



**Our Way to Serve**

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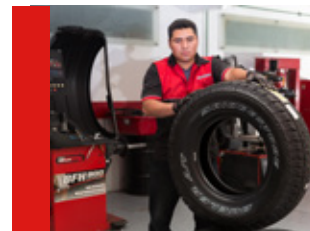


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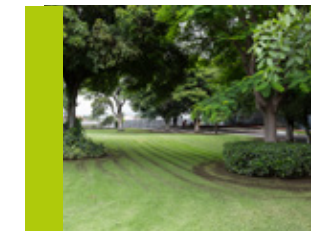
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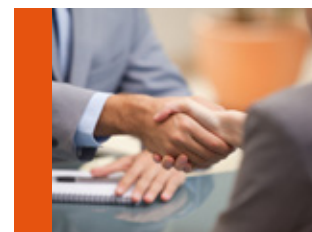
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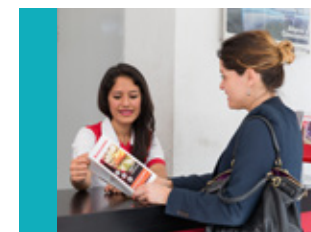
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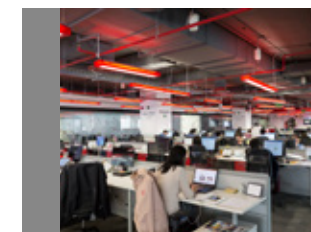
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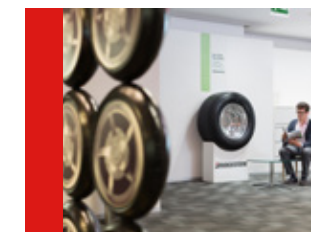


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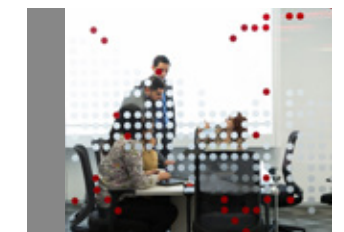
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# Message from the President

It is my great pleasure to be able to share the **Second Consolidated Sustainability Report for Bridgestone Latin America North (BS-LAN)**, which encompasses the company's achievements during 2016 in the countries within our region: Mexico, Costa Rica and Colombia. These accomplishments are the result of an efficient and motivated team that is committed to *"Serving Society with Superior Quality"*.

To reaffirm this vision, the Bridgestone Group recently launched its global CSR initiative, entitled **"Our Way to Serve"**, which is aligned with the group's philosophy and mission, the Bridgestone Essence. Our vision is based on three Priority Areas (PA) – *Mobility, People and Environment* - and six Management Fundamentals (MF) – *Compliance and Fair Competition, Business Continuity and Risk Management, Human Rights and Labor Practices, Industrial Hygiene and Safety, and Customer Value*.

These areas and fundamentals are the foundation for Bridgestone's business practice, which is why the Second Bridgestone Latin America North Report focuses on the indicators and results of this new global sustainability structure, based on the initiatives and programs implemented in each of the countries that make up our region.

Of the total regional sales, 70.7% of which corresponds to Mexico, 23.8% to Costa Rica and 5.5% to Colombia. Daily tire production reached 29,450 units, of which 19,055 are produced at the Cuernavaca Plant in Mexico, and 10,395 at the Belén Plant in Costa Rica. 39 new regional points of sale were opened, which, in addition to our more than 853 service centers, have helped consolidate our customer service network and our competitiveness.

As a clear example of how important training and talent development are for the company, the region implemented new leadership and skills development programs for employees, such as the *"Bridgestone Ambassadors"* regional program, the *"Diploma for Leaders"* in Mexico and Costa Rica, and the *"Business School"* in Mexico. The goal of these programs is clear: drive the talent of our employees and guarantee improved performance. In addition to implementing these programs, 102,160 hours of training were given to 2,311 employees, with an investment of US \$374,532.

Our subsidiaries were presented with the Great Place to Work award for the third year in Mexico and Costa Rica, once again ranking them among a select group of companies. This is a source of great pride for Bridgestone, reflecting the company's hard work and commitment to ensuring the quality of life of its employees. 347 new jobs were created in the region, in addition to those created indirectly with the opening of each new service center. Bridgestone Latin America North increased its number of female employees by 50% compared to 2015.



## Daily tire production

reached  
**29,450** units.

At a corporate level, the region has a volunteering program that offers the company's employees the opportunity to take part in a range of social activities that promote the development of the communities in which Bridgestone operates. The categories of volunteering activities are aligned with the company's Priority Areas: *Mobility, People and Environment*. In 2016, there were 1,040 volunteers in the region who took part in 4,086 hours of social programs.

In keeping with the company's Environmental Mission, the region implemented operational improvements to minimize its environmental impact. The company's production plants successfully recycled 87.38% of the waste generated during 2016; furthermore, at the Cuernavaca Plant, an electrical substation was built to reduce variations and interruptions to the power supply. At the plant in San José, Costa Rica, a sludge composting program was implemented at its Waste Water Treatment Plant.



Consolidation of

**102,160**  
hours of training for  
**2,311 employees.**





Training in  
environmental issues for  
**1,925**  
employees and 766 suppliers.

To reaffirm its commitment to the environment, the region trained 1,925 employees and 766 suppliers in environmental issues. Furthermore, through community programs, 127 tonnes of waste tires were collected, and 600 trees were planted in Mexico.

2016 was, without a doubt, a year of major milestones for Bridgestone Latin America North (BS-LAN), as well as a year in which we developed a business strategy that will help us achieve the goals outlined in our 2021 Vision.

I am certain that the hard work of everyone from our region will help us to continue achieving the goals we set, while maintaining our leadership as one of the group's most sustainable regions on a global scale.

I would invite you to read through this report, which contains not only what we achieved in 2016, but also the initiatives that we developed in each of the countries within the region, the goal of which is to create safer, healthier and more sustainable communities.

Kind regards,

**Alfonso Zendejas**  
President  
Bridgestone Latin America North (BS-LAN)







**Bridgestone is committed to serve society with superior quality, not only in its products and processes, but also in its corporate activities, internal interaction and response policies for its stakeholders. These aspects are in keeping with The Bridgestone Essence, a philosophy stemming from the company's corporate headquarters in Japan.**

# Company profile

When we talk about our Mission Statement, we refer to the actions of our teammates around the world, who, on a daily basis, strive to achieve our common goals, as reflected in the words of our founder.

Our Foundation lies in the principles and values of each one of our teammates.



### The Bridgestone Essence

LA ESENCIA BRIDGESTONE

Mission  
Misión

**Serving Society with Superior Quality**  
Servir a la sociedad con calidad superior

Foundation  
Fundamentos

Seijitsu-Kyocho  
[Integrity and Teamwork]

[Integridad y trabajo en equipo]

Shinshu-Dokuso  
[Creative Pioneering]

[Innovación]

Genbutsu-Genba

[Decision-Making Based on Verified, On-Site Observations]  
[Toma de decisiones basadas en observaciones verificadas en el terreno]

Jukuryo-Danko

[Decisive Action after Thorough Planning]  
[Acción decisiva después de una cuidadosa planificación]



### 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.


For further information, please visit:  
<http://www.bridgestone.com/corporate/philosophy/index.html>  
<http://www.bridgestone.com/responsibilities/library/pdf/sr2016.pdf>

**Bridgestone in Global Figures**

  
**Capital:**  
JPY **¥ 126.354** billion

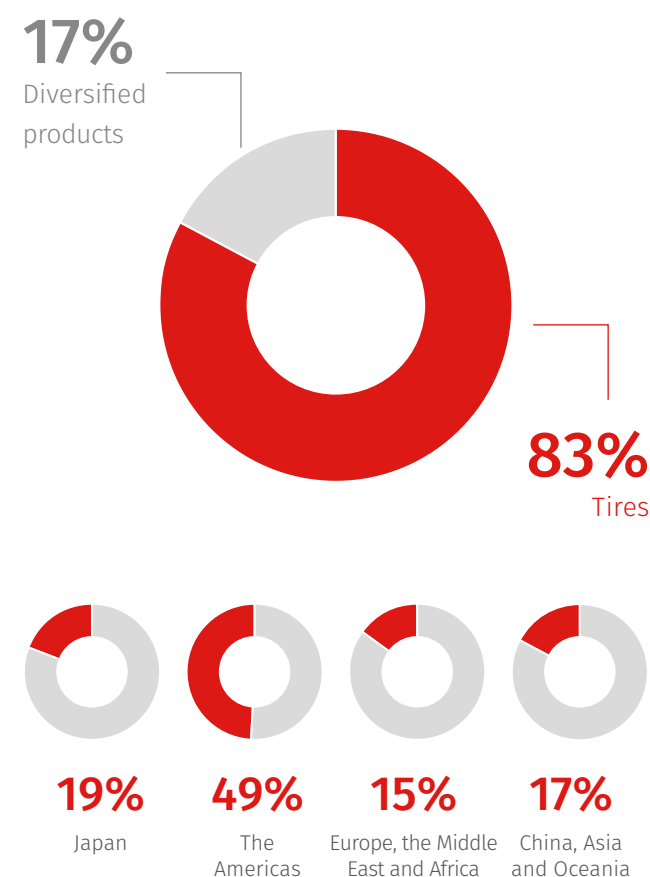
  
**Headquarters:**  
**1** corporate office in Japan and  
**3** regional headquarters:  
• The Americas  
• Europe, the Middle East and Africa  
• China, Asia and Oceania

  
**Employees:**  
• Direct: **143,616**  
• Indirect: **13,617**

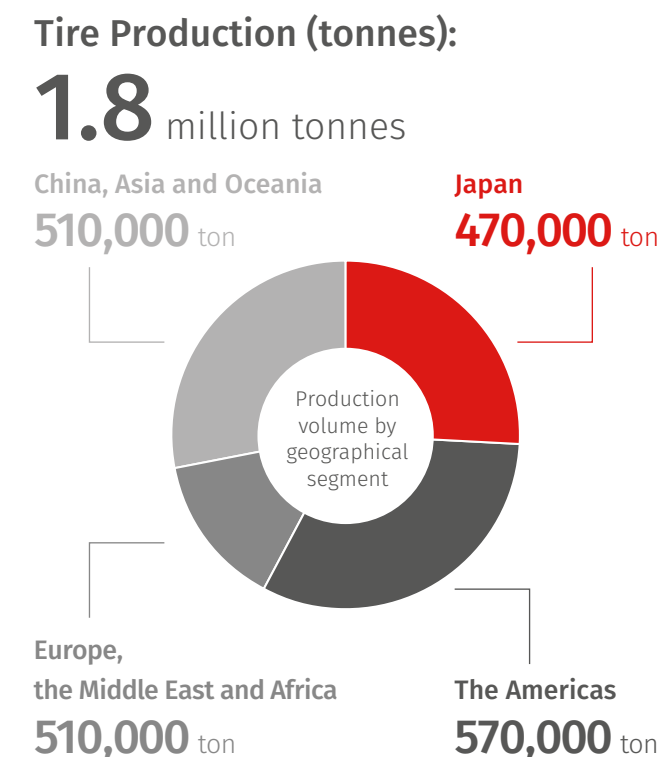
  
**Presence:**  
**26** countries  
• The company's products are sold in more than **150 countries.**

  
**Sales:**  
JPY **¥ 3.337** billion

**Sales by Business Segment and Market:**



  
**Plants:**  
**169** (Plants to April 1st, 2017)  
• **50 tire production** plants  
• **29 tire retreading** plants  
• **18 raw material** plants  
• **72 diversified product manufacturing** plants







## Bridgestone global

### Main Products and Services

**Tires** The company offers a wide range of tires for automobiles, trucks, buses, aircraft, construction and mining vehicles, motorcycles, etc.

**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.

**Diversified Products:**

A business unit that falls under the auspices of Bridgestone Americas Inc., supplying commercial roofing materials and other products.

**Diversified products**

**Sporting Goods:**

Golf balls, golf clubs, golf apparel, tennis goods and other products.

**Bicycles:**

Bicycles and bicycle accessories.

**Others:**

Financing and other products.

**Business solutions**

Bridgestone leverages the potential for more inclusive elements in the company's portfolio, and it is working on new solutions, combining maintenance services, IT/sensor technology, tires and diversified products, to meet the needs of its customers.

## Regional Figures for Bridgestone Latin America North (BS-LAN)



**Corporate Offices**  
Mexico City, Mexico



**Points of sale**  
**853**



**Plants**  
**2** tire production plant  
• Cuernavaca, Morelos, México.  
• Belén, Heredia, Costa Rica.



**Total employees**  
**2,479**

**1** tire retreading plant  
• León, Guanajuato, México.



**Volunteer hours and total participants**

• **4,086** hours.

• **1,040** volunteers.



**Daily production**  
**29,450** tires.



**Total production**  
**9,527,431** tires.



**Training hours**  
**102,160** hours.





## Code of Conduct

Integrity and trust are of fundamental importance in forging valuable relationships inside and outside the organization with all of our stakeholders. These values help Bridgestone to achieve business sustainability and differentiate itself from its competitors on the market.

To achieve this goal, the region is governed by a Code of Conduct and the Bridgestone Americas Compliance Center (BACC) system. This system

ensures that all decisions and activities are executed with integrity, ensuring compliance, at all times, with our values, policies and internal regulations, in addition to all applicable legal frameworks in each country. The Code of Conduct promotes respect and tolerance, anti-corruption measures, conflict of interest prevention, operational and product quality and safety, fair competition and anti-trust policies, environmental conservation, protection of personal information and community liaison, among others.



## Business Model

Bridgestone's business model seeks to guarantee that the company's operations generate value for all stakeholders. To achieve this, it has identified three Priority Areas using the life cycle of its products as a sustainability framework.

As such, the company's value generation complies with all applicable regulations, driving profitability and efficiency while reducing the company's carbon footprint and giving back to society through superior quality products.



### 1. Development and innovation

- Guarantee tire quality and safety.
- Respond to OEMs needs on time and comply with their technical specifications.
- Manufacture ecological tires: Ecopia.
- Tire-retread technology.
- Duplicate the useful lives of tires through renewal.



### 2. Raw Materials

- Establish purchasing processes based on Corporate Social Responsibility.
- Making suppliers aware of ethical, environmental and human rights, as well as employment practices, among others.
- Local suppliers development.



### 3. Manufacturing

- Reduce energy consumption by using less polluting fuels.
- Reduce water consumption.
- Recycle and, where possible, reuse 100% of consumed materials.
- Maintain employees' health and safety.



### 4. Distribution and logistics

- Minimize footprint.



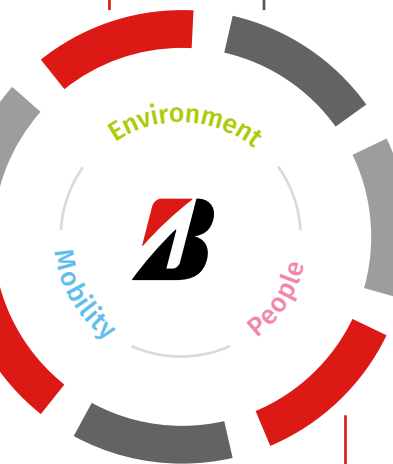
### 7. Final Management

- Recovery of used tires.
- Generate alliances in the sector in order to contribute and be part of the solution to the problem of tires dumped in rivers and streets.



### 6. Use

- Create awareness among the population through diverse programs:
  - » Road Safety campaigns.
  - » Corporate volunteering.



### 5. Sales

- Promote high quality and safer products and services.
- Maintain effective communication channels to encourage feedback about the products and services.
- Establish commercial and fair competition practices.

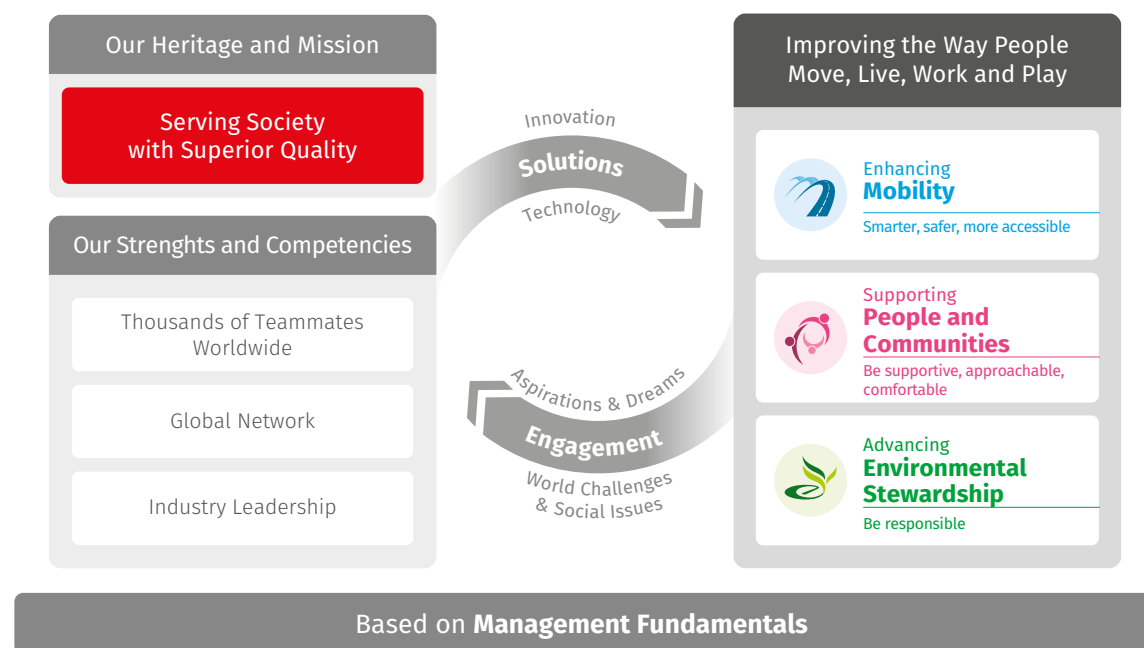


## Our Way to Serve

Since the company was founded, Bridgestone has made sustainability a key part of its strategy to tackle the global challenges that help companies make the world a better place. As a result, in 2017, the company launched its refined CSR commitment: “Our Way to Serve”.

This new commitment builds upon a decade of progress and learning through its initial CSR program: Bridgestone’s 22 CSR Focus Points and is a reflect of the company’s longstanding vision of “*Serving Society with Superior Quality.*”

### Our Way to Serve



VISION: “Understanding that Serving Society with Superior Quality is our heritage and our mission, and embracing our responsibility to future generations as a global leader in our industries, Bridgestone and its teammates around the world employ innovation and technology to improve the way people move, live, work and play”.



## Our Way to Serve

Based on the Bridgestone Essence, its Mission Statement and the company’s legacy, “Our Way to Serve” embodies the way the Company does business and classifies its Corporate Social Responsibility (CSR) activities into three Priority Areas (PA):



### Mobility:

Offer easier, safer, smoother and seamless mobility for our society and customers.

- **Accessible Mobility.** Making smooth and seamless mobility available.
- **Smart Mobility.** Utilizing unique technologies to improve the way people and goods move.
- **Safe Transportation.** Utilizing unique technologies to enhance safe mobility.



### People:

Use our strengths and competencies to address health, safety and education issues in our communities.

- **Contributing to a safer society.** Building safer communities through services, products, and corporate and individual initiatives.
- **Accessible and inclusive education.** Expanding education and training opportunities to develop job and life skills.
- **Promoting healthier communities.** Promoting access to the resources people need to lead healthier lives.



### Environment:

Continually work toward a sustainable society.

- **In harmony with nature.** Contributing to biodiversity through habitat enhancement, and through environmental education and research.
- **Value natural resources.** Continually improving natural resource conservation through operational improvements and product design.
- **Reduce CO<sub>2</sub> emissions.** Continually reduce emissions of Greenhouse Gases, including CO<sub>2</sub>, from our products’ complete life cycle.



Along with these Priority Areas, Bridgestone continues to strengthen the basic governance, compliance and behavioral characteristics expected of any responsible company through its Management Fundamentals. These are exemplified in the company’s commitment to leadership in six major areas, including:

- 1. Compliance and Fair Competition:** The company builds trust with all stakeholders by ensuring that ethical decision-making guides responsible business practices across its operations.
- 2. Business Continuity (BCP) and Risk Management:** The company anticipates, prevents and mitigates risks, but when crises arise, it protects its people, property, and profits.
- 3. Human Rights and Labor Practices:** The company fosters an inclusive culture in which all Bridgestone entities and locations adopt and apply ethical labor practices, build trust with teammates, and embody respect for diversity and for fundamental human rights.
- 4. Industrial Hygiene and Safety:** At Bridgestone, we make safety a business value. Creating a safe working environment for all is everyone’s responsibility.
- 5. Procurement:** The company is committed to creating value and continually working toward a sustainable society to ensure long-term environmental, social and economic benefits by incorporating the following into the entire supply chain:
  - » Transparency
  - » Compliance
  - » QCD & Innovation
  - » Sustainable Procurement Practices
- 6. Quality and Customer Value:** Bridgestone creates a global framework in collaboration with all related Bridgestone entities and stakeholders to proactively identify, prioritize and address customer quality issues in keeping with the intentions of our founder to: “Serve Society with Superior Quality”.

The **Priority Areas (PA)** and **Management Fundamentals (MF)** of “Our Way to Serve” make up the company’s **Sustainability Model**, which is the visual representation of **how sustainability is embodied at Bridgestone**.

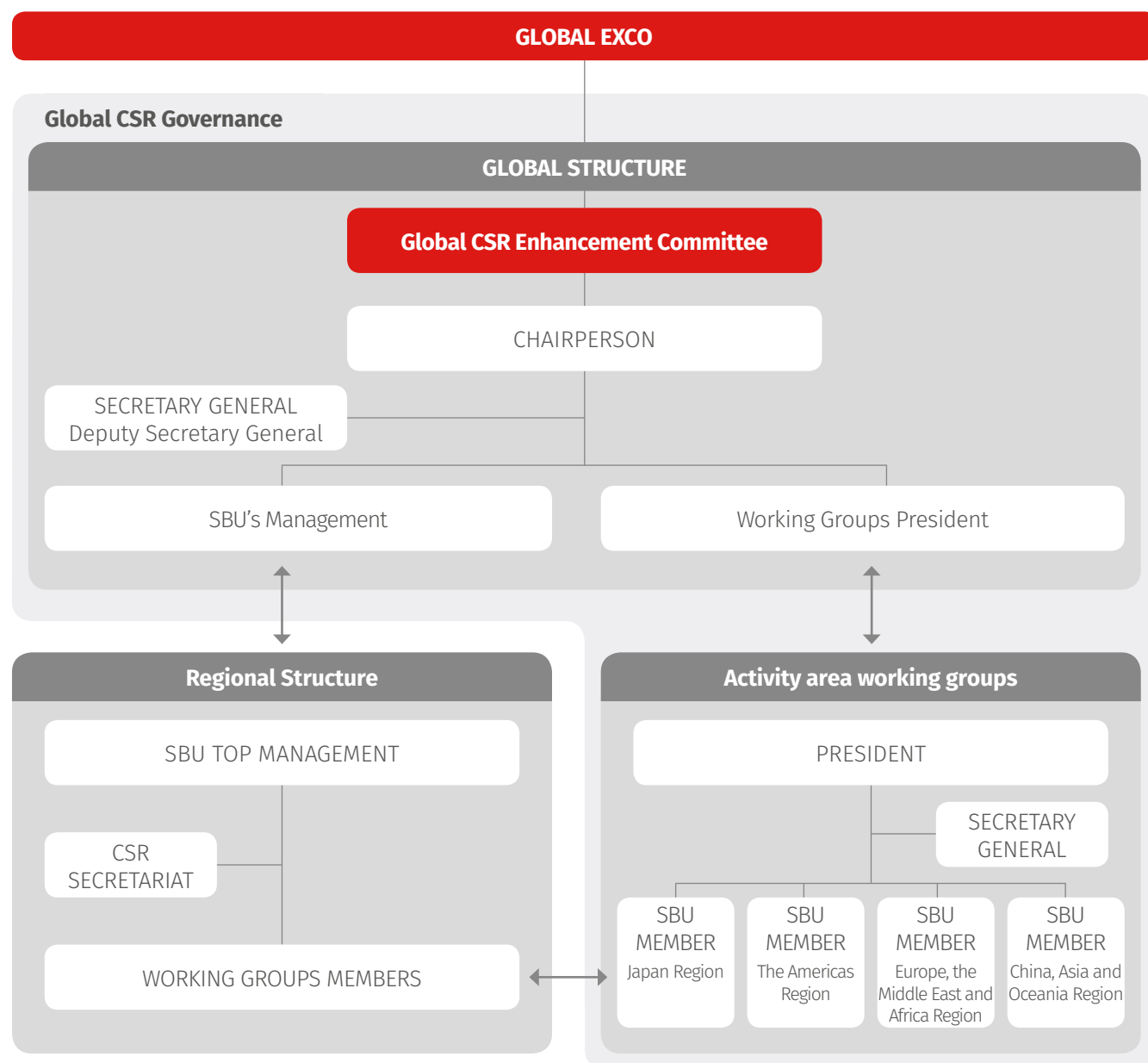




## Sustainability Management

**Bridgestone has established a global CSR Management System, which is headed by the Bridgestone Global Executive Committee (Global EXCO). Its function is to review and approve the strategies that are developed and implemented by the Global CSR Enhancement Committee (GCEC).**

The Global Committee is composed of members of the Strategic Business Units (SBU) and Working Groups (WGs), and its goal is to define global and regional issues within the operational sustainability plans of each region/country.



## Material Issues

During 2017, Bridgestone Latin America North (BS-LAN) commissioned a Materiality Study to:

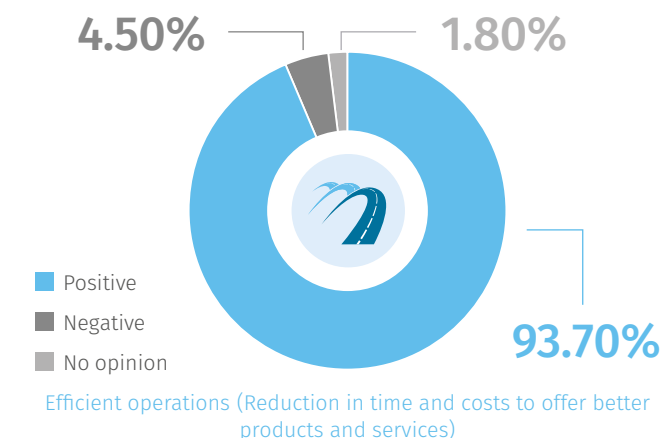
- Identify the perception of the company's stakeholders regarding the company's sustainable performance, in keeping with "Our Way to Serve" (based on its three Priority Areas and six Management Fundamentals).
- Prioritize stakeholder expectations and/or needs through indirect dialog (a survey) to establish the issues to be reported in this Sustainability Report.

The Materiality Study was undertaken in compliance with GRI's G4 guidelines and, for Costa Rica only, the INTE 35-01-01 standard. The Materiality Study focused initially on liaising with stakeholders (both internal and external) to learn more about their expectations and perceptions regarding sustainability at Bridgestone. Several major issues were identified regarding the on-going development of Bridgestone's Regional Sustainability Plan, focusing on aligning priority issues that are connected to the interests of the company's stakeholders with Bridgestone's business goals.

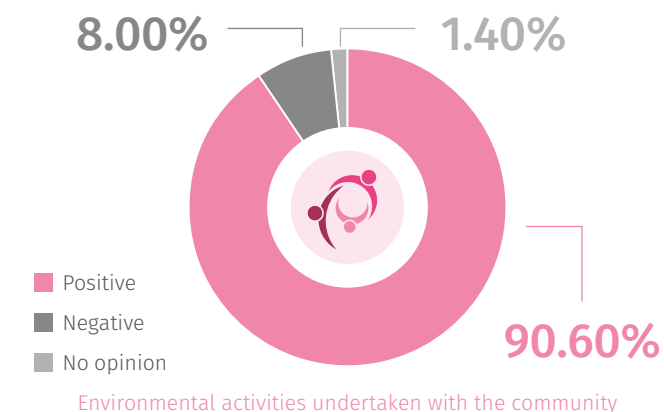
### Mexico

As a result of the study, in terms of perceptions surrounding performance and the priority issues to be reported for each Priority Area and Management Fundamental, based on the opinions of the stakeholders consulted, it was concluded that, in Mexico, there is a positive perception regarding the Company's sustainability, with an average rating of 96%. The following charts show the percentage of positive, negative and neutral perception that stakeholders have regarding the performance of each of Bridgestone's priority areas and management fundamentals, as well as the most relevant issue in each of them.

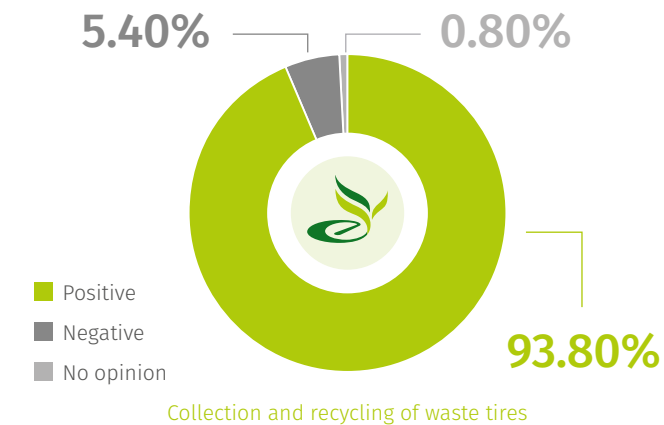
### Mobility



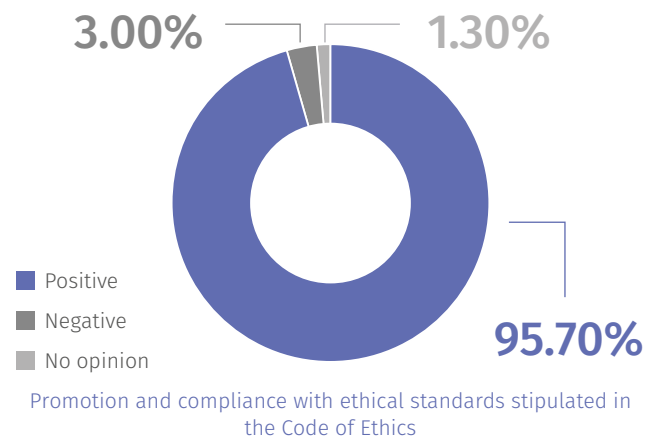
### People



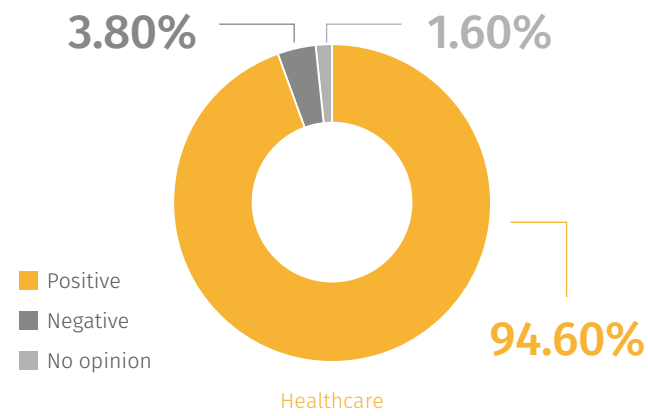
### Environment



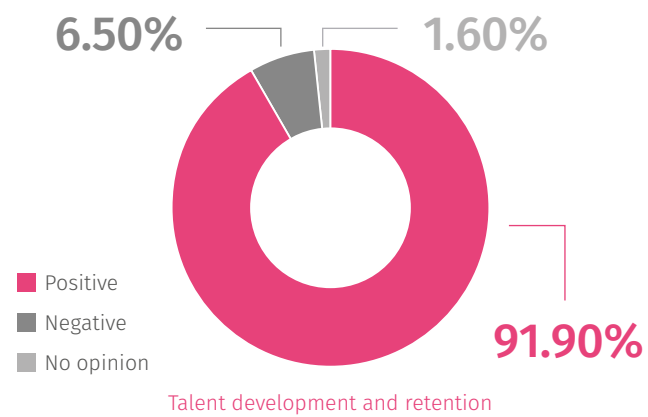
**Compliance and fair competition**



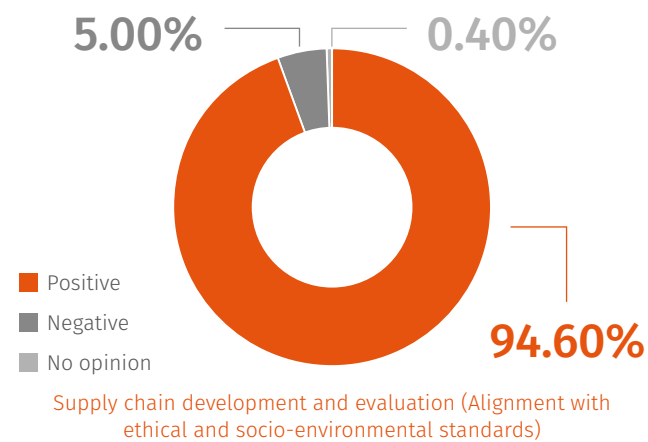
**Industrial hygiene and safety**



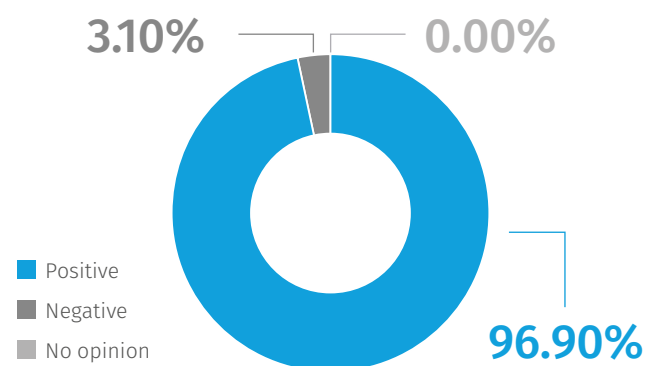
**Human Rights and labor practices**



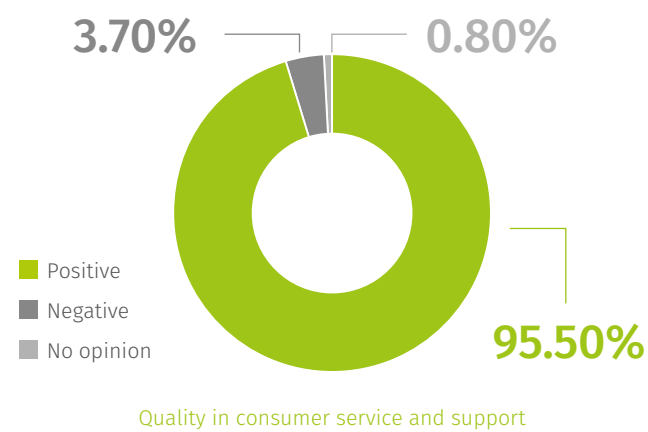
**Procurement**



**Business continuity (BCP) and risk management**

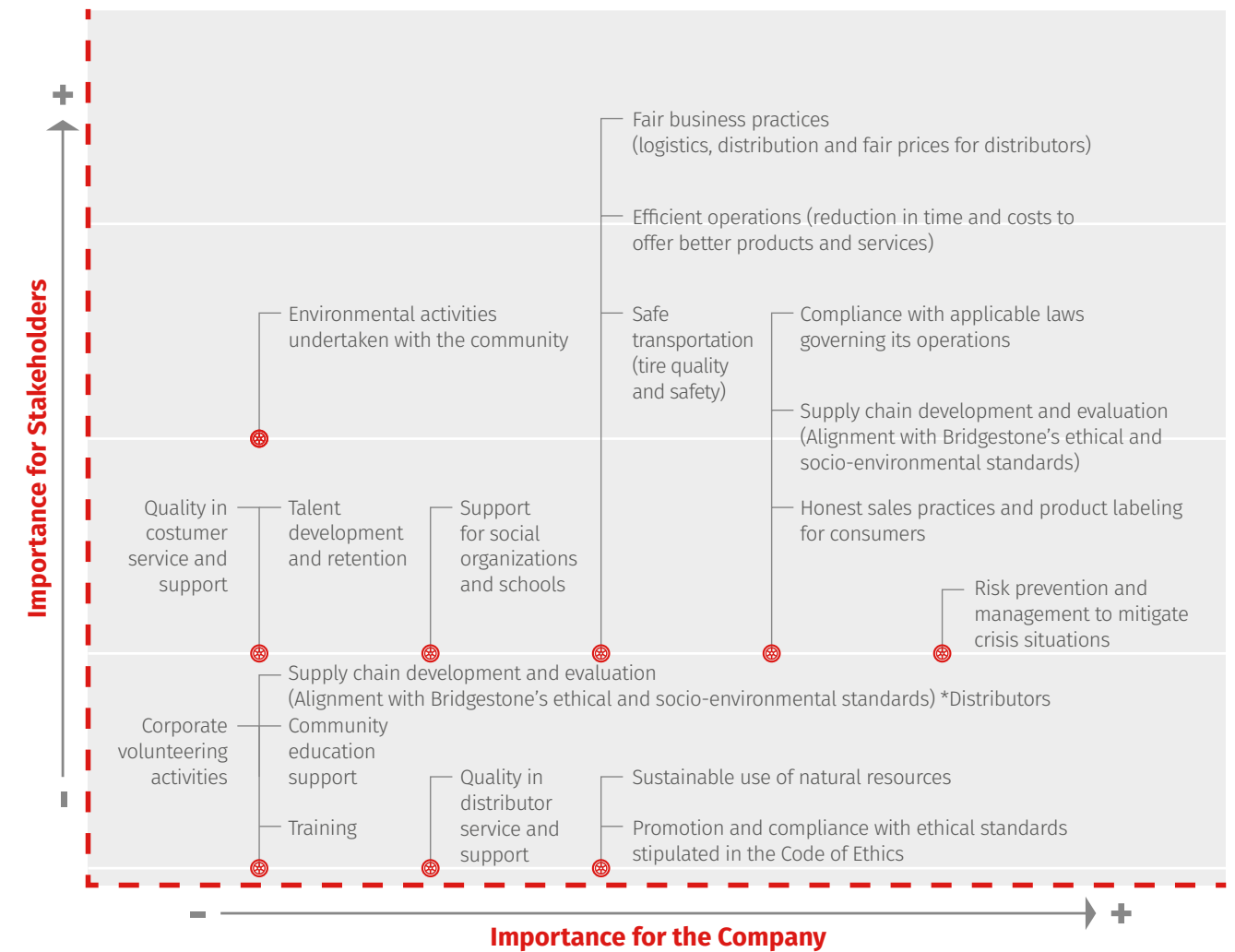


**Quality and customer value**



Regarding the relevant issues to be reported, in addition to taking stakeholder priorities (survey results) into account, the internal issues were weighted based on the importance for each Working Area with regard to their role in organizational management, the impact they have on CSR issues (based on ISO 2600) and their relevance for media outlets (monitoring of news articles) during 2016. A sustainability benchmark of best sustainability practices for Bridgestone Mexico's competitors was implemented.

The results are shown in the following Materiality Chart:



These material issues represent the convergence of the most relevant interests for both, stakeholders and the company. Since they are the top priorities for both parties, these issues are the ones towards which Bridgestone directs its sustainability strategy.





**Bridgestone Mexico is conformed by corporate offices in Mexico City, two manufacturing plants: one of tires in Cuernavaca and one for retreading materials located in León, Guanajuato. Bridgestone Mexico has a total of 1,408 employees. At its tire manufacturing plant in Cuernavaca, Morelos, 19,055 tires are produced every day, a total, in 2016, of 6,297,757 units.**

## Background

Bridgestone's history in Mexico dates back to 1937 and the creation of the *El Centenario* rubber company, which was acquired by The Firestone Tire & Rubber Company. At the end of 2008, Bridgestone Americas Tire Operations (BATO) announced the new corporate name for all the companies pertaining to the group around the world, with Mexico adopting the company's current name: *Bridgestone de Mexico, S.A. de C.V.*

After almost eight decades operating in the country, Bridgestone Mexico celebrated the production of its 100 millionth tire at its Cuernavaca Plant in Morelos in 2015. This milestone positioned the company as the indisputable leader in the production and sale of tires in Mexico.

# Bridgestone Mexico

*Hulera El Centenario* is founded, which starts out manufacturing rubber products and retreading tires.

*Hulera El Centenario* changes its name to *Firestone el Centenario, S.A.*

Bridgestone acquires Firestone, and *Firestone El Centenario* becomes Bridgestone *Firestone de Mexico, S.A. de C.V.*

A new business unit is created to coordinate operations in Mexico, Costa Rica, Central America and the Caribbean, Colombia and Ecuador: **Bridgestone Latin America North (BS-LAN).**

1937

1958

1964

1978

1988

2008

2015

The Firestone Tire & Rubber Co. acquires *Hulera El Centenario*, producing, for the first time ever, Firestone tires in Mexico.

*Firestone El Centenario* goes public on the Mexican stock exchange, floating 51% of its social capital.

The Bridgestone Corporation and its business unit in the Americas, Bridgestone Americas Tire Operations (BATO), decide to use the name Bridgestone as the corporate name for all its companies around the world. The company's operations in Mexico are now known as *Bridgestone de Mexico*.



## History of Bandag

In 1957, Roy Carver, an inventor and industrial pump sales representative, visited Germany to promote his products. While there, he was amazed by how the Germans retreaded the tires on their cars.

His curiosity led to him to seek out a meeting with Bernard Nowak, a German who invented this process. As a result of this meeting, they agreed to bring this tire-retreading technology and its corresponding patents to the United States, leading to the foundation of Bandag Incorporated on December 20, 1957 in Muscatine, Iowa.

The name Bandag is the result of combining: BAN: Bernard A. Nowak. D: Darmstadt (Nowak's hometown in Germany). AG: The equivalent acronym to LTD in German.

The company has spent more 50 years providing services for the transport industry, in addition to creating the cold-cure tire retreading process. Bandag has revolutionized the global retreading industry through the introduction of extraordinary processes that increase the lifecycle of tires, thus helping to protect the environment.



**Total Production:**  
**6,297,757** tires.



**Total de neumáticos renovados por Bandag:**  
**554,400** neumáticos.



**Total Employees:** **1,408**  
(92.8% men y 7.2% women)

**Average Age:**  
**31 to 40 years.**



**Economic Value :**

- **Generated:** ~70% of the total region.
- **Distributed:** ~45% of the total region.
- **Retained:** ~90% of the total region.



**Total Emissions:**  
**57,090.29** tonnes of CO<sub>2e</sub>



**Total Volunteering Hours and Participants:**  
**1,013** hours and **251** volunteers.



**Average Training Hours per Employee:**  
**31.5** hours.



**Total Water Consumption:**  
**326,806** m<sup>3</sup>.



**Total Energy Consumption:**  
**78,340,376** kWh.



**Percentage of Waste that is Recycled or Co-Processed:**  
**94.59%**

## Facts and Figures



**Corporate Headquarters and Plant:**  
Mexico City, Mexico.



**Points of Sale:**  
**625**



### Plants:

- A **tire manufacturing** plant located in **Cuernavaca, Morelos.**
- A manufacturing plant for **retreading materials** located in **León, Guanajuato.**



**Number of Tires Produced per Day:**  
**19,055** tires.







## Market

Bridgestone Mexico's sole market is the Mexican one. Its divisions include the automobile, van, truck, agricultural and industrial, diversified product and golf sectors; the company also has its own service centers and franchises.

It has a range of clients, from direct and associated distributors, corporate accounts and OEM (Original Equipment Manufacturers) to domestic accounts and end users.

## Products and Services

Bridgestone develops, manufactures and sells a wide variety of quality tires for a range of different means of transportation through its Bridgestone, Firestone and associated brands. These tires offer safety and fuel efficiency at a very competitive price.

### Tires

Bridgestone manufactures tires for automobiles, vans, trucks, buses, construction and mining vehicles, industrial and agricultural machinery, motorcycles, scooters, retreading materials and services, and automobile maintenance and repair.

### Tire Retreading

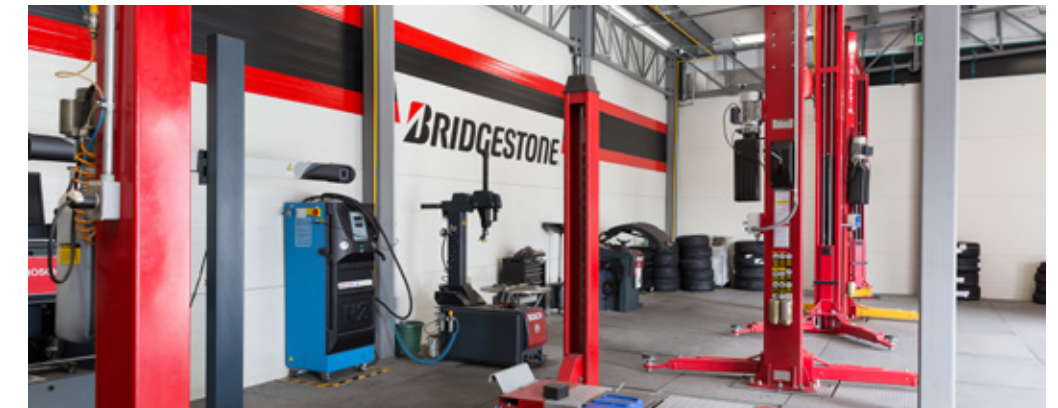
Bridgestone plays a major role in the high-mileage tire retreading industry, offering technology, consultancy and support to the truck and bus market through its Bandag brand. The tire retreading system increases the lifespan of tires, which is why it plays a fundamental role in protecting the environment, preventing hundreds of tires from being dumped in rivers or landfill sites. It also has an economic impact as it significantly reduces costs.

### Golf Products

Bridgestone Mexico sells a wide range of golf balls and clubs, in addition to sportswear and accessories. It has also sponsored several elite Mexican athletes and has been involved in various prestigious tournaments in the country, such as the Mexican Open, the Bridgestone America's Golf Cup and the World Golf Championships - Mexico Championship, among others.

### Motorcycle Tires

Bridgestone sells tires for motorcycle races, offering grip, balance and maneuverability for several different championships, such as *MotoCross*, *Supercross Enduro* and *Off-Road*. The FIM tire is even endorsed by the International Motorcycling Federation as it meets the standards required by this organization in order to avoid damaging tracks where they are used.



## Stakeholders

Bridgestone Mexico believes that the success and sustainability of the business depend on working closely with its stakeholders: people, communities and associations that are intrinsically linked to its production and service activities. The main goal of this model is to ensure ongoing communication, understand the stakeholders' expectations and forge partnerships that drive collaboration on areas of mutual interest.

The company has implemented different channels through which it communicates with its stakeholders, fulfilling relevant goals. These channels include meetings, opinion polls, surveys, partnerships and sectorial initiatives, which are coordinated by the different management teams or areas within the organization relating to each stakeholder.












Continuous
















According to needs



Continuous or  
According to needs

Stakeholders	Expectations	Response	Communication Channels	Frequency of Contact
 <b>Employees</b>	<ul style="list-style-type: none"> <li>A Better Place to Work</li> </ul>	<ul style="list-style-type: none"> <li>Participation in the Great Place to Work survey</li> <li>Follow-up campaigns for Organizational Climate results</li> </ul>	<ul style="list-style-type: none"> <li>Meetings</li> </ul>	
	<ul style="list-style-type: none"> <li>Attracting and retaining talent</li> </ul>	<ul style="list-style-type: none"> <li>Bridgestone Group Awards</li> <li>Bridgestone President Awards</li> </ul>	<ul style="list-style-type: none"> <li>Internal newsletters/screens</li> </ul>	
 <b>Suppliers</b>	<ul style="list-style-type: none"> <li>Career plans</li> </ul>	<ul style="list-style-type: none"> <li>Communication of Skills</li> <li>Talent 9 Box Grid</li> <li>Individual Development Plan</li> </ul>	<ul style="list-style-type: none"> <li>Intranet/e-mail</li> </ul>	
	<ul style="list-style-type: none"> <li>Professional development</li> <li>Diversity and equality of opportunities</li> <li>Workplace health and safety</li> </ul>	<ul style="list-style-type: none"> <li>Cultural and sporting tournaments and events</li> <li>Health Week</li> <li>Benefits (Key Flex)</li> </ul>	<ul style="list-style-type: none"> <li>Organizational Climate Survey</li> </ul>	
 <b>Associations/Institutions</b>	<ul style="list-style-type: none"> <li>Benefits and perks</li> </ul>	<ul style="list-style-type: none"> <li>Open House</li> <li>On-going Improvements in health and safety</li> <li>Base salary</li> <li>Vacations</li> <li>Food stamps</li> <li>Bonus</li> <li>Savings fund</li> <li>Vacation bonus</li> <li>Profit Sharing (variable compensation)</li> <li>Performance bonus (variable compensation)</li> <li>Canteen (variable compensation)</li> <li>IMSS Social Security (variable compensation)</li> <li>Breastfeeding room at corporate offices.</li> </ul>	<ul style="list-style-type: none"> <li>Meetings</li> <li>Audits</li> <li>Surveys</li> <li>Events</li> </ul>	
	<ul style="list-style-type: none"> <li>Integración entre equipos de trabajo y objetivos de la empresa</li> </ul>	<ul style="list-style-type: none"> <li>Bridgestone sporting activities (bowling, soccer, etc.)</li> <li>Bridgestone Summer</li> </ul>	<ul style="list-style-type: none"> <li>Meetings</li> </ul>	
	<ul style="list-style-type: none"> <li>Integration of teams with the company's goals</li> <li>Fair trade practices</li> <li>Supply chain responsibility</li> </ul>	<ul style="list-style-type: none"> <li>Support to get ESR Certification</li> <li>Consultancy</li> <li>Guidelines for responsible supply chain</li> <li>Supplier development</li> <li>Awards for suppliers</li> </ul>	<ul style="list-style-type: none"> <li>Events</li> </ul>	
	<ul style="list-style-type: none"> <li>Recognition</li> </ul>	<ul style="list-style-type: none"> <li>Economic support - Donations</li> </ul>	<ul style="list-style-type: none"> <li>Meetings</li> </ul>	
	<ul style="list-style-type: none"> <li>Financing</li> </ul>	<ul style="list-style-type: none"> <li>Partnerships in programs</li> <li>Invitations to learn about and evaluate sustainable performance</li> </ul>	<ul style="list-style-type: none"> <li>Events - telephone - e-mail</li> </ul>	
	<ul style="list-style-type: none"> <li>Partnerships to promote a better quality of life</li> </ul>			



Stakeholders	Expectations	Response	Communication Channels	Frequency of Contact	
 OEM's	<ul style="list-style-type: none"> <li>• Technological innovation</li> <li>• Superior quality and safety</li> <li>• Timeframe compliance</li> <li>• Constant communication</li> </ul>	<ul style="list-style-type: none"> <li>• Quality Management Systems</li> <li>• Absolute compliance</li> <li>• Innovation and unique products for clients</li> <li>• Meeting stakeholders' needs</li> </ul>	<ul style="list-style-type: none"> <li>• Meetings</li> <li>• Research and development</li> <li>• E-mail</li> <li>• Satisfaction Surveys</li> <li>• Audits</li> </ul>		
 Business Partners (Distributors)	<ul style="list-style-type: none"> <li>• Growth and profitability</li> <li>• Business continuity</li> <li>• Development and training</li> <li>• Specific products and services that generate value for consumers</li> </ul>	<ul style="list-style-type: none"> <li>• Marketing and advertising strategies</li> <li>• Promotion campaigns</li> <li>• Training and development</li> <li>• Products that are different from the competition</li> </ul>	<ul style="list-style-type: none"> <li>• Meetings</li> <li>• Events and expos</li> <li>• Sessions</li> <li>• Annual meetings</li> <li>• Audits</li> </ul>		
 Customers	 End consumer	<ul style="list-style-type: none"> <li>• Price vs Quality</li> <li>• Tire safety</li> <li>• Monitoring and fulfillment of their needs</li> <li>• Information about tire care</li> </ul>	<ul style="list-style-type: none"> <li>• Diverse promotions during the year</li> <li>• Tire guarantees</li> <li>• Awareness campaigns to test tire pressures and provide driving safety tips.</li> <li>• Loyalty rewards</li> <li>• Carrier Club Program</li> <li>• Diversified value offer</li> </ul>	<ul style="list-style-type: none"> <li>• Satisfaction Surveys</li> <li>• 01 800 – Customer service center</li> <li>• Market studies</li> <li>• Social Networks</li> <li>• Campaigns</li> <li>• Sponsorships</li> </ul>	
 Community	<ul style="list-style-type: none"> <li>• Social support</li> <li>• Road safety awareness and safe driving</li> <li>• Volunteering</li> <li>• Donations</li> </ul>	<ul style="list-style-type: none"> <li>• Formal Volunteering Program – Strategic Corporate</li> <li>• Think Before you Drive Campaign for Universities</li> <li>• Think Before you Drive Kids Campaign</li> <li>• Road Safety Campaigns during Spring Break</li> <li>• Seguro Llegas (Arrive Safely) Campaign for Carriers</li> <li>• Corporate volunteering Program</li> <li>• Volunteering categories in Mobility, People and Environment</li> <li>• Aid for Areas Affected by Natural Disasters</li> <li>• Christmas Toy Drive</li> </ul>	<ul style="list-style-type: none"> <li>• Meetings - Workshops</li> <li>• E-mail - telephone</li> </ul>		
 Authorities	<ul style="list-style-type: none"> <li>• Compliance</li> <li>• Forging partnerships for development</li> </ul>	<ul style="list-style-type: none"> <li>• Monitoring and implementation of standards applicable to operations in the country</li> <li>• Rehabilitation of public spaces</li> </ul>	<ul style="list-style-type: none"> <li>• Meetings and participation in sectorial programs and associations</li> <li>• Events - e-mail - telephone</li> </ul>		
 Media	<ul style="list-style-type: none"> <li>• Clear and precise information</li> <li>• Relevant facts for articles</li> <li>• Interviews</li> <li>• Advertorials</li> <li>• Current affairs</li> </ul>	<ul style="list-style-type: none"> <li>• Media liaison and submission of information regarding a campaign or program</li> <li>• Presentation of reports on a regular basis</li> <li>• Coordination of press releases</li> <li>• Interviews</li> <li>• Participation in sectorial associations and rankings</li> </ul>	<ul style="list-style-type: none"> <li>• E-mail</li> <li>• Events</li> <li>• Press conferences</li> <li>• Telephone or face to face</li> <li>• Interviews, meetings and questionnaires</li> </ul>		

## Awards and Certifications

Awards	Organization
Socially Responsible Company (CSR) <ul style="list-style-type: none"> <li>10th year for Bridgestone Mexico</li> <li>3rd year for Bandag Mexico</li> </ul>	Mexican Center for Philanthropy (CEMEFI)
Supply Chain Promoter - Bridgestone Mexico	Mexican Center for Philanthropy (CEMEFI)
<i>Superbrands Mexico</i>	Mexican Brand Council
Morelos State Energy Saving Award for the Cuernavaca Plant	Morelos State Government
Family-Responsible Company (2013-2016)	Department of Labor in Mexico City
<b>Certifications:</b>	
Clean Company Environmental Certification 2016	Guanajuato State Environmental and Land Office
RETC 2016	Guanajuato State Ecology Institute
IEE	Guanajuato State Ecology Institute
ISO/TS 16949	Lloyd's Register LRQA
ISO 14001: 2004	Lloyd's Register LRQA
Carbon Neutral - Bandag	León City Council







## Corporate governance

**Bridgestone Mexico, through its Corporate Governance model, identifies and mitigates business risks, ensuring that the company acts with integrity, internally and externally, in addition to working tirelessly to forge relationships of trust that benefit the sustainability of the business.**

### Regional

#### **Bridgestone Latin America North (BS-LAN)**

In January 2015, the creation of a new business unit was announced. This unit coordinates the management of operations in Mexico, Costa Rica (Central America and the Caribbean) and Colombia (Ecuador). This new unit was named Bridgestone Latin America North (BS-LAN) and was divided into two main areas: the front office, which deals directly with the client, and the back office, which offers support to the new organization to help each of the different departments meet their goals.

### Mexico

Bridgestone Mexico acts in strict compliance with the Corporations Law in Mexico, which requires the existence of a Shareholders Assembly and a Board of Directors. Both carry out their functions in accordance with the terms laid out in this Law

The Chairman and CEO is the person responsible for managing the company and defining its business strategy. The Country Manager is charged with implementing said strategy. Together, alongside a team of seven directors, they are responsible for making decisions regarding economic, environmental and social issues.







## Priority areas



**Mobility, People and Environment have been consolidated as the three Priority Areas for the sustainability of the company, under which are established and managed the main actions with which Bridgestone supports its mission of “Our Way to Serve.”**



Mobility

38



People

40



Environment

46





## Accelerate sustainability mobility through advanced technologies and solutions.

Offer easier, safer, smoother and seamless mobility for our society and customers.



### Accessible Mobility

Making smooth and seamless mobility available.



### Smart Mobility

Utilizing unique technologies to improve the way people and goods move.



### Safe Transportation

Utilizing unique technologies to enhance safe mobility.



Bridgestone Mexico currently embodies innovation by creating new technologies and solutions, in addition to improving processes that drive accessible, smart and safe mobility for the community the company serves.

A clear example of this was the recertification of the Cuernavaca Plant for the production of the Run-Flat tire. These tires are manufactured with specially reinforced sidewalls, which are extremely heat-resistant thanks to their NanoPro-Tech technology, offering outstanding stability.

The Run-Flat tire means that vehicles can travel up to 80 kilometers at a maximum speed of 80 km/h if they get a puncture, ensuring that drivers can find a safe place to change their tire.

Thanks to technology like this, Bridgestone Mexico uses unique technology to offer safer mobility.







**Employ our strengths to support our communities and enhance the way people live, learn and work.**

**Use our strengths and competencies to address health, safety and education issues in our communities.**



# People



### Contributing to a Safer Society

Building safer communities through services, products, and corporate and individual initiatives.



### Accessible and Inclusive Education

Expanding education and training opportunities to develop job and life skills.



### Promoting Healthier Communities

Promoting access to the resources people need to lead healthier lives.



### Think Before You Drive Vacations (Spring Break):

- 5 days
- 920 tire checks

### Universities:

- 5,100 people
- 132 tire checks
- 4 universities

### Children:

- 4,000 children benefitted
- 29 schools



### Seguro Llegas:

- 1,320 people benefitted
- 5 truck fleets



### Donations

#### Ecuadorean Embassy in Mexico

- 320 kg of food parcels

#### WIPPO Child Development Community Centers:

- 103 christmas gifts
- 4 classroom renovations (wall repair and painting)

#### El Tren de la Vida (through the Save the Children Foundation)

- 92 food parcels



### Bridgestone Christmas

- 110 people benefitted





Bridgestone Mexico coordinates a range of social and volunteering activities, the goal of which is to drive development and inclusion opportunities for the community. These activities offer the company and its employees the opportunity to find solutions to social problems and have a positive impact on their surroundings.

The Volunteer Program at Bridgestone Latin America North (BS-LAN) encompasses four major areas:

- **Face-to-Face Volunteering (Campaigns).** Philanthropic efforts to help communities, in addition to providing resources and donations. Emergency aid is included in this area.
- **Volunteering at Events.** Groups of volunteers who implement or maintain infrastructure, in addition to donating any other articles necessary.

In 2016, a **Volunteer Survey** was undertaken within the **Bridgestone Latin America North (BS-LAN)** region. **89%** of our **volunteers rated the company's volunteer activities as positive**, and **98%** stated their interest in volunteering again.

- **Skill-Based Volunteering.** Projects implemented by companies or NGOs with volunteers providing their skills, competencies and knowledge to benefit others.
- **Entrepreneurial Volunteering.** Promotion of employee leadership and entrepreneurship. Mid-term involvement through the implementation of employee projects, which the volunteer identifies and deploys with support from the program, and the alignment of long-term goals proposed during the implementation process.



**251** volunteers,  
**1,013** hours,  
**10,530** people benefitted.

In 2016, there were a total of 251 volunteers and 1,013 volunteer hours, benefitting 10,530 people.

No matter the volunteer area, Bridgestone Mexico's volunteer programs are aligned with the three Priority Areas: **Mobility, People and Environment.**

### Mobility

#### Think Before You Drive

This is one of Bridgestone's major volunteer campaigns. In Mexico, the program has been implemented over the past 8 years. The free tire checks are available at gas stations, carwashes, highways and universities.

The program includes the following campaigns: *Think Before You Drive* for University Students, *Think Before You Drive* for Kids and *Think Before You Drive* for the Vacations (Spring Break, summer and Christmas). In total, these three campaigns positive impacted 9,100 people.



**9,100** people benefitted.

#### Seguro Llegas

In 2016, Bridgestone Mexico, for the second year, implemented this campaign to raise awareness among transport providers about road safety. Seguro Llegas offers safety and accident prevention information and recommendations, focusing on three main areas:

1. Avoiding Driving While Tired
2. Promoting Vehicle Maintenance
3. Promoting Tire Checks



The campaign **was aimed at 5 major truck fleets, benefitting 1,320 people.**







G4-SQ1, G4-EN28



103 toys collected,  
92 food parcels delivered to  
**110** people benefitted.



**320** kg of food parcels.

## People

### Bridgestone Christmas

Bridgestone Mexico joined forces with Save the Children to give out gifts, food parcels and smiles to boys and girls during the month of December. More than 100 toys and 90 food parcels were donated and given out by volunteers from the company, benefitting 100 people.

### Aid for Victims of the Earthquake in Ecuador

In conjunction with the Mexican Red Cross, a collection drive was organized to help those affected by the earthquake in Ecuador in April 2016. Bridgestone Mexico donated 320 kilograms of food parcels.

## Environment

### Llantatón

The goal of this program is to promote the recycling and reuse of tires, preventing damage to the environment, raising awareness among the general public, forging partnerships with the authorities to facilitate collection and eliminate sources of infection.

The phases of the program included:

1. Implementation
2. Collection
3. Recycling and reuse
4. Co-processing (use of waste as an alternative fuel source)
5. Adequate disposal of tires



**127** tonnes of waste tires collected.

In 2016, this program was coordinated in Cuernavaca, Morelos, bringing together 9 communities and collecting 127 tonnes of waste tires.



## Reforestation

Bridgestone promotes reforestation programs to help protect biodiversity, prevent soil erosion, trap CO<sub>2e</sub>, attract pollinators and protect crops and pastures. In 2016, a reforestation campaign was organized in the communities surrounding the Bandag plant in León, Guanajuato, during which 600 trees were planted.



**600** trees planted.







## Help ensure a healthy environment for current and future generations.

Continually work toward a sustainable society.



### In Harmony with Nature

Contributing to biodiversity through habitat enhancement, and through environmental education and research.



### Value Natural Resources

Continually improving natural resource conservation through operational improvements and product design.



### Reduce CO<sub>2e</sub> Emissions

Continually reduce emissions of Greenhouse Gases, including CO<sub>2</sub>, from our products' complete life cycle.



# Environment



### Environmental Training

- **922** employees took part in **265.5 training hours**.
- **107** suppliers and contractors took part in **training hours**.



### Waste

- **94.59%** of waste was recycled or sent for co-processing.



### Emissions

- **54,547.68** tonnes of CO<sub>2e</sub>.



### Reforestation

- **600** trees.



### Citizen Llantatón

- **127** tonnes of waste tires.



G4-EN3

Through its Environmental Mission Statement, which is the basis for this Priority Area, Bridgestone outlines the company's long-term aspirations, encompassing the way in which all the aspects of the business must contribute to environmental conservation.

## Cuernavaca Plant, Morelos

### Electrical Energy

During 2016, Bridgestone's production plant in Cuernavaca used a total of 73,278,183 kWh.

Energy Type	2015	2016
Electricity (kWh)	72,771,236	73,278,183
Electrical Energy (kWh) / tonnes of Production	1.04	1.11
Tonnes CO <sub>2e</sub> / tonnes of Production	0.724	0.564
GJ (Fuel Oil or Natural Gas) / tonnes of Production	-	24.38

This year, there was no reduction in energy consumption compared to 2015, as result of the installation of new air injection equipment for the assembly line and three new presses in the vulcanization area.

### Fuels

Included in the company's energy consumption are the following non-renewable fuels, which it uses in its daily operations.

**Environmental Mission Statement**

To help ensure a healthy environment for current and future generations...

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

Therefore, we are focused on three objectives.

- In harmony with nature:** To contribute to biodiversity through habitat enhancement, and through environmental education and research.
- Value natural resources:** To continually improve natural resource conservation through operational improvements and product design.
- Reduce CO<sub>2</sub> emissions:** To continually reduce emissions of Greenhouse Gases, including CO<sub>2</sub>, from our products' complete life cycle.

The Bridgestone group's environmental mission covers all aspects of our business.

**TEAMS** (Total Environmental Advanced Management System) unites the group under a progressive management system to help ensure a healthy environment.

Operations, Products and Services, Environmental Communication, Community Activities

One Team, One Planet.

**BRIDGESTONE**

The total consumption of non-renewable fuels in 2016 was:

Fuel Type	2015	2016
Diesel (liters)	152,880	152,880
LP Gas (liters)	496,636	496,636
Fuel Oil (liters)	3,340,500	3,340,500
Natural Gas (liters)	4,181,976,000	4,181,976,000



### Water

All of the water used at the Cuernavaca plant is extracted from wells. In 2016, the company extracted 202,048 m<sup>3</sup> of water, 3.5% less than in 2015.

Bridgestone's total water consumption was 319,778 m<sup>3</sup>, which encompasses the total amount of extracted water and the total amount of recycled water used for irrigation purposes.

117,730 m<sup>3</sup> of water was recycled using a physicochemical process. Of the total volume of water used in 2016, 36.8% was reused and recycled water.

Furthermore, in 2016, 175,040 m<sup>3</sup> of water was returned to Barranca Puente Blanco using a physicochemical method.

### Emissions

Total Greenhouse Gas (GHG) emissions in 2016 reached 51,642.71 tonnes of CO<sub>2e</sub>. The intensity of GHG emissions was 0.78.

#### Scope 1

Total gross direct GHG emissions in 2016 reached 14,548 tonnes of CO<sub>2e</sub>, corresponding to the company's fuel use.

2015 (tCO <sub>2e</sub> )	2016 (tCO <sub>2e</sub> )
17,724 tonnes of CO <sub>2e</sub>	14,548 tonnes of CO <sub>2e</sub>



G4-EN8, G4-EN10, G4-EN15, G4-EN16, G4-EN18, G4-EN19, G4-EN20, G4-EN21, G4-EN22



Compared to 2015, the **the decrease in scope 1 emissions** was

**18%**

the result of **switching from fuel oil to natural gas** for steam generation.

#### Scope 2

Total gross indirect GHG emissions in 2016 reached 37,094.71 tonnes of CO<sub>2e</sub>, corresponding to the company's use of electricity.

2015 (tCO <sub>2e</sub> )	2016 (tCO <sub>2e</sub> )
33,108 tonnes of CO <sub>2e</sub>	37,094.71 tonnes of CO <sub>2e</sub>

In 2016, atmospheric emissions were as follows:

Gas	Quantity in Kilograms or Multiples of Kilograms 2016
NOx	14 tonnes
SOx	0.25 tonnes
Volatile Organic Compounds (VOC)	304.62 tonnes
Particles	2.7 tonnes





## Waste

One of the Cuernavaca Plant's environmental priorities is managing and properly disposing of waste, complying with all applicable legislation in the country as well as the guidelines stipulated by its own internal management system.

Method of Elimination	Hazardous Waste	Non-Hazardous Waste	Total
Reusing	22,560	42,710	65,270
Recycling	101,430	3,725,982	3,827,412
Composting	-	105,031	105,031
Incineration	24	-	24
Landfill	-	113,026	113,026
Confinement	4,564	-	4,564
Co-Processing	195,390	839,140	1,034,530
<b>Total</b>	<b>323,968</b>	<b>4,825,889</b>	<b>5,149,857</b>



Of the total waste generated by the Cuernavaca Plant,

**93.71%** was classified as being **non-hazardous**, while 6.29% was classified as being hazardous waste .

In 2016, **94.4% of all waste generated was sent for recycling or co-processing**, a **2.03% increase** compared to 2015.

## Environmental Efficiency

The Cuernavaca Plant has implemented several operational improvements in the following areas of the company:

### Use of Materials

Solvent-based paints were changed for water-based paints to help identify sealants. This led to a reduction in VOC's (Volatile Organic Compounds) of approximately one ton per year. Moreover, the plant changed the refrigerant gas it uses in its air-conditioning systems, switching from R-22 to the more environmentally-friendly R-134A.

### Waste

In 2016, operational improvements were made at the plant, increasing the amount of waste sent for recycling. For example, the separation of hazardous waste and waste requiring special handling was improved by building a new warehouse. 94.4% of non-recoverable materials were sent for recycling or co-processing.

### Water Use

In terms of improving water efficiency, the Cuernavaca Plant implemented a daily, weekly and monthly program to monitor water use. Thanks to this initiative, the plant successfully reduced the amount of water it extracts monthly from wells by 9% compared to 2015.



In 2016, the Cuernavaca Plant **was not fined for any non-compliance** with **environmental laws and legislation**.

In addition to these operational improvements, in 2016, the Cuernavaca Plant implemented a project entitled: **the Construction of Civil and Electro-Mechanical Infrastructure for a 115 kV Subterranean Power Line to Supply Electricity to the Cuernavaca Plant**. Thanks to this initiative, power failures and variations decreased, helping the plant to prevent damaged inventory and electronic equipment and ensuring access to a better high-tension energy rate.

## Training

Bridgestone Mexico fully believes in the importance of raising awareness among its employees and value chain of environmental issues. In 2016, the company organized environmental training courses for 882 employees, with a total of 145.5 training hours being given. The issues covered during these courses included environmental management and compliance.

For suppliers and contractors, the same courses were offered. A total of 91 people were trained, receiving 91 hours of training.



G4-EN3, G4-EN8, G4-EN15, G4-EN16, G4-EN18, G4-EN19

## Bandag Plant, León

### Electrical Energy

During 2016, Bridgestone's Bandag production plant in León used a total of 5,062,193 kWh.

Energy Type	2015	2016
Electricity (kWh)	4,898,222	5,062,193
Electrical Energy (kWh) / tonnes of production	934.71	914.27
Tonnes CO <sub>2e</sub> / tonnes of Production	0.567	0.551
GJ (Fuel Oil or Natural Gas) / tonnes of Production	1.69	1.278

### Fuels

Included in the company's energy consumption are the following non-renewable fuels, which it uses in its daily operations. The total consumption of non-renewable fuels in 2016 was:

Fuel Type	2015	2016
Diesel (liters)	480	480
LP Gas (liters)	10,430	10,280
Fuel Oil (liters)	244,682,051	239,933,017.91

In 2016, the Bandag Plant in León saw a 150-GJ decrease in natural gas use and a 795-liter reduction in LP Gas use.

### Water

All the water used at the Bandag Plant in León comes from the city water system. In 2016, 7,028 m3 of water was used, 12.27% less than in 2015.

### Emissions

Total greenhouse gas (GHG) emissions in 2016 reached 3,048 tonnes of CO<sub>2e</sub>. The intensity of GHG emissions was 0.547 tonnes CO<sub>2</sub>/tonnes of production.

#### Scope 1

Total gross direct GHG emissions in 2016 reached 586.49 tonnes of CO<sub>2e</sub>, corresponding to the company's fuel use. Compared to 2015, the decrease in Scope 1 emissions was 2.34.

2015	2016
600.59 tonnes of CO <sub>2e</sub>	586.49 tonnes of CO <sub>2e</sub>

#### Scope 2

Total gross indirect GHG emissions in 2016 reached 2,318.48 tonnes of CO<sub>2e</sub>, corresponding to the company's use of electricity.

In 2016, atmospheric emissions were as follows:



Gas	2015	2016
NOx	4.63 tonnes	0.46 tonnes
SOx	0.00 tonnes	0.00 tonnes
Volatile Organic Compounds (VOC)	46.31 tonnes	41.89 tonnes
Particles	0.03 tonnes	0.00 tonnes

### Waste

One of the Bandag Plant's environmental priorities is managing and properly disposing of waste, complying with all applicable laws in the country as well as the guidelines stipulated by its own internal management system.

Method of Elimination	Hazardous Waste	Non-Hazardous Waste	Total
Recycling	164.00	192,057.78	192,221.8
Incineration	2.9	-	2.9
Landing	-	1,241.4	1,241.4
Confinement	64.2	-	64.2
Co-Processing	4,630.8	-	4,630.8
<b>Total</b>	<b>4,861.1</b>	<b>193,299.18</b>	<b>198,160.28</b>



Of the total waste generated by the Bandag Plant, **97.55%** was classified as being **non-hazardous**, while 2.45% was classified as being hazardous waste .

In 2016, **99.34% of all waste generated was sent for recycling or co-processing**, a **0.27% increase** compared to 2015.





G4-EN27, G4-EN31

## Environmental Efficiency

The Bandag Plant has implemented several operational improvements in the following areas of the company:

### Use of Materials

In terms of the use of materials at the plant, improvements were made to the overflow basins in the oil tank area, leading to a reduction in hazardous waste of 40.27% compared to 2015.

### Water Use

To decrease the amount of water used at the plant, water meters were installed, leading to a reduction of 12.27% in the number of cubic meters of water used compared to 2015.

### Waste

An area for managing waste that requires special handling was created, and the use of cardboard and wooden pallets was reduced by substituting recycled materials.

### Training

In 2016, the Bandag Plant organized environmental training courses for 40 employees, with a total of 120 training hours being given. The issues covered during these courses included the environmental management system, environmental goals and waste handling, in addition to environmental impact schemes.



Reduction in hazardous waste of  
**40.27%.**



Reduction in water used of  
**12.27%.**

For suppliers and contractors, the same courses were offered, in addition to information regarding Supplier Guidelines. A total of 16 people received 32 hours of training.







# Management Fundamentals



Along with these Priority Areas, Bridgestone continues to strengthen the basic characteristics expected of any responsible company. The leadership commitment assumed by the company is classified in six major Management Fundamentals:

Compliance and Fair Competition	58
Business Continuity (BCP) and Risk Management	64
Human Rights and Labor Practices	68
Industrial Hygiene and Safety	78
Procurement	84
Quality and Customer Value	88





## Compliance and **fair competition**



### Ensure excellence through compliance and integrity.

The company builds trust with all stakeholders by ensuring that ethical decision-making guides responsible business practices across its operations.

#### Ethics

Bridgestone Mexico ensures that all of its activities embody the highest ethical standards, guaranteeing compliance with national and international laws and promoting competition and operational practices.

#### Ethics Committee

Bridgestone Mexico has an Ethics Committee, composed of representatives from each area of the plant. The main function of which is to analyze any doubts arising from issues of non-compliance, in addition to the interpretation of the guidelines set out in the company's internal policies or procedures. In 2016, the Committee was composed of eight members who convened five sessions.

#### Code of Conduct

The Code of Conduct sets out the guidelines for promoting respect and tolerance in the workplace. The company uses the Code of Conduct of the Bridgestone Americas Compliance Center (BACC), which contains all the priority issues in this area.



**The Ethics Committee**, the main function of which is to drive understanding of the company's ethical guidelines, **is composed of 8 members** who convened **5 sessions during 2016**.



**34%** of employees received **Code of Conduct training**.



**Collaboration on NAFTA renegotiations** to achieve the best possible results.

Over the past year, leaflets regarding the Code of Conduct were handed out to everyone at the plant. Furthermore, the 2015-2016 Ethics Program was implemented, which included a communication plan to raise awareness among employees and suppliers of areas relating to ethics, integrity and transparency.

In 2016, ethics training was also offered to service providers and technical consultants (from the Americas and the Caribbean). In November, Ethics Week was held, raising awareness among employees regarding relevant ethical areas, such as the Code of Conduct and complaints procedures.

Ethics podcasts were also used to highlight the importance of this area. Furthermore, the company's leaders (management and leadership) provided a declaration of compliance.

### Code of Conduct Training

In 2016, Bridgestone Mexico reaffirmed its commitment to providing its employees with Code of Conduct training. Thirty-four percent of employees took part in these training sessions, which focused on areas such as employee rights and responsibilities, as well as those of their colleagues. All new employees also received training during the induction process.

### Complaints Procedures

Bridgestone firmly believes in offering its employees the opportunity to report any problem or non-compliance with the Code of Conduct. This has been made possible through the implementation of communication channels.

All complaints are confidential in nature, and, through these channels, employees can also voice their concerns about ethical dilemmas. They are also a means of resolving any doubts regarding compliance with corporate policies.

Employees can file a complaint via the following channels:

- Via e-mail - ComitedeEticaMX@la-bridgestone.com.
- Via telephone – Extension \*333.
- Internationally: 001-888-243-8072 or Extension \*123.
- Directly with a member of the local Ethics Committee.

### Fight Against Corruption

Bridgestone Mexico strives to eliminate corruption and conflicts of interest at all levels. During 2016, 34% of employees received training about how to act when faced with these types of situations.

In 2016, there were no confirmed cases of corruption, nor was the company fined for any acts of non-compliance.



### Responsible Marketing

Bridgestone Mexico firmly believes in the importance of implementing promotional campaigns that meet the highest standards of quality and comply with the guidelines of the Federal Consumer Protection Office (PROFECO).

Bridgestone strives to ensure its advertising and promotions comply with all applicable laws, as well as ethical marketing practices, guaranteeing that Bridgestone provides its clients with quality products that comply with what is being offered in its advertising campaigns.

Pricing is covered by the legal norms governing operations.

### Personal Data Protection

Personal data, from both the company's present and prospective employees, is protected by Bridgestone Mexico through its privacy notice, which specifies the guidelines on how the personal information the company possesses is handled and safeguarded.







# #MÁXIMODESEMPEÑO



POTENZA  
EL MEJOR DESEMPEÑO EN CARRETERA



In 2016, the company worked alongside the following associations:

- The National Chamber of the Rubber Industry (CNIH).
- Asociación Nacional de Distributors de Llantas y Plantas Renovadoras de Mexico, A.C. (ANDELLAC).
- The Technical Office of the National Commission for the Prevention of Accidents (CONAPRA).
- Save The Children Foundation.

Furthermore, Bridgestone Mexico is collaborating with local and federal authorities to achieve a range of goals. It is currently part of the renegotiation process for the North American Free Trade Agreement (NAFTA) to ensure a favorable outcome for all the company's stakeholders.



23,403 followers on **Twitter**,

150,349 followers on **Facebook**,

3,980 subscribers to its **YouTube channel**.

## Social Networks

Bridgestone Mexico believes it is fundamentally important to promote engagement with its consumers and stakeholders. This digital forum allows the company to share relevant information with these groups, in addition to directly facilitating dialog and fostering the exchange of opinions.

Through its social networks, Bridgestone can learn more about what its customers need and want, as well as their perception of the brand. During 2016, Bridgestone focused on consolidating this communication with its customers, achieving 23,403 followers on Twitter, 150,349 followers on Facebook and 3,980 subscribers to its YouTube channel.

Facebook Bridgestone México:  
<https://www.facebook.com/bridgestoneMX/>

Youtube Bridgestone MX:  
<https://www.youtube.com/user/BridgestoneMexico>

Twitter @Bridgestone\_MX  
[https://twitter.com/bridgestone\\_mx](https://twitter.com/bridgestone_mx)

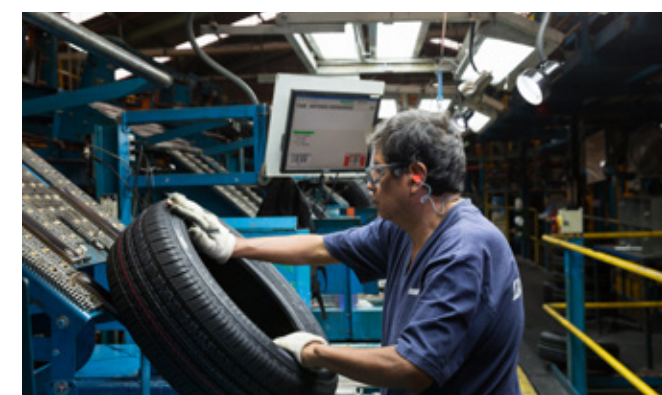
## Participation with Associations and Authorities

Bridgestone Mexico promotes healthy competition and development within the country's industrial sector by participating in events and activities that promote these goals. This is why the company believes it is fundamentally important to promote partnerships and collaboration that help it contribute more effectively and accurately.



The Cuernavaca Plant worked alongside the Department of Sustainable Development for the state of Morelos and the local governments of Cuernavaca, Temixco and Jiutepec to organize the fourth Llantatón. The paperwork necessary for the plant's electrical energy supply was also completed. The total approximate investment for this project was MXN \$74 million, and, thanks to the success of this collaboration, the company saved US \$243,000. Bridgestone Mexico has demonstrated its ability to work well with the authorities, achieving outstanding results, such as those mentioned above.

**Collaboration with the Department of Sustainable Development for the state of Morelos and the local governments of Cuernavaca, Temixco and Jiutepec to organize the fourth "Llantatón".**







## Prevent and mitigate operational risks.

The company anticipates, prevents and mitigates risks, but when crises arise, it protects its people, property, and profits.

# Business Continuity (BCP) and risk management



## Corporate Business Continuity and Crisis Management Program

Bridgestone has prepared a response plan for situations that are critical to operations: This is why the Latin America North (BS-LAN) region has a Crisis Committee (CC) that offers decision makers the tools they need to respond quickly, effectively, efficiently and in a structured manner in the event of a crisis situation. The plan has been designed by Bridgestone Americas to comprehensively cover situations, such as those that:

- Require steps to be taken by national leaders in the country affected to resolve situations that could have an impact on human health, security, the environment or the operations' assets and reputation.
- Require steps to be taken by the organizations in the country affected with the support and leadership of BATO-LA (Bridgestone Americas Tire Operations Latin America) or any of the company's business units operating in the country in question, as is deemed necessary.



**36** executives took part in the first **Crisis Simulation** developed by **Bridgestone Americas**.



**40** employees received **Crisis Situation and Business Continuity training**.



**930** employees and **1,100** external personnel received **safety training** from the company.



In 2016, the first crisis simulation exercise was held by Bridgestone Americas in Mexico. During the simulation, the CC in Mexico and Nashville were activated, in addition to the Emergency Committees (EC) at the plants in Cuernavaca and León. The simulation exercise was attended by 36 executives.

The Cuernavaca Plant underwent the C-TPAT (Custom-Trade Partnership Against Terrorism) recertification process offered by U.S. Customs and Border Protection. Furthermore, Bandag Mexico became C-TPAT certified, and Bridgestone Mexico

was certified as an Authorized Economic Operator (OEA per its acronym in Spanish) by the Mexican tax authorities (SAT).

The Bridgestone Latin America North (BS-LAN) Crisis Committee is of fundamental importance given that it guarantees business continuity during crisis situations. This committee decides those situations that merit a response at a corporate level and those situations in which the regions have the authority and responsibility to act and communicate.

### Training and Response Plans

With the aim of implementing a training program and ensuring improved responses to critical situations, Bridgestone Mexico trains its employees, contractors and transport providers in crisis management and safety procedures.

In 2016, 40 employees received training in crisis situations and business continuity. In terms of safety issues, 390 employees and 1,100 external personnel (contractors and transport providers) were trained.



Area	Number of People Trained		Number of Training Hours		Area
	Internal Personnel (Employees)	External Personnel (Contractors and Transport Providers)	Number of Training Hours for Internal Personnel	Number of Training Hours for External Personnel	
Safety	930	1100	465 hours	550 hours	C-TPAT
Crisis Management	40		4 hours		
Others	16	1100	7 hours	550 hours	ISO Defensive Management







## Promote respect for fundamental human rights and responsible labor practices.

The company fosters an inclusive culture in which all Bridgestone entities and locations adopt and apply ethical labor practices, build trust with teammates, and embody respect for diversity and for fundamental human rights.

# Human Rights and labor practices

### Human Rights

Bridgestone Mexico sees Human Rights as one of the pillars of success for the global community. For the company, Human Rights are a fundamental part of its business model, which is why it constantly drives innovation to contribute positively in this area.



**7.2%** of employees are female.

The company has three corporate policies that help ensure it is in full compliance with Human Rights throughout its value chain.

#### 1. General Code of Conduct

This includes a section about Promoting Respect and Dignity, stipulating that employees are the most valuable resource at Bridgestone Americas, and, in order to ensure success, everyone must be treated with dignity and respect at all times. Under no circumstances will any behavior that promotes an intimidating, hostile or offensive working environment be tolerated.



**39,507** total training hours  
(31.5 hours per employee).



**121** new hires.





**2. Harassment, Discrimination and Retribution Prevention Policy**

The purpose of this policy is to foster a working environment that is free from harassment, discrimination and retribution based on factors such as: ethnicity and/or nationality, skin color, mental or physical disability, age, sexual orientation, gender/sex (including pregnancy, childbirth, breastfeeding or related medical conditions), gender expression and/or identity, marital status, citizenship status and any other trait protected by local, state and federal statutes.

**3. Human Rights Policy**

This policy strictly prohibits discrimination in any of Bridgestone's corporate activities, focusing on ethnicity, nationality, gender, age, language, religion, beliefs, social status, disabilities or any other related factors.

It also prohibits harassment by forbidding any member of the Bridgestone team from talking or acting in a way that degrades the individual dignity of another person. Finally, this policy prohibits child labor in any country in which the company operates.

During 2016, employees at Bridgestone Mexico received 526 training hours regarding human rights policies and procedures, which are of fundamental importance to their day-to-day activities.



**Harassment, Discrimination and Retribution Prevention Policy.**

**Workplace Inclusion and Diversity**

Bridgestone Mexico is a company that is committed to the diversity of its workforce. Workplace inclusion is of key importance in helping both Bridgestone and society in general to grow and develop.

In 2016 gender equality in the workplace was a focus, three more female staff members were hired. In the Latin America North region, the hiring of female employees increased by 50% compared to 2015.





**17.35%** of new hires are female.

**Labor Practices**

Bridgestone Mexico's employees are the foundation and driving force behind the company's sustainability. Their skills, motivation, safety and comprehensive development are the foundations for the profitability of the business and the satisfaction and trust that the stakeholders place in the company.

**Employees**

In 2016, Bridgestone Mexico had 1,408 employees (7.2% female and 92.8% male). There was a total of 121 new hires in 2016 (21 women and 100 men). Of this total, 120 employees were hired to form part of the fourth crew. Approximately 64% of Bridgestone Mexico's employees are covered by a collective bargaining agreement. Employee turnover was 0.47% per month.

 <b>Men</b>	Under 25	80
	Between 25 and 30	241
	Between 31 and 40	551
	Between 41 and 50	295
	Over 51	139
 <b>Women</b>	Under 25	3
	Between 25 and 30	35
	Between 31 and 40	49
	Between 41 and 50	13
	Over 51	2

**Training**

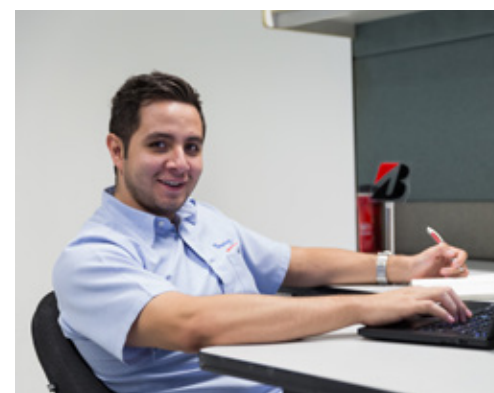
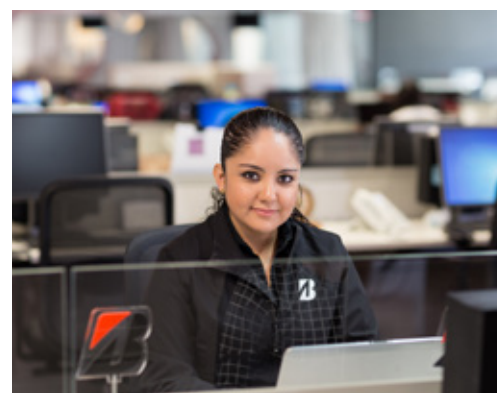
Bridgestone Mexico believes that developing the talent of its employees is fundamentally important in helping drive the knowledge and skills of everyone who works at the company. This can be seen every single day in the positive contributions of each employee: ideas, projects, quality and innovative creativity. This investment also has a positive impact on the growth of the organization.

In 2016, a total of 1,254 employees received training, including directors, managers, middle managers, assistants and operators. This means that 89% of Bridgestone Mexico's employees received some form of training during the year.

The total number of training hours was 39,507, an average of 31.5 hours per employee. A total of US \$186,166 was invested in training by Bridgestone Mexico.



**89%** of employees received training.





### Performance Evaluation

Continuous employee feedback is of key importance for Bridgestone Mexico, allowing the company to detect areas of opportunity and improvement.

All the organization's employees have regular performance evaluation periods. These performance evaluation periods are scheduled for the middle and end of each year.

Bridgestone Mexico uses a Performance Management Appraisal (PMA) process to evaluate its employee performance. In 2016, 100% of employees underwent this evaluation process, with 82% of employees being classified as having a 'solid' performance and 9% exceeding performance expectations.



G4-LA9

Employee Category	Total Employees in 2016	Total Training Hours in 2016	Average Training Hours in 2016
Directors	5	173	35
Deputy Directors, Managers or Area Coordinators	41	3,248	80
Middle Management	173	5,565	32
Professional	283	5,248	50
Assistants	7	91	13
Unionized Operators	745	25,182	34
<b>Total</b>	<b>1,254</b>	<b>39,507</b>	<b>31.5</b>




### Justo al Blanco. Performance Evaluation System

The goal of this program is to learn more about the levels of safety, productivity, quality and behavior of the company's employees, in accordance with the specific requirements for each post. In addition to measuring individual goals, this system facilitates the systematic, objective and comprehensive measurement of professional conduct and goal achievement (who people are and what they do and achieve).



This program is composed of two areas: practical, which encompasses the knowledge and skills inherent to the post, and behavioral, which focuses on people's attitudes, i.e. the skills that they have. All staff participate in this program: (unionized) employees, supervisors, area coordinators, the labor relations department and the training department. The program is applied to (unionized) employees every two years, as well as when new employees are hired, when employees change posts and when there are any special requirements.



 **22 training hours** for women.

Of the 1,254 employees who took part in training sessions, the average number of training hours for women was 22, while for men the average number of training hours was 32.

 **Investment in training:**  
**US \$186,166**

	Total Employees in 2016	Total Training Hours in 2016	Average Training Hours in 2016
 Men	1,148	37,162	32
 Women	106	2,345	22
<b>Total</b>	<b>1,254</b>	<b>39,507</b>	<b>31.5</b>

G4-LA10

## Talent Acquisition, Retention and Development

Bridgestone Mexico continually searches for the best talent on the market to offers its customers the very best service and quality. To achieve this goal, the company implements a range of activities to attract, retain and develop talent. Some of these programs are outlined below:

### Bridgestone Professional Experience

The goal of the Bridgestone Professional Experience program is to attract young college talent. This program helps evaluate and retain college talent looking for an internship opportunity, offering them the possibility of a full-time position after the program has finished. In 2016, 43 interns took part in this program, 9% of whom were offered a full-time position at Bridgestone Mexico.

### Diploma for Leaders

As part of its talent development initiatives, a group of employees was selected to take part in a leadership and business skills development diploma, entitled: "Dan Totsu Leadership and Business Program". Offered at a Latin America North (BS-LAN) level, the program focuses on the development of knowledge and skills encompassing leadership, coaching, strategy, customer management, processes, projects, innovation, results and negotiation. 32 managers from Bridgestone Mexico took part in this program.



**9%** of interns from Bridgestone Professional Experience program were **hired**.



**Bridgestone Mexico was presented with the Great Place to Work award for the fourth year in a row.** Being a company that is ranked as an excellent place to work **is the result of the commitment and trust embodied by the company and its employees.**

### Balance between Personal and Professional Life

Employee satisfaction depends on a balance between their personal and professional lives, helping them to perform better every single day. Bridgestone Mexico wants to promote the comprehensive well-being of its employees, which is why it extends its employee benefits and programs to cover family members as well.



G4-LA2

### Bridgestone Summer

This is a summer program for employees' children and nieces and nephews, the goal of which is to offer them a workplace experience by interacting with experts in each area. Registration for the program takes place at the beginning of June, with the program starting during the first week of July.

Requirements for participation include:

- Being the son or daughter of an employee.
- Studying the last semester of high school or the first semester of college.
- Being available from 7:00 am to 1:00 pm and having a GPA of 8 or higher.
- Having an interest in one of the areas of the business: sales, marketing, finance, manufacturing, etc.

In 2016, 18 students aged between 16 and 19 years of age took part in this program, 10% more than in 2015.

### Open House

To drive equality and offer the families visiting the company an enhanced experience, in 2016, both full- and part-time employees took part in a number of tours of the Bridgestone plant to learn more about the production process alongside their families. A total of 60 families visited the Cuernavaca Plant on weekends from August to October.

### Promoting Sports

During 2016, Bridgestone took part in the Corporate Games, with 30 employees representing the company in sporting events, including: soccer, bowling, squash and athletics.

### Benefits

Bridgestone Mexico offers its employees stability and trust when they need them most. This means that its employees feel they are truly a part of the company, creating a peaceful and family-oriented working environment.





G4-LA2

In terms of non-unionized employees, Bridgestone offers higher levels of benefits than those required by law through a comprehensive and varied benefits package called Key Flex. These benefits include:

- Base Salary
- Vacation
- Guaranteed Benefits:
  - Food Stamps
  - Bonus
  - Savings Fund
  - Vacation Bonus
- Variable Benefits:
  - Profit Sharing Program
  - Performance Bonus
  - Canteen
  - IMSS - Social Security

For unionized employees, Bridgestone Mexico also offers more benefits than those required by law, such as performance bonuses, public holidays, uniforms, incentives for perfect attendance, bereavement leave, paternity leave and a meal program, among others.

 **Employee Awards:**  
**55 winners.**

### Talent Awards

Bridgestone believes that recognizing the talent and hard work of its employees is a key management tool in strengthening its relationship with them. It also believes that this can motivate them to develop new ideas and drive desirable behavior within the organization. Some of the activities and programs that were organized in 2016 to recognize the work being done by the company's employees are outlined below:

#### Bridgestone Group Awards

Each year, the Bridgestone Group organizes a competition to find the best project, idea or activity which has contributed to one of the following five categories:

- Achievements
- Contribution to Society
- Education
- Environmental Excellence
- Risk Management

As such, it can recognize the work being done by all its employees, who, on a daily basis, contribute to the business and go above and beyond in their activities, reflecting the Bridgestone Essence.

#### Bridgestone President Awards

This is an award presented to employees for their performance or for their significant contributions to the business. This award is accompanied by a prize of US \$300. In 2016, 55 employees were presented with the President's Award.







### Safety always comes first.

At Bridgestone, we make safety a business value. Creating a safe working environment for all is everyone's responsibility.



**2,259** medical appointments  
for employees at the **Bandag Plant in León**  
and the **Cuernavaca Plant**.

## Industrial Hygiene and safety



**50%** of employees are **represented**  
on the **Health and Safety committees**.



**Health and safety** training in 2016:

**223** employees,  
40 hours.

**20** suppliers and contractors,  
28 hours.



This Management Fundamental is aligned with the Safety Mission Statement, through which Bridgestone promotes the health and safety of all its employees, in compliance with workplace laws.



Half of Bridgestone Mexico's employees are represented on the Health and Safety committees, which monitor and evaluates health and safety indicators at the company's plants. In 2016, the Cuernavaca Plant reported 21 accidents. The total number of days lost as a result of illness was 5,229 for men and 288 for women. During the year, there were 2 incidences of occupational disease, and absenteeism among employees stood at 4.19%.

At the Bandag Plant, one accident was reported. The total number of days lost as a result of illness was 110 for men and 0 for women. There were no incidences of occupational diseases, and the absenteeism rate was 11%.

## Occupational Safety

Bridgestone Mexico believes in the fundamental importance of ensuring a safe workplace that offers conditions that are in keeping with the company's operations. That is why it has implemented several programs to protect its employees.

### Awareness Programs

Protecting and safeguarding its employees is an essential part of Bridgestone Mexico's philosophy. Guaranteeing operations that comply with occupational health and safety guidelines is one of the company's major focuses. During 2016, the following campaigns were promoted:

#### Concéntrate y dirige tu seguridad Campaign

Through this campaign, all unionized and administrative employees reaffirm their commitment to collaborating to promote safety.

#### Bridgestone Family and Safety Videos

Through videos, employees show the reason why they go home every day, using photos of their families and sharing the message that safety is the responsibility of each and every employee.

### Talks, Leaflets and Memos

These tools were used to raise awareness and remind employees about basic rules for fire prevention, forklift use, workplace exercises and safety initiatives.

### SOLVE Workshop

This workshop was based on social risks and was organized in conjunction with the Department of Labor and Social Work (STPS) and the National Chamber of the Manufacturing Industry (CANACINTRA).

Through these strategies, Bridgestone Mexico promotes a safety culture and drives compliance.

### Formal Agreements with the Union

In addition to including occupational health and safety issues in its internal policies, Bridgestone Mexico has formal agreements with the union, covering a range of areas, in order to ensure compliance. These areas fully cover the requirements of the International Trade Organization, the use of safety equipment, the Health and Safety committees for management and employees, the participation of employees in inspections, audits and investigations into health and safety-related accidents, and training and education for employees, in addition to complaints procedures and regular inspections.







## Health and Safety Training

### Refusal to Work

To help protect its workforce, the company's employees have the right to refuse to work if they feel that the proper safety conditions are not in place. They can exercise this right with no fear of reprisals. In these cases, safety measures are immediately evaluated and, if necessary, corrected.

### Accident Reporting

Bridgestone Mexico is fully aware of the importance of having a regulatory framework for reporting and logging any accidents that may happen. This is why the company complies with the latest version of Official Mexican Standard 021 from the Department of Labor and Social Work (STPS). On an internal basis, it is a corporate requirement to adhere to injury/illness recordkeeping and reporting guidelines.

Health and safety training is aimed at all of Bridgestone Mexico's value chain. Through these training sessions, the company ensures that its plants, employees, suppliers and contractors have the knowledge necessary to prevent accidents and promote health and safety.

In 2016, 223 employees received a total of 40 hours of training. New employees were offered safety induction training, encompassing a range of areas, such as Bridgestone's comprehensive policy, fundamental safety activities at the company, the Emergency Action Plan, evacuation routes, meeting points and activating the alarm in the event of an emergency. Other areas covered by these training sessions included balanced diet, quitting smoking, defensive driving, stress management, nutrition and child safety.

For suppliers and contractors, the areas covered during these training sessions included: the company's health and safety mission, contractor regulations, high-risk procedures and compliance, among others. A total of 20 suppliers received 28 hours of training.

### Safety Training Centers

These centers implement the 70-20-10 safety training system, in which all employees receive training regarding major dangers and risks at the plant. These sessions are offered using training simulators, where each employee interacts with a range of simulated tools.

### Training Required by Law

In addition to the specific training sessions that Bridgestone Mexico offers its employees, in 2016, training that is required by the Department of Labor and Social Work (STPS) was also offered, including:

- Risk Identification and Evaluation
- Risk Identification using the Kiken Yochi (KY) Methodology
- Selection, Organization and Maintenance
- Disaster Prevention


## Occupational Health

In terms of occupational health, Bridgestone Mexico offers its employees access to medical services. In 2016, the following medical services were offered:

### Cuernavaca Plant

Service	Numbers of Consultations
 Medical	1,796

### Bandag-León Plant

Service	Numbers of Consultations
 Medical	463







# Procurement

## Create value for society through sustainable procurement practices.

The company is committed to creating value and continually working toward a sustainable society to ensure long-term environmental, social and economic benefits by incorporating the following into the entire supply chain:

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



### Suppliers

Bridgestone Mexico embodies and promotes fair and equitable treatment when searching for and hiring suppliers. These actions promote healthy competition throughout the supply chain, laying the foundations for solid and long-lasting relationships.

In 2016, the company had 3,950 suppliers from several countries, including Singapore, the United Kingdom, Japan, Spain, US, Venezuela, Brazil, China, Costa Rica, Guatemala, Vietnam and Argentina. Of these suppliers, 91.16% are from Mexico, receiving 46.44% of the total amount paid to suppliers (US \$368,385,365.45 in 2016).



**33%** of the **raw materials** used by the company are **domestically-sourced**.



**3,950** suppliers  
91.13% domestic suppliers.



## Supply Management Process

The current processes of the Procurement Department are in compliance with the requirements of the business to safeguard and contribute to the development of the company's commercial partners and the community.

Supplier and/or contractor registration policies have been improved, in addition to safety regulations and training sessions for suppliers.

## Supplier Evaluation and Development

Through this evaluation process, Bridgestone Mexico compiles information about how its suppliers embody sustainability concepts to align their practices with the principles promoted and embodied by the company.

The evaluation process is carried out by the coordinator of the evaluation team, in accordance with the company's internal procedures. Once completed, another meeting is scheduled to present the results and clarify any doubts. The suppliers have a 30-day period to send Bridgestone a plan of how it will implement the corrective measures needed to rectify any areas of opportunity detected, which will then be verified by means of an audit undertaken by the company.

Some of the criteria that are taken into account in this evaluation include:

- Respect for people.
- Counselling service.
- Visits requested by Bridgestone.
- Accuracy of any quotes requested.
- Speed of response when a quote is requested.
- Presentation of samples if and when necessary.
- Negotiation potential and costs.
- Information submitted with offers.
- Ensuring sustainable business conditions/ respecting offers.
- Reliable and faster delivery time /agreed-upon delivery requirements.
- Deliveries that meet requirements, identification, packaging and certifications.
- Quality of the product or service.
- Priority supply (loyalty).
- Ability and interest to fulfill commitments, proposals and improvement initiatives.
- After sales service/response to complaints/warranty issues.
- Implementation of corrective measures, if and when necessary.
- Communication with Bridgestone in light of any unforeseen circumstances.
- Response to an emergency/flexibility when audited.

The company helps develop its suppliers by offering training sessions and workshops. These sessions encompass the company's policies in areas such as: the environment, business ethics, the Bridgestone Code of Conduct, legal aspects, conflicts of interest and the company's quality system.

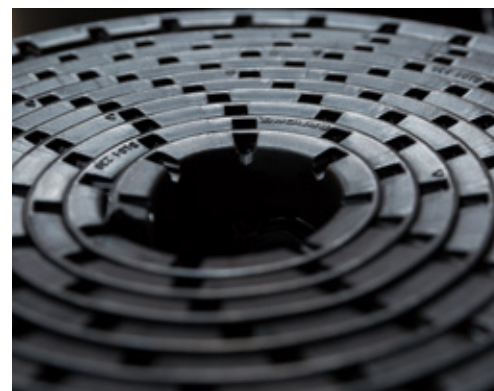


**Training for suppliers** to ensure **compliance** with the **principles** that Bridgestone **promotes and embodies**.



Bridgestone Mexico has helped develop its local suppliers to improve the supply chain for equipment parts, avoiding having to depend fully on imports. It also promotes local development, working specifically with domestic suppliers of natural rubber.

The performance of the company's raw material suppliers is evaluated based on environment, labor and ethical practices, among others.







**Create value for the client and promote a relationship of trust.**

Bridgestone creates a global framework in collaboration with all related Bridgestone entities and stakeholders to proactively identify, prioritize and address customer quality issues in keeping with the intentions of our founder to: “Serve Society with Superior Quality”.



**27** new stores were opened in 2016, up from **598** in 2015 to **625** in 2016.

Quality and **customer value**



**Economic Value:**  
Generated Value:  
**~70%** of the total region.

**Distributed Value:**  
**~45%** of the total region.

**Retained Value:**  
**~90%** of the total region.



**US \$668,335**  
was invested in opening these  
new distribution centers.



**99%** customer service;  
**90%** of reports resolved immediately.



Through its Quality Mission Statement, Bridgestone focuses on improving its processes by offering superior quality products and services throughout its value chain. The company drives performance and generates value for its customers by promoting innovation in every single aspect of the business.



### Promotions and New Products

Bridgestone Mexico strives to offer its customers promotions that benefit both them and the company. In 2016, three main promotions were implemented:

- 4x3 for Spring Break
- Summer
- *Buen Fin* (Black Friday)

The most significant of these promotions was the *Buen Fin*, with a 26% increase in sales compared to 2015.

These promotions focus on the periods of the year when consumer spending is at its highest, generally during public holidays or vacation periods, offering the company's products at the best possible prices.

During the year, 36 new OEM products were launched for warranty options, as well as 2 new product lines:

- Ecopia EP422 Plus product line.
- New truck product lines: TBR, FS561 and M726ELA.

### Logistical Efficiency

Bridgestone Mexico promoted logistical and distribution efficiency during 2016, leading to improved customer service. For example, product delivery times were reduced from 15 days in 2015 to 9 days in 2016. New transportation methods were implemented for 10% of export shipments; direct deliveries of imported TBR products increased by 600%; changes to the B-Connection system were made to automate express delivery requests, reducing delivery times from 7 days to 3 days.



Delivery times for products reduced from **15 days to 9 days.**

### Customer Service

Bridgestone Mexico focuses on aligning all its operations in order to fulfill its mission of serving society with superior quality, including in terms of customer service.

#### Bridgestone Expert Program

Via its toll-free number, the Bridgestone Expert program monitors any concerns our distributors and consumers have regarding promotions and the purchase or sale of our products. About 90% of the issues raised were dealt with immediately by the call center. Of the total calls and requests received during the year, 99% were resolved, with the remaining 1% being channeled to the corresponding areas.

Another means of evaluating customer service, in this case for OEM's, are satisfaction surveys, in addition to offering on-going monitoring and support from different areas within the company.



Customer service: **99%.**







**Bridgestone**, thanks to the business school initiative, **was awarded the Integridad award for developing programs that help employees** to generate value responsibly.

## Training

Bridgestone Mexico, seeks to constantly improve the quality of its service in order to prepare itself in the best way possible and to emphasize at all times the importance that the client has for the company.

In 2016, several courses dealing with fundamental issues for the business were offered.

### Bridgestone Ambassadors

In 2016, we offered a training program to help employees better understand the ‘Boss’ (Customer). Employees taking part in this program had direct contact with customers and distributors and were accompanied by a sales consultant. The goal of this program is to promote a customer-focused organizational culture to help position the brand and apply this experience to the company’s day-to-day operations.

During their day in the field, employees completed a log with the knowledge they had acquired, which they then shared at the company to improve daily processes and offer better customer service.

In 2016, 52 employees took part in this training program.

### Business School

As part of the specialized training it offers its distributors, Bridgestone has a business school that embodies the company’s philosophy, in which quality, creativity and innovation are the fundamental bases for driving value and professional growth.

This program was created in conjunction with *Instituto Tecnológico de Monterrey* to incorporate, generate and transmit knowledge among the organization’s internal employees and members of the business network.

This skills-based training program was implemented in 2016 for 100% of the business team (and it will continue until 2018).

As part of the programs offered by the Business School, Bridgestone has created the Dual-Training Program, the goal of which is to drive the education, professionalization and specialization of its technical staff, helping to meet the human capital needs of the industry. In 2016, 96 face-to-face training hours were offered to 12 distributors to help improve customer service.



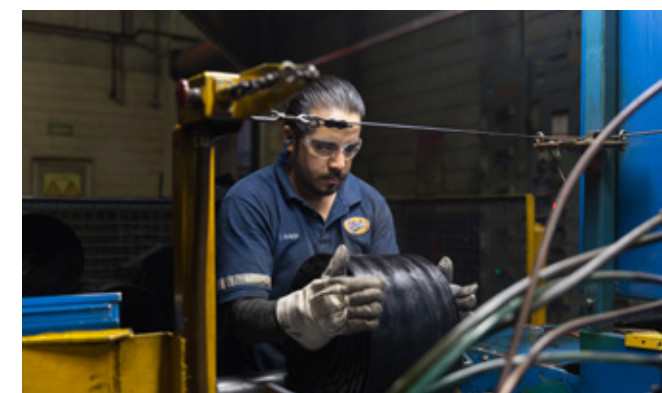
## Benefits of Retreading

Bridgestone Mexico’s Bandag Plant is located in León, where the company manufactures retreaded tires that offer its customers the most economical option, in addition to reducing emissions by 92,266 tonnes of CO<sub>2e</sub> every year.

<b>Number of Retreaded Tires</b>	554,400
<b>Decrease in GHG Emissions (tonnes of CO<sub>2e</sub>)</b>	92,266 tonnes / year
<b>Savings</b>	US \$9,000,000 / year / person

Retreading costs approximately 60% less than a new tire, offering the same driving and maintenance conditions and guaranteeing the same mileage as a new tire.

Retreading tires mean that they will not end up in landfills, rivers or along the sides of roads and highways, preventing the proliferation of mosquitos that transmit viruses, such as dengue and chikungunya. Furthermore, fewer non-renewable natural resources are used, such as petroleum. The retreading process uses less petroleum than that used to manufacture a new tire.



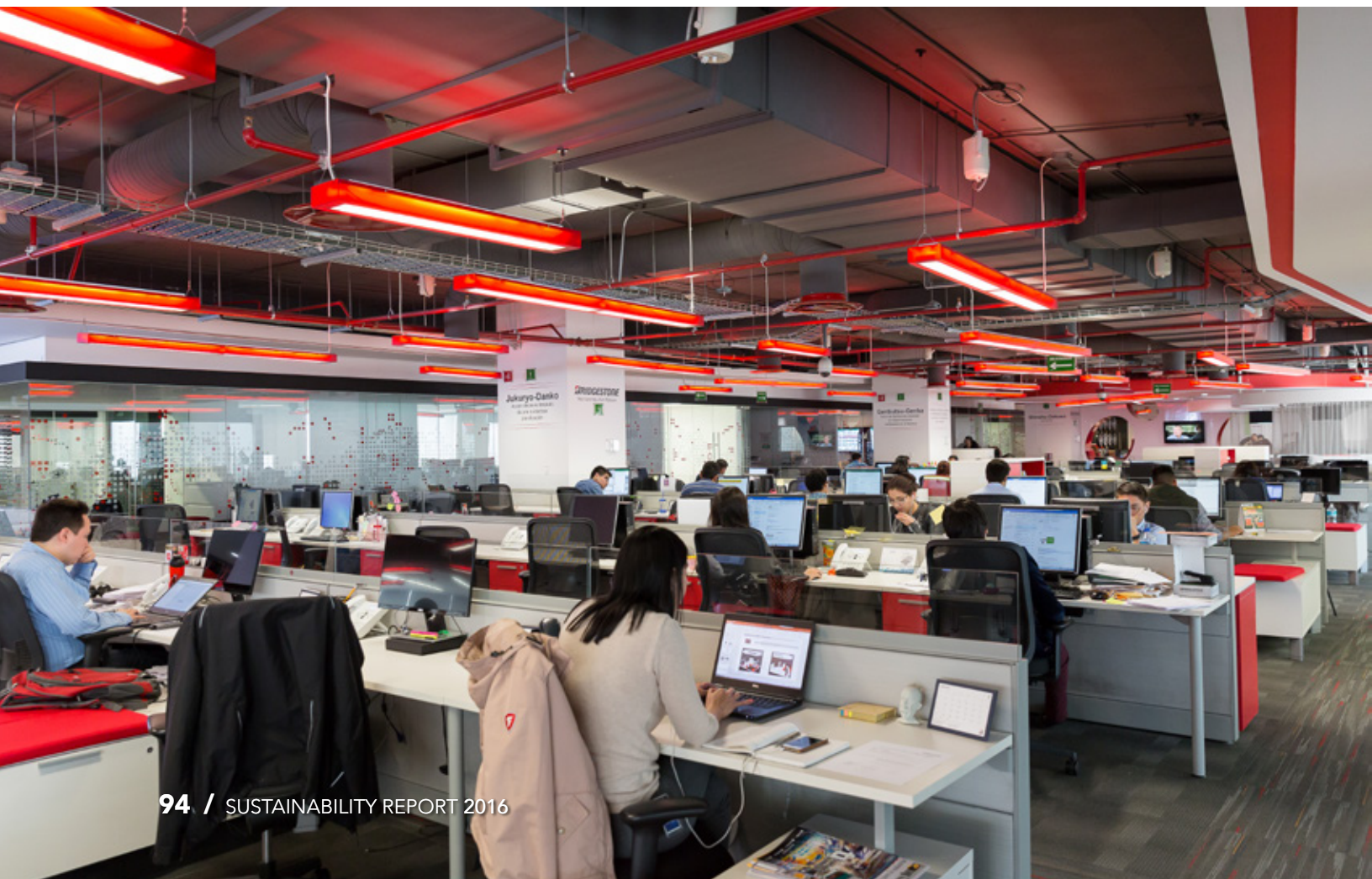








**Bridgestone Mexico aligns its business strategy with the United Nations Sustainable Development Goals. This helps identify specific goals it can attain by promoting solutions based on its skillset.**







During 2016, several programs and activities were organized, involving support from the company to promote a range of different sustainable development goals:

# Sustainable development goals



Sustainable Development Goals	2016 Programs	Priority Area / Management Fundamental
	<ul style="list-style-type: none"> <li>Health and Safety Training in 2016:                             <ul style="list-style-type: none"> <li>223 employees, 40 training hours.</li> <li>20 suppliers and contractors, 28 training hours.</li> </ul> </li> <li>2,259 medical consultations at the Bandag-León and Cuernavaca Plants.</li> </ul> <p><b>Donations:</b></p> <ul style="list-style-type: none"> <li>Ecuadorean Embassy in Costa Rica</li> <li>320 kg of food parcels</li> </ul>	People Health and Safety
	<p><b>Training</b></p> <ul style="list-style-type: none"> <li>89% of employees received training.</li> <li>39,507 total training hours (31.5 hours per employee).</li> <li>Investment in training: US \$186,166.</li> </ul>	People
	<ul style="list-style-type: none"> <li>7.2% of employees are women.</li> <li>17.35% of new hires were women.</li> <li>22 training hours for women.</li> <li>Harassment, Discrimination and Retribution Prevention Policy.</li> </ul>	Human Rights and Labor Practices
	<p><b>Cuernavaca Plant</b></p> <ul style="list-style-type: none"> <li>117,730 m3 of water recycled using a physicochemical process.</li> </ul> <p><b>Bandag Plant</b></p> <ul style="list-style-type: none"> <li>Total water use in 2016 was 7,028 m3, 12.27% less than in 2015.</li> </ul>	Environment



Sustainable Development Goals	2016 Programs	Priority Area / Management Fundamental	Sustainable Development Goals	2016 Programs	Priority Area / Management Fundamental
	<ul style="list-style-type: none"> <li>• 121 new hires.</li> <li>• Great Place to Work for the fourth consecutive year.</li> <li>• Employee award schemes. 55 winners.</li> <li>• 9% of interns from the Bridgestone Professional Experience were hired.</li> </ul>	Human Rights and Labor Practices		<p><b>Cuernavaca Plant</b></p> <ul style="list-style-type: none"> <li>• Substitution of traditional refrigerant for environmentally-friendly R-134A refrigerant gas.</li> <li>• 2.03% more waste recycled or sent for co-processing.</li> </ul> <p><b>Planta Bandag</b></p> <ul style="list-style-type: none"> <li>• 150-GJ reduction in Natural Gas use and 795-liter decrease in LP Gas use.</li> <li>• 0.27% more waste recycled or sent for co-processing.</li> <li>• 40.27% reduction in hazardous waste generation compared to 2015.</li> </ul>	Environment
	<ul style="list-style-type: none"> <li>• Safe Mobility: Certification for the production of the Run-Flat tire.</li> </ul>	Mobility		<p><b>Environmental Training</b></p> <ul style="list-style-type: none"> <li>• 922 employees with 265.5 training hours.</li> <li>• 107 suppliers and contractors with 123 training hours.</li> </ul> <p><b>Reforestation</b></p> <ul style="list-style-type: none"> <li>• 600 trees.</li> </ul> <p><b>Citizen Llantatón</b></p> <ul style="list-style-type: none"> <li>• 127 tonnes of waste tires.</li> </ul>	Environment
	<p><b>Think Before You Drive:</b></p> <ul style="list-style-type: none"> <li>• Vacations (Spring Break):                             <ul style="list-style-type: none"> <li>• 5 days</li> <li>• 920 tire checks</li> </ul> </li> <li>• Universities:                             <ul style="list-style-type: none"> <li>• 5,100 people benefitted</li> <li>• 132 tire checks</li> <li>• 4 universities</li> </ul> </li> <li>• Children:                             <ul style="list-style-type: none"> <li>• 4,000 children benefitted</li> <li>• 29 schools</li> </ul> </li> </ul> <p><b>Seguro Llegas:</b></p> <ul style="list-style-type: none"> <li>• 1,320 people benefitted</li> <li>• 5 truck fleets</li> </ul>	People		<ul style="list-style-type: none"> <li>• Ethics Committee.</li> <li>• The company is governed by the Code of Conduct of the Bridgestone Americas Compliance Center (BACC).</li> <li>• A range of complaints procedures to drive transparency within the company.</li> </ul>	Compliance and Fair Competition







For the 5<sup>th</sup> consecutive year Bridgestone Mexico has published its Sustainability Report, which encompasses the most significant milestones relating to sustainability at the company, in addition to providing its stakeholders with information about the company's main commitments and activities in the area of sustainability.

## About this report

This report incorporates the operations of *Bridgestone de México, S.A. de C.V.*, considering the corporate offices in Mexico City, the tire production plant in Cuernavaca, Morelos, and the manufacturing plant for tire retreading products in León, Guanajuato, which belongs to its sister company, *Bandag de Mexico S.A. de C.V.*





In 2016, a Materiality Study was undertaken, with the following issues being identified. These concepts make up the basis of this report:

Issue	Corresponding Indicator	Coverage	Stakeholders
Talent Development and Retention	G4-LA9, G4-LA10 y G4-LA11		
Training			
Promotion and Compliance with Ethical Standards stipulated in the Code of Conduct	G4-HR12, G4-HR8 y G4-56		
Quality in Consumer Service and Support			
Quality in Distributor Service and Support	G4-PR5		
Fair Business Practices (Logistics, Distribution and Fair Prices for Distributors)	G4-SO8		Employees
Honest Sales Practices and Product Labeling for Consumers			
Sustainable Use of Natural Resources	G4-EN10 y G4-EN22	Internal / External	Distributors Suppliers
Risk Prevention and Management to Mitigate Crisis Situations			
Compliance with Applicable Laws governing its Operations	G4-PR8		Other Stakeholders <sup>1</sup>
Distribution Chain Development and Evaluation (Alignment with Ethical and Socio-Environmental Standards)	G4-HR10 y G4-HR11		
Supply Chain Development and Evaluation (Alignment with Ethical and Socio-Environmental Standards)			

Issue	Corresponding Indicator	Coverage	Stakeholders
Support for Social Organizations and Schools			
Community Education			
Environmental Activities undertaken with the Community	G4-SO1	Internal / External	Employees Distributors
Corporate Volunteering Activities			
Efficient Operations (Reduction in Time and Costs to Offer Better Products and Services)	G4-PR1 y G4-PR2		Suppliers Other Stakeholders <sup>1</sup>
Safe Transportation (Tire Quality and Safety)			

This document has been created using the Core Conformity option stipulated by the Global Reporting Initiative (GRI) for drafting G4 sustainability reports, covering the period from January 1, 2016, to December 31, 2016. For the second consecutive year, the information has been verified by an external auditor, and this verification methodology will continue over the coming years.

In terms of the information published in previous years, there has been no reformulation of the data used, meaning that the information published previously has not been modified. Furthermore,

although there is a Regional Report that consolidates the most relevant statistics regarding operations under this new structure (BS-LAN), this report focuses exclusively on Mexico, which is why there are no significant changes to the scope and coverage found in previous years.

If you have any questions or doubts about the information published in this Sustainability Report, please contact the Corporate Communications and Social Responsibility Department at Bridgestone Latin America North (BS-LAN) at the following e-mail address: BS\_LAN\_Prensa@la-bridgestone.com.



<sup>1</sup> Other Stakeholders: media outlets, consumers, the community, authorities and associations. No specific strategy was employed to identify the perception of these audiences; however, a representative sample from the Materiality Study was taken into account.



# GRI index

## Basic General Content

Indicator	Page/Direct Response	External Verification
G4-1	pp. 2-4	✓ pp. 106
G4-2	pp. 2-4, 9 and 12	✓ pp. 106
<b>PROFILE OF THE ORGANIZATION</b>		
G4-3	pp. 23	
G4-4	pp. 26	✓ pp. 106
G4-5	pp. 24	✓ pp. 106
G4-6	pp. 24 and 27	✓ pp. 106
G4-7	pp. 23	✓ pp. 106
G4-8	pp. 27	✓ pp. 106
G4-9	pp. 25	✓ pp. 106
G4-10	pp. 71	✓ pp. 106
G4-11	pp. 71	✓ pp. 106
G4-12	pp. 86	✓ pp. 106
G4-13	There were no significant changes in the size, structure, ownership or supply chain of Bridgestone Mexico.	✓ pp. 106
<b>PARTICIPATION IN EXTERNAL INITIATIVES</b>		
G4-14	Mexico is attached to the Rio Declaration on 1992, to meet the applicable regulations we follow the precautionary principle.	✓ pp. 106

Indicator	Page/Direct Response	External Verification
G4-15	pp. 63	✓ pp. 106
G4-16	pp. 63	✓ pp. 106
<b>MATERIAL ASPECTS AND COVERAGE</b>		
G4-17	pp. 99	✓ pp. 106
G4-18	pp. 101	✓ pp. 106
G4-19	pp. 100-101	✓ pp. 106
G4-20	pp. 19-21	✓ pp. 106
G4-21	pp. 19-21	✓ pp. 106
G4-22	pp. 101	✓ pp. 106
G4-23	pp. 101	✓ pp. 106
<b>PARTICIPATION OF STAKEHOLDERS</b>		
G4-24	pp. 27-31	✓ pp. 106
G4-25	pp. 27-31	✓ pp. 106
G4-26	pp. 27-31	✓ pp. 106
G4-27	pp. 27-31	✓ pp. 106
<b>PROFILE OF THE RECORD</b>		
G4-28	pp. 101	✓ pp. 106
G4-29	pp. 101	✓ pp. 106
G4-30	pp. 101	✓ pp. 106

Indicator	Page/Direct Response	External Verification
G4-31	Pág. 101	✓ Pág. 106
<b>GRI INDEX</b>		
G4-32	pp. 101	✓ pp. 106
<b>VERIFICATION</b>		
G4-33	pp. 101	✓ pp. 106
<b>GOVERNANCE</b>		
<b>Structure and Composition of Governance</b>		
G4-34	pp. 35	✓ pp. 106
G4-35	pp. 35	✓ pp. 106
G4-36	pp. 35	✓ pp. 106
G4-37	pp. 60	✓ pp. 106
G4-38	pp. 35	✓ pp. 106
G4-39	pp. 35	✓ pp. 106
G4-40	pp. 35	✓ pp. 106
G4-41	pp. 59-60	✓ pp. 106
<b>ROLE OF GOVERNMENT IN ESTABLISHING THE PURPOSES, VALUES AND STRATEGY OF THE ORGANIZATION</b>		
G4-42	pp. 7 and 18	✓ pp. 106
<b>ETHICS AND INTEGRITY</b>		
G4-56	pp. 7, 59-60	✓ pp. 106
G4-57	pp. 60	✓ pp. 106
G4-58	pp. 60	✓ pp. 106

## Contenidos básicos específicos

Indicator	Page/Direct Response	External Verification
<b>CATEGORY: ECONOMY</b>		
<b>Economic Performance</b>		
G4-EC1	pp. 25 and 89	✓ pp. 106
<b>Procurement Practices</b>		
G4-EC9	pp. 85	✓ pp. 106
<b>CATEGORY: ENVIRONMENT</b>		
<b>Energy</b>		
G4-EN3	pp. 48 and 52	✓ pp. 106
<b>Water</b>		
G4-EN8	pp. 49 and 52	✓ pp. 106
G4-EN10	pp. 49	✓ pp. 106
<b>Biodiversity</b>		
G4-EN13	pp. 47	✓ pp. 106
<b>Emissions</b>		
G4-EN15	pp. 49 and 52	✓ pp. 106
G4-EN16	pp. 49 and 52	✓ pp. 106
G4-EN18	pp. 49 and 52	✓ pp. 106
G4-EN19	pp. 49 and 52	✓ pp. 106
G4-EN20	pp. 49 and 53	✓ pp. 106
G4-EN21	pp. 49 and 53	✓ pp. 106
<b>Effluents and Residues</b>		
G4-EN22	pp. 49	✓ pp. 106

Indicator	Page/Direct Response	External Verification
G4-EN23	pp. 50 and 53	✓ pp. 106
<b>Products and services</b>		
G4-EN27	pp. 51 and 54	✓ pp. 106
G4-EN28	pp. 44 and 47	✓ pp. 106
<b>Regulatory compliance</b>		
G4-EN29	No significant fine were presented in environmental terms.	✓ pp. 106
<b>General</b>		
G4-EN31	pp. 52 and 54	✓ pp. 106
<b>CATEGORY: SOCIAL PERFORMANCE</b>		
<b>SUB-CATEGORY: DIGNIFIED EMPLOYMENT AND WORK PRACTICES</b>		
<b>Employment</b>		
G4-LA1	pp. 71	✓ pp. 106
G4-LA2	pp. 75-76	✓ pp. 106
<b>Occupational Health and Safety</b>		
G4-LA5	pp. 79-80	✓ pp. 106
G4-LA6	pp. 80	✓ pp. 106
G4-LA8	pp. 81	✓ pp. 106

Indicator	Page/Direct Response	External Verification
<b>Training and Education</b>		
G4-LA9	pp. 71-72	✓ pp. 106
G4-LA10	pp. 74	✓ pp. 106
G4-LA11	pp. 73	✓ pp. 106
<b>Diversity and Equal Opportunities</b>		
G4-LA12	pp. 71 There is no breakdown of the governance body.	✓ pp. 106
<b>Evaluation of Labor Practices of Suppliers</b>		
G4-LA14	pp. 86-87	✓ pp. 106
G4-LA15	pp. 86-87	✓ pp. 106
<b>SUBCATEGORY: HUMAN RIGHTS</b>		
<b>Child Labor</b>		
G4-HR5	pp. 86-87	✓ pp. 106
<b>Forced Labor</b>		
G4-HR6	pp. 86-87	✓ pp. 106
<b>Indigenous Rights</b>		
G4-HR8	No significant fines were presented in terms of rights of indigenous peoples.	✓ pp. 106

Indicator	Page/Direct Response	External Verification
<b>Evaluation of Suppliers' Social Repercussions</b>		
G4-HR10	pp. 86-87	✓ pp. 106
G4-HR11	pp. 86-87	✓ pp. 106
<b>Human Rights Complain Mechanisms</b>		
G4-HR12	No significant fines were presented in terms of human rights.	✓ pp. 106
<b>SUBCATEGORY: SOCIETY</b>		
<b>Local Communities</b>		
G4-SO1	pp. 42-45	✓ pp. 106
G4-SO2	None	✓ pp. 106
<b>Fight Against Corruption</b>		
G4-SO4	pp. 61	✓ pp. 106
G4-SO5	None	✓ pp. 106
<b>Public Policy</b>		
G4-SO6	Bridgestone does not receive nor gives financial contributions granted by the government or political parties	✓ pp. 106
<b>Unfair Competition Practices</b>		
G4-SO7	None	✓ pp. 106

Indicator	Page/Direct Response	External Verification
<b>Regulatory Compliance</b>		
G4-SO8	Does not apply	✓ pp. 106
<b>SUBCATEGORY: PRODUCT RESPONSIBILITY</b>		
<b>Customer Health and Safety</b>		
G4-PR1	pp. 61	✓ pp. 106
G4-PR2	None	✓ pp. 106
<b>Product and services labeling</b>		
G4-PR3	pp. 61	✓ pp. 106
G4-PR4	None	
G4-PR5	pp. 91	✓ pp. 106
<b>Marketing Communications</b>		
G4-PR6	None	✓ pp. 106
G4-PR7	None	✓ pp. 106
<b>Customer Privacy</b>		
G4-PR8	None	✓ pp. 106
<b>Regulatory Compliance</b>		
G4-PR9	None	✓ pp. 106



# Verification letter



## Independent Verification Letter of the 2016 Sustainability Report Bridgestone México

### Scope of our work

We inform the readers of this report that Redes Sociales LT completed a limited verification of the content of the 2016 Sustainability Report, Bridgestone México.

Our work included an independent and impartial review of the development of the report aligned with the comprehensive compliance option in the GRI Guidelines. We evaluated the approach and scope of the reported information, taking into account the following objectives:

- Validate the quality of the information
- Review consistency of information reported
- Analyze compliance and coverage of GRI indicators

Some of the activities we perform include a review of adherence to indicators regarding the company's materiality and coverage under the Global Reporting Initiative GRI version G4 standard and a comparison of this report with the previous report. We also consider the ISAE 3000 standards for ethical principles of independence, the activities established in the AA1000AS standard, and publication of the GRI's External Assurance of Sustainability Reporting.

### Conclusions

- We did not find any factors that would cause us to determine that the processes used to obtain or validate information are ineffective and do not comply with the principles of accuracy, clarity, and reliability.
- We find no element that would cause us to determine that the information is not consistent with the content reflected in the report.

### Recommendations

- We have delivered an independent internal exclusive report to the client, with the opportunities for improvement identified in a future report.



Mexico City, August 29, 2017

**Víctor Manuel Vázquez del Mercado Pardiño**  
Redes Sociales en LT S.A. de C.V.  
T. (55) 54 46 74 84  
contacto@redsociales.com

### Redes Sociales LT statement of independence, responsibility, and competence.

Redes Sociales employees have the level of skills required to verify compliance with the standards used to prepare Sustainability Reports; hence, they can express an opinion on the reports prepared by organizations. Redes Sociales' responsibility consisted of completing a limited review of the report. Our verification statement cannot be understood as an audit report; therefore, Redes Sociales assumes no responsibility for any management processes and internal control systems used to obtain information for the report. This Letter of Verification is issued in April 2017 and is valid if no substantial amendments are made to the 2016 Sustainability Report, Bridgestone México.



[www.bridgestone.com.mx](http://www.bridgestone.com.mx)

**Bridgestone de México S.A. de C.V.**

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MEXICO

SUSTAINABILITY REPORT  
**2016**