely high water risk." A water stewardship plan has been formulated and is being implemented at all these sites based on the water situation is each location.

Management of Risks and Opportunities

Recommended Disclosures	Status of the Group's Response	
	TCFD	TNFD
Identification and assessment process of dependencies, impacts, risks and opportunities in direct operations and upstream and downstream value chain	<ul style="list-style-type: none"> The Group strives to comprehensively and appropriately identify and address risks and opportunities across its operation while considering the business scale and characteristics of each Group company. The Group identifies risks and opportunities associated with climate and natural capital by considering dependency and impact throughout the value chain based on evaluations from ENCORE by UNEP-WCMC and others and the Business & Biodiversity Interrelationship Map[®] released by Japan Business Initiative for Biodiversity (JBIB). 	
Management process	<ul style="list-style-type: none"> The Group is currently assessing ways to improve its management of business strategy risks and opportunities directly related to the execution of the Mid- to Long Term Business Strategy by setting up a dedicated annual risk management process under the direct leadership of the Global EXCO, while operational risks related to day-to-day operations are overseen by the Chief Risk Officer (CRO), who is responsible for overall risk management and formulating risk response plans. 	
Integration into the organization's overall risk management	<ul style="list-style-type: none"> Identifying potential risks faced by each region and the Group as a whole on an annual basis; clarifying ownership for those risks not only for the Group as a whole, but also for each business, SBU and division; and implementing risk management in an autonomous and continuous manner. 	
Engagement with affected stakeholders in assessment and management (TNFD recommended disclosure)	<ul style="list-style-type: none"> The Group collaborates with the World Wildlife Fund (WWF) to strengthen sustainable natural rubber production and help build the capacity of smallholder farmers. On-site ESG audits are conducted for suppliers, including smallholders, using a self-assessment questionnaire developed in conjunction with WWF, and risks are evaluated. 	

Metrics and Targets

Recommended Disclosures	Status of the Group's Response	
	TCFD	TNFD
Metrics used in the assessment and management of risks and opportunities	<ul style="list-style-type: none"> The Group sets water withdrawal in water stress areas, environmental footprint (amount of hazardous/non-hazardous waste and landfill, VOC emissions, SOx/NOx emissions) as metrics in the assessment and management of nature-related risks, opportunities and impacts and regularly monitors status). 	
Metrics used in the assessment and management of dependencies and impacts	<ul style="list-style-type: none"> Establishing targets and regularly monitoring CO₂ emissions (CO₂ emissions reduction in Scope 1, 2, and 3, and the reduction contribution of CO₂ emissions throughout the lifecycle and value chain of the Group's products and services) as one of the metrics for assessing and managing climate-related risks and opportunities. The Group evaluates the cost of CO₂ emission (\$100/tCO₂) and the effect of reductions based on internal carbon pricing in order to assess the risks and opportunities associated with an investment. 	
Targets and performance in metrics used in the management of dependencies, impacts, risks and opportunities	<ul style="list-style-type: none"> Setting long term environmental vision (2050 and beyond) and mid term target (2030) to achieve carbon neutrality, contribute to a circular economy and achieve being in harmony with nature; evaluating and disclosing performance every year. 	

Social

While proactively responding to the expectations of society and stakeholders, we are promoting various initiatives with the aim of creating a society that is safe, secure, and ensures accessibility and dignity for all.

We introduce the activities of our employees and partners who are working to create value along with their voices.

More information is available on the Company's website.

[Sustainability > Social](#)

www.bridgestone.com/responsibilities/social/index.html

Safety, Industrial Hygiene

Our Safety Mission Statement is "Safety First, Always." At Bridgestone, the Group makes safety a business value and believes that creating a safe working place for all is everyone's responsibility. The Group promotes safety activities throughout the value chain.

The Bridgestone Safety Mission Statement applies equally to employees, contractors and visitors to our facilities. In all workplaces Bridgestone Group operates around the world, the Safety Mission Statement is prominently displayed for all to see. Together with the display, the Group maintains programs to ensure all employees embody the Safety Mission Statement.



This mission serves as a blueprint for protecting the health and safety of the Group's employees and contractors. These standards must continue to evolve as the Group continuously learns from experience, while ergonomic risks increase with the aging of populations, as regulations change, as machinery and equipment ages and as new technologies are progressively introduced at our sites. The Group is also proactively promoting the highest levels of safety culture within the new businesses it develops or acquires.



Andrea Colussi
Director
Environment,
Health & Safety
Bridgestone EMIA

The Fundamental Area Safety Group, is aimed at guiding the Bridgestone corporation toward "Perfect Safety" across all business domains as one of Bridgestone's commitments to develop a sustainable business, protecting the safety of our teammates while contributing to reinforce the safety culture of all stakeholders. As the world is changing and the business is evolving, we must assess and mitigate health and safety risks while building the stronger culture that crystalizes our foundation principles in spite of any adversity.

To the purpose of establishing strong foundations, we are striving to deploy the global management system and reinforce the capabilities of employees to drive safe behaviors while leveraging new technologies, promoting digital transition and facilitating an effective and efficient PDCA cycle.

Our Safety Mission Statement and the "Bridgestone E8 Commitment" are guide us and inspire all employees to play an active role in building the strong safety culture that supports all of us in achieving a sustainable future.

» Training Instructors Familiar with "Bridgestone Safety Fundamental Activities"

The Group implements "Bridgestone safety fundamental activities" at all the work sites. These activities stipulate basic safety practices: the 3S (seiri, seiton and seiso meaning select and remove, sort, and keep clean); KY (kiken yochi meaning preempting hazards); RA (risk assessment); and Safety Rules (including compliance with standards). All these basic safety practices are conducted uniformly at all work sites and by all employees as ongoing initiatives.

In 2022, all approx.140,000 of Bridgestone Group employees received additional safety training and 83 instructors were trained to promote the safety fundamental activities. Not only sharing "safety activity standards", which defines specific actions to take to proceed with the implementation, but also assigning instructors who have thorough knowledge of "Bridgestone's safety fundamental activities" to each work site to develop and execute uniform safety activities at all the work sites.

The Group also conducts level-based safety education for managers and supervisors at each work site.

» 2022 KPIs Monitoring of Safety and Industrial Hygiene

To track progress toward the "Perfect safety workplace" outlined in the Safety Mission Statement, the Group annually evaluates its safety performance and monitors global best practices. The overall goal is to achieve the best results in the industry. Since 2022, the Group has established four KPIs and monitors the results annually as follows.

1. Lost-time injuries frequency rate (LTIFR)¹, Serious injury rate (SIR)², Occupational illness frequency rate (OIFR)³

2023 Targets	LTIFR	SIR	OIFR
Employees and temporary staff	2.6 (2.74)	0.05 (0.08)	0.33 (0.68)
Contractors	1.7 (0.62)	0.15 (0.06)	—

(): As of the end of 2022

The Group's safety-related data in bold is verified by SOCOTEC Certification Japan, a third-party organization, to ensure the accuracy and transparency of this data.

2. The risk-assessment implementation rate

The Group conducts risk assessments to ensure the overall safety of new operations, projects and equipment, and sets targets for equipment safety. The risk-assessment implementation rate, a KPI introduced in 2019, measures completion of each year's evaluation plan. The Group's target is 100%, and the 2022 result was 97%*⁴ (as of December 31, 2022).

- Notes: 1. LTIFR = (Number of lost-time injuries ÷ Total working hours) x 1,000,000
 2. SIR = (Number of serious injuries ÷ Total working hours) x 1,000,000
 3. OIFR = (Number of occupational illness/total working hours) x 1,000,000
 4. A total of 5,560 pieces of equipment were targeted for the risk evaluation/5,420 pieces of equipment were assessed.

3. Safety maturity assessment implementation rate

The Group conducted safety maturity assessments to identify common global issues, confirm the effectiveness of the PDCA cycle on safety activities and make sure continuous improvement activities are being implemented. Assessments started at production sites from 2022 with the goal of completing assessments at all production sites by 2024.

The Group is also preparing for implementation at non-production facilities such as logistics sites and retail shops.

4. Creation of global safety standards

The 39 standards that were targeted for implementation have been released for introduction. The Group is monitoring the status of global standard deployment.

The Group has also established a global safety management system in conformance with ISO 45001 and national standards/regulations and other established global standards. As of March 2023, 50 manufacturing plants have obtained ISO 45001 certification (46% of a total 110 plants).

» Initiatives for Continuous Improvement

To further advance its safety culture, in August 2021 the Group began focusing on uniform implementation of safety measures for 12 specific machines/equipment. In 2022, safety requirements for equipment were added for smarter factories, as accelerate our transformation in manufacturing toward becoming a sustainable solutions company by applying global standards to machinery and equipment and actively introducing new technologies that incorporate digital, sensing, and AI control.

In addition, the assessment results like safety maturity assessment will yield strengths that can be best leveraged globally, and points needing improvement that can be addressed to continue to enhance safety culture.

Finally, safety training is offered locally at every Bridgestone location based on its legal requirements and the Group's own standards to raise safety awareness and cultivate knowledge to create a safe workplace.

Human Rights and Labor Practices

The Group will foster an inclusive culture in which all Bridgestone entities and locations adopt and apply ethical labor practices, build trust with employees, and fulfill our responsibility to respect diversity and human rights. As part of its dedication to being a true global leader in all that it does, the Group is committed to respecting human rights and advancing responsible labor practices throughout its worldwide operations.

This commitment is the right thing to do and consistent with the Group's vision of providing social and customer value as a sustainable solutions company. It is also fundamental to fulfilling the "Bridgestone E8 Commitment" (one of the values of which is "Empowerment"), by contributing to a society that ensures accessibility and dignity for all. To achieve this aim, the Group is committed to working collaboratively with stakeholders, including affected and potentially affected groups, to address and remedy adverse impacts from its operations, products or services.

The Global Human Rights Policy is endorsed by the Global Executive Committee (Global EXCO) and signed by the Global CEO as it demonstrates the Group's universal and consistent commitment to respecting the internationally recognized human rights principles laid out in the aforementioned international standards.

This mission is important to the Group as stakeholders and society increasingly hold businesses, and especially large global organizations, accountable for their specific human rights commitments and actions. The Group proactively incorporates human rights initiatives into its business models and across its value chains, priorities, management policies, and business strategies. With these actions, the Group is creating social and customer value and building trust with stakeholders.

[Global Human Rights Policy](#)

www.bridgestone.com/responsibilities/social/human_rights/pdf/global_human_rights_policy.pdf



The Group's [Global Human Rights Policy](#) guides the organization as it commits to respect and support the UN Guiding Principles for Business and Human Rights (UNGPs) as well as the human rights set out in the International Bill of Human Rights (IBHR) and the International Labor Organization's Declaration on Fundamental Principles and Rights at Work through interactions with employees, consumers, customers, suppliers, contractors and community members wherever it conducts business.



Jason Fisher
Chief Human Resources Officer
Bridgestone Americas, Inc.

The Human Rights & Labor Practices Working Group is an exceptionally dedicated and collaborative global team of internal professionals with significant experience in human rights, labor relations, compensation and benefits, and human resources compliance, supplemented by external experts from partner organizations. Our human rights and labor practices processes also engage local employees and leaders through "genba" with on-site and virtual assessments, facilitating a balanced "glocal" approach for advancing human rights and responsible labor practices that we believe is most effective for delivering on our commitments to our employees and other stakeholders. It is a true honor to work with this team to help ensure a safe, supportive, and inclusive workplace in all Bridgestone locations and to move Bridgestone forward on its sustainability journey.

2022 Risk Assessment

In 2022, the Group conducted the following two types of human rights risk assessment in cooperation with a third-party expert, Business for Social Responsibility™ (BSR), a leading global organization on sustainability.

» A Deep-dive Investigation into the Salient Issues Identified at the Prioritized Locations Based on the 2021 Evaluation Results

In the process of strengthening its human rights due diligence system, the Group identified salient human rights risks across its global operations through two different risk evaluations conducted by independent third-party organizations in 2021. These evaluations incorporated external industry and geographic human-rights risk data, along with the Group's management systems, policies and practices, to give a holistic picture of key industrial, geographical, and operational risks to which its business should pay particular attention based on the location and nature of operations conducted at its facilities.

Based on the results of these two external evaluations, the Group has identified salient human rights risks: working hours, nondiscrimination and equal opportunity, workplace harassment, forced labor, child labor, and occupational health and safety. These are the human rights domains that the Group believes, based on a combination of geographical, regulatory, industrial and operational factors, require the highest priority across its operations and are the primary focus of the human rights due diligence process at its own operational sites. In addition, the results of these evaluations led the Group to prioritize locations and develop data-driven plans for human rights risk assessments in its operational sites, which were completed in 2022.

» A Human Rights Risk Assessment Survey (HRRAS), Covering Its Own Operations across the Globe

The Group's goals established for 2022 were to conduct Human Rights Risk Assessment Surveys (HRRAS) for 80% of the Group's operational sites by the end of 2022 and, based on the outcome of the assessments, ensure mitigation plans are in place for 100% of any identified risks by 2023.

The Group surpassed its 2022 goal by conducting HRRAS covering 100% of its operational sites, and there were no material risks identified from this process.

From the two types of human rights risk assessment which were Risk Assessment Survey and In-depth Risk Assessment, the Group was able to 1) verify that there were no human rights violations at the three representative sites

assessed in-depth, 2) confirm there were no incidents of child labor or forced labor among its own operations, and 3) identify key areas to improve and reinforce in its management system to minimize human rights risks across its operations.

The assessment process also significantly strengthened the global human rights management system and enabled the Group to foster significant stakeholder engagement on the topic of human rights, including developing partnerships with external third-party partners (BSR), facilitating strategic conversations and actions among the Group's global teams, and directly engaging with frontline employees to include the voice of local employees in the due diligence process. Based on the progress and improvements of its human rights due diligence processes, the Group received recognition with significantly enhanced evaluations by external indices. Based on the results of the 2022 assessments and the existing global network for its human rights due diligence process, the Group will establish and implement mitigation measures targeting its own operations in 2023.



Assessment in Liberia

Human Rights and Labor Practices

» 2023 Plan

In 2023, the Group will further improve and reinforce the human rights risk management system, while at the same time continuing to assess and monitor human rights risks through its human rights due diligence process.

Based on the 2022 assessment results, the Group will plan and implement mitigation measures across its own global operations to further minimize human rights risk and impacts in its operations. As the 2022 assessments did not identify any human rights violations, the Group will focus on the areas for improvement to further strengthen its prevention measures for the most broadly assessed human rights risk domains (child labor and forced labor) in 2023. Specifically, the Group developed an Implementation Guideline for the Global Human Rights Policy to ensure its Global Human Rights Policy commitments, stance, and standards include specific and actionable steps the Group's operations can implement in day-to-day activities to achieve its goals.

The Guideline (version 1.0) was developed and will be distributed covering 100% of its operational sites in 2023. It will focus on prevention of child labor and forced labor, and will evolve in tandem with the Group's human rights due diligence processes and advancement of the internationally recognized human rights principles.

In addition, as part of the Group's continued implementation of human rights due diligence processes,

the Group will conduct further in-depth human rights risk assessments at representative sites and launch an expanded Human Rights Risk Assessment Survey (HRRAS) across its global operational sites in 2023.

As described above, the Group will take a multi-point and step-by-step approach to enhance the human rights risk management level, striving to meet international human rights standards while simultaneously taking a data-driven and risk-based approach to identify and address its priorities based on the global landscape and the nature of its operations.



DE&I

Since its founding in 1931, the Group has a history of valuing diverse talent and perspectives and has continued to expand the diversity of its global workforce and operations through extension into new markets and acquisitions such as the Firestone Tire & Rubber Company (based in the U.S.) in 1988. The Group believes that diversity will become increasingly important as the Group grows toward its vision: "Toward 2050, Bridgestone continues to provide social value and customer value as a sustainable solutions company." Setting the "Bridgestone E8 Commitment" as the focus and vector of our corporate activities and inheriting Bridgestone's DNA, the Group accelerates developing various opportunities for diverse talents to shine.

The Group's [Global Human Rights Policy](#) also includes respect for DE&I as a key element. Addition of the term "equity" to the revised policy highlights the Group's approach of providing equitable opportunities for all people to reach their full potential, based on respect for diversity, teamwork, and respect.

» Fusion of Corporate Cultures

In 2019, the Group acquired Webfleet Solutions (formerly TomTom Telematics), a leading digital fleet solutions provider in Europe, and the Group is working to increase its competitiveness in the fleet solutions business. While sharing the Bridgestone DNA, the Group will incorporate the culture and diverse values of acquired companies, tying them into value creation.

Introducing a FemTech Program

Bridgestone recognizes that there is a gap in the ratio of female employees and female managers* in Japan compared to its overseas locations. Therefore, the Company is focusing its efforts on stronger recruitment of female employees and retaining and empowering them by their work-life balance. Furthermore, the Company is focusing on appointing more female managers.

Mutual understanding is especially important for the various health issues women face at different life stages, which have in some circumstances inhibited their performance and career development. In order to ensure not only female



Thierry Jakircevic

Director of Digital Solution Platform
Planning & Development Div.
at Bridgestone Corporation

The collaboration with our new teammates at Webfleet Solutions (WFS) occurred almost immediately after the acquisition as we were able to quickly identify and begin collaboration on a number of exciting projects. This pragmatic has allowed us to learn and understand the management practices, and working norms at both companies, rapidly building alignment and cultural cohesion.

Teammates across many different geographies and cultures have been actively working as one team since then.

This culture merge has also been a unique opportunity to mature and industrialize our digital operating model, learning from the many years of experience of WFS at delivering digital solutions and value to customers at scale. This combination of diverse talents and expertise boosts our present and future ability to generate greater insights for our core tire business and solutions business.

employees but all employees correctly understand and learn the facts about these circumstances, the Company introduced a FemTech program to address women-specific health issues using technology on a trial basis in the Kodaira area of Tokyo from 2022. This program includes seminars for all employees to understand women-specific health issues, and efforts to harness technology to solve these issues. It has been rolled out to the entire Company in 2023. Through these efforts, the Company will continue to develop facilitative and empowering work environments.

* Female managers at the Company refers to line managers (at executive and management levels), specialists and coordinators.

DE&I

» International Women's Day (IWD)

Bridgestone Asia Pacific (BSCAP) has been commemorating International Women's Day (IWD) since 2019 and advocating it annually through a more structured and consistent approach across the 10 countries of BSCAP. It has launched its guidelines for Group companies to promote the celebration of women's empowerment and achievements and to showcase its on-going commitment to women's equality. BSCAP's annual participation in IWD, which is supported globally by industry, governments, educational institutions, and community groups to recognize the social, economic, cultural and political achievements of women, is part of the mission to raise awareness on women's challenges and to help forge a gender-equal world.

In Bridgestone where our Code of Conduct underpins the value of diversity, the Group is guided by our commitment to building an inclusive culture where everyone is entitled to equal opportunity regardless of background and where the Group comes from. Each BSCAP employee can make a difference within our sphere of influence by taking concrete action to be more inclusive in their work.

HR & Sustainability | 2022 INTERNATIONAL WOMEN'S DAY



IWD promotional poster featuring BSCAP employees.

» Nashville Pride Festival

Bridgestone Americas, Inc. (BSAM) will serve as the presenting sponsor of the annual Nashville Pride Festival for over ten years. The Nashville Pride Festival is Tennessee's largest LGBTQIA+ festival and works to increase awareness for the equal rights for lesbian, gay, bisexual and transgender people and families. The annual celebration brings together thousands of individuals from diverse backgrounds and sheds light on the history, culture and lives of the LGBTQIA+ community.

Recently, BSAM launched its expanded DE&I Center of Excellence (COE) and its "Free to Be" initiative that emphasizes the strength in diversity and encourages teammates to bring their whole selves to work. The expansion is part of Bridgestone's transformation into a

sustainable solutions company and aligns with the "Bridgestone E8 Commitment", an effort that focuses on Bridgestone's greatest challenges and opportunities relating to equity and inclusion, sustainable mobility, environmental preservation and more.



Ebonee Davis Ifeobu

Vice President of DE&I at
Bridgestone Americas, Inc.

At Bridgestone, we are committed to cultivating an inclusive culture that is as diverse as the world we serve. Nashville's Pride Festival seamlessly aligns with Bridgestone's mission to embrace individuality and inspire people to be their truest selves, inside and outside company walls. We are excited to once again be a part of this uplifting movement that promotes diversity within our community, further strengthening the vibrant city we work and live in.



» Multi-nationalization and Providing Equal Career Opportunities

Bridgestone Europe, Russia, Middle East, India and Africa (BSEMI) has achieved a high level of cultural diversity. This is the result of decisions made by management over the last eight years to build an international business run by local experts, regardless of their nationality or cultural background. As a result, nearly all nationalities from the region are represented in BSEMI's headquarters and across its many geographies.

Workstreams in the area of awareness and communication, talent acquisition, talent management, training and development and benefits have furthermore strengthened BSEMI's DE&I efforts and have led to increased visibility and career opportunities for underrepresented groups.

In Harmony with Communities

As a global organization with operations in more than 150 countries, the Bridgestone Group is uniquely positioned to co-create long-term social and customer value in communities around the world. It does so by working collaboratively with various stakeholders such as partners, customers and employees to develop sustainable community solutions that positively impact a wide variety of cultures and address the unique challenges they face. In addition to these long-term efforts, when urgent support is essential — for example, in times of disaster — the Group steps up to immediately support communities in need.

Supporting communities is part of the [Sustainability Framework](#)*  that the Group uses to build the trust that propagates value co-creation. Through [these social contribution activities](#)  in accordance with their purpose and community needs, the Group is committed to creating and

expanding the eight Bridgestone-like values starting with the letter “E” in the “Bridgestone E8 Commitment” including “Empowerment: Contributing to a society that ensures accessibility and dignity for all.” The Group builds safer, healthier communities and makes education more accessible and inclusive for current and future generations. In addition, a working group that engages in social contribution activities within the Group issued the Global Social Contribution Activity Guidelines in 2022 to expand the positive impact of Bridgestone’s social action programs.

* In order to evolve into a sustainable solutions company, the Group has systematized the Group’s approach to sustainability

 [Sustainability Framework](#)

www.bridgestone.com/responsibilities/approach/framework/

 [Social contribution activities](#)

www.bridgestone.com/responsibilities/social/community/index.html

• 2022 Highlights: Social Contribution

	Number of countries 40		Total number of initiatives 1,009 Number of initiatives with external partners 664		Number of participants ▪ Employee volunteers 17,282 ▪ Community beneficiaries 272,577
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» Activities Related to Road Safety

More than 1.35 million people die in traffic-related accidents each year, thus road safety is widely recognized as a common issue globally.¹ Given its foundation as a tire company, the Group understands that road safety is an integral part of the design of mobility systems and the resilience of communities. Since proper tire maintenance is important for safer transportation, the Group conducts safety awareness activities such as tire-safety inspections for customers as well as other community-oriented activities as part of its commitment to “Ease: Committed to bringing comfort and peace of mind to mobility life” (another value of the Bridgestone E8 Commitment). Also, to promote “Empowerment,” the Group is educating the next generation on road safety and its importance in improving quality of life in local communities.

The Group is also enhancing traffic safety education for employees to raise safety awareness throughout the value chain, thereby contributing to traffic safety not only through its products and services, but also through its daily work.

The Group’s Global Road Safety Task Force has developed a global framework by transforming our current local initiatives into one global synergistic program (the Bridgestone Road Safety Program: BSRP) in cooperation with the Global Road Safety Partnership (GSRP), an international NPO that promotes traffic safety activities by connecting companies, development/

government agencies, civil society organizations, etc., which will start on a trial basis in 2023. For executing the BRSP, the Group, in collaboration with GRSP, developed the playbook as an internal global guide and shared it with our global employees. In 2022, 47 initiatives² related to road safety were implemented in 17 countries, including 38 initiatives with external partners³, involvement by 1,036 employee volunteers⁴, and reached 96,169 people⁵ from the community.


Notes: 1. Source: WHO “Global Status Report on Road Safety 2018”

2. Counting of “initiatives” varies by country or region.

3. Counting of “partners” varies by country or region.

4. The number of volunteer is the total number, including estimates for some activities.

5. The number of people who directly benefited from the Group’s activities, which varies by country and region and only includes those activities for which the Group has confirmed the status.



Dave Cliff
ONZM MStJ.
CEO, Global Road Safety Partnership (GRSP)*

The UN declaration (“Decade of Action for Road Safety 2021-2030”) of 2022 calls upon leaders in the private

In Harmony with Communities

sector to contribute to further collaboration to improve global road safety. The declaration specifically highlighted those areas where the private sector can make substantial contributions such as in the areas of safe vehicle purchase, driver and fleet safety, financing and by applying 'Safe System' principles to their value chains. Sustainable Development Goal (SDG) Target 3.6, which calls for halving the number of deaths and injuries from road traffic accidents by the end of 2030, will require concerted effort across all areas. Bridgestone, a recognized road safety advocate and protagonist since it was established, has embraced the UN declaration, which has heightened the Company's road safety commitment.

The founding principles of GRSP were built upon a model of partnership. This involves bringing the unique voices of the private sector, civil society and government together to develop and apply evidence-based road safety policy and practice. Since 2020, GRSP has been working shoulder-to-shoulder with Bridgestone under this partnership model to demonstrate leadership in both road safety thinking, and action.

As this partnership continues to grow, we look forward to supporting Bridgestone's road safety passion and innovation. To continue to improve, we will need to evolve and inspire through the application of impactful and sustainable programs and policies. Leveraging the passion of its people, and by applying a road safety focus across its full value chain, Bridgestone has an enormous opportunity to influence road safety positively everywhere it operates and beyond.

* GRSP – hosted by the International Federation of Red Cross and Red Crescent Societies (IFRC)

Think Before You Drive, a safe-driving awareness program launched by Bridgestone Americas, Inc. (BSAM) in 2005, aims to instill in drivers the importance of traffic safety through educational programs and materials. BSAM has been partnering with universities and government agencies to implement this program for kids, students, and drivers to reduce traffic accidents and dangerous driving. Since 2015, these materials have reached more than 72,000 people in Mexico, Costa Rica, Colombia and Ecuador.


Think Before You Drive – Kids is geared to children 6 and 12 years old with the aim of educating them through road safety tips and inspiring an awareness of the behavior required to travel safely on the roads. In 2022, the program reached out to four schools and engaged with more than 1,500 students.

Partnered with RYDA which is an initiative that provides traffic safety education, the Group hosted road safety workshops for young drivers in schools in Australia and New Zealand. In 2022, the program provided learning

opportunities to more than 41,250 students. It promoted good habits and motivated the students to take responsible action as drivers and passengers to stay safe on roads.



Traffic safety education



Terry Birss
 CEO & Managing Director
 Road Safety Education Limited -
 provider of the RYDA program

We all have a role to play in road safety in working toward the common goal of saving lives and reducing injuries on our roads. RYDA has reached more than 700,000 students since its inception 21 years ago with the aim of empowering and educating the next generation of road users. Bridgestone's ongoing support helps us sustain the delivery of our life-saving messages to schools who increasingly rely on RYDA and we're thrilled to have a partner in Bridgestone that places the same significance on road safety education as we do, not only in Australia & New Zealand, but on a global level.

» **Activities Related to Education**

Believing that education is essential for improving people's quality of life and developing their professional skills, the Group supports inclusive and accessible education in the local communities in which it operates. With a particular emphasis on primary education and technical and vocational training, the Group applies its strengths in tire manufacturing and sales to offer a variety of training programs that foster the next generation of automotive maintenance professionals.

In 2022, 182 initiatives¹ related to education were implemented in 22 countries, including 163 initiatives with external partners², with the involvement of 18,484 employee volunteers³, and reached 52,351 people⁴ from the community.

In Japan, Bridgestone Corporation offers the Environment Hands-On Learning Program, where students can learn the difficulties and importance of balancing business and the environment through environmental initiatives in production.

It also runs the Global Communication Skill Program, where its employees share their experiences on the difficulties and importance of communication with people from different backgrounds, cultures and customs. In 2022, the Environment Hands-On Learning Program was conducted 27 times and the Global Communication Skill Program was held 10 times. A total of 3,261 students from elementary and junior high schools all over the nation participated in these events.

BSAM is addressing the nationwide shortage of automotive technicians in the United States by providing training on the next generation of automotive maintenance technology.

In 2022, more than 150 students across BSAM participated in the program. For example, more than 48 graduates from Maplewood High School in Nashville, Tennessee have found employment in the automotive industry, and more than 50% of program participants of the East Community Learning Center in Akrom, Ohio earned Automotive Service Excellence certifications before graduation.



Automobile maintenance technology education

» Activities Related to Health

The World Health Organization (WHO), based on an analysis of causes of death by income level, notes that it is important to address health improvement according to the needs of each country and region.

The Group improves the sustainability of communities by contributing to efforts to improve local health conditions and to create a culture of healthier lifestyles. In 2022, 238 initiatives¹ related to health were implemented in 24 countries, which includes 201 initiatives with external partners², with the participation of 1,311 employee volunteers³, and reached 86,885 people⁴ from the community.



Health promotion charity event

Bridgestone Europe, Middle East, India and Africa (BSEMEA) promoted healthy living among its employees by regularly disseminating information on exercise through the digital platform B-Olympic. Employees jointly engaged in walking, running and cycling, achieving a distance of 2.0 million kilometers in 2022 and donating approximately 135,000 EUR, an amount corresponding to the total distance employees traveled, to 15 local cancer charities.

» Activities Related to Disaster Prevention and Relief

The Group views the support of regional communities affected by natural disasters to be part of its social mission.

The Group will continue to provide a variety of reconstruction assistance based on disaster conditions and needs in the stricken areas. The Group sincerely hopes for a swift recovery of the people and areas affected by disaster.

In 2022, 36 initiatives¹ related to disaster prevention and relief were implemented in 17 countries, including 19 initiatives with the participations of external partners², with 302 employee volunteers³, and reached 827 people in the community⁴.

The Bridgestone Tire Indonesia (BSIN) water rescue team and their training are vital in the Karawang and Bekasi areas due to the high frequency of flooding disasters. Around 15 school units, 14 health centers and 1,699 housing units were damaged following a 6.6 magnitude earthquake that struck the Pandeglang Regency in Indonesia on January 14, 2022.

Flooding that followed heavy rainfall in March further exacerbated the recovery efforts in the area and many households were impacted. BSIN activated the Search and Rescue Team, and together with the General Affairs and CSR team, aided the local community, providing 100 basic food packages, two boats, two outboard engines, safety jackets, 60 sign boards that inform evacuation routes & assembly points to the Regional Disaster Management Agency (BPBD). Food donations were extended to victims who had not yet received assistance from the government or other parties.

Notes: 1. Counting of "initiatives" varies by country or region.

2. Counting of "partners" varies by country or region.

3. The number of volunteer is the total number, including estimates for some activities.

4. The number of people who directly benefited from the Group's activities, which varies by country and region and only include those activities for which the Group has confirmed status.



Water rescue team

Procurement

Our mission is to create social value through sustainable procurement activities. The Bridgestone Group is committed to creating value and continually working toward a sustainable society to realize long-term environmental, social and economic benefits by incorporating the following into the entire supply chain:

1. Transparency
2. Compliance
3. Quality, cost, delivery (QCD) and innovation
4. Sustainable procurement practices

The Group's sustainable procurement initiatives create long-term environmental, social and economic benefits for stakeholders across its supply chain. This work is grounded in its [Global Sustainable Procurement Policy](#) and aligns with the Group's goal of using 100% sustainable materials¹ by 2050 and beyond. The policy helps identify and evaluate qualified suppliers, promote best practices and serve as a communication and improvement tool for the industry. The Group's sustainable procurement mission is important as customers and consumers are ever more interested in the natural rubber supply chain, including issues related to human rights and environmental practices of the rubber the Group sources.



Andy Thompson

Director, Sustainability Policy
Bridgestone Americas, Inc.
Executive committee member
of GPSNR

Bridgestone is at the forefront of tackling complex sustainability challenges. For example, with over 6 million smallholder farmers cultivating rubber across multiple continents, ensuring a productive and sustainable natural rubber supply is a complex endeavor. That's why Bridgestone is committed to playing a leadership role in the Global Platform for Sustainable Natural Rubber, where the expertise and resources from across the value chain and civil society help to transform the natural rubber supply chain into a sustainable, equitable and fair one. At Bridgestone, we believe a sustainable natural rubber supply chain is good for society and good for business.

100% of Tier 1² suppliers will have acknowledged the revised Global Sustainable Procurement Policy by the end of 2023. (As of March 31, 2023, 87% of Tier 1 tire material suppliers had done so.)

Notes: 1. The Group defines sustainable materials as materials "1) that come from resources with a continual supply, 2) that can be used as part of our business over the long-term, and 3) that have a low environmental and social impact over the lifecycle from procurement to disposal." For details on sustainable materials, see "[Long-term environmental vision \(2050 and beyond\): Towards 100% sustainable materials.](#)"
2. Suppliers that supply materials directly to the Group.

» ESG Due Diligence Activities

As a leading company in the tire and rubber industry, the Group is focused on continually meeting the increasing sustainability requirements for natural rubber, while also addressing the environmental and social risks arising from this expansion. Therefore, the Group has started to enhance its ESG due diligence for the natural rubber supply chain, for which risk management is seen as most critical by external stakeholders. In order to identify and assess ESG risks in its natural rubber supply chain, the Group has utilized assessments by [Verisk Maplecroft](#) and [EcoVadis](#). 95% or more of the Group's spend-basis Tier 1 tire material suppliers will have completed an EcoVadis enhanced ESG risk assessment by the end of 2023. (As of March 31, 2023, 97% had done so.) All of natural rubber Tier 1 suppliers will have completed an EcoVadis enhanced ESG risk assessment by the end of 2023. (As of March 31, 2023, 94% had done so.)

In addition, the Group has prioritized targeted suppliers based on Verisk Maplecroft and EcoVadis scores and conducted on-site ESG audits of those suppliers using a self-assessment questionnaire developed in collaboration with [WWF Japan](#). This has enabled us to assess sustainability risks against the [Global Platform for Sustainable Natural Rubber's \(GPSNR's\) Policy Framework](#), which covers issues including child labor, forced labor and deforestation risks, among other industry specific risks.

The Group will conduct on-site ESG audits of 33 natural rubber processing facilities in 2023.

Although no specific risks were identified in the most recent audit, including risks related to human rights violation and deforestation, if a risk is identified by the audits the Group will continuously support and develop a plan to prevent/mitigate the risk together with suppliers to reduce risks throughout its natural rubber supply chain.

» Enhancing Traceability of Natural Rubber Supply Chain

To further manage risks and contribute to the sustainability of natural rubber, the Group will strengthen its efforts to enhance traceability, conduct on-site audits of its natural rubber supply chain and leverage digital tools. As a first step, the Group examines and pilots available tools on the market and partnerships on the ground with the aim of boosting traceability in order to respond properly to the traceability levels required under the upcoming EU regulation on deforestation-free supply chains. The Group is working to introduce a new digitized tool in Liberia that promotes data integrity and enables visibility of the farm profile together with other environmental and social parameters for both our own farms as well as smallholder operations.

30% or more of the Group's natural rubber supply chain is expected to be traceable to the smallholder level by the end of 2023. (At the end of 2022, 33% was traceable to this level based on self declaration by Tier 1 suppliers.)

» Capacity Building

Demand for natural rubber has steadily increased globally over the years, while farmland expansion is becoming increasingly restricted because of the need to protect forests, whether voluntarily or in accordance with law. Moreover, poor yields will affect the livelihood of smallholders, making it unsustainable for them to continue cultivating natural rubber, and could result in them switching to farming other crops. In fact, natural rubber used in tire production is one of the most sustainable raw materials, so it is important for the Group to make efforts to

strengthen the capacity of natural rubber smallholders, increasing yields and income, preventing them from causing deforestation and other ESG risks. In 2022, the Group formed the Capacity Building Task Force, bringing together relevant functions under its Sustainable Procurement Working Group to strengthen capacity building



Extraction of natural rubber

initiatives as a Group. The task force is in the process of setting effective and clear KPIs and medium-term goals aligned with the Group's strategy and Global Platform for Sustainable Natural Rubber (GPSNR) standards.

GPSNR, a truly multi-stakeholder and inclusive network, serves as an effective platform for collaboration, sharing resources and knowledge, and uniting the Group's efforts in enhancing sustainability of the natural rubber industry with those of other tire makers, automakers, smallholders, processors and producers, and civil society in tackling this vast and complicated issue.

Bridgestone's Sustainable Procurement Working Group donated USD60,000 to GPSNR to support initiatives led by GPSNR for smallholder capacity building to be conducted in 2023 and was recognized by GPSNR as an important donor. In addition to providing donations to GPSNR's capacity building projects, the Group is a member of GPSNR's Capacity Building Working Group and actively participates in the Smallholders Working Group with the aim of providing effective support for and promoting smallholders' voices in GPSNR. To provide support for enhancing smallholders' capacity (increasing yield per hectare in a sustainable manner), the Group is actively involved in the discussion around GPSNR's Shared Responsibility Framework, discussing the ways in which to build the most equitable financial distribution mechanism, to share resources and knowledge, and to recognize and award members' efforts in enhancing natural rubber's sustainability.



GPSNR meeting scene

[Global Sustainable Procurement Policy](https://www.bridgestone.com/responsibilities/social/procurement/pdf/Policy_English.pdf) www.bridgestone.com/responsibilities/social/procurement/pdf/Policy_English.pdf

[Sustainable Materials](https://www.bridgestone.com/responsibilities/environment/resources/) www.bridgestone.com/responsibilities/environment/resources/

[Verisk Maplecroft](https://www.maplecroft.com/) www.maplecroft.com/

[EcoVadis](https://ecovadis.com/) ecovadis.com/

[WWF Japan](https://www.wwf.or.jp/eng/) www.wwf.or.jp/eng/

[Global Platform for Sustainable Natural Rubber's \(GPSNR's\)](https://sustainablenaturalrubber.org/) sustainablenaturalrubber.org/

Governance

In order to foster the trust of society, partners, and customers, and to grow sustainably together with everyone, we are promoting value creation by anticipating social demands, turning risks into opportunities, and taking action proactively.

Among our various activities, we introduce some initiatives which our stakeholders have a keen interest in.

More information is available on the Company's website.

[Sustainability > Governance](#)

www.bridgestone.com/responsibilities/governance/index.html

Compliance, Fair Competition

Our mission is "Ensure excellence through compliance and integrity." The Group builds trust with all stakeholders by ensuring that ethical decision-making guides responsible business practices across the company's operations.

The Bridgestone Group's commitment to ethics, compliance and integrity helps it continuously achieve its mission of Serving Society with Superior Quality and supports its goal of building a best-in-class ethics and compliance program.

The success of any best-in-class ethics and compliance program, depends on the ongoing and proactive organization-wide engagement of leaders, managers and supervisors, all working to help build and sustain a culture of compliance. Board oversight, supervision and engagement have been hallmarks of the Group's ethics and compliance program for many years. The Group also regularly engages executive leaders, managers and supervisors to help ensure that ethics and compliance are at the center of all strategic plans and decisions. Additionally, periodic reports on the progress and status of the ethics and compliance program are provided to the Compliance Committee reporting to the Board of Directors, and periodic reports are also provided to the Board of Directors in each region.



In working toward becoming a sustainable solutions company, the policies and other global and regional ethics and compliance programs the Group develops must continue to adapt and evolve in accordance with the changing environment and regulatory landscapes.

The Group's global ethics and compliance program consists of a blend of global and regionally based initiatives. It aims to balance global consistency with the flexibility needed to effectively address regional and even local risks that can vary significantly due to the wide range of operations the Group is involved in and the variety of geographic, legal and regulatory environments in which the Group operates. Whether at the local, regional or global level, initiatives are guided by the Group's core values and principles and united under a common framework.

» Regional and Local Efforts in 2022

- For the third year in a row, the Group conducted a survey in Japan of more than 10,000 employees to measure overall knowledge and secure feedback on the ethics and compliance program, [the Code of Conduct](#), [the Global Anti-Bribery Policy](#) and the different resources available for sharing concerns.
- BSEMIA launched the new Competition Law Compliance Program. A select audience of over 1,000 employees received training on this new program. In December 2022, the BSEMIA Compliance Essentials, a digital, client-friendly compliance booklet, was launched. The booklet provides an overview of the BSEMIA program and highlights the key compliance objectives, policies and expectations.
- In the China Asia-Pacific region, a new antitrust framework was launched, with targeted employees receiving live training on the main policy and two guidelines related to Trade Association and Competitive Intelligence. As one key initiative (implemented yearly), Integrity Day was celebrated once again. Singapore, China, Malaysia, South Korea and Vietnam held Integrity Days for all employee levels with a

common theme focusing on “Do the Right Thing” to realize the “Bridgestone E8 Commitment.”

- The Group’s Americas operation launched a new Competitive Intelligence Policy, continued efforts to help employees learn about the regional Gifts, Meals, Entertainment and Travel Policy that was launched in late 2021, identified a new data analytics platform that is being piloted in 2023 to help support its antitrust program and continued to promote strong leadership engagement throughout the year. As one initiative, the eighth annual Ethics and Compliance Week was held, which included leadership panels, Leading with Integrity Awards and the Bridgestone Compliance Battle Royale gamification training.



Incentive for Integrity Day in Singapore

[the Code of Conduct](#)

www.bridgestone.com/responsibilities/code/index.html

[Global Anti-Bribery Policy](#)

www.bridgestone.com/responsibilities/anti_bribery/

» Revisions of the Code of Conduct

Following the re-design and revisions to the Group Code of Conduct at the end of 2022, the Group will continue to reinforce its Code of Conduct in 2023, while introducing an updated e-learning course that will help employees understand and comply with the Code of Conduct.

In addition to reflecting updates to the Code of Conduct, the Group also plans to update its Anti-Bribery Policy in 2023 to realize the “Bridgestone E8 Commitment.”

The Group’s Code of Conduct, which was published in 2018 and re-designed and revised at the end of 2022, provides us with practical guidance on how to act ethically and with integrity. As the Global CEO states in his message that accompanied the updated Code of Conduct, “whatever you do at Bridgestone, do it with integrity and let our Code guide you, always.”

This mission is important as anti-bribery and antitrust activities come under increasing scrutiny, along with other

matters such as sexual harassment and data privacy. These issues are addressed in the Group’s Code of Conduct and Global Anti-Bribery Policy.

» Promotion of Ethics and Compliance Programs

To further reinforce the third-party compliance program and mitigate anti-bribery risks, the Group will conduct a high-risk intermediaries review globally in 2023, with the aim of ensuring that proper control is in place when engaging with these intermediaries.

As its business and operations continue to evolve, the Group will also look at how to adapt its ethics and compliance programs to ensure that they remain relevant, adequately resourced and work effectively in practice. The Group plans to do this through self-assessments and by engaging one or more third parties to help it assess its ethics and compliance programs in 2024.

Corporate Governance

Basic Approach

In 2020, Bridgestone Corporation, under the mission of "Serving Society with Superior Quality," defined its vision of "Toward 2050, Bridgestone continues to provide social value and customer value as a sustainable solutions company." As part of its efforts in working toward the achievement of this vision, the Company has been managing its business in accordance with its Mid- to Long Term Business Strategy. The Company is continuing to improve its corporate governance to strengthen internal controls and evolve as a sustainable solutions company.

Bridgestone has been using the Corporate Governance Code as a tool for evaluating its governance policies and systems and has implemented all the general principles, principles and supplementary principles set forth in the Code. The Governance Committee, an advisory committee to the Board of Directors, deliberates and reports on the content of the Corporate Governance Code in reports (Japanese and English versions) and decisions made by the Board of Directors are disclosed on the [corporate website](http://www.bridgestone.com/corporate/governance/index.html).

[Corporate Governance](http://www.bridgestone.com/corporate/governance/index.html)

www.bridgestone.com/corporate/governance/index.html

Transformation of Corporate Governance

Bridgestone has made continuous efforts to strengthen its corporate governance structure, including the introduction of Independent Directors in 2010, the establishment of advisory committees to the board between 2013 and 2014, and the adoption of the "Company with Nominating Committee, etc." model in 2016. As part of this ongoing process, the Articles of Incorporation were amended in 2021 to abolish the full-time position of Chairman and to select a Chairperson of the Board of Directors from among the Independent Directors at a meeting of the Board of Directors to enhance execution and supervisory functions. Please see below for an overview of the transformation of Bridgestone's corporate governance to date.

Ongoing enhancement of governance performance

Year	Oversight		Management and Operational Execution
2022		Bridgestone E8 Commitment	Formulate "Bridgestone E8 Commitment" Commence "2030 Long Term Strategic Aspiration" Introduce two Joint Global COOs system in Bridgestone Corp.
2021	Abolish the full-time position of Chairperson Nominate Board Chair from among independent directors		Commence Mid Term Business Plan Redefine CEO and COO roles as Global CEO & Global COO respectively
2020	Separate roles of CEO and Chairman of the Board		Commence Mid- to Long Term Business Strategy
2018	Restructuring of the Board's authority (Authority delegation to executive management)		Establish Global Sustainable Procurement Policy, Global Human Rights Policy and Code of Conduct Integrate Olympic and Paralympic related business with sports and cycle businesses
2017		Global CSR Commitment "Our Way Serve"	Formulate "Our Way to Serve" Global CSR Commitment Refine Mid Term Management Plan formulating process
2016	Adopt new corporate structure: Company with Nominating Committee, etc.	Quality Mission Statement	Establish Global Mining & Agricultural Solution Company Formulate Quality Mission Statement
2014	Establish Compliance Committee		Restructure SBUs: BSCAP China + Asia Pacific BSEMIA Europe+ ME, Africa, Turkey, & Russia+ India (2020-)
2013	Establish three discretionary board advisory committees (Governance, Nomination and Compensation)	Safety Mission Statement	Global EXCO Refine Safety Mission Statement Introduce CEO, COO system in Bridgestone Corp.
2012			
2011		Environmental Mission Statement	Refine Environmental Mission Statement Refine "The Bridgestone Essence"
2010	Introduce independent members of the Board of Directors	The Bridgestone Essence	Introduce CEO, COO system in Bridgestone Americas. Introduce Executive Committees
2006			Establish Strategic Business Unit (SBU) organization structure (Followed by a progressive, continuous review of the operational structure)

Corporate Governance System

In March 2016, Bridgestone transitioned to the “Company with Nominating Committee, etc.” model of corporate governance. The Board of Directors consists of 12 directors, including eight Independent Directors. Appropriate and proactive work is also conducted by the Nominating Committee, Audit Committee and Compensation Committee. The Board of Directors oversees the performance of the Company’s executive officers and directors. Furthermore, to strengthen corporate governance transparency, the Governance Committee and Compliance Committee have been established as advisory bodies to the Board of Directors.

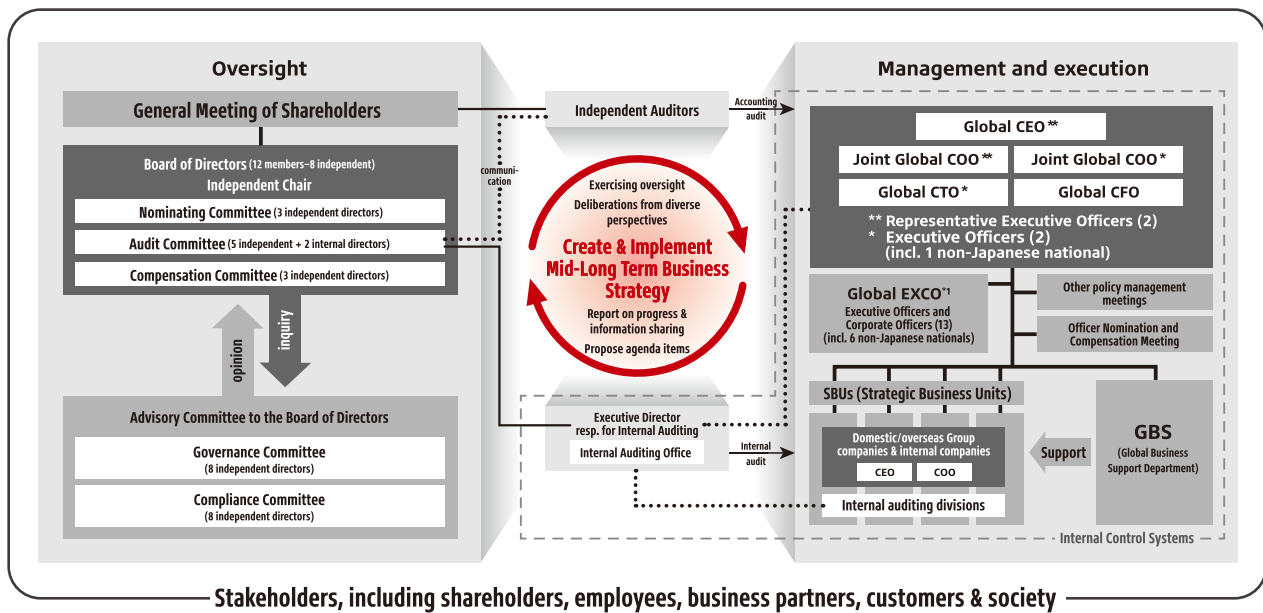
The Board of Directors, including these statutory committees (Nominating Committee, Audit Committee, and Compensation Committee) and advisory committees (Governance Committee and Compliance Committee), supervises operating divisions via regular progress reports and information sharing to create a corporate governance system that aims to realize the Mid- to Long Term Business Strategy. The Board of Directors and the Audit Committee are composed of a majority of Independent Directors and the Nominating Committee, Compensation Committee and advisory committees are composed entirely of Independent Directors.

The four executive officers, including two representative executive officers, make decisions on the execution of operations delegated by the Board of Directors and assume responsibility for the execution of those decisions as the Global CEO, Joint Global COO (two), and the Global CTO. In addition, these divisions have adopted a system in which members, including the Global CFO, are collectively responsible for management. These executive officers, as well as persons responsible for major business entities, comprise the Global Executive Committee (Global EXCO).

This committee aims to strengthen the checks and balances of the Group by debating and discussing management issues including management strategy and sustainability from a global perspective, which improves transparent decision-making. In addition, each operating division maintains a system for reporting to the appropriate representative officers regarding the execution of duties. This information is also regularly reported to the Board of Directors in a timely manner in order to aid in their deliberations. Collectively, these actions ensure that the Group maintains an effective supervisory function.

Please see below for the Company’s corporate governance structure put in place to realize its Mid- to Long Term Business Strategy.

Corporate Governance Structure



Joint Global COO: Responsible for global operations in two areas: Japan & Asia, Americas & Europe.
 Global CTO: Global Chief Technology Officer
¹ Global EXCO: Global Executive Committee

Corporate Governance

Approach to the Composition of the Board of Directors and the Roles Particularly Expected of Directors

The Nominating Committee, in selecting candidates for nomination to the board, seeks to maintain diversity and, at the same time, overall balance in board composition with respect to knowledge, experience and skills. Committee members consider business experience and expertise in a wide range of disciplines and fields for Independent Director

candidates. Additionally, it is the policy of the Company that the board should be of sufficient size to enable adequate discussion and deliberation. To ensure the objectivity of external directors, the Company has established its own Independence Standard. Based on the above approach, the Company's Board of Directors has an overall balanced composition with diverse perspectives to oversee the successful execution of the Mid- to Long Term Business Strategy to enhance corporate value.

Name	Executive Officers/ Non-executive Directors/ Outside and Independent Directors	Tenure as Director (Years)	Nominating Committee	Audit Committee	Compensation Committee	Sustainability	Capital, Personnel and Organizational Strategy	Global Experience	Technologies and Innovation	Finance and Accounting	Legal Affairs and Risk Management	Management Experience at Other Companies
Shuichi ISHIBASHI	Representative Executive Officer	3				○	○	○				
Masahiro HIGASHI	Representative Executive Officer	2				○	○	○				
Akira MATSUDA	Internal / Non-executive	—		○		○		○	○			
Tsuyoshi YOSHIMI	Internal / Non-executive	4		○			○			○	○	
Yuri OKINA	Outside / Independent	9	○		○	○	○			○		
Yukari KOBAYASHI	Outside / Independent	—		○				○	○			○
Yojiro SHIBA	Outside / Independent	5		○			○	○				○
Yoko SUZUKI	Outside / Independent	5		○		○	○				○	
Scott Trevor DAVIS	Outside / Independent	12	○		○	○	○	○				
Yasuhiro NAKAJIMA	Outside / Independent	—		○				○		○	○	
Kenichi MASUDA	Outside / Independent	7	○		○		○	○			○	
Kenzo YAMAMOTO	Outside / Independent	7		○				○			○	○

Notes: Tenure as of March 28, 2023.

Outside and Independent Directors are listed in order of the Japanese syllabary.

Circles indicate the top three priorities in the expected areas of contribution as a director.

Evaluating the Effectiveness of the Board of Directors

The Group has continuously improved its governance structure, as described in the Transformation of Corporate Governance section above. Building upon these enhancements, the scope of the evaluation of Board effectiveness has been taken to include not only the Board of Directors but also the statutory and advisory committees. Evaluation of the entire scope of board functions includes the review of all board deliberations and their outcomes and self-evaluations of all directors.

As the following, Board of Director evaluations are

conducted through a one-year cycle that includes evaluation, issue identification, and implementation, leading to continuous improvement of corporate governance.

FY2022 evaluations confirmed that, thanks to a range of factors, the Board of Directors engaged in transparent decision-making and effectively demonstrated its oversight functions. These factors included timely reports from operating divisions for deliberation at Board meetings, productive exchange of opinions among Board members, reports and discussions on specific themes following proactive requests from Independent Directors, active discussions utilizing the diverse perspectives of Independent Directors, and the

creation of globally conscious systems at statutory and advisory committees.

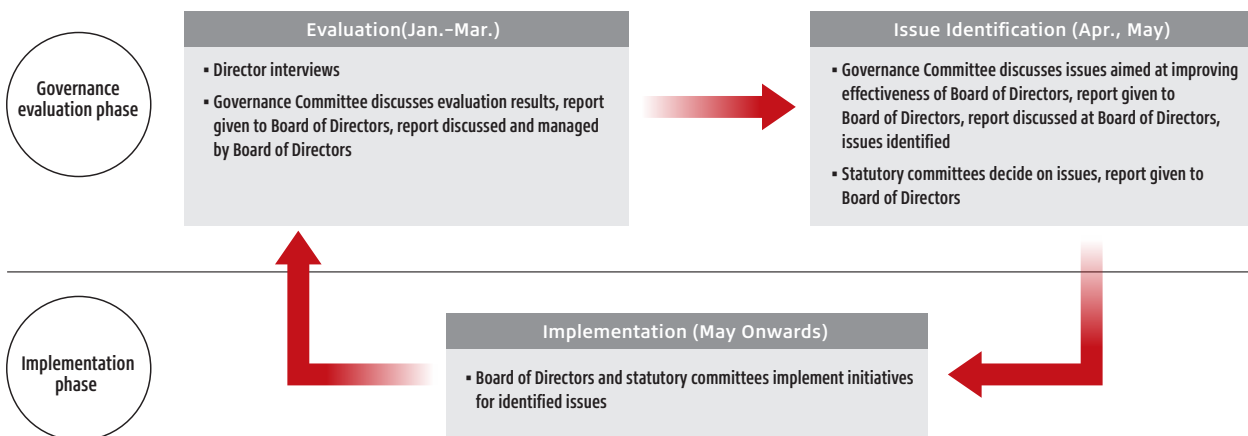
Regarding the status of business execution, based on reports on discussions at the Global Executive Committee (Global EXCO) meetings, the Global CEO and Representative Executive Officer shared information with the Board of Directors in a timely and appropriate manner. The above ensured even more productive discussions between directors and operating divisions on the formulation of the 2030 Long Term Strategic Aspiration, progress with the Mid Term Business Plan based on the Mid- to Long Term Business Strategy, and decisions on individual matters related to the Mid Term Business Plan. Further, in March 2021 the Company selected an Independent Director as the Chairperson of the Board of Directors, resulting in lively discussions with even greater objectivity and transparency.

In 2023, the Company established an agenda setting process for the Board of Directors to ensure continuous stimulation of discussions at Board of Directors meetings.



Board meeting

Effectiveness Evaluation Process



Compensation System for Executive Officers

Remuneration for each position and individual director and executive officer is determined by the Compensation Committee, which is composed solely of Independent Directors. In its deliberations the committee considers changes in the business environment, the opinions of shareholders and investors, along with information from third-party human resources and compensation consultants with extensive global experience and knowledge.

The Company has designed a compensation system based on the following principles of remuneration: "attract and cultivate superior talent", "support a competitive remuneration level", "provide motivation for the execution of business strategies", and "provide motivation for enhancing shareholder value". From fiscal year 2022, the Company adopted the mid- to long term incentives aimed at promoting sustainability and transformation initiatives, and achieving

Mid-Long Term Business Strategy. The Compensation Committee has set the following four goals and evaluates the achievement.

- (1) Establishment of the "Bridgestone E8 Commitment" and communication with stakeholders both inside and outside of the Company
- (2) Investment in and development of people to increase added value and job satisfaction
- (3) Carbon neutrality, including reduction of CO₂ emissions
- (4) Circular economy, including increasing the ratio of recycle and renewable resources

For details on the compensation system, please refer to "[\(4\) Remuneration for Members of the Board and Executive Officers](#)" in the Annual Securities Report (104th Fiscal Period).

[Remuneration for Members of the Board and Executive Officers](#)
www.bridgestone.com/ir/library/securities_report/pdf/e_104.pdf

Board of Directors and Statutory Committee Activity Report* -Toward the Transformation to a Sustainable Solutions Company

Message from the Chairperson of the Board of Directors



Scott Trevor Davis

Independent Director,
Member of the Board
Chairperson of the Board
of Directors
Member of the Nominating
Committee
Member of the Compensation
Committee
Chairperson of the Governance
Committee

Board Performance Effectiveness at Bridgestone

In 2021, I was appointed as the Chairman of the Board of Directors for the first time as an independent director, and I am now entering my third year in this role. As the Chairman of the Board, I would like to share my observations on Bridgestone's continuously improving governance, from the perspective of board performance effectiveness.

Prior to my appointment as Chairperson, the position was held by an executive within the management team. However, as part of the governance reforms in 2020, Mr. Tsuya, a non-executive director, assumed the role of Chairperson, effectively separating the monitoring function of the Board of Directors from the executive side. Looking back, it was a transitional period and I believe it was part of the process to enhance the supervisory function of the Board of Directors by separating it from the executive side and delegating the authority of the Chairman to an external individual.

Upon becoming Chairperson, my first step was to question myself about what was expected of me and to engage in dialogue with the Board members to share our respective concerns. In this process, I identified enhancing the effectiveness of the Board of Directors as a paramount responsibility. However, what does effectiveness mean? It is not just about the general definition of effectiveness but rather the effectiveness within our Company that matters.

The effectiveness of the Board of Directors at Bridgestone does not merely involve fostering vigorous

discussions. It revolves around establishing a Board that possesses an appropriate monitoring function, ensuring the execution of our externally committed business strategies in a transparent, objective and reliable manner, as we strive to become a "sustainable solutions company." Moreover, it entails achieving a "Bridgestone-like" living Board of Directors that embodies the spirit of our Company. For this purpose, it is crucial for directors to actively contribute and express their opinions and engage in meaningful dialogue.

Furthermore, it is important not only to have active discussions within the Board of Directors but also to establish effective collaboration with each committee. Considering our extensive global operations and the presence of multiple subsidiaries, it is essential to be mindful of communication with these entities. The sphere where our governance at Bridgestone comes into play extends beyond Board meetings, encompassing a broader range of activities.

What the Bridgestone Board Aims for

Now, what is the management strategy that the Board of Directors strives to achieve? The current focus is on realizing the "2030 Long Term Strategy Aspiration," which has been extensively discussed and formulated within the Board. It serves as our guiding principle. Each director considers the significance of proposals and reports presented by the executive team to the Board, both in terms of progress towards the 2030 vision and overall performance. The Board

* This is a translation of the original Japanese language interview.

constantly evaluate and make decisions while keeping in mind whether the proposed actions align with the long-term goals and if they are the right steps to take at the present moment. In this manner, the Board engages in discussions and decisions by consistently examining what needs to be done at present, working backward from a long-term perspective.

In addition to the overarching roadmap of the “2030 Long Term Strategy Aspiration,” we have a Mid Term Business Plan in place to work towards its realization. This year is particularly significant as it marks the final stages of the 2021-2023 Mid Term Business Plan, where progress toward its objectives is reviewed by the Board of Directors. At the same time, the Company is actively working on shaping the next Mid Term Business Plan for the period of 2024-2026. It may sound peculiar, but we are simultaneously discussing both the “Now” and the “Next.”

As a Board of Directors, our role is focused on governance and monitoring rather than management. Therefore, we closely observe the executive team’s efforts in developing the Mid Term Business Plan, including attending to observe Global EXCO meetings. We also receive explanations from the Global CEO regarding the plan’s creation process during Board meetings. This ensures a high level of communication and collaboration between the Board and the executive team.

Bridgestone-like Process of Setting Agenda Items for the Discussion of the Next Mid Term Business Plan

In order to enrich the discussions on our management strategy, including the next Mid Term Business Plan, we consider agenda setting within the Board of Directors to be crucial. Every April, the Board of Directors engages in deliberations to determine the annual agenda and key topics for discussion. As the Chairperson, I propose the themes and annual schedule for consideration by the Board, while also welcoming suggestions from independent directors for additional or in-depth discussions on specific topics. These proposals cover a wide range of areas, ensuring a balanced and diverse set of themes.

This year, as we delve into discussions regarding the next Mid Term Business Plan to realize our “2030 Long Term Strategy Aspiration” toward a sustainable solutions company, several significant issues were put forward in response to the initial proposal that sustainability should be thoroughly discussed. For example, the proposal highlighted the importance of discussion on technology strategy, as we aim to become a sustainable solutions company, our business model must undergo substantial qualitative changes and

emphasize technological advancements. The other suggested the thorough discussion of enhancement of talent creativity, as nurturing and activating talent within the organization is a crucial element for realization of its strategy. The proposers not only raised the topics but also explained their meaning and significance, often sparking immediate discussions among the Board members. While there are other relevant themes intertwined with our future strategies, they cannot be disclosed at this time. Nonetheless, it is important to note that the Board members actively and proactively seek discussions with a strong sense of ownership and engagement, demonstrating their commitment to the Company’s progress.

Before the Board of Directors’ meeting, the Chairperson, Global CEO and the Representative Executive Officer, the Joint Global COO, and the secretariat participate to review the agenda, the order of presentation, and adequacy of the proposals. Almost every time, there are revisions, which impose a considerable burden on the secretariat, but it is an indispensable process for the operation of the Board of Directors.

Furthermore, after approximately six months from the discussions on agenda setting, we evaluate whether the discussions and set agenda thus far have been sufficient, consider if there are any additional topics that need to be discussed, and reassess if the approach based on the proposed agenda and schedule at the beginning of the fiscal year has been appropriate. We strive to devise processes that maintain a high level of discussion quality by evaluating and making adjustments as necessary. While it may give the impression of distributing topics throughout the year, given the rapidly changing business environment, there is no time to waste. Therefore, we aim to conclude all proposed agenda within six months.

**Board of Directors and Statutory Committee Activity Report
-Toward the Transformation to a Sustainable Solutions Company**

**A Balanced Board of Directors Portfolio
Enabling Vibrant and Diverse Discussions**

The discussions on the set agenda involve a total of 12 directors, including eight independent directors who bring diverse expertise and knowledge. In terms of their role as independent directors on the Monitoring Board, they are expected to provide unique perspectives on how the board is structured and monitored. Being separate from the executive side, independent directors can objectively assess matters. When receiving reports and proposals from the executive team, they examine each item to ensure that the information is comprehensive, logical, and appropriate given the current circumstances, without any biases, implicit agreements, or undue consideration. Additionally, as independent directors are entrusted by the shareholders and represent the interests, they must be mindful of the interests of external stakeholders in their actions. The independent directors, with different perspective and timeframe from executives, contribute to the board by approaching matters in a more long-term manner, reverse-

engineering them to gain a comprehensive understanding of the current priorities and discussion topics. This enables them to bring diverse opinions and information to the board, ultimately supporting sound decision-making and strategic planning within the organization.

Furthermore, as other independent directors also recognize and commend Global CEO Mr. Ishibashi for his commitment to engaging in thorough discussions with board members, which we believe is rare among CEOs in other companies. The Board of Directors is composed of directors with diverse perspectives who represent external interests, creating a balanced composition. Global CEO considers the Board of Directors as a valuable platform for refining his ideas and believe that participating in discussions within the board enables him to effectively explain his viewpoints outside of it, thus ensures comprehensive information is provided for board discussions and takes his time to openly and humbly share his insights and genuine thoughts.

Having served as a director in our Company for 12 years, I can reflect on the initiatives undertaken by the three CEOs during that time. As a result, I am sometimes inclined to offer



rather critical opinions based on what has worked and what hasn't. I also discuss the reasons behind the establishment and importance of the organization, meeting bodies, and other aspects that we currently value. Among the board members, there are individuals who, like myself, have observed the Company for a long time, as well as those with relatively less experience who can bring fresh perspectives. This balanced composition of members contributes to the realization of vibrant discussions in the Board of Directors.

Governance Platform for Achieving a Sustainable Solutions Company

In my interactions with institutional investors, I am often questioned about how close we are to achieving the ideal form of governance. My answer is always the same: "There is no finished state." Each year brings different challenges, and the expectations for governance are constantly evolving. Keeping in mind that there is no perfect state of governance, we continue to explore what we can do to realize our Company's mission and vision. While there may not be a definitive end point, there are always actions that need to be taken in the present.

In our Company's pursuit of becoming a "sustainable solutions company," we engage in an annual process of evaluating the effectiveness of our Board of Directors as they discuss what the Board needs to do. As a Company with Nominating Committee, etc., we recognize the importance of not only the Board of Directors but also the statutory committees, including the Nomination, Compensation, and Audit Committees, as well as advisory committees like the Governance and Compliance Committees, are functioning effectively and fulfill the required activities. We refer to the collective functions of these broader committees as the governance platform. We evaluate the effectiveness of governance over the course of one year, focusing on these entities. At the beginning of each fiscal year, the Board of Directors and statutory committees identify areas for improvement and growth, which are then shared among them. Subsequently, throughout the year, we address these challenges. The committees provide quarterly progress reports and engage in discussions at the Board of Directors as necessary. Towards the end of the year, the Board of Directors and each committee conduct a review, and the Governance Committee, composed solely of independent directors, conducts an overall assessment and proposes a comprehensive summary of the current year and the desired direction for the upcoming year to the Board of Directors. This cycle enables the evaluation and improvement of governance practices.

Specifically, the Nomination Committee assesses the activities required to fulfill its responsibilities while observing other committees and the Board of Directors. To do so, it objectively evaluates whether other committees and the Board of Directors are functioning appropriately from an independent perspective. The Compensation Committee and the Audit Committee are similarly evaluated. Additionally, the executive team is also evaluated as part of the governance process. Through mutual checks and balances, we continually strive for even higher levels of effective governance while holding each other accountable.

Board of Directors and Statutory Committee Activity Report
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Message from the Chairperson of the Compensation Committee



Yuri Okina

Independent Director,
 Member of the Board
 Chairperson of the
 Compensation Committee
 Member of the Nominating
 Committee

Introduction of Sustainability Incentives

Bridgestone's compensation system is divided into fixed and variable components. The variable component has traditionally included short-term and long-term incentives designed to motivate the management team toward enhancing corporate value by linking it to factors such as operating profit and ROIC. While qualitative evaluations, such as research and development achievements that cannot be solely measured by numbers, were previously considered as part of the short-term incentives, there has been a growing recognition in recent years that they should be positioned as incentives for the long-term enhancement of corporate value. In response to this recognition, the Compensation Committee engaged in multiple discussions and decided to introduce a new compensation aspect called "sustainability incentives" in the form of Restricted Stock Units (RSUs) starting in 2022.

In this compensation system, we position sustainability and transformation as initiatives aimed at medium- to long-term enhancement of corporate value. Every year, the Global CEO commits to specific initiatives with defined objectives, and the following year, he evaluates the extent to which they have been achieved. The Company meticulously establishes specific targets for the four goals outlined in the securities report, such as investment in people and achieving carbon neutrality. These targets are aligned with long-term objectives, such as targets for 2030 and 2050, allowing for evaluation and verification at a later stage. The Company sets detailed and diverse indicators for each goal. The Compensation Committee engages in discussions regarding the attainment of these indicators and the progress in achieving the objectives. It also verifies the validity of self-evaluations and conducts

assessments. Based on a comprehensive evaluation of efforts toward medium- to long-term enhancement of corporate value, the committee determines remuneration.

While this process is conducted on an annual basis, the process of setting goals and developing initiatives is also crucial. Sharing these with representative executive officers and executive officers and pursuing sustainability from the same perspective is considered a significant step forward. We have now completed one cycle, from setting goals to evaluation and determining remuneration. Moving forward, we intend to continue discussions within the Compensation Committee, refine goals and processes through trial and error, and evolve while implementing the PDCA (Plan-Do-Check-Act) cycle.

Points of Discussion in Designing the Compensation System

The Compensation Committee prioritizes incentives that contribute to the enhancement of corporate value when considering the design of the compensation system. One crucial point of discussion is determining which elements should be linked to variable remuneration. To ensure a certain level of competitiveness as a global company, we take into account the situations of major domestic companies and overseas competitors. Furthermore, we thoroughly examine the remuneration system, considering its alignment with the corporate strategy and mid term business plans, with the aim of promoting the execution of the business strategy. Although the Compensation Committee is composed entirely of independent directors, we actively communicate with representative executive officers, including the Global CEO,

and executive officers to ensure the effectiveness of incentives in the compensation system. The compensation system is carefully designed, and to clearly communicate its intentions, the members of the Compensation Committee have opportunities to directly explain it to the executive team. Through communication with the executive team, the Compensation Committee gains insights and deepens its understanding of issues by hearing different perspectives and getting feedback from people on-site. We incorporate various opinions from the executive team, engaging in ongoing discussions within the Compensation Committee to ensure that the compensation system reflects these inputs.

Evaluation and Challenges of the Compensation System

The proportion of fixed and variable remuneration differs between top management and executive officers, and it is natural for top management to have a higher ratio of variable remuneration in order to demonstrate their commitment to performance. The inclusion of Performance Share Units (PSUs) that are linked to targets of mid term business plans such as ROE and ROIC, in addition to incentive remuneration linked to short-term operating profit, demonstrates a proactive approach to incorporating incentives for medium- to long-term enhancement of corporate value. However, there may be challenges in relying solely on numerical goals when unforeseen external factors such as COVID-19 can have a significant negative impact. It is also important to consider factors such as different pension systems, labor market structures, and wage trends overseas when evaluating the remuneration of foreign executives and implementing retention measures. We are constantly adapting and improving our compensation system on a daily basis to maintain its fundamental direction while remaining flexible in responding to unforeseen circumstances in a rapidly changing environment.

Balance between Performance Improvement and Transformation

In order for a company to ensure sustainable growth, both improving performance and driving corporate transformation are necessary. However, these directions may not always align in the short term, so we consider the balance between the two in the design of our compensation system. As mentioned earlier, variable remuneration includes short term incentives linked to operating profit, while mid- to long-term incentives such as PSUs focus on capital efficiency by considering ROIC and ROE. The Company also creates an inverted tree structure internally to ensure ROIC is understood at all levels, making it a tangible profitability target that resonates with on-site operations. On the other hand,

sustainability incentives included within the Bridgestone E8 Commitment encompass elements of transformation.

Sustainability incentives, whether in terms of CO₂ reduction or human capital investments, often take several years to yield results and may not immediately or directly contribute to profit. The Company views the Bridgestone E8 Commitment as encompassing a transformation in which it aims to develop business models aligned with the Bridgestone E8 Commitment in the medium-to long-term. Business model transformation is essential to becoming a sustainable company. That is why our remuneration system allocates half of the long-term incentives to PSUs and the other half to sustainability incentives, emphasizing investments that sufficiently consider the enhancement of medium-to long-term corporate value and prioritize sustainability as the core of the Group's transformation. This serves as a message that signifies our expectations for Bridgestone's future transformation.

I believe that the key areas where the Company should strengthen its transformation are investments in human resources and improving employee engagement. In enhancing medium- to long-term corporate value, it is crucial to create a workplace where employees can feel a sense of growth, and the Company is paying attention to various aspects, including improving the working environment in factories and employee welfare. It is a characteristic of Japanese companies to have extremely low investment in intangible assets, particularly in areas such as investment in people and organizational transformation, which are considered as economic capability investments. This low share of investment compared with other advanced countries is a challenge for the entire Japanese economy. Furthermore, at present, both for Bridgestone and in general, combining intangible assets such as data and intellectual property with manufacturing to provide new value has become a decisive factor. In light of this, I strongly believe that investing in human capital, which includes providing adequate wage levels commensurate with job responsibilities, along with opportunities for growth and a sense of fulfillment at work, to be of utmost importance.

In addition, from a diversity perspective, promoting the advancement of women is also a significant theme for Bridgestone, and I consider increasing the representation of women, including in executive positions, to be an important issue. The top executives, such as the Global CEO and CTO, are earnestly considering women's empowerment, and I find recent initiatives in areas like FemTech to be particularly impressive. While the number of female executives and key positions may still be limited, I highly appreciate the sincere attitude and proactive measures taken to understand and address women's health issues, as demonstrated through initiatives such as promoting employee well-being. I also sense a strong commitment to creating an environment where women can thrive, and I hope to see an increase in the number of women who actively contribute and succeed as time goes on.

Board of Directors and Statutory Committee Activity Report
-Toward the Transformation to a Sustainable Solutions Company

Message from the Chairperson of the Nominating Committee



Kenichi Masuda

Independent Director,
 Member of the Board
 Chairperson of the Nominating
 Committee
 Member of the Compensation
 Committee
 Chairperson of the Compliance
 Committee

Activities of the Nominating Committee and Director Candidate Selection Process

The composition of the Board of Directors is subject to approval at the Annual Shareholders' Meeting held in March. Once the meeting is concluded, we begin the deliberations for the following year starting from April. We continuously review and consider the composition of the Board of Directors based on the perspective of creating a Board that can handle any given situation. We also engage in ongoing discussions about the ideal composition of the Board. We emphasize not only discussions among the three independent directors of the Nominating Committee but also prioritize regular meetings with the Global CEO and Joint Global COO, as well as hearings from executive officers and senior executives both domestically and globally. Through these interactions, we gain insights into the direction of business strategy and the current status of business execution, while also hearing the expectations for the Board of Directors. In 2022, we held 21 Nominating Committee meetings. In addition to the work of the Nominating Committee, as the chair of the Nominating Committee, I also schedule individual meetings with the Global CEO and independent Board members to hear their opinions and perspectives. Taking all this information into account, we decide on director candidates to be presented at the Annual Shareholders' Meeting for the following year, normally during the autumn to winter period. We report to the Board of Directors no later than around January.

I believe that investing considerable time and effort in the process, engaging in diligent and respectful communication with each individual, and building trust are essential for fulfilling the role of the Nominating Committee. I also feel this is possible thanks to the cooperation of everyone, including the Global CEO, directors, and executives, as well as the dedicated support provided by the secretariat staff. While there are many discussions among the three members of the Nominating Committee, it is valuable to consult with the secretariat before and after these discussions to organize opinions and confirm the direction. I believe that by establishing a well-structured secretariat, we can demonstrate the Company's sincere commitment to governance, with the aim of ensuring the effectiveness of the committee and creating an environment where independent Board members can work comfortably.

Composition and Philosophy of the Board of Directors

As a company with a Nominating Committee, etc., in place, the primary role of the Board of Directors is to determine the fundamental policies of management and oversee the execution of business operations based on those policies. The main point is whether or not we can create a Board that is capable of fulfilling its supervisory function. Currently, the Board consists of two executive directors who also serve as executive officers, and ten non-executive directors

(including eight independent directors) who are dedicated to oversight and do not participate in the execution of operations. The inclusion of two directors from within the Company among the non-executive directors is based on the belief that it is important to have individuals who understand internal dynamics and the unique needs of the Company engage in oversight from the same perspective as someone from outside the Company. Given that the Board is expected to exercise its supervisory function as a collective body, we emphasize teamwork to enable discussions from diverse perspectives. We believe it is important to have individuals with diverse backgrounds and expertise who can leverage their respective perspectives and specialties when receiving reports and explanations from executive departments. By complementing and supporting each other, we can engage in effective discussions and fulfill our supervisory responsibilities through teamwork.

From a diversity perspective, we place great importance on creating a Board of Directors with individuals who have diverse backgrounds and expertise in various fields. Furthermore, in order to leverage this diversity, we believe that teamwork is crucial. For instance, we strive to form a well-balanced team by including both long-serving and newly appointed members. We can integrate new ideas by having Board members with fresh perspectives and insights, while those who have been with the Company for a longer period can contribute their valuable knowledge and experience. We believe that both perspectives are necessary for effective decision-making and governance.

The current Board members, regardless of whether they come from internal or external backgrounds, all share a common desire to contribute to the improvement of the Company's management from their respective positions and have a genuine intention to be of help and make a difference. They approach discussions with an open mind, attentively listening to the opinions of others, and then express their own views, fostering an atmosphere of open and candid dialogue. The diverse opinions and questions that arise from different backgrounds and perspectives are highly respected, and management has a willingness to actively incorporate ideas for improvement. Creating a Board of Directors where such discussions can continue is the most important task of the Nominating Committee. Therefore, careful consideration is given to the selection of new Board members, taking into account factors such as the balance among the members and the overall dynamics of the Board. To invigorate an organization, a certain level of change is necessary. This is why we regularly consider the composition of the Board of Directors. It is fascinating how the dynamics of a group can significantly change with just one new member. That is why I make it a point to

have individual conversations with each director, striving to understand their personalities, perspectives, and sentiments. Careful consideration is given to selecting members who are suitable and to ensuring that the Board functions in a balanced manner as a whole. We strive to create a harmonious and well-functioning Board by taking into account these factors. Regarding discussions at Board of Directors meetings, I believe the chair of the Board is doing an excellent job in preparing for the meetings.

The Role of the Nominating Committee in Succession Planning

The Nominating Committee actively engages in open discussions with executive departments to contribute to appropriate succession planning. Recognizing that succession planning can be a sensitive topic within an organization, we believe that having a Nominating Committee composed solely of independent directors can be beneficial. This allows for open discussions where executives can clarify their own thoughts and gain fresh insights. While it is true that none of the independent directors have had experience as the CEO of Bridgestone, they are individuals who strive to understand the current state and challenges of the Company and contribute in any way they can to overcome these challenges and make a positive impact. When the Global CEO or Joint Global COO presents at Board meetings, our reactions and questions help them understand the concerns and expectations from an external perspective and enable them to reassess their thinking and communication approach. This allows them to gain confidence in the direction they should take. These aspects, among others, demonstrate the effectiveness and significance of the Board of Directors as a forum. I also sense that other independent directors approach the Board with a similar mindset. Moving forward, I aim to contribute to the Company's transformation and growth of the Board of Directors by promoting teamwork and engaging in meaningful dialogue.

Board of Directors and Statutory Committee Activity Report -Toward the Transformation to a Sustainable Solutions Company

Message from the Chairperson of the Audit Committee



Kenzo Yamamoto

Independent Director,
Member of the Board
Chairperson of the Audit
Committee

Reflecting on the Activities of the Audit Committee in 2022

The Audit Committee implements initiatives in line with what is expected of it as part of a company with a Nominating Committee, etc. However, since business activities are dynamic in general, new issues arise on a daily basis. In 2022, we faced various issues such as the restructuring of the diversified products business, the suspension of all manufacturing activities in Russia in response to the situation in Ukraine, and the Company-wide response to cybersecurity. The Audit Committee and the Internal Audit Division work together to ensure internal control due diligence, or appropriate procedures, are being implemented for each of these events. For instance, with regard to cybersecurity, the Audit Committee directly consulted with the departments in charge to confirm the effective implementation of global systems, that lessons were learned, and that countermeasures are in place. We also receive reports from the Internal Audit Division and conduct evaluations. By applying this process to cases such as the ones above and providing direct feedback to management as necessary, we strive to implement a PDCA cycle that ensures the results of audits are utilized in the Company's management.

We have also placed great importance on monitoring the degree of penetration of the Bridgestone E8 Commitment. In the E8, there is a phrase stating, "For the sake of the Earth, which future generations of children have entrusted in our care". Since the Group's business activities are fundamentally

tied to this belief and commitment, it is crucial that employees truly understand and embrace it, and find ways to put it into practice. Over the past three years, it has been challenging to conduct on-site audits due to the COVID-19 pandemic. However, in 2023, we plan to hear directly from employees at factories and sales locations, including at operations overseas. The management and on-site staff of each organization have been actively promoting the Bridgestone E8 Commitment, and I believe it has already gained considerable traction. Nevertheless, as the Audit Committee, we aspire to fulfill our role by further promoting understanding of the E8.

Collaborative Approaches and Evolution of the Audit Committee and the Internal Audit Division

The Internal Audit Division reports to both the Audit Committee and the Global CEO. This framework allows the Internal Audit Division to work together with the Audit Committee and to respond collectively in situations when it is necessary to interact with management on a one-on-one basis. The management team fully understands this arrangement. Members of the Internal Audit Division attend every meeting of the Audit Committee and listen to the discussions. This enables prompt investigation by the Internal Audit Division in response to any queries raised by Audit Committee members. The Internal Audit Division has

also strengthened its global collaboration by regularly holding coordination meetings with the internal audit departments of BSAM, BSEMIA, and BSCAP. The framework is designed to ensure three lines of defense. Internal Audit Division members also acquire various international audit qualifications, which contributes to the high quality of internal audits.

Effective Operation of an Audit Committee Composed Mainly of Independent Directors

Among the seven Audit Committee members, five are Independent directors with diverse expertise and backgrounds in management, law, and IT. In addition, two experienced former Bridgestone executives, one specializing in finance and accounting and the other in product development and quality, serve as full-time Audit Committee members, responsible for daily information gathering. Risk incidents are regularly shared with Independent Audit Committee members, or as necessary, in real-time. This creates a system in which the members of the Audit Committee can timely grasp the Company's situation.

Decision-making Process for the Appointment of a New Audit Firm

A new audit firm was appointed at the Annual Shareholders' Meeting held in March 2023. The decision regarding the candidate for the audit firm is based on a resolution of the Audit Committee. Many companies tend to use the same audit firm for an extended period, as the auditor must become familiar with and understand the business operations. In Bridgestone's case, the Company highly valued the capabilities, qualifications, and approach of the previous audit firm, and had entrusted them with conducting audits for 22 years. However, at the same time, the Audit Committee has had extensive discussions about how long to continue with the same audit firm, considering aspects of independence, including whether it is independence in appearance alone. Taking into account the rotation system of audit firms in various overseas countries, and as a matter of rule within the Audit Committee itself, we decided to incorporate a process that involves receiving proposals from multiple audit firms at regular intervals and conducting comparative assessments. This deliberation process led us to the decision made this time. The transition between the outgoing and incoming auditors has been going smoothly, and we are satisfied with the progress.

Activities in 2023

I believe that focusing on risk management is crucial as it is the primary responsibility of the Audit Committee. Throughout my long tenure at the Bank of Japan, I gained experience in crisis management, including risk mitigation, system development, and business continuity planning (BCP) during the Great East Japan Earthquake. From that perspective, I appreciate the Company's excellence in identifying global management risks using a top-down approach, forming global teams to ensure thorough evaluations, and enhancing preparedness for emergencies. The Audit Committee aims to assess whether these preparations are sufficient and if each location is equipped to respond in times of crisis. In addition to evaluating the degree of penetration of the Bridgestone E8 Commitment, the Company is also focusing on enhancing its understanding of sustainability initiatives and efforts related to talent creativity in 2023.

During Audit Committee meetings, a significant amount of time is dedicated to conducting hearings with executives, including representative executive officers, as well as with responsible departments. The committee also receives reports from the Internal Audit Division, and conducts hearings with external auditors. As mentioned earlier, the quality of our internal audits has evolved from operational audits to encompass management audits. The management structure now includes an executive framework centered around the Global Executive Committee (Global EXCO), resulting in clear management policies and the implementation of activities in various regions in alignment with these policies. The Audit Committee is committed to advancing and strengthening auditing practices in line with the Company's management transformation and the corresponding evolution of governance.

Board of Directors and Executive Officers

As of March 2023

Board of Directors



Shuichi ISHIBASHI

Member of the Board
Global CEO and
Representative Executive
Officer



Masahiro HIGASHI

Member of the Board
Joint Global COO and
Representative Executive
Officer



Scott Trevor DAVIS

Member of the Board*
Chairperson of the Board of
Directors
Member of the Nominating
Committee
Member of the
Compensation Committee
Chairperson of the
Governance Committee



Yuri OKINA

Member of the Board*
Chairperson of the
Compensation Committee
Member of the Nominating
Committee



Kenichi MASUDA

Member of the Board*
Chairperson of the
Nominating Committee
Member of the
Compensation Committee
Chairperson of the
Compliance Committee



Kenzo YAMAMOTO

Member of the Board*
Chairperson of the Audit
Committee



Yojiro SHIBA

Member of the Board*
Member of the Audit
Committee



Yoko SUZUKI

Member of the Board*
Member of the Audit
Committee



Yukari KOBAYASHI

Member of the Board*
Member of the Audit
Committee



Yasuhiro NAKAJIMA

Member of the Board*
Member of the Audit
Committee



Akira MATSUDA

Member of the Board
Member of the Audit
Committee



Tsuyoshi YOSHIMI

Member of the Board
Member of the Audit
Committee

* Independent Director

Executive Officers



Shuichi ISHIBASHI

Global CEO and
Representative Executive
Officer
(*)



Masahiro HIGASHI

Representative Executive Officer
Joint Global COO
Chairman of Bridgestone Asia
Pacific Pte. Ltd.
Concurrently responsible
for BSJP
Chairman and Representative
Board Member of Bridgestone
Tire Solution Japan Co., Ltd.
Chairman and Representative
Board Member of Bridgestone
Cycle Co., Ltd.
(*)



Paolo FERRARI

Executive Officer
Joint Global COO
Global CSO (Global Chief
Business Solutions Officer)
BSAM Member of the Board,
CEO and President
(*)



Masato BANNO

Senior Vice President and
Executive Officer
Global CTO (Global Chief
Technology Officer)
Responsible for Technology,
Quality Management
(*)

(*) Global Executive Committee Member

Stakeholder Engagement

The Bridgestone Group prioritizes engagement with stakeholders as it strives to understand their perspectives and to share its point-of-view. Learnings from stakeholders help inform the Group's business activities as it continues to sustainably grow its business.

Stakeholder Group	Main issues / Key topics	Uses and methods/opportunities of main dialogues
Customers	<ul style="list-style-type: none"> • Developing appealing products/services • Providing timely response and support • Providing appropriate information • Effectively managing customer information 	<ul style="list-style-type: none"> ■ Boosting recognition of the Group's activities and generating opportunities for co-creation ■ Reflecting customer feedback in products and services <ul style="list-style-type: none"> • Responses to Customer Communication Center inquiries • Bridgestone Innovation Park, Bridgestone Innovation Gallery • Communicating information through websites and social media and exhibiting at events and exhibitions • Market research/Customer satisfaction survey
Shareholders and Investors	<ul style="list-style-type: none"> • Providing appropriate and timely information • Maximizing corporate value 	<ul style="list-style-type: none"> ■ Dialogue-based IR activities and timely, appropriate information disclosure ■ Reflecting shareholder and investor perspectives/feedback in management and IR activities <ul style="list-style-type: none"> • Annual Shareholders' Meeting • Financial results review meetings/Mid Term Business Plan (2021-2023) and progress updates • Individual meetings with investors, and ESG dialogue with investors • Formulating and hosting a briefing on the 2030 Long Term Strategic Aspiration
Business Partners	<ul style="list-style-type: none"> • Ensuring fair and impartial transactions • Communicating Sustainable Procurement Policy 	<ul style="list-style-type: none"> ■ Promoting dialogue and mutual understanding to achieve sustainable procurement ■ Encouraging dialogue to improve on-site environments ■ Capacity building and supporting improved yields and income through dialogue with and education for smallholder farmers <ul style="list-style-type: none"> • Daily procurement activities • Procurement policy explanatory forums/Sustainability seminars • Global Sustainable Procurement Policy rollout
Employees	<ul style="list-style-type: none"> • Respecting human rights • Promoting diversity and inclusion, including diverse working styles • Developing and utilizing human resources • Promoting occupational health and safety, and health and productivity management • Facilitating mutual understanding between management and labor 	<ul style="list-style-type: none"> ■ Improving engagement through mutual understanding with employees ■ Objectively analyzing survey results and formulating and implementing action plans to improve workplace environments based on dialogue <ul style="list-style-type: none"> • Employee engagement survey • Personnel evaluation systems and career development consultation • Meetings between labor and management • In-house newsletters and intranet • Town hall meetings • Bridgestone Group Awards and other reward systems
Local Communities, NGOs	<ul style="list-style-type: none"> • Contributing to local communities • Preserving local environments • Supporting activities in locations with the Bridgestone Group operating sites 	<ul style="list-style-type: none"> ■ Understanding issues in local communities, supporting solutions, and building trust <ul style="list-style-type: none"> • Disaster relief, reconstruction support, donations, and social contribution activities • Environmental and safety educational activities • Hosting and collaborating with local events, factory tours, etc. • Dialogue and collaborations with NGOs
Government Agencies, Industry Organizations and Educational Institutions	<ul style="list-style-type: none"> • Contributing to the development of a safe and reliable mobile society • Supporting educational activities • Participating in industry economic impact studies and supply chain assessments 	<ul style="list-style-type: none"> ■ Promoting and supporting the formulation of industry standards ■ Revising policy guidelines in line with social and industry trends <ul style="list-style-type: none"> • Industry organizations: Participation in global initiatives on sustainability and the environment such as the Tire Industry Project (TIP) operated under the World Business Council for Sustainable Development (WBCSD), the Global Platform for Sustainable Natural Rubber (GPSNR) • Communication, coordination, and support of industry-government-academia partnerships • Dialogue with government representatives

Stakeholder Engagement

Examples of Dialogue

» **CES 2023: Showcasing the Vision for Sustainable Mobility**

CES is the world’s preeminent gathering place for market leaders in technology, and Bridgestone was proud to return to the show floor in 2023 to collaborate with like-minded thought leaders and immerse attendees in our vision for creating a more sustainable future through mobility solutions.

The delivery of sustainable mobility requires each stage of the tire and rubber product’s life—from manufacturing and ownership to maintenance and end-of-life material circularity—to consider the most responsible processes and tools for each step. At CES, Bridgestone demonstrated its vision of vehicle management experience with the ultimate goal of carbon-neutral transportation in the future.

Throughout the show, the Group met with current and potential partners and customers in order to discuss ways the Group can support their current business needs through our sustainable solutions, while also collaborating on opportunities to lead the future of sustainable mobility together, providing both social and customer value. Bridgestone plans to continue to share, collaborate, learn and co-create in order to continue to lead the future of mobility.



» **An Active Role in Industrial Initiatives**

The Group takes the environmental and social impact of the tire industry seriously and play a leading role in building knowledge and establishing industry standards to better address the challenges facing the industry as a whole.



Thomas J. Higgins
Global Chief Business Strategic Officer, Bridgestone Corporation

Bridgestone actively engages in pro-competitive regional and global associations and projects to understand and address issues that can improve the sustainability of the tire industry. We have leadership roles in the United States Tire Manufacturer’s Association (USTMA), the European Tyre and Rubber Manufacturer’s Association (ETRMA), the Japanese Tyre Manufacturer’s Association (JATMA) and the World Business Council for Sustainable Development’s (WBCSD) Tire Industry Project (TIP), as well as many others. Our goal is to co-create collective solutions that can effectively and efficiently enhance the positive impact of our industry on society. We continuously support industry and regulatory initiatives aimed at establishing globally harmonized procedures to enhance the sustainability and safety performance of tires. For example, Bridgestone is currently contributing to the definition of international testing methods for measuring tire abrasion, to support reducing the generation of tire particles while vehicles are in motion.

» Dialogue-based IR Activities and Timely, Appropriate Information Disclosure

“Toward 2050, Bridgestone continues to provide social value and customer value as a sustainable solutions company.”

To achieve this vision, the Group is moving forward with the implementation of medium- to long-term business strategies which places sustainability at the core of management. Through quarterly financial briefings and other platforms, the Group provides regular reports on the progress of our medium- to long-term business plans.

Further, the Group understands that building mutual relationships of trust with analysts and investors is of paramount importance. The Group therefore takes advantage of the ideas and opinions that the Group obtains through dialogue with these analysts and investors in our management strategies and IR activities.

At Bridgestone, in addition to Corporate Sustainability division, which promotes the integration of our management strategies, business activities and corporate culture with sustainability issues the Group is facing, the Group newly sets up the IR Financial Affairs Reporting and Planning Section to strengthen the organizations structure to respond to increasing investors interests in sustainability related issues.

Through these organizations, the Group is improving our dialogue with institutional investors on our approach to sustainability issues and the management strategies that will allow us to achieve sustainable growth alongside our customers and society.

In June 2022, the Group published our first integrated report. This ensured timely and appropriate information disclosure through unique value creation stories that balanced sustainability and business. As a result, in addition to ESG perspective, the Group was able to exchange ideas with institutional investors on their requests and expectations as the Group seeks to grow as a sustainable solutions company. The requests and expectations of these institutional investors were relayed back to management, leading to discussions on how to link their ideas to future value creation, as well as concrete action.

The Group also received positive feedback on our IR improvements and comments on future expectations for the Company through individual investor meetings. The Group believes that positive, objective feedback from external parties helps us to develop as a strong and resilient Bridgestone.

External Evaluation in the Sustainability Field

The Bridgestone Group's sustainability efforts have been highly evaluated externally.

- Dow Jones Sustainability World Index: Selected as a component of the Dow Jones Sustainability World Index.
- Dow Jones Sustainability Asia Pacific Index: Selected as a component of the Dow Jones Sustainability Asia Pacific Index for the 13th consecutive year.
- FTSE4Good Index Series: Selected as a constituent stock of the FTSE4Good Index Series for the fifth consecutive year
- MSCI: Received as AA rating from the MSCI.
- CDP
 - Received the ratings below for our outstanding efforts.
 - CDP Climate Change: A-
 - CDP Water Security: A-
 - CDP Supplier Engagement: A-

Member of
**Dow Jones
Sustainability Indices**
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