



**SUSTAINABILITY  
REPORT**  
**2015**

Full Version

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\*Total Environmental Advanced Management System

# Editorial Policy

To communicate initiatives intended to increase corporate value over the medium to long term, the Group reports financial and non-financial information in accordance with the following reporting framework. In preparing these reports, the Group referred to the International Integrated Reporting Framework proposed by the International Integrated Reporting Council (IIRC).

In the following report, the Group describes for a wide range of stakeholders its fundamental management policies for achieving sustainable growth, clarifies the social and environmental issues that it seeks to address, and proactively discloses the initiatives that it is taking to address those issues.

## Annual Report

Operational Review



Financial Review



## Sustainability Report

Digest Version



Full Version



## Overview of Corporate Communication Tools

### Library



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

### Investor Relations



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

### Responsibilities



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

## Our Approach to Sustainability Reporting

Regarding our approach to Corporate Social Responsibility (CSR), the Bridgestone Group has disclosed detailed information on our corporate website and published the CSR Report and the Environmental Report as tools to facilitate stakeholder understanding of our activities. To communicate the Group's position on sustainability and related activities more effectively to our stakeholders, starting in 2016, we are integrating the CSR Report and the Environmental Report. Furthermore, this report is a detailed version of the Sustainability Report Digest, which discloses non-financial information, forming a companion to the Annual Report, which conveys mainly financial information.

### Sustainability Report

Digest Version



Conveying a summary of our position on sustainability and related activities

### Sustainability Report

Full Version



Summarizing detailed content regarding our position on sustainability and related activities

### CSR Website



Our position on sustainability and the latest activities and data

URL

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

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## About This Report

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### Period

This report focuses on data and activities for fiscal 2015 (the period from January 1 to December 31, 2015), although it also includes some information applicable to years before and after fiscal 2015. The contents of this Digest and the Full Version of the Sustainability Report that are not historical facts are forward-looking, aspirational, and based on information current as of the date of this summary and the Sustainability Report. Actual results may differ materially from those expressed in any forward-looking statement.

### Reference Guideline

Sustainability Reporting Guidelines (Version 4.0) (published by the Global Reporting Initiative)

### Organizational Coverage

This report covers the initiatives of the Bridgestone Group, including Bridgestone Corporation and subsidiaries and affiliates around the world. Throughout the text, "Bridgestone" or "the Company" refers to Bridgestone Corporation, while "the Bridgestone Group" or "the Group" refers to all group companies, including subsidiaries and affiliates around the world. Notes are provided where this distinction does not apply.

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## Major Sustainability Ranking and Rating

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Ranking / Rating System	Assessment in 2015
DJSI (Dow Jones Sustainability Index) Asia Pacific	selected
CDP (Carbon Disclosure Project) disclosure score	98 out of 100
Morningstar Socially Responsible Investment Index (Japan)	selected

# The Bridgestone Essence

(Corporate Philosophy)

The Bridgestone Group's mission is based on the words of its founder: "Serving Society with Superior Quality." To fulfill this mission, The Bridgestone Group has used the concept of "foundation" to demonstrate the sustained commitment of employees to provide its customers with world-class products and services and to serve the

communities where Bridgestone does business.

"The Bridgestone Essence" is composed of the above words, integrated corporate culture, and diversity that today's company has inherited and a shared sense of values that can be embraced by Bridgestone employees around the world.

## MISSION

### "Serving Society with Superior Quality"

We aspire to offer the best for our customers and to society, not only in terms of our products, services and technology, but in all of our corporate activities.

Our commitment to quality stems not from want of profit, but out of a passion for improving the safety and lives of people everywhere.

Through our Mission, we strive to be a company trusted by the world — a company in which all of us can take great pride.

## FOUNDATION

### "Seijitsu-Kyocho" [Integrity and Teamwork]

Seijitsu-Kyocho is about adhering to principles of good faith as you carry out your work, in the way you treat others, and as you participate in and engage with society. It is about producing positive outcomes by respecting a diversity of skills, values, experiences, genders, and races and fostering teamwork.

### "Shinshu-Dokuso" [Creative Pioneering]

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

### "Genbutsu-Genba" [Decision-Making Based on Verified, On-Site Observations]

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

### "Jukuryo-Danko" [Decisive Action after Thorough Planning]

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



# Outline of the Bridgestone Group

## ● Corporate Profile

Company name	Bridgestone Corporation
Head Office	1-1 Kyobashi 3-chome, Chuo-ku, Tokyo, 104-8340, Japan
Member of the Board CEO and Representative Executive Officer	Masaaki Tsuya
Concurrently Chairman of the Board	
Paid-in capital	JPY 126.3 billion (As of December 31, 2015)
Sales	(consolidated) JPY 3,790.2 billion (FY 2015)
Employees (consolidated)	144,303 (As of December 31, 2015)
(non-consolidated)	13,843 (As of December 31, 2015)
Summary of Bridgestone's manufacturing plants	plants in 726 nations (Bridgestone Group total as of April 1, 2015)

## ● Major Products and Operations

The Bridgestone Group engages in the tire business, comprising the manufacture and sale of tires, the sale of tire-related products, the manufacture and sale of retreading materials, and automotive maintenance and repair, and the diversified products business, which involves chemical products, sporting goods, and other related products.

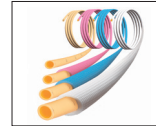
### Tires

Tires and Tubes for Passenger cars, Trucks and buses, Construction and mining vehicles, Industrial machinery, Agricultural machinery, Aircraft, Motorcycles and scooters and Others Automotive parts, Retreading materials and services, Automotive maintenance and Repair services, Raw materials for tires and Others



### Diversified Products

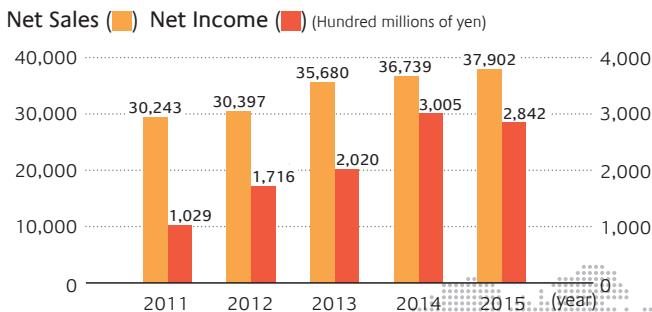
<Chemical and industrial products> Anti-vibration and noise-insulating materials, polyurethane foam products, electro-materials, industrial rubber products, building materials, belts, hoses, and other products <BSAM Diversified products> A business under Bridgestone Americas, Inc. supplying commercial roofing materials and others <Sporting goods> Golf balls, golf clubs, golf wear, tennis goods, and other products <Bicycles> Bicycles, bicycle goods and related products <Others> Finance and Others



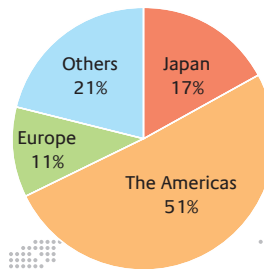
### Solution Business

Leveraging the potential for more tightly integrating elements of the company's portfolio, the Bridgestone Group is working on new 'solutions' service packages by combining maintenance services, IT/sensing technology, tires and diversified products to meet the needs of customers.

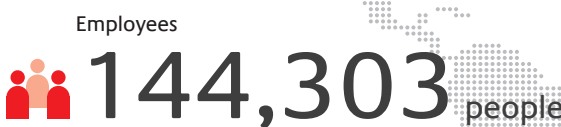
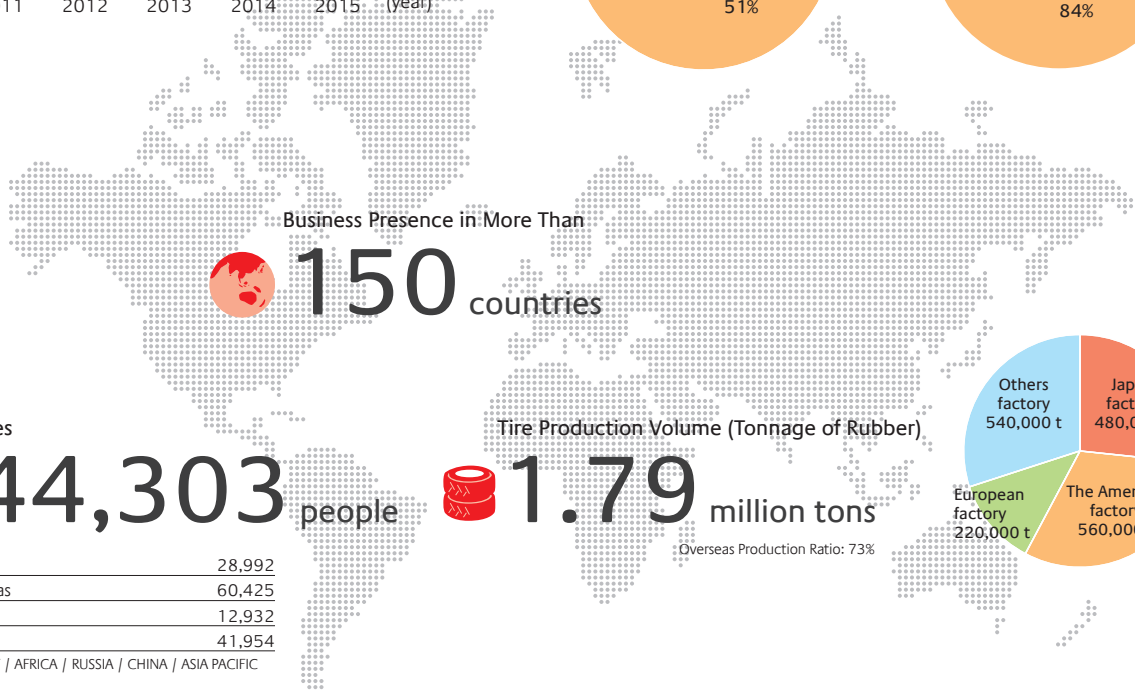
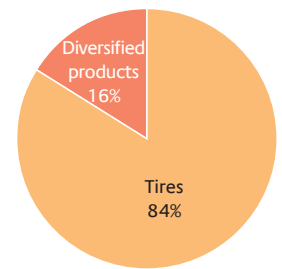
## ● Consolidated Earnings Summary (As of December 31, 2015)



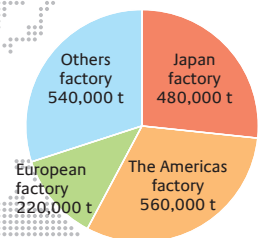
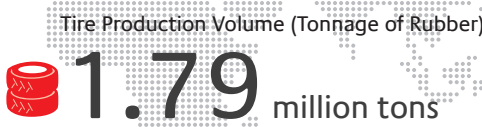
Consolidated Sales by Geographical Segment (FY 2015)



Consolidated Sales by Business Segment (FY 2015)



Japan	28,992
The Americas	60,425
Europe	12,932
Others*	41,954
* MIDDLE EAST / AFRICA / RUSSIA / CHINA / ASIA PACIFIC	



Overseas Production Ratio: 73%

## Commitment of Management



**Masaaki Tsuya**

Member of the Board  
CEO and Representative  
Executive Officer  
Concurrently Chairman of the Board

**Kazuhisa Nishigai**

Member of the Board  
COO and Representative Executive Officer

### Sustainability as our core business strategy

This past year marked an important milestone as the United Nations adopted 17 sustainable development goals (SDGs) aimed at helping define those issues around which all people can engage in order to achieve the goals of a more prosperous, equitable and sustainable world. It was also a year when the world community called into question how companies relate to society. In my view, it seems that business is now viewed with more and more skepticism.

Personally, I consider companies to be social beings. Furthermore, as they exist within society, companies must meet the expectations of a wide range of diverse stakeholders, stakeholders whose expectations are constantly changing and evolving. Companies that are unable or unwilling to meet – and exceed – these expectations and provide solutions will not grow. It is my belief that our company, in particular, must offer new ways to address and resolve society's many issues through the use of our innovative mindset and sophisticated technologies. I believe society is fully expecting us to employ that innovative approach and our world class technologies to contribute to a sustainable society. To meet these expectations, we aim to be a truly global company and be "Dan-Totsu" in all aspects of our business.

Of the many issues we all face with regard to sustainability, I believe that the Bridgestone Group is well positioned to leverage its businesses to focus on addressing concerns in the areas of mobility and the environment, while at the same time ensuring that the places where we work are better places to live.

Obviously we are very closely connected with mobility, meaning the movement of people and things – it is our core business. In addition to tires for automobiles, our involvement in providing mobility solutions to the mining industry and other commercial industries involved in the transport of people, goods and products offers opportunities for doing so more efficiently and in ways that are more environmentally friendly. We will center our innovation activities on technologies and solutions that will support these opportunities and which will benefit society and our planet.

Building trust and respect both in our communities and with our employees is essential for our sustainable growth. Therefore, we are committed to contributing to improvements in the way people live and work with a special focus on initiatives which support three themes: contributing to a safer society; accessible and inclusive education; and promoting healthier communities.

The state of our environment represents one of the truly pressing issues facing humankind. It is no exaggeration to say our Earth is at risk. Abnormal weather events and patterns of the sort previously seen only once many decades or even every 100 years have grown relatively commonplace. It is therefore imperative that we offer more ways to address this crisis through both technology and social systems. We must accelerate our environmental initiatives, not just at the individual company level but also through activities by and through global industry associations such as the Tire Sector group of the World Business Council for Sustainable Development.

In order to grow as a company while simultaneously addressing issues related to sustainability, one approach is to focus on the evolution from providing "goods" to providing "goods + services." For instance, one area of our business involves the sale of large tires for mining applications. This is an area where quality requirements are rigorous and efficiency considerations are paramount. Another area of our business relates to the supply of conveyor belts to mines, for which quality demands are also stringent. Until recently, we responded to the customers' needs for each of these product lines through separate business units concentrating on the products themselves. Moving forward, we will propose combined product and service packages. The new offerings will go beyond merely supplying tires or belts to customers and instead will employ technology to monitor mine conditions and recommend product and service combinations that provide optimum efficiencies for the mine operators, as well as provide services that can identify need for new products or services before a breakdown or a problem occur. Should a problem occur, however, we will respond promptly and be in the best position to provide the product and service combinations most useful to the customer. This approach will enable us to use resources more efficiently throughout the product's service life. It will also generate social value by enhancing the management of products at the end of their useful lives thereby further reducing the mining customers' environmental impact. As we shift from selling individual products to providing solutions, our goal is to be the partner of choice for companies from the time the mine is in its development stages through the full course of its operations, with our business growing both in terms of customer value and social value.

In addition to providing a solutions-based offering to the mining industry, we offer tire retread and maintenance services for trucks and buses, as well as "on the road" service packages that leverage our retail network. For passenger cars, our technology delivers a variety of solutions, including "NVH" solutions that provide a combined approach to solving passenger concerns regarding noise, vibration, and ride comfort (harshness). We will continue to offer ever higher-quality service combinations that we alone are equipped to provide. This approach, will result in a business model that moves us from "supplier" to "business partner," providing value while also helping to build a sustainable society in collaboration with our customers.

Bridgestone is participating in the Olympic Movement as a Worldwide TOP Partner of the Olympic Games through the summer of 2024. The Olympics span a variety of segments and groups, which I believe makes it a truly global and universal platform. Bridgestone operates in alignment with its mission of "Serving Society with Superior Quality" and endorses the fundamental principles of the Olympic Movement, which is to place sport at the service of the harmonious development of humankind, with a view to promoting a peaceful society and the preservation of human dignity. For these reasons, we are extremely proud to become a Worldwide Partner, and will communicate to the world the Bridgestone message—"Chase Your Dream."—through the highest level of performance, products and services.

Meanwhile, we fully understand that our responsibility and obligation "To serve society with superior quality" includes an unwavering commitment to the safety of our employees in all our facilities, full compliance with applicable laws and regulations, as well as mitigating risk in all of our operations.

In 2015, Bridgestone unveiled its Quality Mission Statement, which, together with the Safety Mission Statement, the Environmental Mission Statement and The Bridgestone Essence, forms the Bridgestone Essence Framework. The Safety Mission Statement expresses our full and absolute commitment to safety, not only to our employees and in our workplaces -- where people can work with peace of mind -- , but to the products and services we deliver to our business partners and end-users. The Environmental Mission Statement calls for the creation of social value through three main areas of focus: being in harmony with nature, valuing natural resources, and reducing CO<sub>2</sub> emissions. These three areas provide clear direction regarding the manner and types of activities we will undertake in order to support the move towards a sustainable society. The Quality Mission Statement describes commitment to the creation of customer value creation and the establishment of a sustainable competitive advantage. Quality is the essence of Bridgestone's DNA, and represents an unshakable directional axis. Going forward, we will continue to work to further enhance, instill and promote quality initiatives globally throughout the Group, all as articulated by the Bridgestone Essence Framework.

Society also requires that companies establish and maintain effective and efficient forms of governance that are appropriate for the enterprise as it may evolve from time to time. In that spirit, and consistent with the manner in which Bridgestone has grown and evolved over the years, we transitioned to the "Company with Nominating Committees, etc." model of corporate governance in March 2016. We determined that the introduction of this model at this time will serve to further strengthen the company's internal control systems while enabling both more effective strategic planning and efficient decision-making.

Four years have passed since Kazuhisa Nishigai, our COO, and I joined together as a new management team and began our journey of management reform. I believe 2016 will prove to be a meaningful time for reflection as we consider the next stage of these reforms and the further development and growth of our business. This year also marks our debut as an Olympic partner at the Olympic Games Rio 2016. Organizationally, we have taken our first steps in developing new business models, including the launch of the mining solutions company mentioned earlier. For these reasons, I believe this will be a significant year for Bridgestone. Going forward, we will continue to fulfill our social obligations and responsibilities, pursue a sustainable society and strive to create common value with our customers and society as a whole.

**Member of the Board**  
**CEO and Representative Executive Officer**  
**Concurrently Chairman of the Board**  
**Masaaki Tsuya**





## Approach to Sustainability

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

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### Bridgestone's Approach to Sustainability

Based on its mission of "Serving Society with Superior Quality" as declared in "The Bridgestone Essence" (corporate philosophy), the Bridgestone Group places importance on corporate profits as well as contributing to the development of society. As a global leader in the tire and rubber industries, we aim for sustainable growth as a company that contributes to the creation of a sustainable society while embracing our responsibility to future generations.

To maintain the Group's trajectory and promote CSR, "22 CSR Focus Points" have been established as a common language throughout the Group. In addition, we have undertaken improvement activities on an ongoing basis and have ensured the thorough observance of societal norms and basic rules forming the cornerstone of the Company's continued existence in an attempt to raise the level of CSR activities. Going forward, Bridgestone will continue undertaking and further improving these activities. We also think it is necessary to take these activities to the next level in our efforts to contribute to the realization of a better society and fulfill societal expectations as a global company.

Based on these beliefs, we not only ensure compliance with the basic social norms and rules underpinning our continued existence as a corporate entity, we also contribute to resolving social issues through innovation and cutting-edge technologies. We create common value for customers and society and build trust and respect by contributing to community development. In particular, we consider materiality from a variety of perspectives and recognize Mobility, People and Environment to be priority areas.

#### Mobility

The Bridgestone Group is the world's largest tire and rubber company, exceedingly engaged in the movement of people and goods. We contribute to the sustainable growth of a mobile society, providing optimal modes of mobility for people and society in the areas of accessible mobility, safe transportation and smart mobility through Bridgestone's latest technologies and innovations.

#### People

The Bridgestone Group develops business activities with approximately 145,000 employees in over 150 countries around the world. We build trust and respect in communities by contributing to a safer society accessible and inclusive education, promoting healthier communities and contributing to the betterment of society in the countries where we develop business through the people we employ. As a result, the Bridgestone Group aims to build trust and respect both in communities and with our employees.

#### Environment

Environmental issues are one of the most critical social issues faced by humanity, and Bridgestone recognizes this important issue must be urgently addressed by the industry as a whole.

Having established the Long-term Environmental Vision for the year 2050 and beyond, as well as Mid-term targets for the year 2020, the Bridgestone Group is focused on business and the environment, creating value through products and services that contribute to reduced environmental impacts, while engaging in efforts to reduce our own environmental loads.

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### Materiality Approach

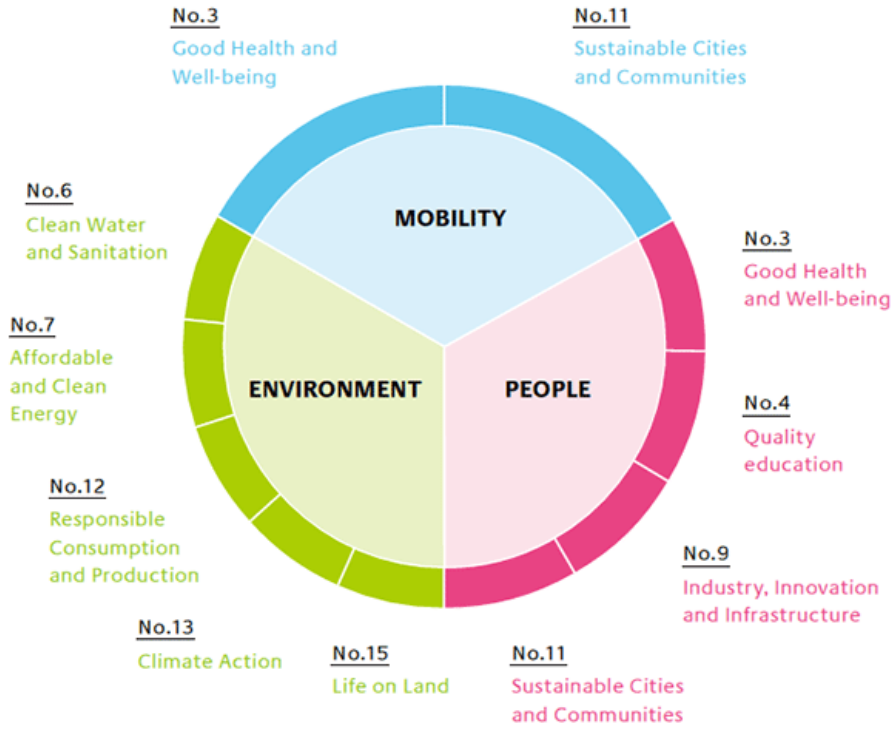
The Bridgestone Group considers priority areas using two approaches: value chain analysis to ascertain and analyze the current impact of our business on society; and analysis of social issues to identifying those which can be solved with Bridgestone's technology and innovation. The identification of social issues is conducted based on materials from the United Nations (including SDGs\*), and the World Business Council for Sustainable Development (WBCSD) and reflects the concerns of various stakeholders. These materials are reviewed internally by working teams as well as by external stakeholders, and then evaluated as important initiative content for (consideration by) Bridgestone Group CSR.

\* At the United Nations Sustainable Development Summit in 2015, world leaders adopted the 2030 Agenda for Sustainable Development, which includes a set of 17 Sustainable Development Goals (SDGs) to end poverty, fight inequality and injustice, and tackle climate change by 2030.

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### Strong SDG linkage

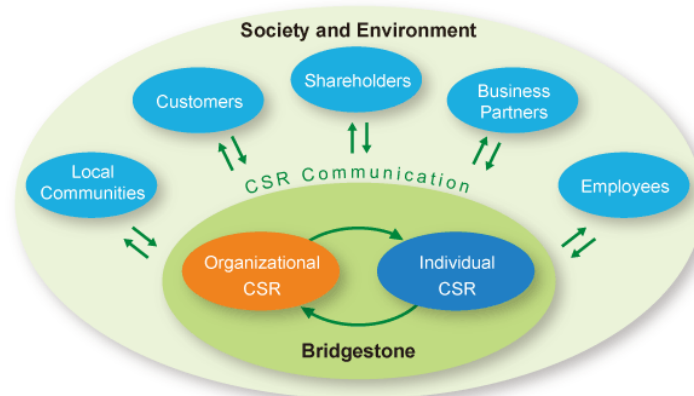
We review our business and sustainability strategy against the SDGs to identify specific goals where we can contribute to solutions by using our core competencies.



### Framework for Pursuing CSR Activities

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

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



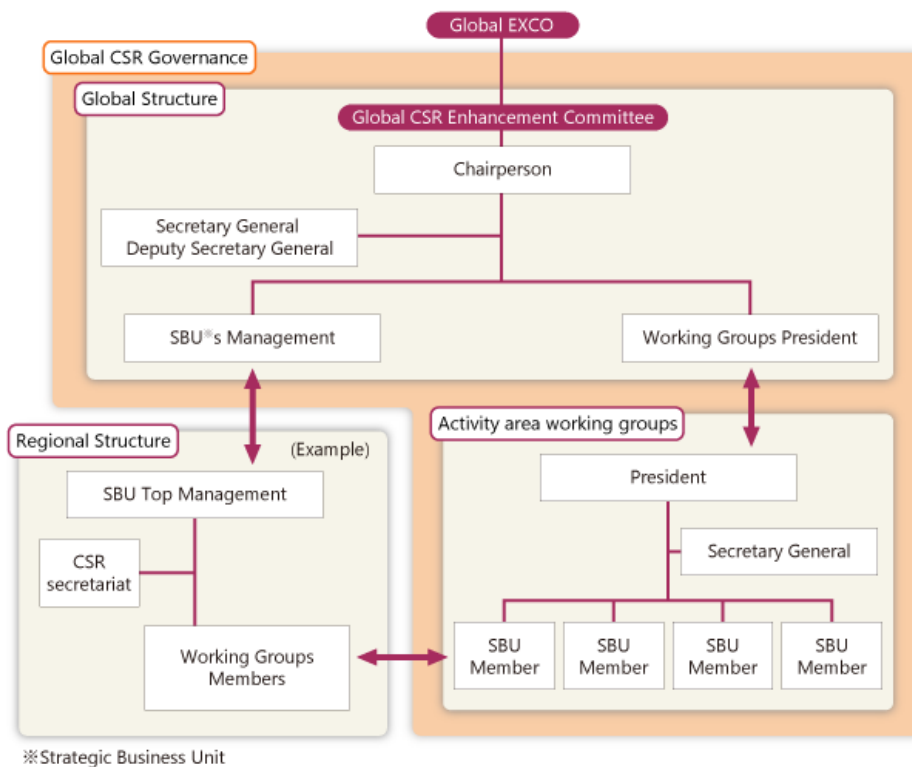
## CSR Management

To promote Group-wide sustainability activities, Bridgestone created a structure comprising a global CSR promotion system, a regional CSR promotion system, and working groups (WGs) for each area of activity.

The global CSR promotion system prioritizes initiatives in areas pertaining to a variety of global issues, formulates global sustainability strategies, confirms the progress of activities in each area, reports to the Global EXCO,\* and confirms the in-house penetration of CSR activities conducted by the Global CSR Enhancement Committee (GCEC). The regional CSR promotion system establishes policies and objectives in each region, conducts activity reviews, and reports to the GCEC. WG activity areas comprising members from each regional activity area confirm the progress of activities and the details of initiatives in each activity area throughout the Group. This structure enables the Bridgestone Group to thoroughly promote CSR activities throughout the entire Group.

\* Global Executive Committee: The highest-level committee associated with Bridgestone Global Group business execution

### Structures for pursuing CSR activities



In terms of incorporating CSR into business activities, the Bridgestone Group also believes in the importance of awareness and with respect to daily work duties conducted by every employee. Bridgestone offers a variety of training and education to ensure each employee incorporates CSR into their work duties and behavior. With these efforts, the Bridgestone Group can work toward achieving its ideal state.

## Bridgestone Group Awards



The Bridgestone Group Awards are a recognition program open to all organizations and employees of the Bridgestone Group. The Bridgestone Group Awards were created with purpose of increasing employee awareness of corporate activities based on the Bridgestone Corporate Philosophy and fostering a sense of unity among Group employees. This program has been held every year since 2008 to recognize the Bridgestone Group's highest level of awards. In addition, the Awards play an important role in working toward achieving the Group's ultimate goals of becoming a truly global company and "Dan-Totsu in all aspects of our businesses".

This year, the awards fall into 5 categories: "Achievement", "Contributions to Society", "Environmental Excellence", "Risk Management" and "Education". Our global board members held a Screening Committee to discuss and determine the winners from submitted initiative. As a result, among all the various activities conducted by organizations and employees of the Group, six activities were selected for recognition this year.

Bridgestone Group considers the Bridgestone Group Awards as an important management tool. Amid significant change in our operating environment, innovation and continuous improvement is essential in order to secure a competitive advantage and create value for both our customers and society. By recognizing outstanding activities through the Bridgestone Group Awards and sharing examples of best practices, we believe we can achieve further improvements across the entire Group.

The activities selected for recognition are as follows.

## Bridgestone Group Award for Achievement



**Contribution through global/regional brand strategy by REGNO/POTENZA development**  
Bridgestone Corporation, Bridgestone Tire Japan Co., Ltd.  
Bridgestone Americas Tire operations, LLC

This activity entails the development and launch of POTENZA RE-71R, REGNO GR-XI, and GRV II. While being specialized in appealing aspects of performance such as driving (fun to handle), quietness, and comfort, REGNO GR-XI and GR VII achieve a high degree of balance between all seven aspects required of tire performance, thus satisfying customer needs. In addition, both existing technologies-such as "ULTIMAT EYE"- and new technologies used in these tires strongly appeal to customers, which contributed significantly to sales.



## Bridgestone Group Award for Achievement



**CoreGard™ Technology: The Next Generation in Class A Fire Protection**  
Firestone Building Products Company, LLC

This activity entails developing CoreGard™ Technology, a new technology that to be environmentally-sustainable and fire-resistant capabilities. The new product CLAD-GARD™ SA-FR was put on the market in 2015 and has made customer easier and safer compared to similar existing materials, in addition to contributing to economic efficiency.



## Bridgestone Group Award for Contributions to Society



**Happy Tangram Education-Support Project**  
Bridgestone (China) Investment Co., Ltd. (BSCN)

This activity entails having BSCN provide music, art, physical education, and other classes to local children who do not have the opportunity to receive sufficient aesthetic education. Starting in 2009, this activity has extended to over 20 elementary schools, offering support to over 10,000 children and teachers and donating 60,000 books. BSCN teammates have participated in the activities as volunteers.



## Bridgestone Group Award for Environment Excellence



### BioMass Boiler Project Bridgestone de Costa Rica, S.A.

This activity entails the introduction of the Bridgestone Group's first biomass boiler in 2014. The boiler has succeeded in reducing the plant's CO<sub>2</sub> emissions by roughly 50% by replacing fossil fuel oil with wood pellets as biogenic fuel for the boiler. The introduction of the biomass boiler was an unprecedented event in Costa Rica. Accordingly, the boiler's opening ceremony was held with the president of Costa Rica in attendance, and a variety of media outlets have reported on the boiler.



## Bridgestone Group Award for Risk Management



### PSM Fire Emergencies User Interface "Fireway" Bridgestone Hispania S.A.

This activity entails the in-house construction of the fire emergency warning system "Fireway". With "Fireway," when the fire alarm rings, the area where the fire is occurring and a route to that area are immediately displayed on plant's internal monitors. This system helps with the initial response of private fire brigades and instantly displays escape routes, which leads to smooth evacuations.



## Bridgestone Group Award for Education



### Bridgestone Free Vocational Education Support in Indonesia P.T. Bridgestone Tire Indonesia

This activity entails the provision of free-of-cost industrial training education to technical high-school graduates at the LLK-BS school, which was established in 1982. Every year, 24 students enter the school and are able to learn about not only the theory and practice of electrical and mechanical engineering, but also management skills and languages. After graduating, students draw upon the technologies they have learned about to find employment not only at Bridgestone but also at other companies in all areas of Indonesia. In 2010, the school received recognition from Indonesia's Ministry of Industry and Trade.





## Issues and Our Approach

The Bridgestone Group is the world's largest tire and rubber company. We have achieved corporate growth by providing advanced, high-quality products and services that are indispensable to the mobility of people and goods, including tires for passenger cars, trucks, buses, airplanes, motorcycles, bicycles, and construction and mining vehicles, as well as anti-vibration rubber and other automobile components throughout the world. Going forward, in anticipation of population growth and economic development, we will play a leading role in contributing to the sustainable growth of a mobile society, responding to quantitative increases in demand, diverse mobility needs, and demands for mobility that are safe and secure, as well as qualitative demands for mobility advancements through our core competencies, technology and innovation. We believe, by addressing mobility issues and contributing to solving them, we will be able to have a competitive advantage in the industry simultaneously.

## Contribute to a Safe and Secure Mobile Society with CAIS\*1

CAIS is a general term for Bridgestone's tire-sensing technologies, which provide value to consumers by collecting and analyzing tire contact area data and using this information to classify road conditions. In 2015, Bridgestone realized the world's first\*2 practical application of this tire sensing technology with classification of road conditions. This technology classifies the road conditions into seven different states (dry, semi-wet, wet, slush, fresh snow, compacted snow, and ice) through an onboard system in real time.

Bridgestone promotes technological development for not only tires but also entire systems in support of a safe and secure mobile society.

\*1 Contact Area Information Sensing. CAIS is a registered trademark of the Bridgestone Corporation.  
 \*2 Among tires equipped with classification of road condition technologies (Source: Bridgestone research, November 2015)

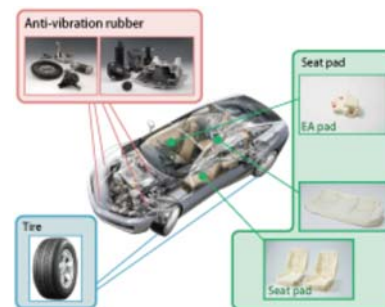
**To classify the road condition**

**To classify up to 7 different road conditions**




## Creating New Value with NVH\* Solutions

In addition to tires, Bridgestone also develops automotive-related products, including anti-vibration rubber and seat pads. Anti-vibration rubber is an automotive product related to vehicle performance and safety that functions to suppress and reduce vibrations and noise emanating from each section of the vehicle. In addition to the main functions of preventing and controlling vibrations and providing performance support, this product is developed in response to vehicle shape, weight relating to fuel consumption and customer needs. Pads on seats, which are the main interface connecting passengers and vehicles, are important automotive products that determine basic functions such as supporting the body and controlling vibrations and unsteadiness. Bridgestone utilizes materials technologies, production design technologies, and evaluative and analytical technologies to ensure optimal materials design that results in seat and driving comfort.



NVH solutions not only provide these products on an individual basis, but also propose the combined usage of these products and technologies to customers. Bridgestone creates new value for the customer beyond what is possible with a single product and contributes to the realization of an improved mobile society by responding to increasingly diversified needs with technology and innovation.

\* NVH is an acronym for Noise, Vibration, and Harshness.

## Fleet Solutions Meeting the Various Needs of Transport Operators

Bridgestone develops fleet solutions offering new and retread truck and bus tires and maintenance services in one package to ensure our tires are used safely for as long as possible. The term "retread" refers to the reuse of a tire by replacing a used tire's tread.<sup>1</sup> Retreading requires fewer resources than would be needed to manufacture a brand new tire. This process effectively utilizes resources and therefore reduces environmental impacts. Fleet solutions contribute to customer environmental management and cost reductions by proposing new or retread tires and optimized maintenance services in line with customer tire usage conditions. This service also reduces environmental impacts and creates social value by contributing to the reduction of CO<sub>2</sub> emitted during the tire manufacturing, usage and disposal stages in accordance with the activities of the Bridgestone Tire Recycling Center Osaka,<sup>2</sup> which collects used tires and reuses or recycles all of them.



<sup>1</sup> The rubber portion of the tire that is in contact with the road.

<sup>2</sup> In 2013, the retread tire manufacturing plant and the intermediate treatment plant for end-of-life tires were merged.

## Mining Solutions Creating Common Value in Mining Operations

The Bridgestone Group manufactures tires for mining equipment vehicles and conveyor belts used for carrying ore and other mined materials. There are only a few companies in the world that manufacture these tires, especially those for massive mining vehicles, as they require advanced manufacturing technologies and specialized large-scale equipment. To provide customers with safer and more efficient mobility in harsh mining environments, we offer a solution business providing comprehensive support, from services to IT. We combine mining vehicle tire and conveyor belt products strategically positioned by the Group that until now were sold separately. This approach enables us to create new value for the customer. From the suppliers' point of view, we aim to be the partner of choice for our customers. Additionally, we think we will be able to create social value from an environmental perspective, since efficient tire utilization conserves resources and reduces tire disposal.



In 2015, Bridgestone established in-house companies in its business for mining and agricultural machinery to accelerate the global expansion of Bridgestone's solution business. Bridgestone will streamline in-house functions that oversee its businesses for mining and agricultural machinery, which were previously organized by region and product type. By organizing these functions from the perspective of its customers in such ways as realizing an integrated point of customer contact, Bridgestone will strengthen the global reach of its solution businesses.

## Global Initiatives Contributing to Sustainable Development for Industry and Society / Environment

Since 2006, the Bridgestone Group has been a member of the Tire Industry Project formed under the Geneva, Switzerland-based World Business Council for Sustainable Development (WBCSD). The Tire Industry Project (TIP) has been operating successfully for ten years, addressing a series of sustainability challenges for industry.





Initiatives aimed at research and problem-solving with respect to the impact of tires on the environment and health.

**1. Researching the Environmental and Ecological Impacts of Tire and Road Wear Particles (TRWP)**

With respect to TRWP generated as tires wear down during use, verification tests thus far have revealed little risk to the environment or health.

**2. Global Development of Effective End-of-Life Tire (ELT) Management Systems**

To address variations in ELT management systems among different countries and regions, the Tire Industry Project published the End-of-Life Tires: A Framework for Effective ELT Management Systems in 2010. Bridgestone promotes ongoing activities designed to globally deploy effective ELT management systems.

**3. Researching the Environmental and Ecological Impacts of Nano-Materials**

The Organization for Economic Cooperation and Development (OECD) publishes reports on its collaborative project with the Bridgestone Group focused on the social and environmental contribution of tires using raw materials, such as carbon black and silica, the health and the environmental effects of the nano-materials used at the tire development and manufacturing stages, and research into optimal methods for risk assessments and protective measures related to impacts on the human body. These raw materials are thought to pose a low risk to the health of people working with them.



[Tire Industry Project 10-Year Progress Report](#)





# PEOPLE

## Issues and Our Approach

The Bridgestone Group conducts business in over 150 countries throughout the world. Based on our founder's motto for the welfare and happiness of all humankind, Bridgestone believes in the importance of building relationships of trust with local communities, as well as contributing to the development of and providing support for people's lifestyles and education in local communities in the countries where we do business. To this end, it is essential that we strengthen relationships of trust with the 145,000 Group employees engaged in business and social contribution activities. By continuing to be a true contributor to the betterment of society, the Bridgestone Group aims to grow sustainably alongside its local communities.

## Brake and Tire Watch (South Africa)

In association with *FleetWatch* magazine and other industry partners, Bridgestone South Africa (Pty) Ltd. has participated in Brake and Tire Watch, a program aimed at empowering traffic officials to identify unroadworthy vehicles on the roads, as well as to increase transport operator awareness of efficient braking and tire checking. Traffic authorities are trained on the importance of safe tires, tire faults, functional brakes and other visual safety components. Trucks or buses found to be unroadworthy are then removed from the road and issued discontinuation notices. So far, the program has trained more than 1,200 traffic officials and inspected more than 400 vehicles, of which 60% were not in roadworthy condition. Through these activities, Bridgestone contributes to a safer society.



## Improving Disaster Prevention Systems through the Introduction of a Weather Observation System (United States)

The tire manufacturing plant operated by Bridgestone Americas Tire Operations, LLC (BATO) is located in the state of Tennessee, which is one of the regions in the United States that is prone to tornadoes. Measures to guard against natural disasters were a challenge for the plant. The LaVergne tire plant partnered with the local office of the National Weather Service to improve their overall process. By examining existing response methods at plant, a wide gap was identified between the ideal disaster prevention system and the actual situation, leading to an important initiative to increase preparedness. As a result, a command center with weather observation functions and related systems were studied and put into effect. The location was certified by the National Weather Service as a "Storm Ready" site which recognizes locations that have best in class preparedness systems.

This initiative did more than improve safety and disaster prevention. Improvements also provided employees peace-of-mind, since it created an early warning and reduced fire risk. The initiative also improved productivity, including the avoidance of production stoppages caused by unanticipated disasters. Furthermore, this initiative enables development in the local community, which faces risks from the same types of natural disasters. Through such activities, Bridgestone supports safety and security.



## Bridgestone's Free Vocational Education Support (Indonesia)

P.T. Bridgestone Tire Indonesia (BSIN) provides free- industrial training and education to high-school graduates of the Loka Latihan Kerja P.T. Bridgestone Tire Indonesia (LLK-BS) school. LLK-BS was established in 1982 for the purpose of producing a skillful and reliable workforce to support Indonesian industry. The LLK-BS students, many of whom still lack the skills necessary to work in industry, are recent graduates of vocational high schools. The school is located on the premises of the P.T. Bridgestone Tire Indonesia Bekasi plant. Depending on their grades, the students have the chance to be employed by Bridgestone, while students not hired by Bridgestone are employed by other companies. We provide accessible and inclusive education through these activities.



## Bridgestone Children's Eco-Art Contest (Japan)

Each year, the Bridgestone Corporation, along with Bridgestone Cycle Co., Ltd. and Bridgestone Sports Co., Ltd., holds the Bridgestone Children's Eco-Art Contest. This contest, which began with the desire to preserve our precious natural environment for the children of the future, emphasizes an appreciation for nature as seen through children's drawings. Held since 2003, a total of 313,119 drawings have been contributed, each one is a magnificent work of art expressing the children's rich and varied sensitivities.

In 2015, the theme of the 13th annual contest was "My Favorite Nature," which received 56,128 entries from across Japan. Going forward, the Bridgestone Group will continue to support the education of the next generation through these and other activities.



## Tire Collection and the Fight Against Dengue (Costa Rica)

Dengue virus is a serious health problem in Costa Rica and other tropical locations. Worn stockpiled tires can encourage mosquito breeding which can increase health problems in the population. Bridgestone de Costa Rica (BSCR) has worked with the Ministry of Health of Costa Rica on monthly tire collection campaigns for proper waste treatment through co-processing. In 2015, 2,000 tires were collected and properly disposed of as part of the program. Bridgestone believes these activities are crucial for promoting healthier communities.



## Initiatives to Improve Healthcare Services (Spain)

Since 1970, company doctors and employees at the Bilbao Plant have been contributing to local communities through healthcare service initiatives. These include blood donations, training and conferences on occupational medicine and ultrasonography, medical equipment and medicine donations, and Christmas parties for hospitalized children. Recently the plant installed defibrillators (AED) and trained employees how to use. In addition, the plant introduced availability of installed AED to local community by mobile application.

Employees working at the plant also benefit from health services such as echography and other medical examinations, preventive health campaigns (targeting cancer, hypertension, obesity, tetanus, and etc.), ergonomics programs, and psychosocial support. The Bilbao Plant is recognized as the first company in the Basque region to sign a collective health policy. Through these and other activities, Bridgestone supports the healthy life of regional communities.



For more information, please visit our website:  
[http://www.bridgestone.com/responsibilities/corporate\\_citizenship/](http://www.bridgestone.com/responsibilities/corporate_citizenship/)



## Environmental Mission Statement

The Bridgestone Group has 188 production and development centers in 26 countries, a business presence in more than 150 countries, and a combined workforce of approximately 144,000 employees. Our global Environmental Mission Statement acts as a common philosophy to which each of our employees adheres to as they do their jobs on a daily basis.

The Environmental Mission Statement continues to portray the Bridgestone Group's unchanging environmental philosophy-"To help ensure a healthy environment for current and future generations." It also defines three areas<sup>\*1</sup> of environmental progress and two core strategies<sup>\*2</sup> for growth. We are striving to take our environmental management program to the next level by implementing three important environmental perspectives in the drive to realize a sustainable society: ecological conservation, resource conservation, and CO<sub>2</sub> emissions reduction.

\*1 Three areas: Refers to the three areas of "products & services", "operations" (i.e. Bridgestone's Group business activities) and "community activities" (i.e. activities in areas unrelated to these business activities).

\*2 Two core strategies: Refers to our "TEAMS (Total Environmental Advanced Management System)" and "environmental communication" as platforms for supporting activities in the "three areas" and promoting their continuous improvement. (TEAMS: our own integrated group-wide global environmental management system.)

To ensure everyone in the Bridgestone Group is exposed to the Environmental Mission Statement, it has been translated into 19 languages and is displayed on posters in every Bridgestone Group business. We also use various educational opportunities, such as employee training programs and company intranets, to support employees both in understanding the connection between the Environmental Mission Statement and the work they do, and in facilitating individual initiatives to protect the environment.



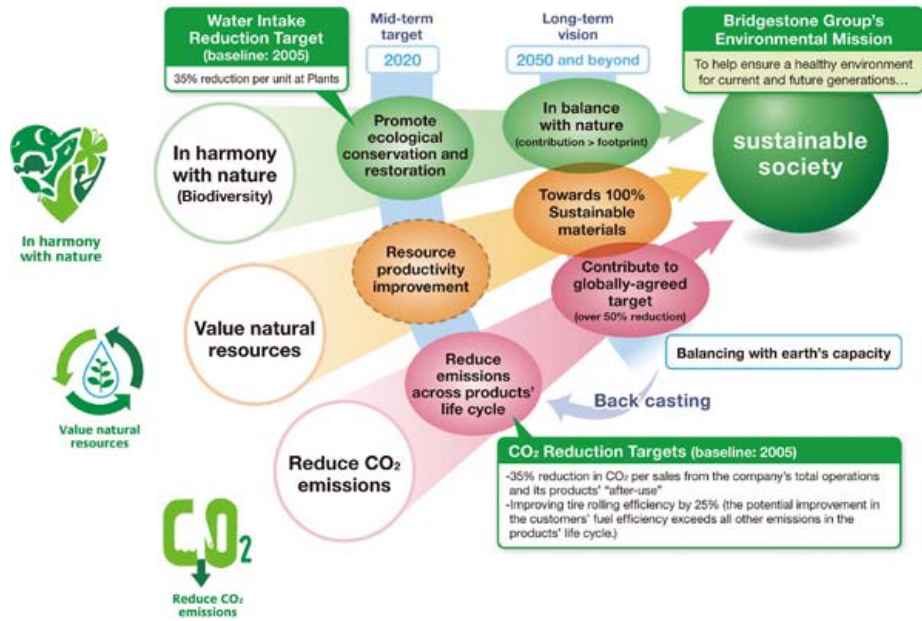
## Long-term Environmental Vision

In April 2012, the Bridgestone Group announced the Long-term Environmental Vision<sup>\*1</sup> targeting 2050 and beyond in the three activity areas of "being in harmony with nature," "valuing natural resources," and "reducing CO<sub>2</sub> emissions." These initiatives are conceived to help realize the sustainable society described in our Environmental Mission Statement, which outlines the direction of our long-term environmental aspirations.

The establishment of the Long-term Environmental Vision was based on the prediction that the world's population would increase from its current level of 7 billion to more than 9 billion<sup>\*2</sup> by 2050 and that soaring demand for energy, food, and natural resources fueled by increases in the standard of living worldwide would precipitate additional environmental issues. In particular, as experts point to the possibility that humankind may face major challenges as it encounters climate change, resource shortages, and a loss of biodiversity, the Bridgestone Group believes that its status as a company developing its business globally confers responsibility for supplying high-quality products in a stable manner to facilitate safe and comfortable mobility.

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

\*1 Detailed information about Bridgestone's Long-term Environmental Vision is available on our website.  
 \*2 World Population Prospects: The 2012 Revision (United Nations, 2013)



Promoting biodiversity to help ensure not only sustainability but also a healthy, vibrant future



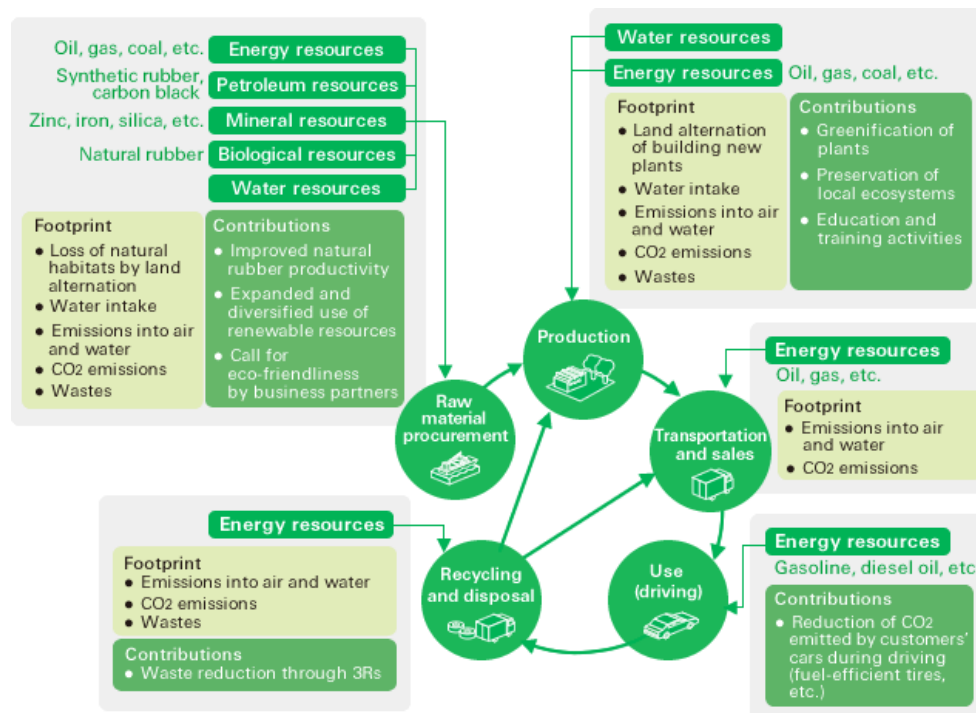
In harmony with nature

## Long-term Vision : In Balance with Nature (Contribution > Footprint)

The Bridgestone Group is committed to being "in harmony with nature" in accordance with the long-term Environmental vision formulated at the tenth meeting of the Conference of the Parties (COP 10) held in 2010. To accomplish this, we will maintain a constant understanding of the relationship between our business and biodiversity, based on which we will define the priority issues that we must address. "In balance with nature," the Group's long-term environmental vision for the above-mentioned goal, is our commitment to contribute to biodiversity through habitat enhancement, environmental education and research. Our business operations will take into account the impact on the ecosystem as a whole. The Bridgestone Group is conducting activities targeting "in balance with nature" throughout all business areas.



Relationship between the Bridgestone Group's tire operations and biodiversity




\* Diagram was constructed based on the Business & Biodiversity Interrelationship Map® released by the Japan Business Initiative for Biodiversity (JIBI).

Since 2013, the Bridgestone Group has conducted a materiality analysis on the footprint on and contributions to biodiversity made by the Group's operations. This is based on the above interrelationship map in order to define priority issues. We will improve our activities by taking key actions in relation to these issues

in the future, while reviewing the priority issues to meet the changes in social needs.

Priority Issues and Key Actions

### Minimizing footprint



**Reduce impact on land utilization**

- Consider biodiversity at the time of new factory construction
- Request that suppliers give consideration to biodiversity

**Reduce impact on water intake**

- Reduce the amount of water intake in the procurement and production processes

**Reduce air and water emissions**

- Strengthen management of environmental activities at manufacturing facilities, and prevent pollution
- Manage the use of chemicals to ensure environmental protection and reduce the use of targeted volatile organic compound (VOC) solvents
- Request that suppliers establish an environmental management system


**Reduce CO<sub>2</sub> emissions from lifecycle stages**

- Reduce CO<sub>2</sub> emissions from lifecycle stages from procurement to production, distribution and product disposal

**Reduce waste production**

- Reduce waste production

### Enhancing contributions



**Preservation and restoration of habitat areas for wild plants and animals**

- Local preservation or restoration of ecosystem and water resources at our facilities and in the communities where we live – around the globe.
- Education and research activities

**Improvement of natural rubber farm productivity**

- Contribution to the control of new forest exploitation by developing and promoting technologies to improve the productivity of natural rubber

**Water resource preservation or restoration**

- Water resource preservation or restoration activities around company locations and through support of water resource-based public organizations

**Reduction of CO<sub>2</sub> emissions (customer use)**

- Development and sales of fuel-efficient tires
- Improvement of vehicle fuel efficiency by reducing cars' weight

## Key Actions to Minimize Footprint

### Reducing the Impact of Water Intake

"Water intake impact reduction" is given as the primary action for the "minimization of impact" on biodiversity. The Bridgestone Group employs cooling water and steam in the production process. Continued use of such water resources is a current production requirement that cannot be separated from continuation of business for the Group. The Group has therefore set the target of reducing water intake at 35% (per unit) by 2020 throughout the Group, based on 2005 levels.

We are reusing/recycling water at many of the Group's manufacturing facilities, including operations in areas where there is serious concern for water shortage such as China and Mexico. We are also using water resources more efficiently by enhancing the production process and using rainwater. The results of 2015 revealed a 28.5% reduction (per unit) compared with 2005.

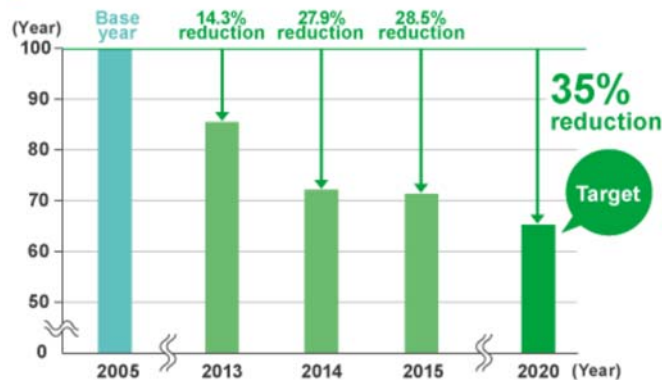
In addition to implementing a risk assessment for water quality and volume, we take efficient use of water resources and wastewater into account when building new tire facilities. We are studying corrective measures for each location by assessing risk using WBCSD Global Water Tool<sup>\*2</sup> and WRI Aqueduct<sup>\*3</sup> at all existing facilities.

<sup>\*1</sup> Bridgestone manages water intake per production volume and sales for each business unit. A weighted average efficiency of the reduction rate is used as an index.

<sup>\*2</sup> Water risk assessment tool developed by World Business Council for Sustainable Development (WBCSD)

<sup>\*3</sup> Water risk assessment tool developed by World Resources Institute (WRI)

■ Target and Actual Figures of Water Intake at Manufacturing Facilities (per unit)



► [Independent Verification Report](#) 

## Utilizing Rainwater

Rainwater is utilized in some plants of the Bridgestone Group. At these plants, rainwater is collected and used for operations or watering plants within the site.

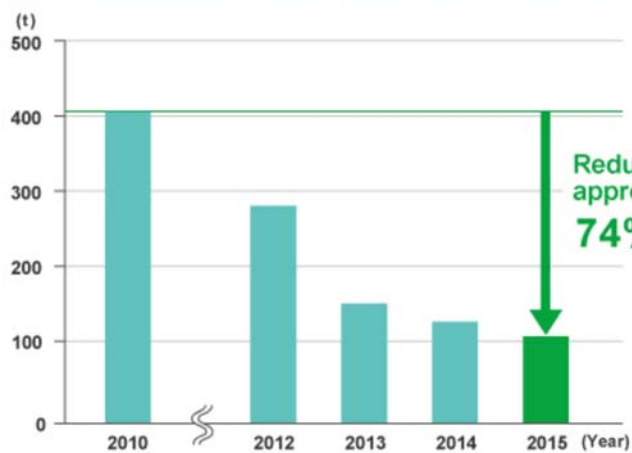


## Reducing VOC in Manufacturing Processes

The Bridgestone Group is continuously striving to switch to substitutes for chemical substances that could have a negative environmental footprint such as volatile organic compound (VOC) solvents, thus reducing the amount of chemical substances used.

As an example, the Group proactively worked on reducing the amount of chlorinated VOC solvent used at production bases in the Group's industrial chemical department, and realized a dramatic reduction of approximately 74% in a span of five years from 2010 to 2015. Bridgestone also progressively switched from VOC solvent-based adhesive to water-based adhesive used for automobile seats at the Bridgestone APM's Upper Sandusky Plant and Dickson Plant in the U.S., eventually eliminating VOC solvents altogether. The Group will continue to reduce use of VOC on a global basis.

■ Change in the Amount of Chlorine VOC Use for Bridgestone's Industrial Chemical Products



## Reducing SOx and NOx Emissions into the Air through Fuel Conversion

Bridgestone is working to reduce emissions of sulfur oxides (SOx) and nitrogen oxides (NOx) at our manufacturing facilities by converting from heavy fuel oil to natural gas. By 2015, we reduced the total SOx emissions by 64% and the total NOx emissions by 78% as compared to 2005.

We will continue to proactively promote fuel conversion in an effort to reduce the Group's environmental impact.



Natural gas tank in Bridgestone Iwata Plant



## Key Actions to Enhance Contributions

### Technology Provision to Improve the Productivity of Small-Scale Natural Rubber Farmers

The majority of natural rubber production in the world is conducted by small-scale rubber farmers in Southeast Asia. The Bridgestone Group uses large volumes of natural rubber produced by such farmers. However, the productivity of the rubber trees raised by these farmers is low, and the quality and volume of natural rubber produced vary. To help such small-scale farmers improve the quality of their operations, P.T. Bridgestone Sumatra Rubber Estate (BSRE), a subsidiary that directly operates rubber farms in Indonesia, provides these farmers with the productivity-improving technologies Bridgestone has developed on its own rubber farms. The company started providing technical assistance to the agricultural training center established in the city of Siantar in North Sumatra. The company also provided Hevea rubber tree seedlings and implemented a technical training program for instructor candidates selected from various areas. Such initiatives are expected to improve quality of natural rubber and income per unit area for small-scale farmers and help control expansion of agricultural land utilization.



### Establishing a Simple Disease Diagnostic Technology for Hevea Brasiliensis, a Natural Source of Rubber

Bridgestone established a breakthrough simple disease diagnostic technology for easily, quickly, and accurately diagnosing white root disease<sup>\*1</sup> affecting Hevea brasiliensis, traditionally a major source of natural rubber. Bridgestone utilizes the LAMP method,<sup>\*2</sup> a diagnostic technology that makes practical use of biotechnology. Using a reagent kit developed based on genome sequence information of pathogens analyzed by Bridgestone, this cutting-edge technology enables simple visual confirmation of the presence or absence of pathogens without the use of special devices even when in the field. This technology enables the early detection of white root disease, spread by infection caused by pathogens in the soil, and is expected to prevent the spread of infection from afflicted trees to healthy trees. The development of this technology, which can be used irrespective of expertise or experience, is anticipated to be effective at controlling damage while offering simplicity in terms of maintenance. Going forward, we will continue to work with universities in Indonesia and Japan to promote further developmental enhancements and contribute to the stable supply of natural rubber and the protection of Hevea brasiliensis through the adoption of this technology.



Bundles of fungal filaments



Mushroom-like growth

<sup>\*1</sup> White root disease is a disease (Rigidoporus microporus) affecting Hevea brasiliensis caused by a type of filamentous fungus. The disease starts in the root system, eventually spreading to the rest of the tree and killing it. It is difficult to detect in the early stages of infection. At present, there is no radical treatment, thus if a tree is afflicted, the infected section must be removed and drug treatment administered. As shown in the pictures below, affected trees develop bundles of fungal filaments and mushroom-like growths.

<sup>\*2</sup> The LAMP method is a gene amplification method developed by Eiken Chemical Co., Ltd. It is used to amplify and detect specific DNA sequences for pathogens in the soil.

<sup>\*3</sup> The Bridgestone Group defines sustainable materials as those derived from resources with a guaranteed continual supply that can be used as part of the Group's business over the long term and have a low environmental and social impact across their whole life cycle, from procurement to after use.

### Forest Restoration Initiatives around Natural Rubber Farms

Near P.T. Bridgestone Kalimantan Plantation (BSKP) in Indonesia's South Kalimantan Province, there is a neglected state-owned forest that was destroyed by fire and other disasters. Since 2012, support Initiatives of "W-BRIDGE"<sup>\*1</sup> aim to restore this national forest. Waseda University and public interest incorporated foundation Japan International Forestry Promotion and Cooperation Center have collaborated with BSKP, Lambung Mangkurat University and the Tanah Laut Regency Forestry Department to engage in a project utilizing a citizen forestry program aimed at revitalizing this state-owned forest.

The project entails local citizens planting Hevea brasiliensis rubber trees and other agricultural produce in the forest, as well as the planting of native trees and shrubs that had grown there long ago. Engaging in forest management in this way provides high economic value for the community and contributes to biodiversity. To ensure the revitalized forest does not fall into decay again, local residents conduct patrols and other activities to prevent forest fires. Through these



Hevea brasiliensis forest

activities, local residents become self-sufficient and are able to create mechanisms for the long-term revitalization and maintenance of forests. BSKP supports local residents through the provision of *Hevea brasiliensis* saplings and production technologies.

As of 2015, this project has completed a cumulative total of 37 hectares of forest reclamation. This project extremely well received and was recognized with a letter of appreciation from the provincial deputy governor.

\*1 Industry and academic institution collaborative project in by Bridgestone and Waseda University to contribute to conservation of the local environment.



Local achievement report meeting

## TOPICS

### Bridgestone Group Strengthens Resolve to Contribute to Sustainable Natural Rubber Economy

In an effort to realize a sustainable natural rubber economy, the Bridgestone Group endorsed the International Rubber Study Group (IRSG) proposed by the Sustainable Natural Rubber Initiatives (SNR-i),\* and in February 2016, announced its participation in the planning of those activities. SNR-i established guidelines targeting the following five domains within the supply chain.

- Support the improvement of natural rubber plantation productivity
- Enhance natural rubber quality
- Support forest sustainability through the protection/conservation of protected areas
- Demonstrate appropriate water management
- Demonstrate the highest respect for human and labor rights

Companies observing these guidelines will engage in voluntary activities and promote ongoing improvements related to these initiatives.

To encourage enhanced CSR among suppliers and throughout the entire supply chain, the Bridgestone Group promoted initiatives including the confirmation of supplier CSR initiatives based on CSR Procurement Guidelines established by Bridgestone. As the natural rubber supply chain is very large, complex, and often fragmented, active participation in SNR-i allows Bridgestone to reach a broader number of stakeholders and like-minded organizations in pursuit of its long-term vision of "100% sustainable materials" and "in balance with nature."

\* Sustainable Natural Rubber Initiatives (SNR-i) are an activity established by the International Rubber Study Group (IRSG) aimed at establishing a sustainable natural rubber economy in harmony with the three pillars of economics, the environment, and society targeting the natural rubber supply chain, from production to consumption.

### ECOPIA's Forest Project (Japan)

Aiming to tackle Japan's forestry problems, Bridgestone has maintained the B-Forest wooded area in Nasu Shiobara since 2005. From 2010, we expanded and upgraded our forestry conservation efforts under the program name ECOPIA's Forest. By the end of August 2012, we were maintaining forests at nine locations across Japan. Moreover, we use these forests to educate the public about the environment.



### Acquisition of Certification Concerning Wildlife Habitat Conservation and Environmental Education

The Monterrey tire plant of Bridgestone Americas, Inc. (BSAM) acquired certification for wildlife habitat conservation and environmental education from the Wildlife Habitat Council (WHC) in 2014.

The certification applies to wildlife habitats and biodiversity conservation activities; education of employees at the Monterrey tire plant and nearby community about the local ecosystem and recycling; and recovery and recycling of discarded tires from the Salinas River. BSAM has expanded its environmental conservation activities in partnership with the WHC in 10 locations in North America in addition to the Monterrey tire plant, providing opportunities for environmental education that go along with preservation of natural fauna and flora in the various regions.



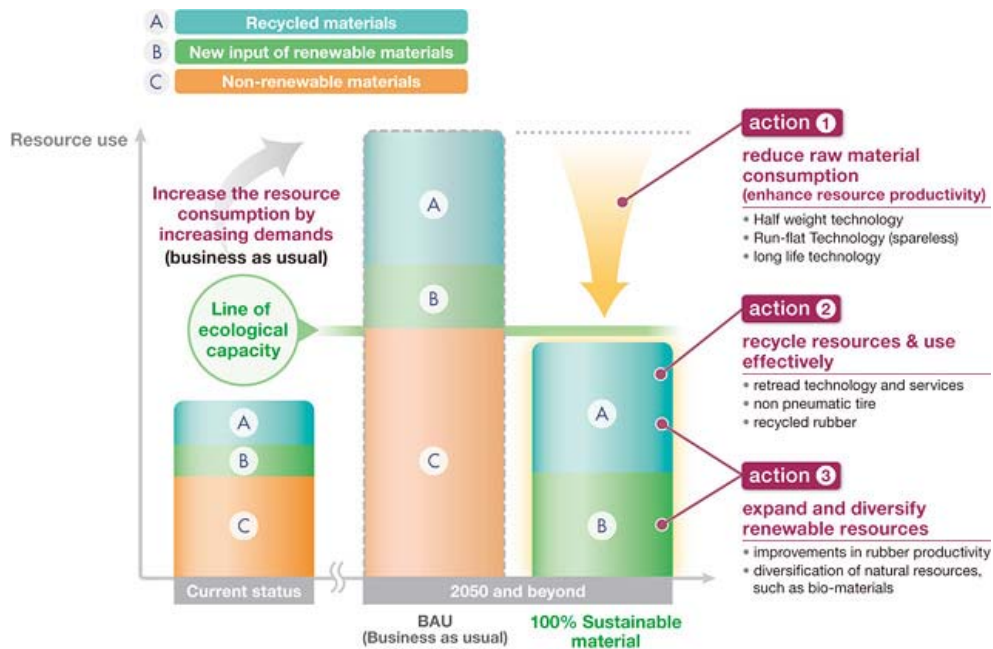
Protected wilderness donated by BSAM to the state of Tennessee (Bridgestone Firestone Centennial Wilderness)



## Long-term Vision : Towards 100% Sustainable Materials

It is expected that an increase in population and the number of automobiles will boost tire demand in the future. The Bridgestone Group's goal is to implement business operations in balance with the planet's ecological capacity. The Bridgestone Group has set the goal of using "100% sustainable materials" in our products as the long-term vision for 2050 and beyond. Realizing this goal would require achieving the following three actions:

- (1) reduce raw material consumption (enhance resource productivity),
- (2) recycle resources and use them efficiently, and
- (3) expand and diversify renewable resources (i.e., technology aimed at zero use of non-renewable materials).



For more information, please visit our website:  
<http://www.bridgestone.com/responsibilities/environment/mission/resources.html>

## Tires Made Entirely of Natural Rubber Components from Guayule

In 2015, we made significant strides toward the Bridgestone Group's goal of using 100% sustainable materials with the successful creation of the first tire to use natural rubber derived only from guayule\*. From the cultivation of the guayule to the extraction and purification of its natural rubber, this tire was created through the application of the Group technologies in natural rubber assessment, tire manufacturing and evaluation and all other processes.

Tire demand is expected to increase in conjunction with global population growth and the advancement of motorization; thus, it is predicted that there will also be an increase in the consumption of natural rubber. At the same time, approximately 90% of all natural rubber, which accounts for a large proportion of tire raw materials, is harvested from the *Hevea brasiliensis* rubber tree, primarily grown in tropical regions of Southeast Asia. The Bridgestone Group will promote sustainable procurement to alleviate the overconcentration of natural rubber production in certain regions through policies aimed at the expansion and diversification of sustainable resources, including the research and development of guayule, which can be cultivated in arid regions.

\* Guayule is a shrub native to the dry regions of the southwestern United States and northern Mexico. Natural rubber is contained in the plant's bark roots.



## Approach for Reducing Waste at Manufacturing Facilities

The Bridgestone Group aims to reduce the product scrap ratio by focusing on quality management and reducing the amount of waste emitted during production at various production bases. In 2015, a total of 300,000 tons of waste was generated, amounting to 7.9 tons per ¥100 million of net sales, a year-on-year decrease compared to 2014. In addition, the recycling rate was 89.7%. Going forward, we will continue to reduce waste generation volumes and recycling rates to contribute to the development of a society that actively recycles.

In an effort to upgrade its drive to eliminate disposal of industrial waste throughout the Group and bring those initiatives to facilities outside of Japan, the Bridgestone Group has defined "full zero waste to landfill status" as the sustained elimination of all industrial in terms of waste final disposal volume. In August 2010, all 44 facilities (that the Bridgestone Group operated at the time in Japan) achieved full zero waste to landfill status, which continues to this day.

In terms of "zero waste" initiatives at manufacturing plants, the plants associated with Bridgestone Americas, Inc. (BSAM) did not dispose of any waste in landfills, achieving zero waste to landfill status. BSAM's Joliette and Bristol plants, as well as the Bridgestone Hispania S.A. Burgos Plant,\* also achieved zero waste to landfill in 2015. In addition, all Bridgestone plants in Japan, four tire plants in China, and the non-manufacturing Akron Technical Center achieved zero waste. Going forward, Bridgestone will continue initiatives to reduce waste generation and promote recycling to contribute to the creation of a recycling-oriented society.



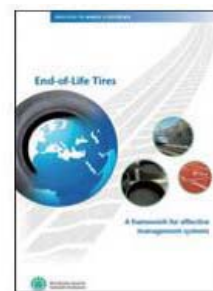
Staff of Wilson Plant which was the world's first manufacturing plant to become ULE-certified "zero waste to landfill."

## Activities to Reduce Environmental Impact of Used Tires through WBCSD

It is projected\* that approximately one billion used tires will emerge worldwide each year. Reducing the environmental impact of used tires is a common issue of the tire industry.

Bridgestone has been involved in the Tire Industry Project of the World Business Council for Sustainable Development (WBCSD), which was established in 2006. As a leading tire and rubber company, the Company has worked toward building a sustainable society in cooperation with other companies in the industry. This project aims to develop an effective management system for used tires by encouraging related industries and governments in various countries to appropriately manage used tires and reduce the environmental impact through the publication of "End-of-Life Tires(ELT): A Framework for Effective ELT Management Systems" and disclosure of survey results.

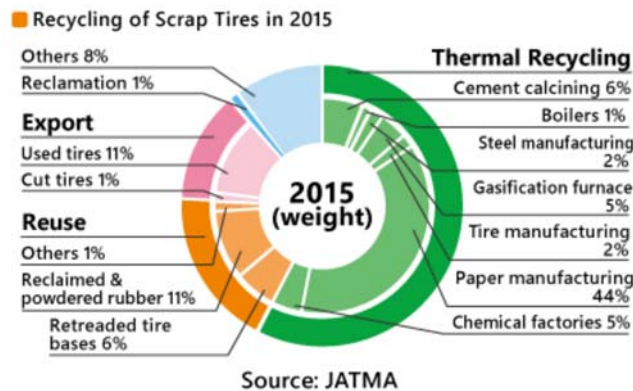
\* WBCSD Tire Industry Project



Report on WBCSD's project

## Recycling of Used Tires in Japan

Japan Automobile Tire Manufacturers Association (JATMA) and many others in the tire industry are working toward reducing (controlling the emergence of used tires) and recycling used tires, which is vital for the development of a society that recycles. More specifically, they implement monitoring of reduction factors focusing on making tires lighter and longer lasting, monitoring of tire recycling status and measures against illegal accumulation and dumping of waste tires. According to a JATMA survey, the 2015 recycling rate of used tires in Japan was 92%. Bridgestone contributes to reducing the environmental impact of used tires in Japan through joint activities with JATMA.



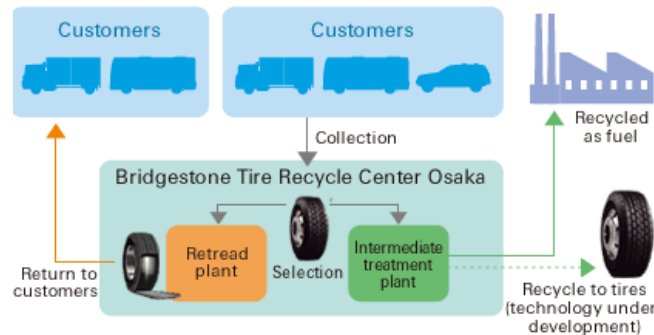
## Operation of Facilities Oriented toward Recycling of Used Tires

Bridgestone Tire Japan Co., LTD. (BTJ) operates the Bridgestone Tire Recycle Center Osaka. The center combines functions of a retread tire<sup>\*1</sup> manufacturing facility and an intermediate used tire<sup>\*2</sup> treatment facility in a single location, and it enables collection<sup>\*3</sup> of customers' used tires, and reuse and recycling of all collected tires. The center won the 3R (Reduce, Reuse, Recycle) Promotion Council President's Prize at the Fiscal 2015 3R Promotion Merit Awards in Japan. We will continue to work to use resources in a more sustainable way.

\*1 Tires that are reused by replacing tread rubber

\*2 Crushing of waste tires that cannot be re-tread

\*3 Collection areas include Osaka Prefecture and parts of Kyoto, Hyogo, Shiga and Wakayama Prefectures. The Group also collects discarded tires in accordance with established laws/regulations and procedures.





Reducing CO<sub>2</sub> emissions throughout our product lifecycles



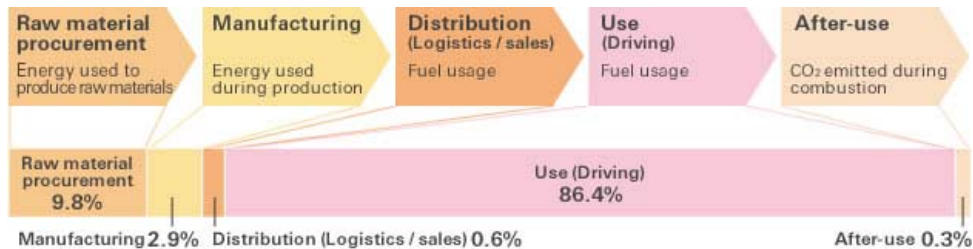
## Long-term Vision : Contribute to Globally-Agreed Target (over 50% reduction of CO<sub>2</sub> emissions)

The Bridgestone Group has set the Long-term Environmental Vision of reducing its overall CO<sub>2</sub> emissions by at least 50%. This vision is based on the objective of reducing global greenhouse gas emissions at least by 50% by 2050, consistent with the goal agreed on by the leaders of G8 countries during the G8 Hokkaido Toyako Summit held in July 2008. This objective also was shared at the Major Economies Meeting on Energy Security and Climate Change held the same year.

## Mid-term target for 2020

Looking at the life cycle of tires, the stage that accounts from the largest volume of CO<sub>2</sub> emissions is usage, where approximately 90% of total emissions occur. For this reason, reducing tire rolling resistance can contribute to substantial reductions in CO<sub>2</sub> emissions. The Bridgestone Group's Mid-term target for 2020 is to reduce tire rolling resistance to a degree that realizes CO<sub>2</sub> emissions reductions exceeding the amount of CO<sub>2</sub> emitted in all other life cycle stages. At the same time, we are working to reduce emissions in other stages of the life cycle of tires as well.

Greenhouse Gas Emissions by Tire Life Cycle Stage (Converted to CO<sub>2</sub> Base)



\* Greenhouse gas emissions throughout life cycle of 1 fuel-efficient passenger car tire (195/65R15): 243.9kgCO<sub>2</sub>e

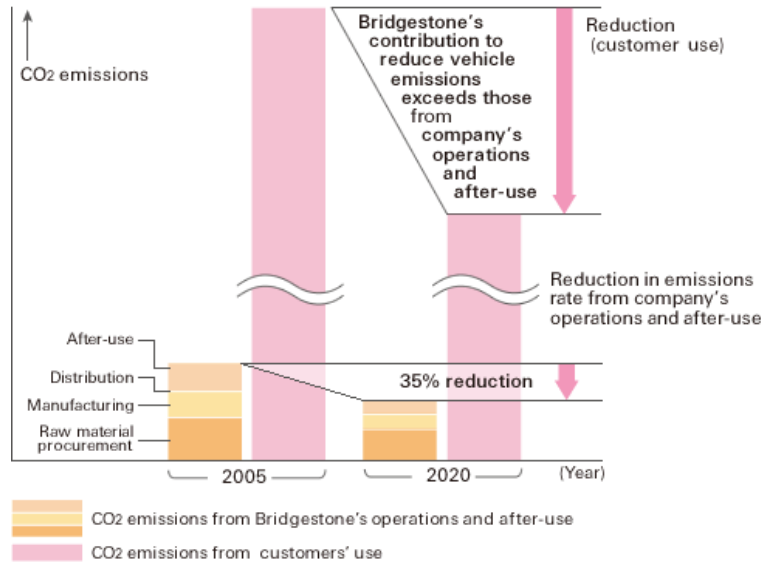
\* Greenhouse gas emissions from after-use stage: 13.1kgCO<sub>2</sub>e (emissions reductions: 12.5kgCO<sub>2</sub>e)

(Source: Tire LCCO<sub>2</sub> Calculation Guidelines Ver. 2.0, Japan Automobile Tyre Manufacturers Association, Inc.)

\* Life cycle stages other than use include raw material procurement, manufacturing, distribution and after use.

### Mid-term target for 2020

1. Bridgestone has established a global target of 35% reduction in CO<sub>2</sub> per sales from the company's total operations (raw material and component procurement, manufacturing and logistics) and also its products' "after-use."
2. Bridgestone is pursuing a challenging goal to improve tire rolling efficiency by 25%, resulting in less fuel use and CO<sub>2</sub> emissions from driving, while also extending the life of its tires. Bridgestone estimates that the potential reduction in CO<sub>2</sub> emissions from helping improve their customers' fuel efficiency exceeds the emissions related to Bridgestone's operations and its products' after-use.

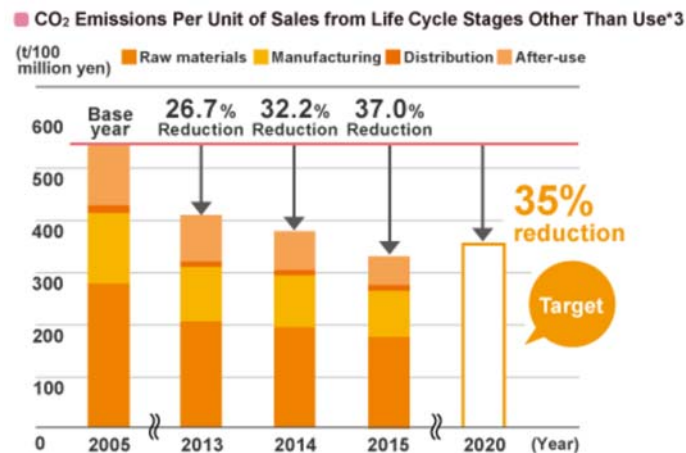


## CO<sub>2</sub> reduction in our operation

Bridgestone set a target of a 35% reduction in the volume of CO<sub>2</sub> emissions per net sales within manufacturing processes by 2020. In 2015, CO<sub>2</sub> emissions decreased 37.0% (compared to 2005), achieving this reduction target five years ahead of the target year 2020. This was due to activities aimed at reducing wasted energy at each plant and initiatives to convert to low-CO<sub>2</sub> emissions energy usage, which resulted in further reductions in CO<sub>2</sub>. Growth in net sales also contributed to achieving this objective.

CO<sub>2</sub> reductions are verified by a third-party institution in an effort to ensure the transparency of information.

Going forward, Bridgestone will promote CO<sub>2</sub> reductions throughout the entire supply chain, aiming to maintain and further increase the level of reductions currently targeted by 2020, while considering the establishment of new reduction targets.



\* Because we refined past data, the data above differ slightly from both Environmental Report 2014 and CSR Report 2014. Includes CO<sub>2</sub> emissions reduction activities and exchange rate fluctuations of sales.

▶ [Actual calculation](#)

▶ [Independent Verification Report](#)

■ CO<sub>2</sub> Emission Reduction Rates by Life Cycle Stage (2015)

After-use	Reduced by around 36%
Distribution	Reduced by around 28%
Manufacturing	Reduced by around 28%
Raw materials	Reduced by around 32%

## Conducting Energy Surveys to Make Wasted Energy Transparent and Improved

In order to reduce CO<sub>2</sub> emissions while manufacturing volume that meets expanding demands, it is necessary to reduce energy usage by a greater amount year over year. Since 2009, Bridgestone Technical Centers have been taking the lead to conduct Energy Surveys to quantify wasted energy at plant facilities, expand awareness and identify areas for improvement. The Energy Surveys were conducted at 7 locations in 6 countries in 2015. We continually develop the capacity and competence of our personnel to recognize energy-saving opportunities and undertake activities to improve. Those who demonstrate proficiency in such criteria may earn the distinctive role of "energy diagnosis technician". We have assigned an "energy diagnosis technician" in every Bridgestone tire plant in Japan and will continue to increase their numbers throughout Asia, the Americas and Europe.



## Acquisition of ISO50001 Certification by Tire Manufacturing Facility

The Wilson Plant operated by Bridgestone Americas Tire Operations, LLC (BATO) was the world's first tire plant to acquire ISO 50001 certification, an international standard for energy management. The Wilson Plant transitioned from oil to the use of natural gas, which emits less CO<sub>2</sub>, scrapped inoperable equipment, reduced energy loss, installed efficient and energy-saving light fixtures, and is engaged in ongoing initiatives aimed at sustainable manufacturing activities.

In May 2015, the Bridgestone Europe NV/SA (BSEU) Technical Center in Italy was the first to acquire ISO 50001 certification in that country. ISO 50001 certification was also acquired by Thai Bridgestone Co., Ltd. (TBSC), Rangsit Plant, in January 2015, the TBSC Nong Khae Plant in June 2015, the BSEU Burgos Plant in July 2015, and Bridgestone (China) Investment Co., Ltd. (BSCN), Huizhou Plant, in April 2016. Identifying energy consumption as a major factor, the Bridgestone Group is attempting to improve energy management by defining effective measures, establishing objectives, promoting awareness among employees, improving the skills of technicians involved with equipment, and engaging in initiatives including the creation of specialized teams related to energy conservation.



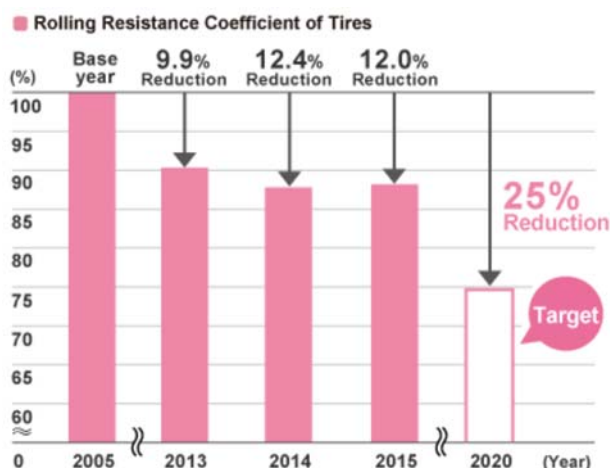
ISO50001 certificate of Rangsit Plant

## Improving Tire Fuel Efficiency by Reducing Rolling Resistance

The Bridgestone Group has established a target of 25% reduction in tire-rolling resistance by 2020. By 2015, we achieved an improvement of 12.0% (compared with 2005). This CO<sub>2</sub> reduction contribution is the equivalent of approximately 700 million metric tonnes<sup>\*1</sup>. Improving rolling resistance while maintaining safety is a difficult task that requires innovative technologies. Bridgestone's proprietary "NanoPro-Tech"<sup>\*2</sup> technology enables such improvements, and we are helping to reduce the volume of CO<sub>2</sub> emitted by customers when they drive by selling fuel-efficient tires that use this technology around the world.

\*1 Calculated based on "Tyre LCCO<sub>2</sub> calculation guidelines Ver. 2.0" (established by Japan Automobile Tire Manufacturers Association [JATMA] in April 2012)

\*2 The NanoPro-Tech is a technology that allows engineers to analyze and control the molecular structure of rubber at the nano-scale level.



▶ Actual calculation



## Contributing to Improved Fuel Economy with "Ologic," an Entirely New Tire Concept

When a vehicle is in motion, a variety of resistance factors are working against it, including air resistance and tire rolling resistance, all of which reduce driving performance. Minimizing these resistances enable the vehicle to use less energy, which leads to improved fuel performance. The Bridgestone Group's low fuel consumption tire technology "ologic" realizes superior performance through the following two features:

- (1) These tires have a large diameter and high internal pressure (high inflated air pressure), which significantly reduce tire deformation from contact with the road surface and lower rolling resistance.
- (2) The tire's narrow tread design lowers air resistance, an important factor linked to improved vehicle fuel efficiency. Furthermore, by optimizing the material, structure and pattern of the rubber and reinforcement layers, the rolling resistance coefficient is reduced approximately 30% compared to conventional standard tires. At the same time, safety performance in terms of vehicle handling on wet road surfaces is increased by approximately 10%.<sup>\*1</sup>

"ECOPIA with ologic" tires employing "ologic" technology are standard equipment on the i3 revolutionary electric vehicle developed by BMW. They are also used on solar cars participating in the World Solar Challenge, the world's top solar car race.

The Bridgestone Group aims to reduce CO<sub>2</sub> emissions through improvements of vehicle fuel efficiency by promoting the reduction of CO<sub>2</sub> emissions within manufacturing processes, as well as the technological development and global sales of more fuel efficient tires.

<sup>\*1</sup> Comparison of tires employing "ologic" technology (Size: 155/70R19; Inflated air pressure: 320 kPa) and conventional tires (Size: 175/65R15; Inflated air pressure: 210 kPa) having the same load capabilities.



Bridgestone Group continuously enhances activities throughout the enterprise on the basis of the ISO26000 (International standards of Social Responsibility) Core Subjects through the company's activities related to its 22 CSR Focus Points.

## Organization Governance

### Corporate Governance

#### Corporate Governance Structure

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

The Bridgestone Group also believes it is absolutely essential to improve the quality of management and ensure transparent decision-making and continuous improvement.

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

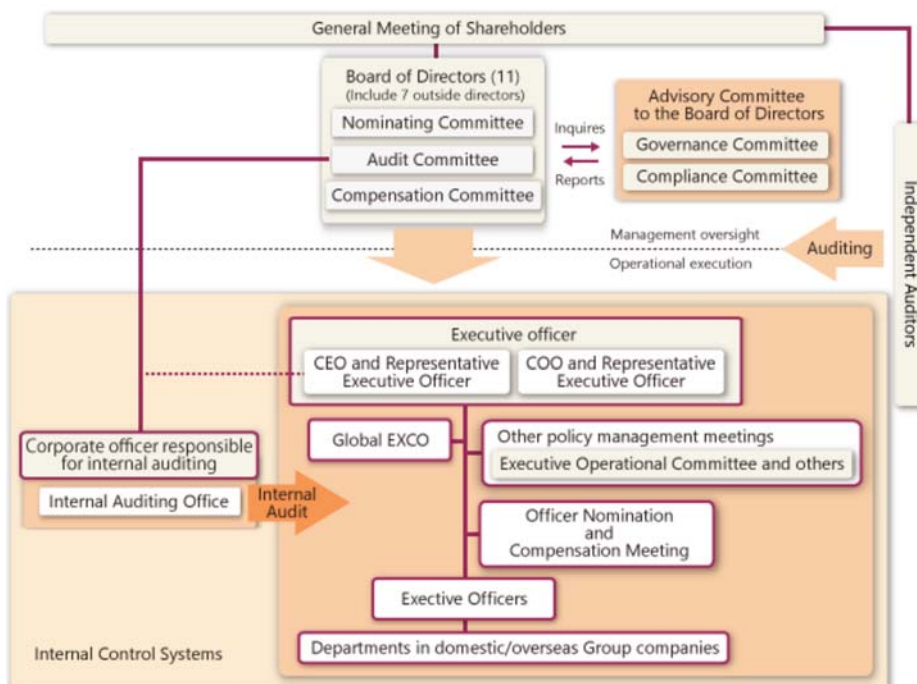
Having received approval at the Annual Shareholders' Meeting on March 24, 2016, Bridgestone transitioned to a "Company with Nominating Committee, etc.," structure. This transition creates a structure further separating management and operations while enabling the Board of Directors to have a more accurate oversight of the execution of business duties. Also at this meeting, 11 directors, including seven outside directors, were elected. In accordance with the Articles of Incorporation and Board of Directors' Regulations, the Chairman of the Board leads meetings of the Board of Directors and the Annual Shareholders' Meeting. In addition, Bridgestone's Articles of Incorporation, Board of Directors' Regulations and Administrative Authority Rules define basic management policies and execution of essential business duties that must be decided by the Board of Directors. Decision-making with respect to these items is conducted after careful deliberation by the Board of Directors.

We also maintain a system for the functioning of corporate governance through the establishment of a Nominating Committee, Audit Committee, and Compensation Committee that work in conjunction with the monitoring of executive officers and directors by the Board of Directors. The Nominating Committee consists of four outside directors who deliberate policies on the fair and transparent selection and dismissal of directors, succession plans and other items. The Audit Committee consists of five members, three of whom are outside directors and two of whom are internal directors, responsible for monitoring the execution of duties by executive officers and directors. Moreover, two internal directors are selected as full-time members of the Audit Committee. The Compensation Committee consists of four outside directors who deliberate details pertaining to director and executive officer compensation.

Bridgestone has a management system in which the Member of the Board CEO and Representative Executive Officer (hereinafter, "CEO") and the Member of the Board COO and Representative Executive Officer (hereinafter, "COO") are the leaders of the operating divisions. The CEO is principally in charge of overall management and strategy, and the COO is principally in charge of operations. At the same time, these two officers implement a system of mutual checks. The Company has taken steps to further strengthen its corporate governance system by separating and clarifying the respective roles and authority of the CEO and COO, by advancing the sharing of information and by increasing the transparency of decision-making processes.

Within these operating divisions, executive officers elected by the Board of Directors after deliberation by the Nominating Committee are responsible for the execution of business operations and determining the execution of business operations delegated to them by the Board of Directors. Since 2002, Bridgestone has employed a corporate officer system, with corporate officers elected by the CEO after deliberation by the Officer Nomination and Compensation Meeting, which functions as an advisory body to the CEO and COO responsible for the execution of business duties under the direction of executive officers.

Corporate governance structure (as of March 24, 2016)



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## Advisory Committees to the Board of Directors

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To further increase transparency of corporate governance, the Governance and Compliance Committees has been established as advisory bodies to the Board of Directors. These advisory committees provide advice to the Board of Directors in regard to such matters, the governance system and related issues, and overall compliance activities. These committees are comprised of a total of seven outside directors and one or more internal directors, who are members of the Audit Committee participate as observers.

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## Executive Operational Committee

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With regard to the execution of business operations, the Company has established the Global Executive Committee (Global EXCO) in 2013, which oversees business execution on a Group and Global basis, the Executive Operational Committee and other policy management meetings. These Committees deliberate and report on specific matters set forth in Company policy as well as other important matters. In addition to key executive officers such as the CEO and COO, full-time corporate officers also participate in the Global EXCO and the Executive Operational Committee meetings along with other policy management meetings.

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## Internal Control Systems: Basic Approach and Implementation

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In May 2006, the Board of Directors instituted an official company governance policy; the Company has re-evaluated this policy as needed and worked to establish an internal control system based on this resolution.

Moreover, in line with the structural transition to a Company with Nominating Committee, etc., a resolution establishing new policies was adopted at a Board of Directors' meeting held on March 24, 2016. In accordance with this resolution, we are moving toward the establishment of a more robust governance system, including the establishment of compliance and risk management systems.

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## Auditing Structure

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At Bridgestone, auditing is conducted in concert with the Audit Committee, the Internal Auditing Office, and independent auditors.

Corporate auditors conduct audits based on the policies determined by the Audit Committee. Auditing includes attending Global EXCO, the Executive Operational Committee and other executive meetings, interviewing directors to ascertain the status of operations, reviewing important business documents, auditing business offices on-site, and other measures to audit execution of duties of executive officers and board members. Also, information and opinions will be exchanged with the representative executive officers and meeting will be held with the corporate auditors of major Bridgestone subsidiaries in Japan. To support the Audit Committee, Bridgestone has assigned a corporate officer with full-time responsibility for Auditing to assist the operations of the Audit Committee. Under the supervision of this corporate officer, dedicated staff have been assigned to assist with audits by the Committee. An agreement from the Audit Committee is a requirement of nomination and replacement of this corporate officer.

The Internal Auditing Office and internal auditing departments within the Company's operating divisions and major subsidiaries conduct internal accounting and operational audits of the Company and Group companies. The Internal Auditing Office plans annual audits plans and conducts on-site audits of each function, operating division and subsidiary.

Accounting audits are conducted by Deloitte Touche Tohmatsu LLC cooperating with the Audit Committee to ensure proper auditing.

## Board of Director and Corporate Auditor Remuneration (January-December 2015)

Positions	Members	Amount of Compensation, Etc.
Directors	Nine (of whom five are outside directors)	¥455 million (of which ¥62 million is for outside directors)
Corporate Auditors	Four (of whom two are outside corporate auditors)	¥99 million (of which ¥27 million is for outside corporate auditors)
Total	13 people	¥554 million

**Notes :**

The above includes two directors (of whom one was an outside director) who resigned during the fiscal year under review.

## Ensuring a thorough understanding of and adherence to compliance (Focus Point 2)

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### Basic Approach to Compliance

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The Bridgestone Group is committed to ethics and compliance to meet the requirements and expectations of society and become an Outstanding Corporate Citizen. We comply with applicable laws, regulations and Company rules (including in Japan the Anti-Monopoly Act, the Unfair Competition Prevention Law, the Act on the Protection of Personal Information, and the Act against Unjustifiable Premiums and Misleading Representation); act ethically; and make ethical decisions that implement better business practices. We also are committed to building a basis for relationships of trust with all stakeholders by conducting our business operations in a responsible manner and with a consistent focus on ethical decision-making.

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### Compliance Structure

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Bridgestone Group companies have continued developing compliance structures and programs to meet society's changing expectations. These programs are designed around both the Bridgestone Essence and the core elements of effective compliance programs as recognized by many governments and compliance specialists. Company leaders are committed to building a culture of compliance throughout the enterprise. Dedicated compliance teams in Group companies are committed to educating and empowering teammates to do the right thing. And each employee is encouraged to live and work in the Bridgestone Way.

For instance, in 2003, Bridgestone Corporation appointed the Chief Compliance Officer (CCO) as the individual with ultimate responsibility for compliance. We also have established a department specializing in compliance support and have worked to strengthen and ensure the effectiveness of our compliance structure. The head of each business division is named a compliance activity chief with responsibility for their division's compliance. These people appoint a compliance activity leader and work together to enhance training, awareness and compliance structures within their division.

Bridgestone Corporation established the Compliance Subcommittee to deliberate on policies and other important related issues. This subcommittee regularly reports on the status of compliance activities and consults on compliance matters with the Integrated CSR Enhancement Committee and the Board of Directors.

Bridgestone Group companies' Ethics and Compliance program activities have also continued to develop through local training, help lines, and other initiatives.

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### Compliance Training

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One of Bridgestone Corporation's compliance promotion efforts involves training for all employees as well as targeted training for specific levels and positions, depending on the purpose.

#### Training for All Employees

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Bridgestone Corporation administers e-learning each year with the aim of introducing and instilling basic knowledge with respect to compliance in an attempt to improve compliance knowledge and awareness in line with the job duties of each employee. Discussion-based training focused on compliance issues is also conducted on an annual basis in each workplace.

#### Level-Based Training

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To foster a sense of ownership among managing directors, general managers, and plant managers as leaders of their operations and instill a strong recognition of their roles in terms of establishing a compliance culture throughout their operations, Bridgestone Corporation has been conducting manager and senior manager training since 2013. In 2015, these training activities were expanded to include plant managers.

In addition to the above, Bridgestone Corporation also conducts training regularly for newly hired employees, mid-career hires and newly appointed managers.

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### Compliance Helplines

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Bridgestone Corporation has created two compliance helplines—one internal and one external—to bring compliance-related issues to light and respond to issues as quickly as possible through internal investigations. The compliance helplines ensure the confidentiality of consultations in accordance with the provisions of in-house helpline procedures. The helplines provide the consulting employees with feedback in terms of the results of investigations and the nature of responses while attempting to prevent any adverse consequences for raising a concern. In addition, reports of consultations are regularly submitted to the CCO, who provides advice and takes appropriate measures to ensure the seriousness of responses in the event problems arise.

To encourage employees to use the helpline, we offer helpline contact information during compliance training, use posters to spread compliance awareness, provide helpline contact information on the corporate intranet, and share data on the number and types of cases received. The compliance helplines also accept anonymous inquiries.

In 2015, the Bridgestone Corporation helplines received 98 cases, of which 69% of calls related to understanding Bridgestone policies and 19% were reported concerns.

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## Compliance Activities for Group Companies

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The Bridgestone Group promotes compliance activities globally. In addition to local compliance initiatives, global compliance support teams are sharing best practices and coordinating efforts to promote a common compliance culture.

### Compliance Activities for Overseas Group Companies

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In 2015, personnel in positions of responsibility in Legal Affairs and Compliance at Bridgestone's major overseas tire business-related SBUs conducted a global meeting aimed at discussing the status of initiatives and issues at each company. In addition to ascertaining the level and details of initiatives at major SBUs, a foundation for initiatives going beyond the SBU was created. Also, a meeting was held for personnel responsible for compliance at non-tire subsidiaries in Europe and the Americas. One initiative that resulted from these efforts was the introduction of an e-learning system at Group companies throughout the Americas in 2015. This progress was the result of sharing best practices from the U.S. tire subsidiary with other Bridgestone Group companies.

### Compliance Activities for Domestic Group Companies

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Compliance activities are also being promoted at domestic Group companies. For example, in 2015, employees responsible for compliance consultations received training on effective ethics and compliance consulting.

Furthermore, Bridgestone updated regular information exchange meetings and launched a new initiative in the form of an inaugural domestic compliance meeting. At this meeting, information was exchanged regarding compliance initiatives and the communication of Bridgestone compliance-related policies to Group companies.

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## Compliance Initiatives Involving Imports and Exports

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Export and import compliance is just one example of an area in which Bridgestone Group companies have pursued continuous improvement. The Bridgestone Group is vigilant on export developments which may affect its business around the globe.

In Japan, Bridgestone Corporation complies with foreign exchange and foreign trade laws, as well as other customs-related laws and regulations. We are making efforts to enhance our internal management structure to ensure import and export of products and materials using the appropriate procedures.

In addition to e-learning for employees directly involved in import/export operations, various training opportunities presenting a wealth of case studies were made available to general employees as well as directors in an effort to foster awareness and enhance expertise related to imports and exports. We also promoted the maintenance and strengthening of our Group-wide import and export compliance structure through the provision of training opportunities to Group companies.

## Ensuring business continuity (Focus Point 3)

### Overview of Risk Management Activities

The Bridgestone Group broadly divides risks into two categories: business strategic risks, which are related to management decision-making, and operational risks, which are related to daily operations. The former is handled through business operations, while the latter is handled by the Chief Risk Officer (CRO), who has overall responsibility for managing risks. In this way, the Bridgestone Group promotes risk management activity initiatives.

Risk management activities promote the identification, prevention, and reduction of risks under normal circumstances, as well as the continuation of business via appropriate responses and the creation of structures enabling the swift resumption of business in emergency situations.

### Activities under Normal Circumstances

The Bridgestone Group promotes the appropriate management of important risks common for the Group, as well as carefully crafted activities that consider the scale and unique characteristics of each business office and subsidiary through Group Global unified activities and autonomous activities at divisions and SBUs.

In terms of unified activities, we began identifying risks at the Bridgestone Group (excluding companies in which Bridgestone has an equity stake of 50% or less) in 2009.

From then on, we select important risks common for the Group from among those identified and promotes unified Group-wide countermeasures every year. These activities will continue to be conducted in 2016.

At the same time, to promote autonomous activities at divisions and SBUs, the CRO was established in each division and SBU to promote detailed risk management activities corresponding to the scale and unique characteristics of each business office and subsidiary under each division or SBU. To guide these activities, risk management guidelines are disseminated within each department and SBU amid ongoing improvements to these activities.

In addition, the Group Global CRO Meeting, attended mainly by CROs from each SBU, has been held annually since 2013. Participants in this meeting discuss and share information with each department and SBU with the aim of improving the level of risk management throughout the entire Group.

### Emergency Responses

The Bridgestone Group formulates Business Continuity Plans (BCPs) to address important risks for the countries and regions where it operates with the aim of ensuring a swift initial response to emergencies, as well as business continuity and rapid recovery in the event of disaster.

To improve BCP effectiveness, since 2013 we have been promoting the creation of a structure to more effectively structure support coordination between subsidiaries in the same region when disaster occurs. In 2016, we will expand this structure to additional regions in an attempt to improve its effectiveness.

At the same time, in the event an emergency arises at any business office, we maintain a mechanism for providing the CRO with this information in a timely manner.

We are creating a structure to quickly and systematically respond in an emergency situation, which will be rolled out to the entire Bridgestone Group.

### Earthquake Countermeasures

Bridgestone and subsidiaries in Japan promote BCP development and drills to prepare for major earthquakes, which are a significant risk in Japan.

Bridgestone has also established a BCP in preparation for a major earthquake in the Tokyo metropolitan area that would affect our head office, technical centers, and many other functions. We created a three pronged office framework approach (consisting of Kyobashi, Kodaira, and Yokohama) for emergencies, ensuring backup functions throughout. Emergency countermeasure organization drills are conducted in these three districts annually.

In 2015, evacuation points placing the highest priority on the preservation of human life and evacuation procedures were put in place at domestic facilities at risk in the event of a tsunami.

In addition, since the Great Hanshin-Awaji Earthquake in 1995, Bridgestone has systematically implemented earthquake-resistance measures in buildings. This is to protect the lives of each of our employees, but we also believe that protecting production facilities and other corporate assets from destruction is the basis of good corporate management. In the interest of business continuity, these initiatives also go toward reducing risk to meet social requirements.

Since the Great East Japan Earthquake in 2011, we have again looked carefully into the vulnerability to disaster of building components such as ceilings and pipes. We have put in place our own standards in these regards and are proceeding with earthquake-proofing in a well-planned manner. We are also formulating and proceeding with similar measures at our operations overseas.



Emergency affairs office drill in Yokohama

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## Response to New Types of Influenza and Other Severe Infectious Diseases

The Bridgestone Group has formulated BCPs to address the spread of new types of influenza and other severe infectious diseases that are potentially pandemic in scope.

During the 2013 outbreak of type H7N9 avian influenza in China, we held weekly meetings to ensure the consistent sharing of information about conditions. We also supported the creation and maintenance of BCPs for all subsidiaries throughout China.

In 2015, we revised our response standards in light of pandemic phase changes indicated by the World Health Organization, which announces epidemic levels, and in response to the China avian influenza and Ebola hemorrhagic fever. Going forward, Bridgestone will promote these initiatives throughout the entire Group to create a structure enabling a unified response to the spread of infectious diseases in all countries.

## Communicating with stakeholders (Focus Point 4)

### Establishing and Enhancing Communication Structures

In 2010, the Bridgestone Group established a basic communications strategy, and since then we have worked to promote its understanding Group-wide. We also have set mid-term objectives for developing communication structures in accordance with this strategy. We continue to move forward with building communication structures that will serve as a foundation for enhanced communication with a variety of stakeholders.

In 2015, we engaged in the creation of a communication framework at each SBU and Group company in an attempt to enhance the Group-wide communications function. In terms of specific activities, a meeting of public relations staff from Japan, the Americas, and Europe was held at the Americas tire business headquarters in Nashville, Tennessee, USA. In addition to sharing details on initiatives and successful case studies from the Public Relations departments of each region, discussions were held on the creation of a global information dissemination system.

In 2016, Bridgestone will continue its attempts to strengthen the Group's overall corporate communications function with the aim of efficient and higher added-value communications activities throughout the Group via global and organic linkage and cooperation.

The Bridgestone Group is engaged in a diverse array of communications activities in accordance with the following basic stance on communications:

- Communication with local communities: Developing social activities to build a sound and sustainable society,  
Encourage voluntary social participation among employees,  
contribute to the creation of a safe society
- Communication with customers: Develop products and services based on customer input
- Communication with business partners: Thorough CSR procurement
- Communication with shareholders and other investors: Timely and appropriate information disclosure
- Communication regarding the environment: Contribute to the environment through social activities
- Communication with employees: Pursue meaning and pride in work (employee satisfaction survey)

### TOPICS

#### Town Hall Meeting between CEO, COO, Department Heads, and Employees

The Bridgestone Group's new management structure, launched in March 2012, involves "communication," "bottom-up," and "teamwork" focuses. Under this structure, we are working hard to re-energize internal communication.

As part of these initiatives, we regularly organize forums at Bridgestone and Group companies outside of Japan where our senior management and department heads meet directly with employees, using the "town hall meeting" format. These meetings aim to bridge the gap between employees and senior management, as well as to share senior management's message across the entire Group. Some 140 Town Hall Meetings have been held in 20 countries since the Member of the Board CEO and Representative Executive Officer, and Member of the Board COO and Representative Executive Officer, assumed office in 2012. We are also planning and implementing a variety of communication opportunities, including study meetings and small group discussions between department managers and employees.



Town Hall Meeting between the CEO and employees (Poland)



Town Hall Meeting between the COO and employees (Singapore)

#### Enhancing Information Dissemination Pertaining to Technologies

Bridgestone engages in various forms of communication with the media to deepen the understanding of Bridgestone technologies among a wide range of stakeholders. We also conduct presentations for the mass media and news organizations to communicate both technologies as well as the social trends and changes in the business environment driving them. To ensure that such events are as easy to understand as possible, we combine these presentations with tours of development facilities and manufacturing plants.

Through these various media formats, in 2015 Bridgestone disseminated information in a wide range of areas, including CAIS tire sensing technology, diagnosis techniques for diseased Para rubber trees, a source for natural rubber, and vibration-isolating rubber seat pads that contribute to an even more comfortable ride.

We believe the proactive dissemination of information to the media facilitates a deeper understanding of Bridgestone initiatives for innovation among a majority of stakeholders.



Tokyo Motor Show presentation



**Direct Communication with Customers and the General Public**

The Bridgestone Customer Communication Center gathers and analyzes customer impressions from inquiries and comments as well as assessments from the Internet and disseminates this information internally to corporate officers and other employees. This leads to improved products and services, while Group reports are used in an attempt to increase employee motivation. Bridgestone is also focusing efforts on communicating Company activities in an easily understandable way to customers and the general public using the Internet and other digital forms of communication incorporating images and video.

**Plant Tours for the General Public**

Bridgestone offers tire plant tours to the general public every year in Japan. Visitors can see how tires are made and how we contribute to environmental conservation throughout the manufacturing process.

In 2015, Bridgestone held 14 tours and welcomed more than 300 visitors.

## Human Rights

Respect for fundamental human rights, including the rights of children and others to be free from forced labor (Focus Point 19)

### Our Group's Stance on Human Rights

In addition to respecting human rights in accordance with Our Group's Stance on Human Rights, we appointed a Chief Human Rights Officer (CHRO) and are taking steps to ensure the Group's approach to this issue is well understood throughout the organization.

#### Our Group's Stance on Human Rights

##### 1. Prohibition of Discrimination

In all corporate activities, Bridgestone prohibits any act that impairs individual dignity or discrimination based on race, ethnicity, nationality, gender, age, language, religion, creed, social status, disability, or any other protected characteristics.

##### 2. No Harassment

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

##### 3. No Child Labor/Forced Labor

Bridgestone prohibits child labor/forced labor in any country.

### Spreading Awareness of Our Group's Stance on Human Rights Worldwide and Initiatives on Human Rights Due Diligence

In 2011, we translated Our Group's Stance on Human Rights into 15 languages and distributed it to all offices, plants, and Group companies. We then provided education and training with the goal of spreading awareness of this stance among all employees worldwide, which concluded in 2012.

To foster an ongoing awareness and understanding of Our Group's Stance on Human Rights throughout the Bridgestone Group, we have included this topic in New Hire training and Level-wise training since 2013. To further promote human rights, we have human rights consultation desks in place at each of our offices, with which employees can consult in case of facing human rights infringement and we regularly confirm the state of compliance and check that our perspectives are being followed.

We conduct human rights due diligence within the Group. Based on our findings, we have formulated a three-year plan to address each area of human rights, such as discrimination and harassment. In 2015, we continued to define human rights topics for assessment and worked to identify potential human rights risks at each of our offices.

## Respect for diversity (Focus Point 18)

### Approach to Respecting Diversity and Related Initiatives

In 2008, the Bridgestone Group established a unit responsible for overseeing the promotion of diversity in Japan and has been applying this approach to respect for diversity throughout the Bridgestone Group since 2009.

#### The Bridgestone Group's Stance on "Respect for Diversity"

The Bridgestone Group provides a work environment in which individuals who have diverse values and personalities can work comfortably and demonstrate their abilities. To make this possible:

- We recognize and respect diversity of culture and customs in each country of the world.
- We sympathize with ideas from diverse viewpoints of diverse people and create new value.
- We establish a system in which employees can perform their duties with peace of mind and demonstrate their abilities to the fullest across the various stages of their lives.

And finally, we focus all of these efforts on "improving employee satisfaction," "activating and improving the Company," and "increasing stakeholders' profits."

Based on the Bridgestone Group's respect for diversity, we will establish key performance indicators (KPIs) at each Bridgestone Group company for the promotion of diversity specific to that particular country or region and its laws. Until now, the type of conducted activities has been determined by each Group company individually. To make the establishment of KPIs easier, since 2014, we have employed a method whereby Group companies select two out of five activity categories (gender equality, female management roles, disabled persons, etc.) in consideration of the national or regional characteristics particular to their location.

In addition, since 2009, Bridgestone has invited outside experts to conduct ongoing lectures on diversity and work-life balance, which have been attended by a total of approximately 3,500 employees to date.



Diversity seminar

### Initiatives for Female Employees

Bridgestone undertakes a variety of initiatives to help female employees succeed. We provide career development training for interested female employees, offer support to help female employees develop networks, and conduct career support training targeting gender diversity awareness for managers. We also have introduced a program in Japan to promote female employees to be in management positions with the goal of developing female managerial candidates over the medium term.

### External Assessment

#### Selected as a "Nadeshiko Brand" for Three Consecutive Years (Japan)

In March 2016, Bridgestone was selected for the third consecutive year as a "Nadeshiko Brand," by which the Japanese Ministry of Economy, Trade and Industry (METI) and the Tokyo Stock Exchange (TSE) jointly publicize enterprises that are exceptional in encouraging women's success in the workplace.

In fiscal 2015, the "Nadeshiko Brand" introduced companies aggressively promoting the utilization of women employees, including the creation of environments in which women are able to continue working, in each industry from among approximately 3,500 companies listed on the Tokyo Stock Exchange.

Bridgestone was recognized for its efforts to increase the ratio of women among new hires and directors (including outside directors), supporting women's careers and initiatives supporting a work-life balance.



"Nadeshiko Brand" logo

#### Receipt of a Certification Mark under the Act for Measures to Support the Development of the Next Generation (Japan)

Bridgestone has formulated a general business owner action plan based on the Act for Measures to Support the Development of the Next Generation since 2005, and is increasing its endeavors in this regard.

We also received Kurumin Mark certification from the Tokyo Labour Bureau in 2010, 2012 and 2014 for exceeding the standards provided in the Act for Measures to Support the Development of the Next Generation for "companies that support childrearing."

The bureau gave us high marks for our efforts to increase the employment of women and expansion of job categories, as well as our development of manager candidates from a mid-term perspective.



### Award for Excellence, Second Empowerment Awards (Japan)

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In February 2015, Bridgestone received the Award for Excellence in the Second Empowerment Award.

From a broad range of perspectives, the Empowerment Award commend companies that aim to promote the success of women and work to enhance their productivity, show distinctive originality and ingenuity, and are excellent in other respects.

In particular, Bridgestone earned recognition for its efforts to increase the employment of women and expand job categories, as well as development of managerial candidates from a mid-term perspective.

▶ [Employment status \(employee data by gender, consolidated employee data by region\)](#)

## Labor Practices

### Continued enhancement of job satisfaction and pride (Focus Point 16)

#### Approach to Continued Enhancement of Job Satisfaction and Pride and Related Initiatives

The Bridgestone Group has adopted the following approach to continued enhancement of job satisfaction and pride.

Employees will strive to create a motivating workplace and to grow through their work as they share the following global and Group values:

- **Communications:** Encourage mutual communications that build shared understanding and trust.
- **Teamwork:** Operate with a sincere respect for diversity. Promote decisive and planned actions that accommodate what is the best for both the team and the company.
- **Compliance:** Encourage sincere actions that comply with both the letter and spirit of all applicable laws, regulations and policies.
- **Customer Orientation:** Consider the internal and external customer perspective, and encourage actions that put customer satisfaction first.
- **Improvement:** Respectfully challenge the status quo, and always strive for excellence without fear of failure. Foster an environment that promotes improvement and innovation, taking into account the importance of both the process and the results.
- **Personnel Training:** Provide a training system that supports proactive learning and encourages employees to develop their own abilities.
- **Fair evaluation and compensation:** Build a human resources system that encourages employees to excel by fairly evaluating their achievements and compensating them accordingly.

Taking the above approach into consideration, in 2013, we conducted voluntary checks to determine whether the necessary systems for human resources, compensation, education and training were in place. We then moved forward to establish plans for system improvements at each company, based on the results of the voluntary checks. In addition, we conducted training for each company's human resource coordinators to encourage system improvements at each Group company. We are following this plan to steadily improve the human resource and compensation systems, as well as education and training, and make them consistent throughout the Group.

#### Ongoing Education for the Next Generation of Management

One of the Bridgestone Group's personnel policies is to optimally utilize human resources throughout the Group. We conduct selective education over the medium to long term on an ongoing basis for the human resources who will support Group management in the future.

We have identified some 250 posts as global key positions (GKPs) that play an important role in Group management. Since 2004, we have held a Global Development Class (GDC) as a program for training selected personnel for these GKPs.

Under the GDC program, initially, we conduct 360-degree evaluations of selected members from within the Group (approximately 15 to 20 people per year, and recently once every two years), including evaluations by supervisors, colleagues and subordinates, as well as self-evaluations. We then prepared individual educational plans based on the evaluation results. Group training concentrates on skill development and the honing of leadership skills, focusing on the behavioral characteristics the members' desire. By assigning people who have completed this program to management at Group companies in Japan and globally, we cultivate management resources with an international perspective.

In 2014, we introduced the Global Development Network (GDN) to help personnel early in their careers establish global networks.

The GDN program targets selected members from within the Group (approximately 20 people per year, selected once every two years). Group training is held twice each year to assist in building global networks.

## Developing Manufacturing Human Resources Group-wide

The Global Manufacturing Education Centre (G-MEC) was established in 2007 with a mission of developing manufacturing human resources who can implement the Bridgestone manufacturing way. G-MEC expands global manufacturing human resources through three pillars: "Establish standard human resource development program," "Train-the-trainer program," and "Systemization of manufacturing resources development."

With Group companies outside Japan now accounting for 70% of the Group's production, our current task is to maintain "making and supplying quality products according to standards" and enable human resources to autonomously pursue a high level of production on a global basis. To this end, promotion structures were established in each region: C-MEC (China), AP-MEC (Asia), E-MEC (Europe), BRISA-MEC (Middle East), NA-MEC (North America), and SA-MEC (South America). Promotion leaders ("Masters") were trained and placed at each SBU/facility as the key person promoting education and post-education activities and improvement efforts at their facility.

Number of Masters(as December 2015)

By Category \ Region	Japan	America	Europe Middle East	China	Asia	Total
Production Process Management	28	3	6	10	11	58
Standard Skill Instructor	18	0	11	14	10	53
Equipment Maintenance Management	20	1	4	9	20	54
<b>Total</b>	<b>66</b>	<b>4</b>	<b>21</b>	<b>33</b>	<b>41</b>	<b>165</b>

## Employee Satisfaction Survey

Bridgestone conducts a satisfaction survey of all employees annually, covering a broad range of personnel policies including work, workplace, and compensation. The results of this survey are reported to the executives and provided as feedback to employees via the intranet and posters.

In 2015, the survey response rate was 95.8%, with "General workplace attractiveness" earning an average of 3.22 points (compared with 3.19 points in the previous year) out of a possible 5.0 points, while "General attractiveness of the company" earned an average of 3.35 points (compared with 3.33 points in the previous year), demonstrating a slight increase in both categories. In most survey categories, there was an upward trend, which, according to the company consigned to conduct the survey, was considered favorable compared to the averages of other companies. We will take these results into account as we move forward with efforts toward more robust workplace communication.

We will continue to conduct these surveys and to include the results in the formulation and development of new measures and improvements.

Category	2013	2014	2015
General workplace attractiveness	3.22	3.19	3.22
General attractiveness of the company	3.33	3.33	3.35

# Enhancing workplace safety and health, and employee health management (Focus Point 17)

## Approach to Occupational Health and Safety

The Bridgestone Group refined the Bridgestone Safety Mission Statement in 2012, changing the wording to "Safety First, Always" and "At Bridgestone, we make safety a business value. Creating a safe working place is everyone's responsibility."

As the Group-wide guidelines for Safety, Health and Disaster Prevention activities were refined, we established Bridgestone Safety Fundamental Activities:

- (1) 3S : Select and Remove, Sort, Keep Clean
- (2) KY : Finding hazards beforehand
- (3) RA : Risk Assessment
- (4) Safety Rules

Those activities are to be conducted by all employees in all work places. We have been challenging employees to understand objectives, expectations of the activities and asking them to proactively conduct these activities.



Refined version of the Bridgestone Safety Mission Statement

## Structures for Promoting Health and Safety

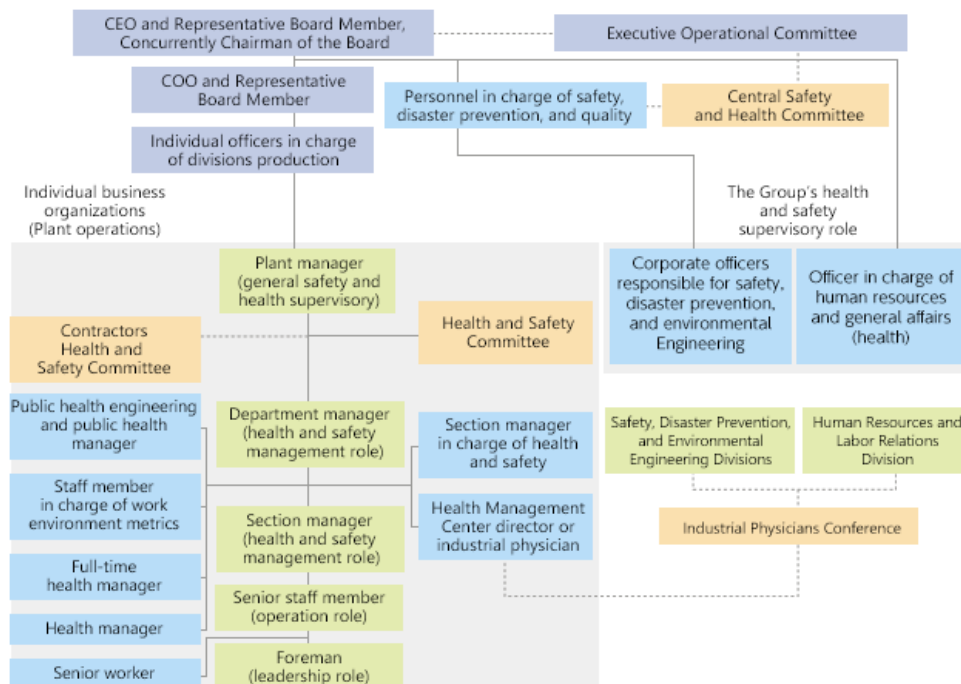
We are establishing a network comprising the Safety, Disaster Prevention and Environmental Engineering Division and the SBUs in the Bridgestone Group for sharing accident information and prevention of similar accident recurrence, and for determining issue resolution and action policies.

We also hold annual Group-wide conferences attended by the Safety, Disaster Prevention and Environmental Engineering Division and representatives of each Bridgestone Group company or their Business Control Section for the sharing of policies and details of measures. Liaison meetings are also held by each Bridgestone Group company to encourage exchanges of opinion among business managers and the people responsible for safety at SBUs.

To discuss and deliberate substantial safety issues from a management perspective, Bridgestone corporate officers in charge of safety, disaster prevention, and quality cooperate with Human Resources and General Affairs and other divisions to promote health and safety activities throughout the entire Company, review issues, and confirm the implementation status of the Bridgestone Fundamental Safety Activities.

At the same time, the Central Health and Safety Committee, comprised of labor and management, proactively discusses issues related to health and safety in the workplace on a Company-wide basis.

### Safety and health management organization at Bridgestone



## Injuries

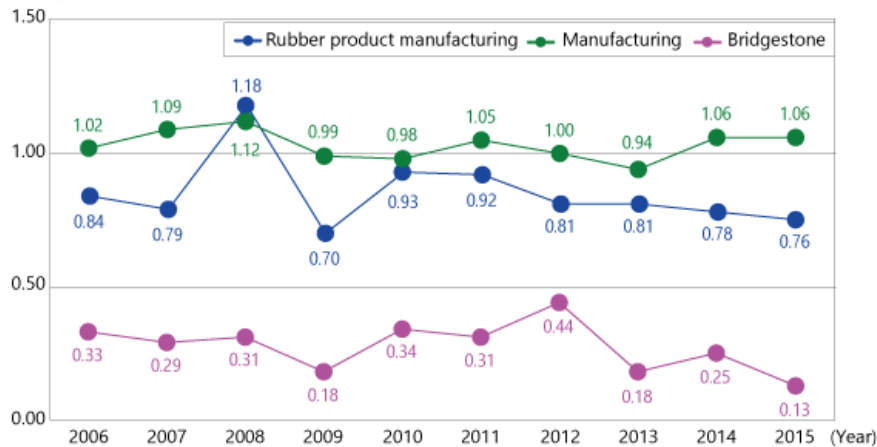
The Bridgestone Group has established Global Criteria for Occupational Injury to assess injuries occurring at Group production, distribution and sales facilities, as well as warehouses. In addition to compiling injury statistics on a quarterly basis, we put the results to use in preventing similar injuries.

During 2015, the number of work-related injuries was below the average Japanese manufacturing industry level in terms of frequency\*<sup>1</sup> and below the average industry level in terms of severity\*<sup>2</sup>. A total of 20 serious injuries (year-on-year increase of seven injuries, including fractures due to falls) occurred at the Bridgestone Group's 190 production and logistics sites in 2015.

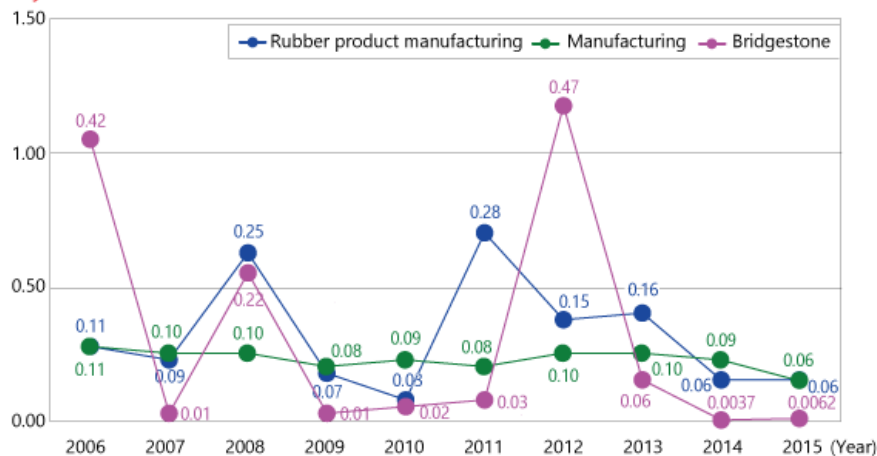
Although the number of serious injuries has continued to decline overall since we began collecting statistics in 2006, we will promote safety activity without compromise, deviation and exception. Based on the Bridgestone Safety Fundamental Activities, we aim to reduce the number of accidents even closer to zero.

\*<sup>1</sup> Frequency rate indicates the frequency of accidents with casualties.  
 Frequency rate = (number of casualties/total actual working hours) x 1,000,000  
 \*<sup>2</sup> Severity rate indicates the severity of accidents.  
 Severity rate = (total number of working days lost/total number of working hours) x 1,000

### Frequency rate\*<sup>1</sup>



### Severity rate\*<sup>2</sup>



## Bridgestone Group Mid-term Safety Objectives and Policies

The Bridgestone Group developed a mid-term safety and health plan that aimed for ideals to ensure safety and health and promotes specific policies in the areas of awareness, engineering and systems (management) to achieve those ideals.

In 2012, we formulated the Bridgestone Safety Fundamental Activities, which bring together our efforts to date and promotes Group-wide discussion and activities concerning the specific content of the mid-term safety and health plan.

Moreover, to facilitate accelerated adoption of strategies throughout the Group, we formulated and executed specific Group-wide strategies based on the Group Global Quality Management Activities.

### Activities Based on the Bridgestone Safety Fundamental Activities

The Bridgestone Group has been promoting the activities set forth in the Bridgestone Safety Fundamental Activities as standard safety activities for all of our workplaces. Under this approach, the basic safety activities are 3S (Select & Remove, Sort, Keep Clean), KY (Finding hazards beforehand), RA (Risk Assessment), and Safety Rules. All Bridgestone Group employees and workplaces are making constant efforts to implement these activities in a consistent manner.

In order to standardize the content of the activities in all of our workplaces, we have issued Activity Guidelines setting forth the specific items to be implemented and to have promoted activities in accordance with these guidelines. In addition, we have assigned instructors who are familiar with the Bridgestone Safety Fundamental Activities to each workplace to establish a structure facilitating the development and implementation of standard activities.



Bridgestone offers safety education in workplaces that is position-specific, including managers and supervisors, and aimed to heighten awareness for everyone in an effort to protect all employees and colleagues from serious injury. Bridgestone encourages proactive measures in which all staff members participate. Moving forward, the Bridgestone Group will continue its efforts to spread and establish these activities in the Group.

Employees engaged in Instructor Training



Bridgestone (China) Investment Co., Ltd.



Bridgestone Logistics Europe NV

Safety awareness

To create safe workplaces, it is essential to foster safety awareness as a means of ensuring every employee adheres to applicable standards.

The Bridgestone Group has been conducting Safety Consciousness Surveys since 2009. These surveys identify safety issues at each workplace through a questionnaire that consists of about 85 questions related to the occurrence of accidents, and those results are used to make Group-wide improvements. In 2015, the survey was conducted at 127 Group company workplaces worldwide.

In addition, we have implemented management activities to assist in creating safe workplaces. Bridgestone's management team visits work sites, including those operated by Group companies outside of Japan, to discuss the importance of prioritizing safety over all other considerations.

Moving forward, we will continue these initiatives to actively promote the Bridgestone Safety Fundamental Activities and foster safety consciousness in the workplace.



Safe workplace support actions

Engineering Initiatives

Work procedures and equipment that could lead to serious injury require reliable technical measures to prevent future incidents. Therefore, the Bridgestone Group is working to lower risk by pursuing safety from the equipment design stage and maintaining safety during equipment use. This includes store and warehouse equipment, as well as production equipment. These efforts include conducting risk assessments to identify risk and establish engineering controls or work procedures to reduce risk and potential for serious injury.

During 2015, we continued to assign and train safety engineers (SEs) as experts in equipment safety and conduct risk assessments. Based on the results, we are working to identify hazardous equipment and implement safety measures, giving priority to equipment with major injury risks. This effort includes both store and warehouse equipment. In addition to these measures, we have been re-appraising the hazard level of procedures and implementing the necessary safety measures through risk assessment (RA) activities associated with the Bridgestone Safety Fundamental Activities and constantly promoting the creation of safe workplaces.

Standard chart for evaluating the risk of equipment use  
Unit = Points (Evaluation points)

		Possibility of damage = Probability of injury occurring			
		Hardly any	Possibility exists	High possibility	Definitely occur
		A	B	C	D
Extent of injury	①	1	2	4	7
	②	3	6	9	11
	③	5	10	13	14
	④	8	12	15	16

\*Possibility = A < D, ① < ④  
 A = Surrounded by safety cover and difficult to enter dangerous zone  
 B = Safety cover exists, but so do inadequacies such as low rail; may come in contact with dangerous area if ones pushes it  
 C = No safety cover, but has emergency stop equipment  
 D = No safety cover plus inadequacies in such areas as warning and display

- ① = Minimal injury
- ② = Light injury
- ③ = Serious injury (including inability to work)
- ④ = Critical injury (including death)



Bridgestone Tire Japan, improved safety guard example\*

\* Prevention of accidents in case workers enter the conveyor area or the next-stage conveyor, either in operation or in waiting status.

## System- (Management-) Related Initiatives

The majority of the Bridgestone Group's production work sites use a checklist to assess the status of safety and health activities including legal compliance, while working to strengthen areas needing improvement.

Information on industrial accidents and fires that have occurred within the Group is shared along with information on the same kind of accidents at other companies in our industry and companies at large. Where necessary, we take measures to prevent similar accidents from occurring.

We are currently encouraging the implementation and expansion of safety and health management systems in the Bridgestone Group. By doing this, we will ensure that the Bridgestone Safety Fundamental Activities work more reliably as we promote ongoing improvement to enhance Group-wide safety.

### Safety initiative evaluations

Within the Bridgestone Group (with the exception of some Group companies) checklists are used to confirm the status of training, education and drill execution; work rule guide composition and abnormality data uptake and improvement action; daily and regular fire equipment testing; and other safety activities. By understanding the results of these evaluations and moving forward steadily with improvements, we can enhance our safety, hygiene and disaster preparedness status.

## Disaster Prevention Management Activities

We have created a Disaster Prevention Global Guideline based on previous incidents with primary focus on Disaster Prevention preparedness exercises including incipient fire-fighting drills, and preventative inspections including electrical wiring. We will strengthen fire prevention activities and strive to create safe and stress-free workplaces.

Additionally, we share information on fires that occur within the Group and the measures taken to prevent similar accidents.

We have designated September 8 as Bridgestone Group Disaster Prevention Day, and all of our workplaces now conduct disaster prevention drills every year on that day.

### TOPICS

#### Bridgestone Corporation Establishes Global Disaster Prevention Center

To instill in all Group employees the Bridgestone Safety Mission Statement of "Safety First, Always" from a disaster prevention perspective, the Global Disaster Prevention Center was established in Kodaira, Tokyo, located inside the Bridgestone G-MEC\*<sup>1</sup> research facility building.

The Global Disaster Prevention Center engages in education and training to review the causes of unforgettable disaster prevention failures, such as the fire at the Tochigi Plant on September 8, 2003. Bridgestone conducts various types of training at the Global Disaster Prevention Center, including sessions that resonate with employees by telling stories about the fire disasters in the past, and sessions that demonstrate the danger of fire by allowing employees to experience the sensations of static electricity and dust explosions. Bridgestone also conducts training that leads to prevention and early detection of disasters using wreckage found in fire-devastated areas and model facilities. By introducing examples of fires that have occurred not only in Japan but also overseas, the center has established a hands-on learning environment for global disaster prevention training.

In 2016, Bridgestone plans to enhance the Global Disaster Prevention Center by adding training with themes related to natural disasters. This training will be based on the lessons learned in the aftermath of the Great East Japan Earthquake.

\*1 Global-Manufacturing Education Center



Layout of the Global Disaster Prevention Center



1. Entrance
2. Area for classroom learning and lectures
3. Area where materials on disaster prevention are displayed
4. Area where employees can experience simulated disasters
5. Area where employees learn about disaster prevention and early detection
6. Area for classroom learning and lectures

## Health Management

### Health Management Approach (Japan)

Our goal at Bridgestone is "To Maintain a Sound Labor Force and Create a Pleasant Workplace," and we conduct our health management, including healthcare management, accordingly.

## Main Initiatives

### Regular Check-ups (Japan)

Bridgestone conducts regular and special health check-ups, as well as health exams, for employees working overseas as required under the Industrial Safety and Health Law. Employees facing health issues are given proper healthcare guidance, typically by resident industrial physicians at our Health Care Center.

In addition to having 12 industrial medicine specialists available at 12 sites nationwide, we hold an annual meeting in which all industrial physicians participate. We also have a full industrial health staff, including public health nurses, for handling special examinations and health insurance guidance.

### Preventing Overwork (Japan)

Bridgestone recognizes the need to prevent long hours at the office and unusual amounts of overtime or late-night work to prevent health risks caused by overwork.

Bridgestone complies with the Labor Standards Act by working to reduce overtime and encouraging employees to use their annual holiday leave. In 2015, our workforce took 72.0% of given paid holidays.

We also have a program requiring employees working more than a fixed number of hours to consult with industrial physicians to help maintain good health.

Total annual hours worked\* 2,048 hours (fiscal 2015)

Annual overtime hours worked 246 hours (fiscal 2015)

\*Total annual hours worked = (Annual regular hours worked) + (Annual overtime hours worked) - (Annual paid holidays taken) - (Other holidays taken)

### Thorough Smoking Area Enforcement (Japan)

Bridgestone complies with the Health Promotion Act passed in May 2003 by thoroughly enforcing smoking in designated areas only. This policy includes visitors.

### Mental Health Efforts (Japan)

Bridgestone is concerned about the psychological and physical health of its employees. Industrial physicians and industrial medical staff serve as the core of Bridgestone's mental health efforts, along with an external Employee Assistance Program (EAP). In line with Ministry of Health, Labour and Welfare guidelines (covering self-care, consultation line care, on-site industrial medical staff care, and off-site care), we have established a mental health plan for each office.

#### Bridgestone's Efforts (Japan)

1. Since 2006: Consultation line care for managers and supervisors and self-care for new employees and mid-career hires
2. 2006: Introduction of external EAP covering employee families as well
3. Since 2007: Launch of psychological consultation website on the company intranet, providing information
4. "Return to Work Program" launched in 2010 for return to work assistance and recurrence prevention through ties with Human Resources, superiors, industrial physicians, main physicians and external EAP.
5. Since 2011: Strengthened secondary prevention and implemented mental health questionnaires (stress tests), mainly during health check-ups. Questionnaire results are provided as feedback to the employee for early detection of mental health issues.
6. April 2013: Counseling Office staffed by career counselors established at headquarters. This office conducts two-tiered mental health care, primary and secondary, by selecting the company level and providing counseling for all employees in it.
7. June 2014: The Company conducted an "organizational diagnosis" of three offices in the Tokyo metropolitan area. As primary prevention, initiatives were undertaken to reduce risk of mental health disorders occurring as a result of the workplace.

### Selected as a "Health and Productivity Brand" (Japan)

In March 2015, Bridgestone was named a "Health and Productivity Brand" through joint selection by the Ministry of Economy, Trade and Industry (METI) and the Tokyo Stock Exchange (TSE).

Under this program, METI and TSE select and publicize outstanding enterprises listed on the TSE that focus on employee health from the viewpoint of management and undertake strategic initiatives. METI and TSE select and introduce investors to attractive enterprises that prioritize improvement in corporate value from a long-term perspective, and aim to make the program an incentive for more enterprises to undertake health and productivity management.

Bridgestone was selected under this program for the numerous measures it is undertaking to further employee health management, including efforts to prevent overwork, enhance mental healthcare and counter lifestyle diseases.



### Health Program Evaluation (Japan)

Bridgestone seeks transparency in its approach to evaluating occupational health efforts. We formulated a management status checklist based on our original standards concerning five areas of occupational health (overall management, health education, work environment management, work management and health management). We introduced this checklist at factories and/or offices in 2010, extending it to Group companies in Japan in 2011. In addition to consistently improving the system while conducting regular checks, in 2012 we worked to maintain and entrench the system. These efforts continued in 2015, with even more extensive health education efforts. We will continue striving to establish and maintain a system to comply with regulations and standards for occupational health in Bridgestone group.

## Environmental Management (TEAMS)

### Total Environmental Advanced Management System (TEAMS)

The Bridgestone Group has developed the Total Environmental Advanced Management System, or TEAMS, which serves as a foundation for environmental activities. The values and practices learned through certifying Bridgestone's production sites to the ISO 14001 international standard enabled implementation of the EMS framework across the enterprise. TEAMS was developed by adding the concepts of Total (denoting the participation of all business units, facility functions and employees throughout the Group) and Advanced (denoting the Group's commitment to active disclosure and the consistent pursuit of advanced, world-class activities).

Following the TEAMS concept, each strategic business unit (SBU) and each facility in Bridgestone Group prepare and adopt an EMS using methodologies employed by ISO 14001. Then, environmental activities are improved through the use of the plan-do-check-act cycle (PDCA) at three levels: individual facilities, SBUs and globally or Group-wide.

As of April 2016, 162 (99.4%) of the Group's production sites have obtained the ISO 14001 certification. We plan to strengthen our activity even further by achieving ISO 14001 certification for all target sites\*<sup>1</sup>. We also are preparing EMS for new production sites according to the Bridgestone Group's proprietary factory production certification system and plan to successively gain ISO 14001 certification for these sites.

As a basis for supporting TEAMS, we also are striving to provide and consolidate shared global information systems, working toward improvement by analyzing each SBU's environmental activities and data through the Group's PDCA cycle.

\*1 Sites targeted by Bridgestone for ISO 14001 certification.

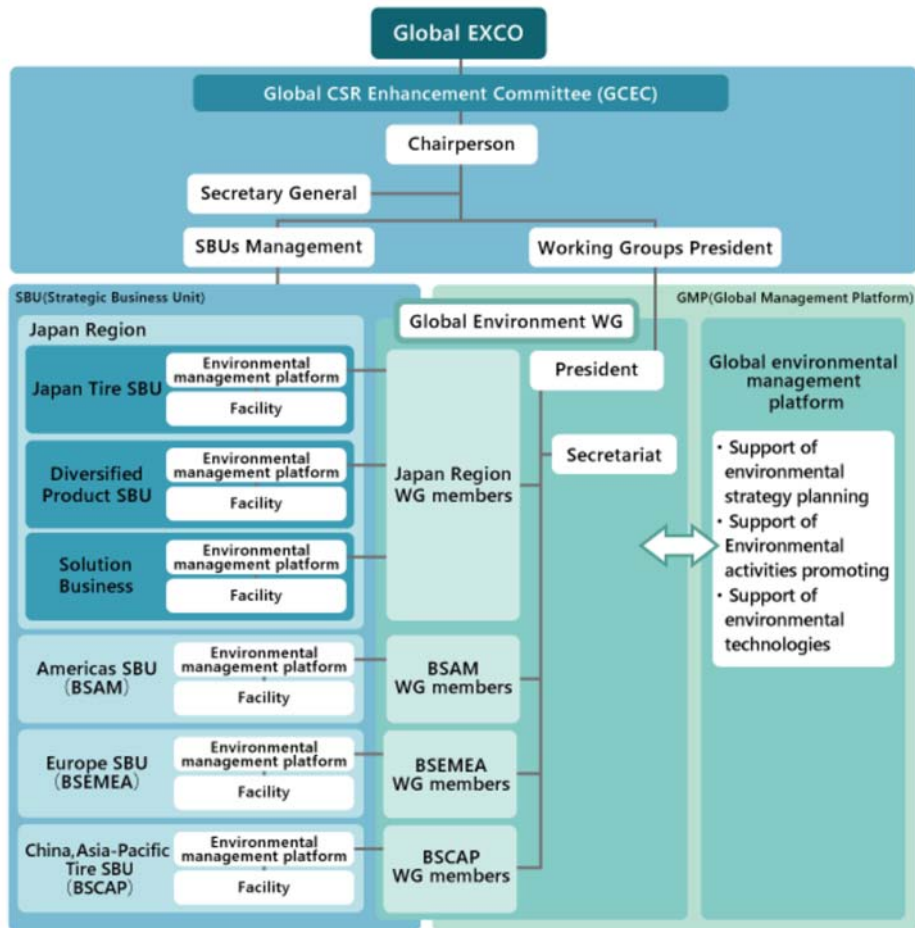
#### Number of sites with ISO 14001 certification



## Global Environmental Management

Bridgestone Group has an organization structure which three meeting bodies, Global CSR Enhancement Committee (GCEC), Global Management Platform (GMP) and Strategic Business Units (SBUs), coordinates and cooperates to enhance the TEAMS activities with holding the Mid-term Plan (MTP) as its core. Decision makings of global environment strategies and policies authorize at GCEC and Global EXCO. Once GMP receives authorized strategies and policies, it will instruct and send out directions of activities to SBUs and provide support and services. Each SBU makes decisions after the management review on biodiversity, resource recycling and climate change by regions.

Also to strengthen the coordination of GMP and SBU, we have established Global Environment Working Group which consists of members from environment function by regions to enhance global environment activities.



## Environmental Management at SBU and Business Facilities

The Bridgestone Group is taking various measures from the viewpoints of system development and human resources development in order to improve environmental management at SBUs and business facilities.

For the system development, we have conducted environmental assessments since 2010 and evaluated the environmental management constitution (structure and functionality) to demonstrate full conformance or opportunities for improvement. We conducted the assessment in all of our plants\*1 in 2015 and use the PDCA process based on the results to improve our constitution.

The Bridgestone Group holds regular training programs to advance development of environmental personnel and enhance the environmental education system in the entire Group. In 2015, the program was held in Japan, China, Asia, North America and EU countries, with more than 200 participants engaged in environmental improvement activities and projects. The environmental training program included on-site training and discussions among participants, aiming to further enhance the abilities of environmental personnel and foster greater coordination within the regions. We are planning to hold the program in 2016 and beyond.

\*1 Sites targeted by Bridgestone for ISO 14001 certification

## Factory Production Qualification System

The Bridgestone Group has adopted a proprietary factory production qualification system based on ISO 14001 to rapidly identify and minimize environmental risks at new factories and production lines.

To be specific, it is a four-stage system for checking and certifying the environmental management systems at new factories, such as the establishment of an environmental plan, implementation of a preliminary environmental review at the time of construction, preparation of environmental policies, legal compliance and environmental training. In 2015, three facilities in three countries proceeded certification.



# Environmental Data

## Environment-Related Data

Data items	Results in 2013	Results in 2014	Results in 2015	GRI
Amount of raw materials used	4,333,000 tonnes	4,213,000 tonnes	4,167,000 tonnes	G4-EN1
Total consumption of primary energy	46,781,000 GJ	45,914,000 GJ	44,955,000 GJ	G4-EN3
Energy consumption (fuel)*1	729,000 kl	707,000 kl	682,000 kl	G4-EN3
Energy consumption (electricity)	4,635,000 MWh	4,643,000 MWh	4,632,000 MWh	G4-EN3
Energy consumption (steam)	1,821,000 GJ	1,806,000 GJ	1,864,000 GJ	G4-EN3
Energy consumption per unit of sales	1,311 GJ/100 million yen	1,250 GJ/100 million yen	1,186 GJ/100 million yen	G4-EN5
Reduction volume of energy consumption	-681,000 GJ	866,000 GJ	959,000 GJ	G4-EN6
Total water intake	83,236,000 m <sup>3</sup>	77,649,000 m <sup>3</sup> **	77,400,000 m <sup>3</sup> **	G4-EN8
Water intake (surface water)	3,280,000 m <sup>3</sup>	4,760,000 m <sup>3</sup> **	4,943,000 m <sup>3</sup> **	G4-EN8
Water intake (groundwater)	21,428,000 m <sup>3</sup>	12,730,000 m <sup>3</sup> **	11,377,000 m <sup>3</sup> **	G4-EN8
Water intake (water supply, industrial water)	20,269,000 m <sup>3</sup>	20,410,000 m <sup>3</sup> **	19,880,000 m <sup>3</sup> **	G4-EN8
Water intake (seawater)	38,258,000 m <sup>3</sup>	39,749,000 m <sup>3</sup> **	41,200,000 m <sup>3</sup> **	G4-EN8
Volume of recycled water	445,379,000 m <sup>3</sup>	517,663,000 m <sup>3</sup>	482,713,000 m <sup>3</sup>	G4-EN10
Greenhouse gas emissions (SCOPE 1)	2,036,000 t-CO <sub>2</sub>	1,955,000 t-CO <sub>2</sub> **	1,847,000 t-CO <sub>2</sub> **	G4-EN15
Greenhouse gas emissions (SCOPE 2)	2,520,000 t-CO <sub>2</sub>	2,520,000 t-CO <sub>2</sub> **	2,494,000 t-CO <sub>2</sub> **	G4-EN16
Greenhouse gas emissions (SCOPE 3)*2	120,994,000 t-CO <sub>2</sub>	125,888,000 t-CO <sub>2</sub> **	122,034,000 t-CO <sub>2</sub> **	G4-EN17
CO <sub>2</sub> emissions per unit in lifecycle stages*3	412 tonnes/100 million yen	382 tonnes/100 million yen	354 tonnes/100 million yen	G4-EN18
CO <sub>2</sub> emission reduction rate in lifecycle stages (compared with 2005)	26.8%	32.2%	37.0%	G4-EN19
NOx emissions (from Bridgestone Corporation)	600 tonnes	578 tonnes	699 tonnes	G4-EN21
SOx emissions (from Bridgestone Corporation)	456 tonnes	424 tonnes	402 tonnes	G4-EN21
Total water discharge	71,379,000 m <sup>3</sup>	63,008,000 m <sup>3</sup>	61,744,000 m <sup>3</sup>	G4-EN22
Waste discharge	297,000 tonnes	314,000 tonnes	298,000 tonnes	G4-EN23
Volume of recycled waste	260,000 tonnes	280,000 tonnes	267,000 tonnes	G4-EN23
Volume of waste landfill	37,000 tonnes	33,000 tonnes	31,000 tonnes	G4-EN23
Investment in environmental preservation *4 (of Bridgestone Corporation)	2.5 billion yen	3.4 billion yen	3.5 billion yen	G4-EN31
Expenses for environmental preservation *4 (of Bridgestone Corporation)	13.8 billion yen	13.9 billion yen	12.1 billion yen	G4-EN31
Environmental preservation effective amount *4 (of Bridgestone Corporation)	2.1 billion yen	2.3 billion yen	1.7 billion yen	G4-EN31
Cost saved by efficient energy usage*4*5 (of Bridgestone Corporation)	1,279 million yen	1,671 million yen	1,239 million yen	G4-EN31
Revenues generated by recycling*4*6 (of Bridgestone Corporation)	870 million yen	663 million yen	501 million yen	G4-EN31

Environment-related data represents Bridgestone Group all plants for the period between January 1, 2013 and December 31, 2013 for 2013 results, between January 1, 2014 and December 31, 2014 for 2014 results and between January 1, 2015 and December 31, 2015 for 2015 results. Part of the data includes estimated figures. Because we refined past data, the data above differ slightly from Environmental Report 2014 and CSR Report 2014.

\*\* The data with the mark have been assured by third-party institution

\*1 Includes fuels used for in-house power generation.

\*2 Category 8 and 15 are excluded of the 15 categories in SCOPE 3 of the GHG protocol.

\*3 CO<sub>2</sub> emissions per unit of sales produced from lifecycle stages from procurement to manufacturing, distribution and disposal

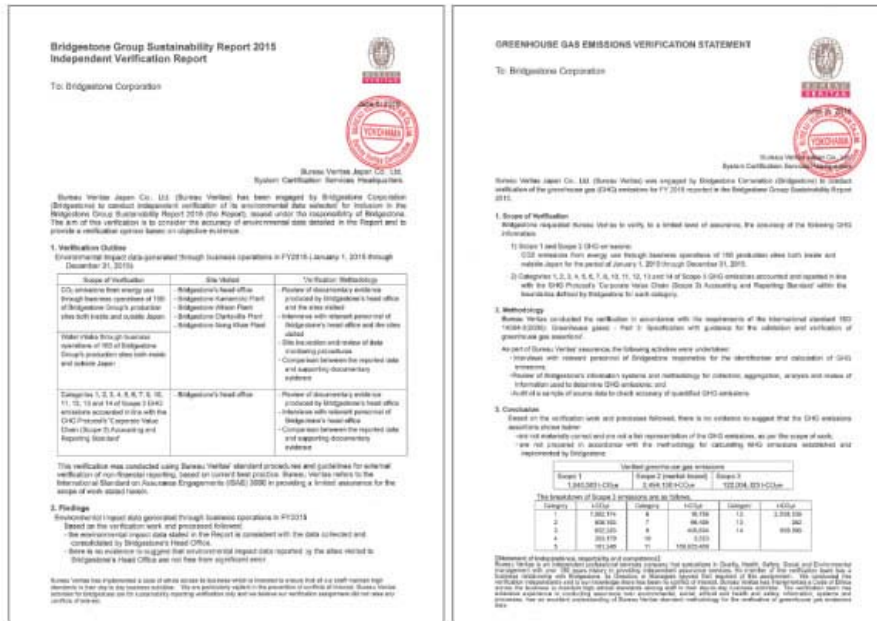
\*4 Calculated based on the Environmental Accounting Guidelines 2005 (Ministry of the Environment, Japan).

\*5 Introduction of cogeneration systems, and energy saving activities

\*6 Recycling wastes as valuable resources

## Third-party Assurance of Environment Data

The Bridgestone Group received the assurance of a third-party institution to ensure transparency, completeness, and accuracy of water intake results and results of tests concerning 2020 CO<sub>2</sub> emission reduction targets.



\* It is on the following webpage.  
[http://www.bridgestone.co.jp/csr/eco/global\\_warming/](http://www.bridgestone.co.jp/csr/eco/global_warming/)  
<http://www.bridgestone.com/responsibilities/environment/mission/emissions3.html>

CO<sub>2</sub> emission data (Scope 1/2/3) was provided through evaluation by a third-party institution based on ISAE3000 and conforming to ISO14064-3; water intake data was provided by testing implemented by a third-party verification based on and conforming to ISAE3000. Verification of primarily production based in 3 countries, 5 bases/facilities was conducted by on-site inspection; issues at the various bases were identified and solutions were proposed and implemented. Initiatives to further reduce CO<sub>2</sub> emission are also being implemented.



On-site inspection at Kumamoto Plant, Japan



On-site inspection at Nong Khae Plant, Thailand

### Bases where on-site inspection was implemented for third-party verification in 2016

Name of country	Name of facility	Main product(s)	Function of CO <sub>2</sub> emission and water intake report
Japan	CSR, Environment & Quality Management Planning Division	-	Summary and report concerning amounts of CO <sub>2</sub> emission (SCOPE 1/2/3) and water intake at various facilities
Japan	Kumamoto Plant	Manufacturing of Rubber Tracks, High-pressure Hoses and Industrial Rubber Hoses	Measurement of and report concerning amounts of CO <sub>2</sub> emission and water intake from facility
Thailand	Nong Khae Plant	Tire manufacturing	Measurement of and report concerning amounts of CO <sub>2</sub> emission and water intake from facility
U.S.	Wilson Plant	Tire manufacturing	Measurement of and report concerning amounts of CO <sub>2</sub> emission and water intake from facility
U.S.	Clarksville Plant	Manufacturing of steel cord	Measurement of and report concerning amounts of CO <sub>2</sub> emission and water intake from facility



## Fair operating Practices

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### Commitment to fair business practices and competition (Focus Point 8)

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#### Considering and Implementing Renewed Measures to Assure Fair Business Practices and Competition

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Bridgestone established the "Compliance Committee" in March 2014 as an advisory committee to the Board of Directors, which consists of outside directors. On the advice of this committee, Bridgestone has continued to implement renewed measures to assure fair business practices and competition.

As one such measure, Bridgestone has retained an independent advisor with experience in the field of compliance to conduct an assessment on its current cartel and bribery prevention program from a third-party perspective. Bridgestone will improve and strengthen weaknesses and blind spots uncovered during the assessment process.

Going forward, Bridgestone will promote the introduction and implementation of the following specific measures:

1. Establishment and operation of cartel prevention guidelines at Group companies
  2. Revision of bribery prevention guidelines
  3. Assessment of compliance structures at subsidiaries outside of Japan
- 

#### Continuing and Enhancing Ongoing Measures

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Bridgestone will continue a thorough implementation and enhancement of its ongoing measures to assure fair business practices and competition.

#### Continuing and Enhancing Employee Training

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Bridgestone is enhancing employee training as part of ongoing efforts toward the prevention of bribery and cartel activities.

In 2015, approximately 12,000 Bridgestone and global Group company employees and directors participated in training and e-learning focused on the prevention of bribery and cartel activities. Upon completion of the training, all participants were required to submit a written oath in an attempt to further instill compliance awareness with respect to the prevention of bribery and cartel activities.

Furthermore, education activities aimed at preventing cartels and bribery were conducted at Group companies outside of Japan in more than 30 countries, primarily in the United States, Europe and Asia.

In 2016, we will continue to conduct ongoing and thorough employee education throughout the entire Bridgestone Group.

#### Enhancing Internal Regulations on Cartel and Bribery Prevention

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In 2012, Bridgestone established internal codes on cartel and bribery prevention, and since 2013, Bridgestone has monitored the operational status of these two internal regulations.

In addition, Bridgestone formulated Company-wide guidelines pertaining to the prevention of cartel activities in 2014 and continues to strengthen its management and monitoring.

In 2016, we will continue to strengthen and thoroughly implement monitoring of internal regulations aimed at preventing cartels and attempt to further improve initiatives related to internal regulations regarding bribery prevention.

## Fair procurement activities (Focus Point 9)

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### Enhancing Fair Procurement Activities

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Bridgestone Group pursues numerous initiatives worldwide in order to enhance our fair procurement activities.

As in previous years, in 2015, we held educational programs on the Subcontract Act of Japan, which is related to the Anti-Monopoly Act, at 12 major Group companies in Japan. We also conducted an e-learning program through which participants could gain a better understanding of the law.

Moreover, Bridgestone has held educational programs on purchasing compliance at the work site level for members of related administration departments, in addition to purchasing staff, since 2012.

Tangible examples closely connected to the daily work of participants, along with a variety of other techniques employed to improve understanding, are incorporated into the programs.

213 new employees took part in these in programs in 2015, with participants providing valuable feedback related to improvement in knowledge and better understanding of acceptable practices. Many stated they found the programs useful to improve their job performance.

In addition, we conduct a survey on supplier satisfaction and confirm that fair procurement activities are being undertaken at Bridgestone through the 100 supplier companies that take part.

Results of the 2015 survey showed that some suppliers desired more improvements in communication. We also worked with an external research firm to conduct interviews through visits to some suppliers to gain a deeper understanding of supplier opinions and thoughts. In light of the survey results, we plan to continue training employees in procurement departments to improve our efforts in this area.

#### Content of educational program on the Subcontract Act of Japan

- Structure of the Subcontract Act of Japan and definitions of subcontracting transactions
- Examples of infringement by other companies
- Duties of main subcontracting enterprise
- Prohibited actions by main subcontracting enterprise
- Compilation of actual Q&A concerning Bridgestone subcontracting

#### Participants and graduates of the 2015 Subcontract Act of Japan program

- Number of times courses were held in 2015: 3
- Number of participants: 315
- Number of graduates: 285

Bridgestone Group continues to strengthen and encourage employee training and establish internal rules to promote fair business practices in each workplace.

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### Enhancing Internal Audits

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Bridgestone formed an audit team to improve the level of fair procurement activities of each Bridgestone Group company and conducted a general audit on procurement and purchasing operations.

In addition, Bridgestone has been working to enhance the audit program and continued to implement a cross-audit program between work sites in Japan. 15 Bridgestone work sites in Japan are engaged in mutual auditing with neighboring work sites, which enhances our auditing capabilities by training internal auditors to adopt the dual perspectives of the entity undergoing the audit as well as the entity conducting it.

The 2015 audit revealed administrative matters such as errors in documentation requiring improvement at some work sites, which we plan to conduct and follow up on going forward.

## Enhancing CSR procurement (Focus Point 10)

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### Initiatives Designed to Promote CSR Procurement

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The Bridgestone Group pursues CSR procurement through a Supply Chain Partnership Development System framework, which improves the overall competitiveness of the Bridgestone Group and our business partners.

As part of this effort, Bridgestone establishes and distributes the CSR Procurement Guideline, which includes aspects of human rights and labor, occupational health and safety/disaster prevention, the environment, fair trade, information security, and contribution to society, to our business partners, and procurement initiatives are carried out accordingly. Also, we created a CSR Self-Check Sheet consisting of approximately 400 questions based on the CSR Procurement Guideline, to which we ask our business partners to respond in order to ascertain the status of their CSR procurement. When necessary, we also provide support through CSR Seminars and visits.

### Holding Conferences to Explain Procurement Policy

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Bridgestone holds an annual conference to explain procurement policy to ensure that business partners understand Bridgestone procurement policies.

In 2015, 119 companies attended the conference. Information pertaining to the business environment surrounding the industry as well as our strategy for mutual improvements to overall supply chain competitiveness was shared with suppliers. The status of Supply Chain Partnership Development System activities was discussed as one aspect of improving competitiveness. Business partners were asked to make voluntary CSR improvements in cooperation.

We received comments from participating business partners, such as "Clear guidance was provided, enabling a deeper understanding," and "Activities undertaken were explained in an easily comprehensible way, enabling understanding of the most important points." The conference has been a good venue to share important information about procurement with our business partners.

At the conference, not only Bridgestone quality, environmental, and safety and prevention initiatives, but also information on tires, chemical, industrial and other products were explained to facilitate wider understanding of Bridgestone's businesses.

Also in 2015, Bridgestone Group held a conference for natural rubber-related business partners in Southeast Asian countries, which was attended by 36 companies. In addition to this, conferences were held for 18 new suppliers of raw materials besides natural rubber in the Asia region. Bridgestone Group will continue to promote these activities going forward.

### Global Rollout of the CSR Self-Check Sheet

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In 2015, the Bridgestone Group continued its efforts to promote a better understanding of our CSR activities on the part of business partners, distributing CSR Self-Check Sheets and the CSR Procurement Guideline to business partners not only in Japan, but also in Europe, Southeast Asia and China. These sheets cover the issues of human rights and labor, occupational health and safety/disaster prevention, the environment, fair trade, information security and contribution to society.

To support our business partners' voluntary improvement activities, Bridgestone visited the production sites of our business partners to provide proposals on improvements based on the business partner's completed Self-Check Sheet and to offer advice as part of their on-site environmental assistance.

In 2015, the CSR Self-Check Sheet indicated that 96% of Bridgestone's business partners had started CSR activities. Going forward, we will continue to work closely with our business partners to make improvements to CSR initiatives being undertaken across the entire supply chain.

### Holding CSR Seminars

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

In 2015, we held CSR Seminars for 108 companies. Each seminar featured lectures on topics such as human rights and labor, the environment, fair trade, import and export compliance, occupational health and safety/disaster prevention, information security and quality.

In addition, Bridgestone Group holds CSR Seminars for natural rubber-related business partners in Southeast Asia. The seminar targeted 36 companies in 2015.

Going forward, Bridgestone will continue to support activities that enhance the CSR activities of our business partners through these seminars and other methods.

[Overview of CSR Seminars]

#### ◆ Basic Course

1. Description of the seminar's purpose (Theme: conducting CSR procurement activities)
2. Fair trade (Subcontract Act of Japan)
3. Fraud prevention
4. The Environment (promoting environmental activities throughout the entire supply chain)
5. Human rights and labor (issues pertaining to labor and workplace management)
6. Occupational health and safety/disaster prevention
7. Information security

#### ◆ Extended Course

1. Explanation of CSR Workshop goals
2. The Environment
3. Health and Safety/Disaster Prevention
4. Quality

### Offering On-Site Environmental Assistance to Business Partners

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Bridgestone has begun offering on-site assistance to business partners whose CSR Self-Check Sheet results indicated environmental initiatives that needed improvement since 2009. In 2015, Bridgestone sent employees from environmental-related departments to four business partners' worksites to review their

environmental initiatives and propose advice to their improvement.

The business partners who received this assistance made comments such as "This was very worthwhile, and will be helpful when considering future improvements." In addition to ensuring business partners are engaged in initiatives with the usage of the CSR Self-Check Sheet, Bridgestone works with business partners to improve the level of CSR activities throughout the supply chain. We plan to continue offering this on-site environmental assistance.

# Customers Issues

## Providing attractive, high-quality products and services (Focus Point 5)

### Basic Approach to Quality Management

In 2011, the Bridgestone Group began refining the Bridgestone Essence (corporate philosophy) with the Environmental Mission Statement, the Safety Mission Statement, and the establishment of the Bridgestone Essence Framework. In 2015, the Bridgestone Essence Framework was completed with the formulation of the Quality Mission Statement. Going forward, we will further develop, disseminate and advance Group global activities based on the Bridgestone Essence Framework.

The purpose of the Quality Mission Statement is to empower our future direction based on the spirit of our founder, Shojiro Ishibashi, by bringing Bridgestone's DNA and the proud heritage of quality and continual improvement to new generations of Bridgestone employees. Through innovation and employee engagement, we can achieve unparalleled quality, not only in manufacturing, but also throughout the value chain and in all products and services delivered to the customer.

All Bridgestone Group global business domains, functions, and employees create customer value and trust through innovation and improvements.



### Developing and Enhancing Structures for Pursuing Quality Activities

At Bridgestone, all departments from product planning to after-sales service are responsible for and are engaged in quality activities.

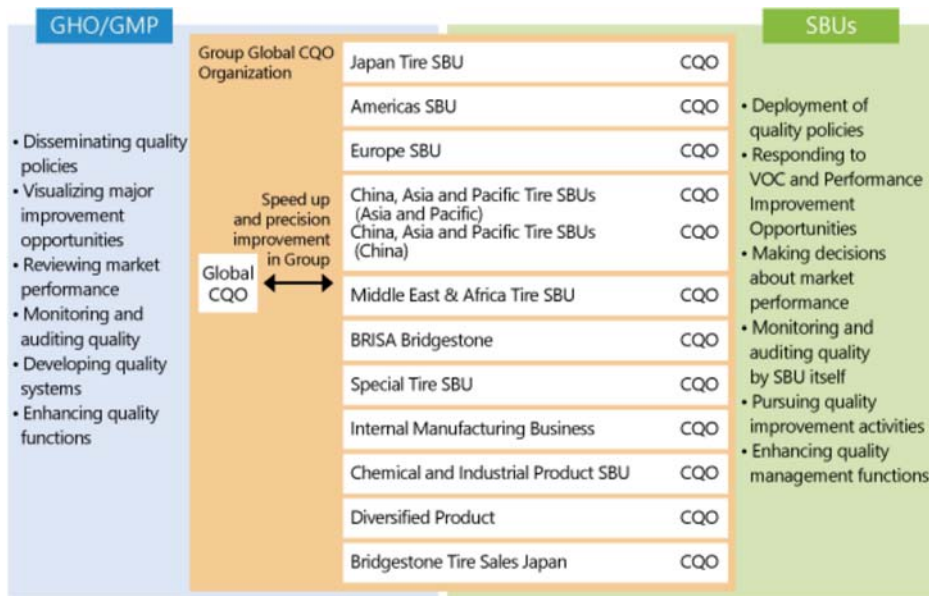
Additionally, we built the Group Global CQO Organization comprising GMP-CQO<sup>\*1</sup> and each SBU,<sup>\*2</sup> appointed by the respective SBUs, to enhance our global quality governance structure. Each CQO shares Group quality policies in its respective region and works to respond quickly and appropriately to quality improvement opportunity in its territory.

In 2015, critical issues and individual items were discussed and shared in a timely manner in an attempt to facilitate regular communication with key personnel at the core of quality activities in each SBU and work facility based on the Group Global CQO Organization. In 2016, the role of the CQO will be clarified further in an attempt to revise the entire CQO system and enhance its functionality.

\*1 Chief Quality Officer

\*2 Strategic business unit (SBU): An operational department or worksite that conducts business activities

### Group Global CQO Organization (2015)



\* The China, Asia, and Oceania tire business became an SBU effective July 1, 2014.

### Initiatives Designed to Increase Customer Satisfaction

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

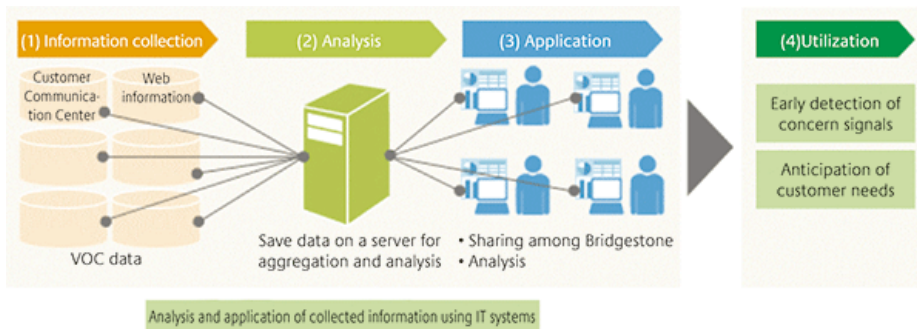
In the tire business, in addition to marketing data we collect the opinions of product users posted online as well as opinions from potential customers using the Customer Communication Center information monitoring system. We also use the VOC (Voice of Customer) Management System to identify and address any early indications from VOC data by synthesizing information collected by frontline service representatives with information from the Customer Communication Center, which is linked to the provision of high-quality and attractive products and services.

The VOC Management System has been used effectively since 2012, and we have gradually expanded the scope of information compiled in the system from the Customer Communication Center and online sources available for browsing by departments via our in-house portal.

Since the system's renewal in 2014, relevant internal departments have been able to quickly grasp "customer expected value" and any changes therein. Bridgestone also began training to improve employee awareness of VOC to effectively utilize customer feedback captured by this system.

Going forward, we will continue to further enhance system improvements and employee training.

#### VOC Management System



### Product Development Initiatives

#### Development Quality Assurance Activities Flow

To prevent quality issues arising in the development process, the Bridgestone Group standardizes development processes at all development centers and is engaged in improving development quality by strengthening various process check systems.

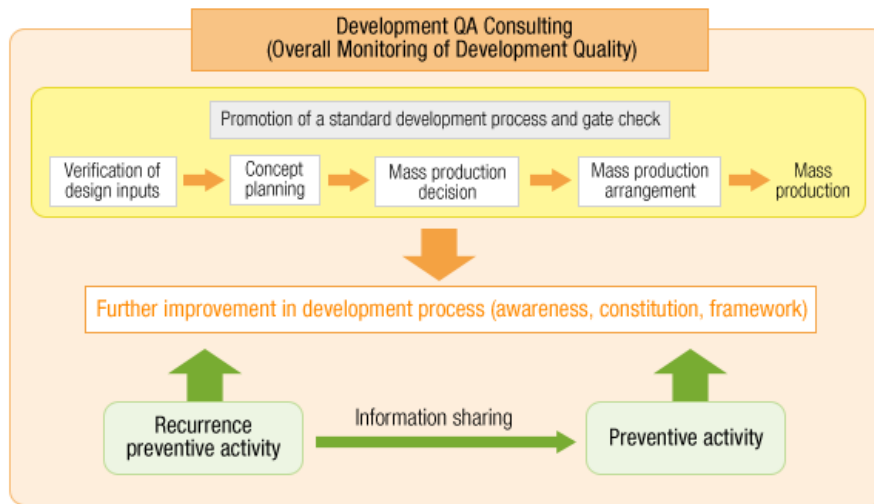
In 2011, we launched development QA<sup>\*1</sup> consulting with the aim of identifying and improving potential issues in all development processes at each development center. In 2013, we completed the creation of development standardization processes in all product development groups to address issues identified during consulting. We further expanded development process standardization activities by launching initiatives aimed at manufacturing technologies and materials development and completed manufacturing technology process standardization in 2014. In 2016, we continue initiatives focused on materials development and to expand to APTC<sup>\*2</sup> development QA as newly started development site.

Going forward, we will work with overseas development departments to create a global development QA consulting system.

\*1 QA: Quality Assurance

\*2 Bridgestone Asia Pacific Technical Center Co., Ltd.

**Development quality assurance activities process**



**Raw Material and Product Outsourcing Initiatives**

As the Bridgestone Group develops business on a global scale, we work with a wide range of suppliers to procure raw materials for tires and outsourced products. With the cooperation of a diverse array of suppliers, we have established a Group-wide approval criteria related to raw materials and outsourced products to ensure high quality.

Even after we begin working with suppliers, we continuously monitor the quality of goods received, conduct supplier audits, and constantly confirm suppliers are maintaining their quality assurance structures and the products supplied always fulfill Bridgestone's quality requirements.

In 2015, we enhanced our receiving inspections of raw material and outsourced products to further ensure the consistent quality of all products purchased by Bridgestone. We also deployed the raw materials-related data monitoring system introduced in 2013 to worksites in Asia and China as part of our ongoing efforts to improve quality.

In terms of outsourced products, we strengthened the cooperation between GMP and each SBU and are engaged in raising the level of global quality assurance.

**Tire Business Manufacturing Activity Initiatives**

In response to the diverse and higher-level requirements of vehicle manufacturers and customers in the replacement market, the Bridgestone Group is driven to improve quality in each manufacturing process to continue providing the safest and highest-quality products.

Bridgestone promotes the "visualization" of potential quality risks at tire production plants and proactively implements preventive actions using the Failure Mode and Effect Analysis quality assurance method. Based on potential risk reduction activities in 2015, we identified and began the implementation of global quality improvements utilizing our mid-term planning process. Going forward, we aim to further improve product quality on a global basis.

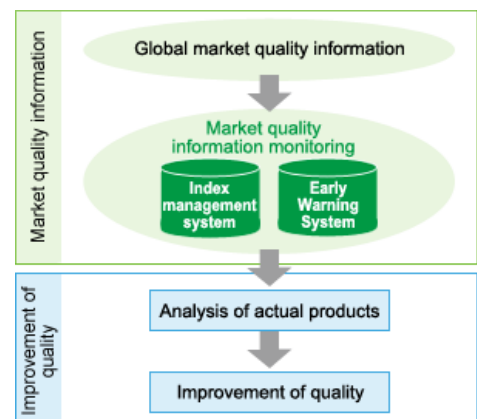
**Market Initiatives**

The Bridgestone Group collects and analyzes tire concern data in Japan and overseas. As our tires are driven on roads all over the world, the information collected and tire analysis results are promptly shared with related departments and utilized to improve tire quality. When necessary, the actual tire is collected for a detailed analysis, which is useful for early-stage quality improvements.

For example, in cases regarding passenger car tire wear, information is obtained through meetings held with distributors, the actual tire is analyzed, used tires are inspected, and actual markets are visited to proactively collect information. All this information is integrated, analyzed and used to improve quality levels and increase customer satisfaction.

Going forward, we will promote the further development of market information analysis methods to provide products that customers can continue to use with peace of mind.

**Utilization of market quality information**



**Quality Activities in the Diversified Products Business**

The Bridgestone Group's Diversified Products Business handles products other than tires, including automotive components, industrial materials such as conveyor belts and hoses, urethane-based chemical products, infrastructure-related products, bicycles and sporting equipment. For example, in home construction, Bridgestone's siphon drainage hose system received the Building Materials Equipment Award on March 3, 2016, in recognition of its excellence in innovative home building equipment which provides more living space in homes and its contribution to improved lifestyles. In the area of bicycles, last year Bridgestone received its 119th consecutive Good Design Award, the industry's highest honor, in recognition of products possessing high quality and excellent safety and design features.

In terms of quality activities in the Diversified Products Business, in 2012 all products in all businesses underwent quality inspections; Comprehensive Quality

Inspection Guidelines were formulated to facilitate improvements; and a system was created to improve quality from the perspectives of customers and society. Going forward, we will attempt to further enhance to provide products and services with attractive quality.

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## Human Resource Development in Support of Quality Activities

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### Passing On Manufacturing Technology Traditions

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Bridgestone places great importance on the passing down the of the quality mindset and know-how by the baby-boomers, who have supported our quality efforts up to now, to the younger generations.

The Quality Human Resources Development Unit that was newly established since 2012 reconstructed the Human Resource training system, and is driving quality training throughout the entire Bridgestone Group. In 2013, we introduced a QA instructor system at the China and Asia tire SBU. We defined necessary quality capability requirements and created training materials reflecting them. These activities have also begun deployment in Thailand. In 2014, we certified Thai national staff members as QA instructors for the first time after completion of a year-long training program. As of 2015, a total of 35 QA instructors were certified in the China/Asia region. Quality training will be led by QA instructors (national staff) at each worksite in an attempt to continue raising the level of quality activities.

Going forward, we aim to develop human resources who can ensure even higher levels of quality and support products and services that can be used with safety and peace of mind throughout the Bridgestone Group.

### Bridgestone Group Global TQM Conference

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Since 2010, the Bridgestone Group has held a Global Total Quality Management (TQM) Conference each year attended by Bridgestone and Group companies.

The Group Global TQM Conference aims to enhance the level of quality activities and improve quality awareness through sharing examples of excellence in innovation and improvements selected from each region and SBU with the entire Group.

Furthermore, in conjunction with the internal deployment of the Quality Mission Statement in 2016, Bridgestone aims to create customer value and trust by promoting improvement activities in which all employees will participate. These activities will be conducted not only in manufacturing, sales and service departments but in all Group departments globally.





## Development of products and services based on customer's voice (Focus Point 7)

### Developing Systems to Use VOC in Product and Service Development throughout the Group

The Bridgestone Group is building a system to collect a variety of VOC (voice of the customers) data from around the world, including evaluations from customers through direct customer feedback, POP data, market surveys, and outside research agencies, which will be collated by business field and product teams and then shared throughout the Group.

#### Tire Business Initiatives

In 2012, we implemented a new system for collecting customer information in a dedicated database to include information received at the Customer Communication Center, information from frontline service representatives at distributors and sales companies, and information posted online (blogs, etc.).

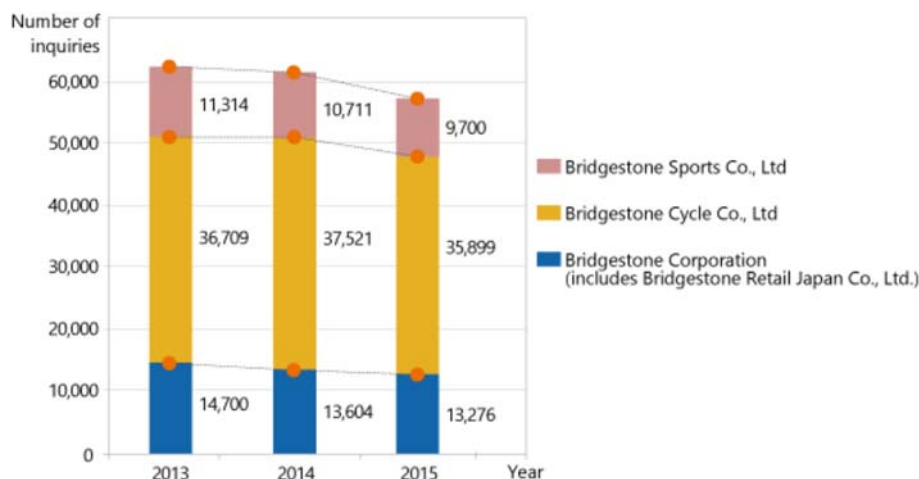
While we have always made efforts to share the tire business VOC data with the rest of the company, the introduction of this new system has enhanced our ability to collect and share VOC inquiries and opinions on a more timely basis with planning, development, sales, quality assurance and other departments. This enables us to reflect the VOC more accurately in products, services and planning activities.

#### Group Company Initiatives

Bridgestone Group companies are also strengthening their concepts stemming from customers' viewpoints.

In 2012, Bridgestone Cycle Co., Ltd., and in 2013, Bridgestone Sports Co., Ltd., introduced a database system similar to that used in Bridgestone's tire business and launched an initiative to share VOC information gathered by each department and the Customer Communication Center with related departments in a timely manner. Implementing this system enabled Bridgestone, Bridgestone Cycle and Bridgestone Sports to aggregate and analyze VOC data to better understand the customer's perspective for use in the development of new products and services and for sharing with other internal stakeholders.

#### Customer Inquiries (Group Companies in Japan)



### Examples of VOC Used to Improve Bridgestone Products and Services

#### "bikke2e" and "Angelino petite e" Electric-Assisted Bicycles Compatible for Riding with Two Child Passengers

Having improved its small-diameter wheel bicycles and electric-assisted bicycles compatible for riding with two child passengers, Bridgestone Cycle launched sales of the 2016 model "bikke2e" in December 2015 and the "Angelino petite e" in January 2016.

Bicycles designed for riding with two child passengers have been well received in the market, particularly small-diameter wheel models that take into consideration the ease of seating or removing children and a low center of gravity for riding stability to address weight issues when children are placed in the front and rear seats. Furthermore, these models have wide, load-bearing tires and speed sensors mounted in a low position on the front wheel.

A great deal of feedback from customers indicated that the rail-type bicycle rack at their apartment or other parking area "prevents the front wheel from fitting into the rail," "makes it difficult to remove the front wheel," and "damages the speed sensor because it comes in contact with the rail." As Bridgestone Cycle makes every effort to respond to customer requests, parts manufacturers were asked to further miniaturize the speed sensor and review installation methods, resulting in a speed sensor with a diameter 45% the size of conventional sensors. In addition, a metal cover was added to protect the underside of the speed sensor.

Tires were also modified, resulting in the adoption of a new narrow tire (6mm narrower than conventional tires), offering the same load-bearing properties and riding stability. The adoption of these newly developed narrow-width tires and miniature speed sensors makes these bicycles compatible with most modern rail-type bicycle parking facilities, alleviating the concerns of customers considering a bicycle purchase.



bikke2e



Angelino petite e



Small speed sensor, metal cover

### Pursue Your Longest Drive through Fitting Sales Launch of New "PHYZ" Series Golf Clubs

In March 2016, Bridgestone Sports launched sales of the new "PHYZ" series based on the concept of "clubs for pursuing your longest drive," suited to the unique swing and physical strength of each individual golfer.

This is the first custom-fitted model in the series, which is currently in its fourth generation.

Advances in lightweight design and Bridgestone's proprietary "power slit" and "power milling" technologies realize graceful and long-driving clubs. (Compared to previous models, based on Bridgestone research.)

Utilizing Bridgestone Sports' 30 years of fitting expertise and a newly developed app, the customer's swing is analyzed with a quick "three ball diagnosis" that is a game-changer in terms of fittings to date, leading to the ideal club for pursuing each individual golfer's longest drive.

Note: The new "PHYZ" series will be sold in stores having a Bridgestone Sports certified workshop staffed by certified craftsmen and PHYZ advisors.

## New "PHYZ" Series Golf Clubs

### Men's model



### Ladies' model



### Siphon Drainage System Developed to Improve Future Maintenance and Upgrade Capabilities, Expand Apartment Plan Variations

Bridgestone collaborated with Nomura Real Estate Development Co., Ltd. and the HASEKO Corporation to develop a "siphon drainage system," a drainage system enabling flexibility in the design and placement of water supply equipment in buildings.

Siphon drainage systems are new narrower systems that employ siphon force (a pulling force generated by falling water) and drainage pipes more narrow in diameter than conventional pipes to pull water into drainage standpipes (vertical drainage pipes leading to the sewer running through each floor of a building) at the floor below. Conventional drainage systems depend on gradients; thus, drainage standpipes must be installed near water supply equipment, which limits the positioning of the water supply.

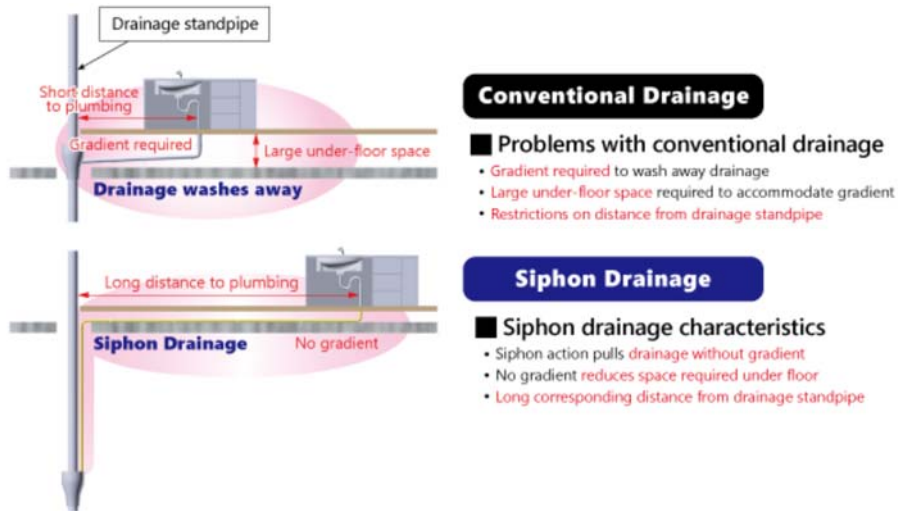
Siphon drainage systems facilitate designs necessitating less under-floor space than conventional drainage resulting in larger-sized rooms. In addition, drainage standpipes can be installed in common areas of the building, as water supply equipment can be positioned some distance from the drainage standpipe due to the high water discharge resulting from the non-gradient drainage pipe and siphon force. As a result, this improves maintenance and drainage standpipe upgrade capabilities.

In addition, flexibility in the layout of water supplies is intended to enable expanded apartment plan variations. This development currently allows for kitchen

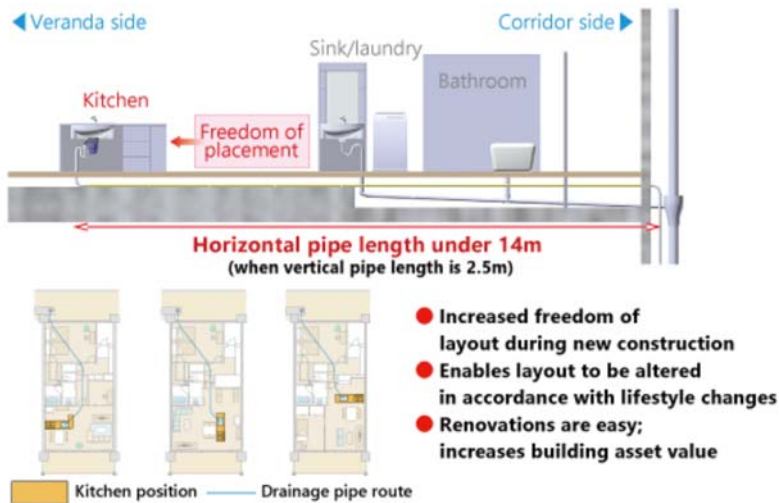
applications with the aim to expand the application to unit baths and toilets in the future. It also enables the layout to be altered in accordance with lifestyle changes associated with family additions or caregiving support and is expected to increase asset value.

In recognition of the extremely innovative nature of this technology, it was unanimously selected by the jury for the 2015 Building Materials Grand Prize sponsored by Nikkei Architecture.

**Customer Inquiries (Group Companies in Japan)**



**Differences between Conventional Drainage and Siphon Drainage**



**"Playz PX" Passenger Car Tires**

To meet customer demands for safety, Bridgestone has attempted to improve basic performance in terms of wet braking and handling stability.

In addition to improved basic performance, "Playz PX" offers new "fatigue-free" safety performance in a product that will provide even greater customer satisfaction.

When driving, bumps and dips on the road may cause the vehicle to move left and right, resulting in the driver unconsciously making minute adjustments with the steering wheel. These unconscious minute adjustments can add up to driver stress, one factor that leads to driver fatigue.

"Playz PX" series tires are shaped differently on the inside and outside. Bridgestone's proprietary asymmetrically shaped tires suppress play in the steering wheel while driving. As a result, contact with the road surface is stabilized and the unconscious build-up of stress while driving is lessened by reducing the need for minute steering wheel adjustments (modifying the steering angle) which contributes to even greater safety through the realization of "fatigue-free" driving.

These tires also utilize "power tread rubber," a new compound recently developed using Bridgestone's proprietary Nano Pro-Tech materials technology. This development successfully realizes steady traction on wet road surfaces without sacrificing fuel efficiency and enhances resistance to rubber abrasion. Additionally, new tread patterns were specially designed for each type of vehicle, from sedans and coupes to minivans, light vehicles and compact cars, enabling these tires to be used longer compared to standard Bridgestone tires (ECOPIA EX20 series).

Through improved basic performance and the new safety performance of "fatigue-free" tires, Bridgestone will continue to respond to customer needs and contribute to the realization of a safer and more comfortable mobile society.

\* The effectiveness of "fatigue-free" tires on driving was confirmed under the supervision of Yasue Mitsukura (Associate Professor, Keio University, Faculty of Science and Technology), a leading figure in brain-wave signal analysis.




Playz PX

## Tire Labeling System Initiatives

Tire labeling systems have been instituted in different countries around the world to indicate the grade of rolling resistance and wet grip performance of vehicle tires. Systems were introduced in Japan\*<sup>1</sup> in 2010 and in Europe\*<sup>2</sup> and South Korea in 2012. Plans are in place to introduce the system in Brazil from 2016 onwards. Consumers in each country can select tires based on an objective set of evaluation criteria. There are high expectations that this system will drive the proliferation of fuel-efficient tires with outstanding environmental performance.

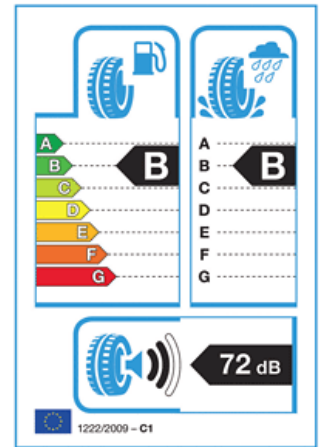
In Japan, Bridgestone has introduced 13 products that meet the fuel-efficient tire performance requirements of the new tire labeling system: REGNO GR-XI, REGNO GRVII, REGNO GR-Leggera, Playz PX, Playz PX-RV, Playz PX-C, ECOPIA EP001S, ECOPIA EV-01, ECOPIA EX20, ECOPIA EX20 C, ECOPIA EX20 C TYPE H, ECOPIA EX20 RV and NEXTRY. Going forward, Bridgestone intends to expand initiatives to reduce CO<sub>2</sub> emissions through the development and supply of fuel-efficient tires with outstanding performance.

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

\*2 [More information about tire labeling systems in Europe](#) 



Example of a fuel-efficient tire label in Japan



Example of a tire label in Europe

# Community Involvement and Development

## Encouraging employees to do volunteer work in their communities (Focus Point 21)

### Supporting Employee Social Activities

Bridgestone supports employee volunteer activities by providing time and funding. Two examples include our volunteer leave program and the employee-driven "Chobora Fund," a matching gift program. We also recognize both organizational and employee social activities with the Bridgestone Group Awards for Contribution to Society as a means of recognizing proactive employee participation in social contribution activities.

Going forward, the Bridgestone Group will continue to support employee participation in social contribution activities.

### The Chobora Fund (Japan)

The Chobora Fund is a voluntary employee contribution program that offers financial support to social activity groups in which employees, their families and retirees participate. The Chobora Fund enables Bridgestone employees who cannot directly participate in social activities to make a contribution to society by donating to the fund.

Activities to receive funding are selected through an internal process and Bridgestone matches a contribution from the Chobora Fund with its own contribution of equal value (matching gift program).

In 2015, we supported 77 activities. As of February 29, 2016, a total of 5,355 employees participated in this program. Support was provided for activities around the world in a variety of areas, including NPO Action for Children and Communities (ACC), which provides educational materials support and psychological care to impoverished children in Serbia and Cambodia who lack adequate education or have been traumatized by conflicts, and Mitsukuri Kagura Preservation Society, which conveys Mitsukuri Kagura (Shinto music and dance), designated as a significant intangible Japanese folk cultural asset, to future generations.

### Volunteer Leave Program/Temporary Leave Program (Japan)

Bridgestone established a volunteer leave program as one of the ways to support social activities by its employees. The program encourages participation in volunteer activities, allowing employees nationwide to take advantage of a leave of absence each year. In 2015, 10 employees used the program to participate in Great East Japan Earthquake recovery efforts and other activities with volunteer organizations to which they belong. In July 2014, a volunteer leave program was introduced, providing employees with up to three years of temporary leave to participate in volunteer activities. In 2015, three employees utilized this program, and as of December 21, 2015, two employees are participating in activities conducted by the Japan International Cooperation Agency (JICA).

#### TOPICS

##### Christmas Charity Activities (Poland)

Every year, employees at the Stargard Plant in Poland engage in a project that bring joy to children living in nearby orphanages. Letters written to Santa Claus by children at the facility at the beginning of December are collected, presents are purchased for the children, and then they are delivered by employees dressed as Santa Claus. In 2015, employees delivered more than 100 presents.



## Contributing to the environment through social activities (Focus Point 15)

### The eco-Project Approach

The Bridgestone Group is working worldwide to contribute to the environment through a program of social contribution activities known as eco-Projects. This program emphasizes activities in the areas outlined below based on the environmental issues being faced by the regions in which Bridgestone does business. In addition, the program includes activities to raise the environmental awareness of many people, such as the children who will lead the next generation.

(1) Protecting biodiversity

Contribute to preserving the original ecosystem of an area and to nurturing its recovery

(2) Moving toward a recycling-oriented society

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

(3) Preventing global warming

Contribute to reducing CO<sub>2</sub> emissions, one of the identified greenhouse gases

#### TOPICS

##### Earth Day Event (Vietnam)

In April 2015, Earth Day Vietnam was held in cooperation with UNESCO. This was the second time an Earth Day event was held in Vietnam. More than 3,000 young people participated and engaged in various activities.



##### Lake Biwa Sustainable Environment for Local Communities (Japan)

Bridgestone has been working since 2004 on activities to protect the water environment of Lake Biwa in Shiga Prefecture. The Company holds nature observation meetings for members of the local community and supports research to encourage propagation of the *Hemigrammocypripis rasborella*, an endangered species.

In the 11th year of these activities, the number of nature observation meetings held to date totaled 65, with some 5,500 people having participated. Nature observation meetings were also held at the "Biwa-tope," a biotope on a Bridgestone factory site where research is underway on propagation of the *Hemigrammocypripis rasborella*, and children took part in rice planting and reaping. Through activities such as these, Bridgestone provides environmental education to local communities.



Nature observation meeting underway

### W-BRIDGE Project

The Waseda-Bridgestone Initiative for Development of Global Environment (W-BRIDGE) is a collaborative project combining industry, academia and people, established in 2008 by Waseda University and the Bridgestone Corporation to contribute to the preservation of the global environment. Adding the participation of people (local citizens) to the traditional collaboration, or bridge, between industry (companies) and academia (universities) creates a "double bridge" that supports practical research and other activities.

W-BRIDGE provides funding and advice on outstanding research and other activities from among the research and other activities undertaken by universities and the general public related to priority themes and areas of research established by Bridgestone annually. Administration, advice and other assistance are provided by W-BRIDGE advisory group, comprised of outside experts who facilitate ongoing improvements.

In the eight years since this project launched, 105 research and other activities have received support. In its eighth year, 11 research and other projects were selected for support for one year, beginning in July 2015. The results of these activities are posted online so that people throughout the world can make use of them.

#### Four research domains\*

#### W-BRIDGE membership



- Joining consumers in considering how to reduce CO<sub>2</sub> emissions looking forward to the year 2050
- Joining consumers in considering mechanisms for effective resource utilization and recycling
- Considering methods for allowing the coexistence of companies and consumers with nature
- Considering methods for learning together with the next generation and spreading environmental conservation knowledge and techniques throughout the world

\* Plans are in place to review research domains and expand scope and activities further.

### Forest Restoration Initiatives around Natural Rubber Farms

Near P.T. Bridgestone Kalimantan Plantation (BSKP) in Indonesia's South Kalimantan Province, there is a neglected state-owned forest that was destroyed by fire and other disasters. Since 2012, Support Initiatives of "W-BRIDGE" aim to Restore this National Forest Waseda University and public interest incorporated foundation Japan International Forestry Promotion and Cooperation Center have collaborated with BSKP, Lambung Mangkurat University and the Tanah Laut Regency Forestry Department to engage in a project utilizing a citizen forestry program aimed at revitalizing this state-owned forest.

The project entails local citizens planting *Hevea brasiliensis* rubber trees and other agricultural produce in the forest, as well as the planting of native trees and shrubs that had grown there long ago. Engaging in forest management in this way provides high economic value for the community and contributes to biodiversity. To ensure the revitalized forest does not fall into decay again, local residents conduct patrols and other activities to prevent forest fires. Through these activities, local residents become self-sufficient and are able to create mechanisms for the long-term revitalization and maintenance of forests. BSKP supports local residents through the provision of *Hevea brasiliensis* saplings and production technologies.

As of 2015, this project has completed a cumulative total of 37 hectares of forest reclamation. This project has been extremely well received and was recognized with a letter of appreciation from the provincial deputy governor.



Hevea brasiliensis forest



Local achievement report meeting

## Toward Recovery from Disaster

The Bridgestone Group views the support of regional communities affected by natural disasters to be part of its social mission. Once again, we express our deepest condolences for the deceased and offer our sincerest sympathies for all those affected by disaster. Going forward, we will continue to provide a variety of reconstruction assistance based on disaster conditions and needs in the stricken areas. The Bridgestone Group sincerely hopes for a swift recovery of the people and areas affected by this disaster.

### Bridgestone Groups Reconstruction Assurances and Relief Efforts for Disasters

Year	Disaster	Bridgestone Group's supports
2016	Kumamoto Earthquake	20 million yen
2015	Heavy rains in East Japan	10 million yen
2014	Ebola Hemorrhagic Fever	Bridgestone : 54 million yen Bridgestone Americas Inc.: 500 thousand dollars
2013	Typhoon in the Philippines	Bridgestone:10 million yen Bridgestone Asia Pacific P.T. Ltd.: 50 thousand Singapore dollars
2013	Sichuan Earthquake	Bridgestone:15 million yen Bridgestone (China) Investment Co., Ltd.: 300 thousand yuan
2011	Flood disaster in Thailand	Bridgestone:50 million yen Thai Bridgestone Company Ltd.: relief supplies (1.2 billion baht worth)

### Activities toward Reconstruction from the Great East Japan Earthquake

More than five years have passed since the Great East Japan Earthquake of March 11, 2011. We would like to again offer our sincere condolences for those who lost their lives, and our heartfelt sympathies to those affected by this tragedy. We continue to wish for a quick reconstruction of the disaster-stricken areas.

The Bridgestone Group is committed to assisting with the reconstruction of the disaster-stricken areas. We will continue to support activities that meet the needs of the affected people, including the fiscal 2015 initiatives noted below.

### Aiding Activity (Employee Volunteers) for the Reconstruction of the Disaster-Stricken Areas

Since the earthquake, the Bridgestone Group has been conducting ongoing support activities (donations, relief supplies, volunteer activities) tailored to the stage of reconstruction in the disaster-stricken areas. As of December 31, 2015, a cumulative total of 66 employee volunteer activities had been conducted in disaster-stricken areas, with more than 1,400 Group employees and their family members participating.

More than five years have passed since the earthquake, and the conditions found in those areas are moving from emergency assistance to stability to reconstruction. The Bridgestone Group continues to cooperate in efforts focused on supporting community service activities and town planning activities.

Since 2013, the Bridgestone Group has been cooperating in the "Iwaki Otento SUN Project," a citizen group that is working on new community development in Iwaki, Fukushima Prefecture. To help initiatives being undertaken by this group - a community electric power - generation with natural energy (solar) project and agricultural industry regeneration assistance (organic cotton) - 69 employees from the Bridgestone Group volunteered to take part in the activities, which continued into 2015 (a total of five times).



Volunteer activities (temporary installation of solar panels at Shiramizu Amidadō temple) in Iwaki, Fukushima Prefecture



Cotton farming via agricultural industry regeneration assistance





## Wings of Dream Project

As a part of our reconstruction assistance for the disaster-stricken areas, Bridgestone has supported the "Wings of Dream Project" since 2011. Operated primarily by the Tokyo-based Ochanomizu Academic Association NPO and student volunteer teams, the project provides support for children who lost their guardians in the Great East Japan Earthquake. The initiative aims to create opportunities for children to make friends and grow independently while sharing and experiencing activities such as sports and facility tours during overnight camping trips.

In 2015, about 90 children participated in cultural exchange events held in the spring and autumn, as well as camps held in the summer and winter, hosted at the Bridgestone recreation facility in Ome, Tokyo.



Summer camp (experiment making windmills out of PET bottles)



winter camp (Christmas concert)

## Reconstruction Support Menu and Sales Events

In an effort to help industries in Tohoku recover from the effects of the Great East Japan Earthquake, in 2014 we began offering a "reconstruction support menu" at our employee cafeteria, featuring food products from the Tohoku region. We also planned and held sales events featuring Tohoku products.

In 2015, a project offering reconstruction support menus was undertaken in employee cafeterias at all work facilities.



A sign at the entrance of the Kurume Plant cafeteria announcing a reconstruction support menu



A sales event at headquarters featuring specialty items from Iwate Prefecture

### TOPICS

#### Launching Japan's Largest seismic Isolation Bearings for Construction

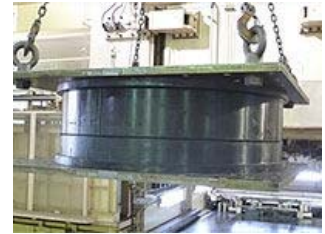
Three main methods are used for earthquake countermeasures in buildings: seismic isolation, seismic damping, and seismic resistance. Of these,

Bridgestone continues to develop and sell the elastomeric isolation bearings used in seismically isolated structures that are highly safe for the people and property inside the building, and for the building itself. Elastomeric isolation bearings are created by rubber and metal formed into layers and installed between the ground and the building. Normally the bearing functions to support the weight of the building, when the earthquake hits the building the elastomeric isolation bearings function to absorb and reduce the shaking.

Bridgestone has developed Japan's largest elastomeric isolation bearings for construction (hereinafter, "elastomeric isolation bearings"), which are designed for buildings up to around 150 meters tall (approximately 40 stories)\*. Conventional products are capable of bearing pillar loads of 3,000 tons, which places design limits on the number and placement of pillars in buildings, particularly those in the super-high-rise 150-meter class. Bridgestone has succeeded in developing an even larger product capable of bearing pillar loads of 3,800 tons, allowing an unprecedented level of design freedom.

Bridgestone uses testing machines to inspect all elastomeric isolation bearings prior to shipment, but because the size of the recently developed bearings exceeded the capacity of its current testing machines, we have installed an ultralarge machine at the Yokohama Plant. This new machine is capable of bearing loads up to 5,000 tons. Bridgestone aims to further increase the quality of its products, and is actively promoting the use of elastomeric isolation bearings to protect buildings and the property and lives within them, supporting the safety and peace of mind of its customers.

\* According to Bridgestone's research on elastomeric isolation bearings (as of December 16, 2014)



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