



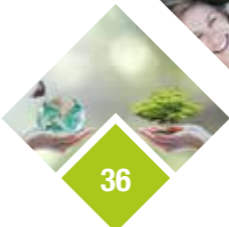











**Sustainability
Report
2018**
Costa Rica

Our Way to Serve

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Message from the President and Managing Director



Dear reader,

I am proud to present the *Fourth Sustainability Report 2018* for Bridgestone Latin America North (BS-LAN), an action that demonstrates the company's commitment to transparency and accountability.

In 1930, our founder, Shōjirō Ishibashi, undertook to make Bridgestone a company that can *Serve Society with Superior Quality*. Since then, we have understood that a sustainable company is one that is committed to creating value that is shared with its stakeholders and with society.

BS-LAN is a region consisting of different realities, where each market has its own peculiarities that together account for a vast array of opportunities. In terms of business, Mexico is our largest market, followed by Costa Rica—which covers all of Central America and the Caribbean—and finally Colombia, which is experiencing strong development along with Ecuador.

2018 posed many challenges. In the economic realm, the change of government in Mexico and NAFTA negotiations were important developments, and we analyzed their potential impacts to our industry.

Socially and environmentally, we have come to face one of history's greatest challenges: climate change, a phenomenon that is seriously affecting people's health and safety and causing loss of biodiversity on the planet. In light of this scenario, it is absolutely necessary that all the world's companies actively engage in reducing greenhouse gas emissions. BS-LAN is actively working toward the global corporate target to reduce CO2 emissions by 50% by 2050.

In response to these challenges, in order to continue on the path of building a sustainable company, Bridgestone has a global commitment to Corporate Social Responsibility, *Our Way to Serve*, which across three Priority Areas (Mobility, People, and the Environment) and through six Management Fundamentals, provides guidance on how to improve our economic, social, and environmental performance, to positively impact our stakeholders.

As for **Mobility**, we have committed to making mobility simpler, safer, more accessible, and more integrated. As such, in 2018 we continued to promote a culture of road safety in this region through our *Think Before You Drive* program, which reached 16,403 people (including motorists, university students, and children). We also continued to develop new technologies such as Run-Flat, a tire that allows drivers to continue driving safely in case of a flat.

Regarding **People**, we seek to contribute to solving health, safety, and education problems in our communities. To this end, we have strengthened our corporate volunteering program, which in 2018 called upon 856 volunteers, providing 3,203 hours of charitable work. In addition to other projects, this year, volunteers worked together with Habitat for Humanity to rebuild the homes of 16 families from Tlaquiltenango, Morelos, one of the areas most affected by the 2017 Mexico earthquake.

Finally, as for the **Environment**, this region works constantly toward achieving a sustainable society. Llantatón is one of our main community programs, and its goal is to promote recycling and reuse of end-of-life tires, thereby eliminating sites for outbreak of infection. 101 tonnes of end-of-life tires were collected in Costa Rica as well as 47 tonnes in Mexico. Waste management has also been a key part of our company's environmental strategy. At our Mexican plants we achieved a beneficial reuse rate of 96% in Cuernavaca and 99% in León, while at the Heredia plant in Costa Rica we achieved a rate of 97%.

One achievement that fills us with pride in our region is the recognition we received for our responsible internal management when we were awarded *Great Place to Work* certification in Mexico, Costa Rica, and Colombia, standing out as an employer that offers a positive organizational culture, respect for diversity, and benefits for its employees.

As the leader of BS-LAN, I am aware that we must act in congruence with the international agenda through local actions that drive harmonious growth and greater opportunity. For this reason, we incorporate the United Nations Sustainable Development Goals (SDGs) as an active part of our management, by defining goals and objectives to create a positive impact, as reflected in this report.

The changing reality we face each day requires that we acknowledge that the results obtained would not have been possible without the commitment, experience, and desire for self-improvement of all the people who are part of BS-LAN today. I would like to thank all our employees, customers, suppliers, and other stakeholders for their trust and for helping to ensure that Bridgestone fulfills its mission to *Serve Society with Superior Quality*.

Alfonso Zendejas
President and Managing Director
Bridgestone Latin America North (BS-LAN)





Corporate Philosophy

Bridgestone's corporate philosophy offers a guide to building better products as well as better communities.

Bridgestone's mission, values, and commitment to sustainability and innovation define who we are, driving us to remain the global leader in tire technology and diversified products.

Mission

Bridgestone's mission came about as a result of the commitment of its founder, Shojiro Ishibashi, to *Serve Society with Superior Quality*.

Since beginning as a small tire supplier in Japan in 1930, and through the present day as a leading global company, Bridgestone has always worked with the conviction that it can make the world a better place. At a time when others were focused primarily on generating profits, Shojiro Ishibashi believed that a company that contributes to society will always be successful.

The Bridgestone Essence

To achieve its mission, Bridgestone has established a set of shared values called Foundations, which demonstrate our commitment to providing customers with products and services of the best quality while giving back to the communities in which we operate. The Bridgestone Essence is comprised of the philosophy of the company's founder, our corporate culture, and the diversity that the Company has achieved.

The Bridgestone Essence

Mission

Serving Society with Superior Quality

Foundation

Seijitsu-Kyocho
[Integrity and Teamwork]

Shinshu-Dokuso
[Creative Pioneering]

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

Jukuryo-Danko
[Decisive Action after Thorough Planning]



Bridgestone Corporation



Shojiro Ishibashi, Founder

In Figures

Corporate Office: **Japan**

Regional Headquarters:

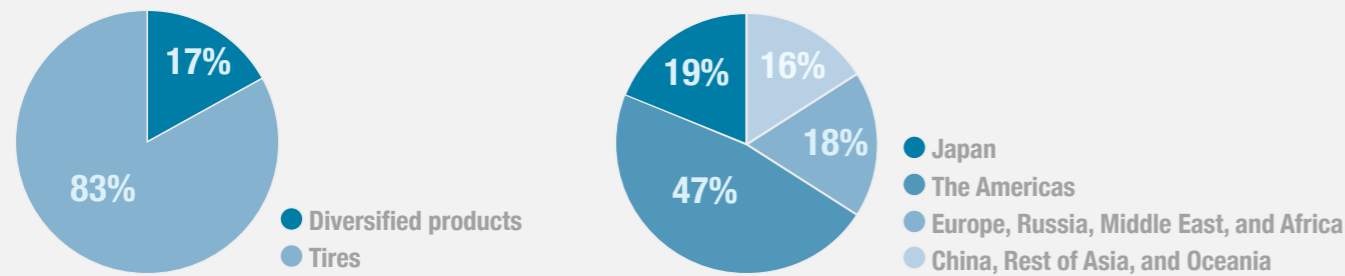
- ▶ The Americas
- ▶ Europe, Middle East, and Africa
- ▶ China, Asia and Oceania



▶ **143,509 employees⁽¹⁾**

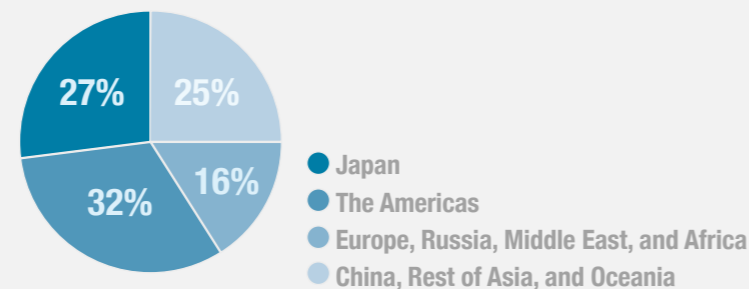
Sales⁽²⁾: USD 32.883 billion⁽³⁾

Sales by Business Segment and Market⁽⁴⁾:



Tire Production⁽⁵⁾:

Total:
1,86 million tonnes



Research and Development Investment⁽⁶⁾: USD 932.8 million

For further information on financial results of the Bridgestone's Corporate Headquarters please visit: <https://www.bridgestone.com/ir/financialdata/index.html>

(1), (2), (4) and (5) As of December 31, 2018.
(3) and (6) Based on the rate of ¥111.00 to USD\$1.00, the approximate year-end rate.

Corporate Governance

The Bridgestone Corporate Group has a global governance structure that allows it to maintain transparency and trust with its stakeholders.

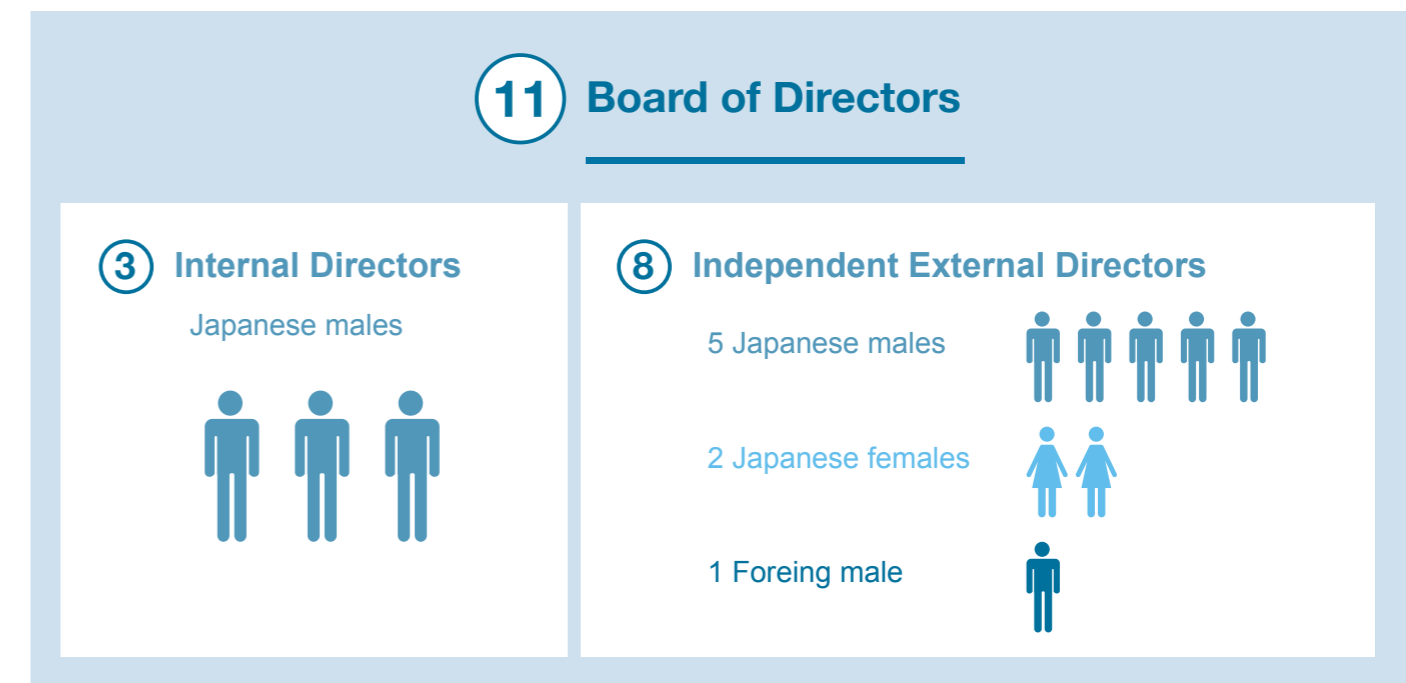
Bridgestone's Board of Directors is the Company's highest governing body. The Board is comprised of eight outside directors and three internal directors.

The CEO, COO, and executive officers report to the Board of Directors and are ultimately responsible for Bridgestone's performance. In order to implement the Board's most important strategic decisions, the Company has established a Global Executive Committee that is comprised of key executives from across the global organization that determines and oversees implementation of these policies and strategies.

CSR Governance

The CEO is responsible for the Company's Global CSR Commitment, Our Way to Serve. An Executive Vice President and Executive Officer of Bridgestone Corporation leads the Company's CSR strategy, engaging Global Executive Committee members, Strategic Business Unit presidents, members of the Global CSR Enhancement Committee, the Global Quality Management Committee, and Bridgestone employees worldwide.

For further information on Bridgestone's corporate governance system, please refer to the: <https://www.bridgestone.com/corporate/governance/>



Global Corporate Social Responsibility (CSR) Commitment

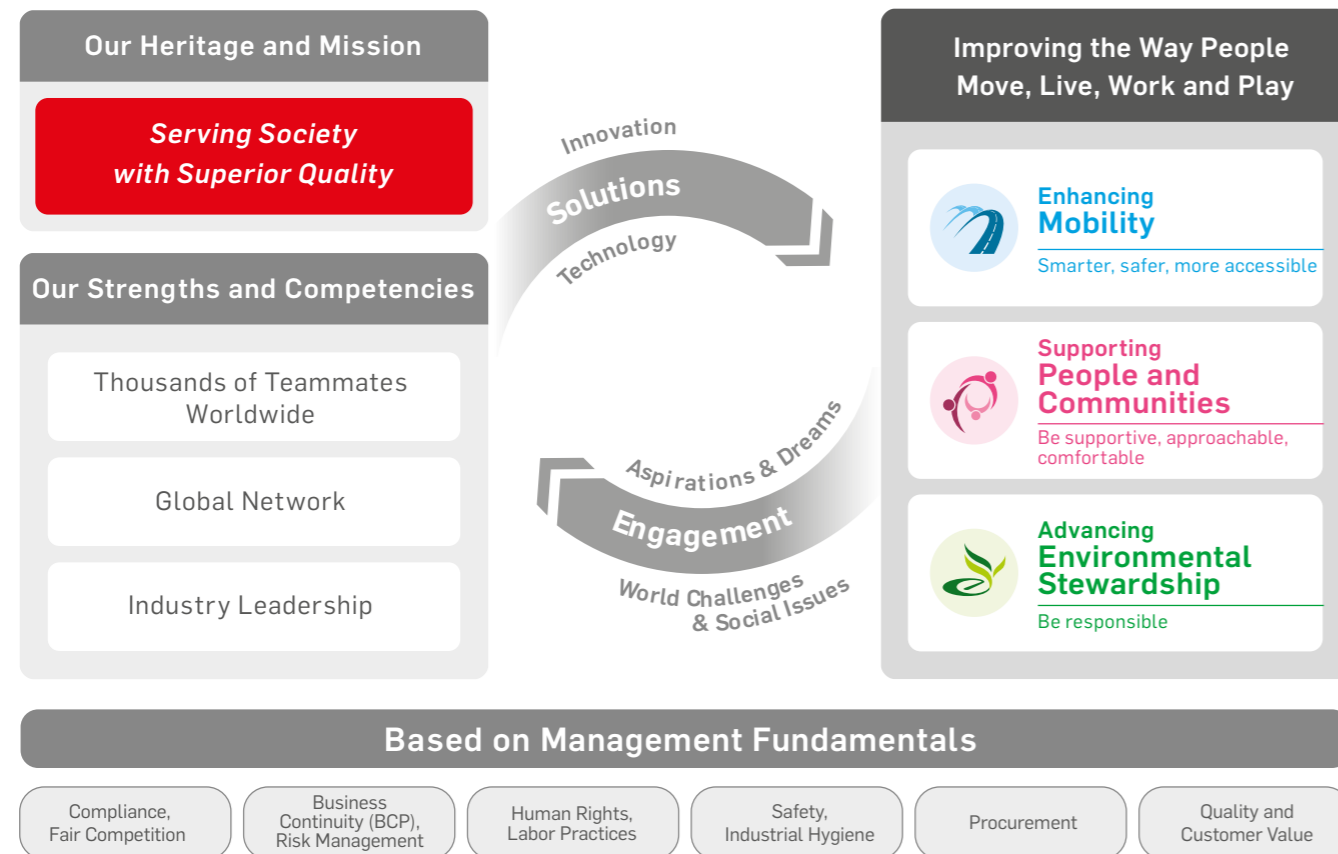
Created in 2017 and launched around the world, *Our Way to Serve*, the Bridgestone's Group Corporate Social Responsibility (CSR) Commitment, focuses on three Priority Areas—Mobility, People and Environment—that help improve the way people move, live, work and play.

These commitments are underpinned by six Management Fundamentals that articulate the high expectations the Group has for operating as a responsible business.

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



For further information on Bridgestone's Corporate Social Responsibility Commitment, please refer to the 2018 Bridgestone Sustainability Report:

https://www.bridgestone.com/responsibilities/library/pdf/Sustainability_Report_2018_E_all.pdf





Bridgestone Latin America North (BS-LAN)



Bridgestone Latin America North (BS-LAN) is a business unit that integrates manufacturing and sales operations of subsidiaries in Mexico, Costa Rica, Central America and the Caribbean, Colombia, and Ecuador, and BS-LAN in turn is a subsidiary of Bridgestone Americas, Inc. (BSAM) and Bridgestone Headquarters in Japan.

BS-LAN manufactures and markets a wide range of tires from the Bridgestone, Firestone and other associated brands, in order to meet the needs of varied customers: end consumers, manufacturers of original equipment, transportation companies, and agricultural businesses. Likewise, it has operations that focus on retreading tires for buses and trucks.

In Figures

Corporate Office:

Mexico City, Mexico

Plants:

2 tire production plants

• Cuernavaca, Morelos, Mexico

• Belen, Heredia, Costa Rica

1 tire retreading plant

• León, Guanajuato, Mexico

Production:

► Daily production:
27.592 tires

10.886
Costa Rica



16.706
Mexico

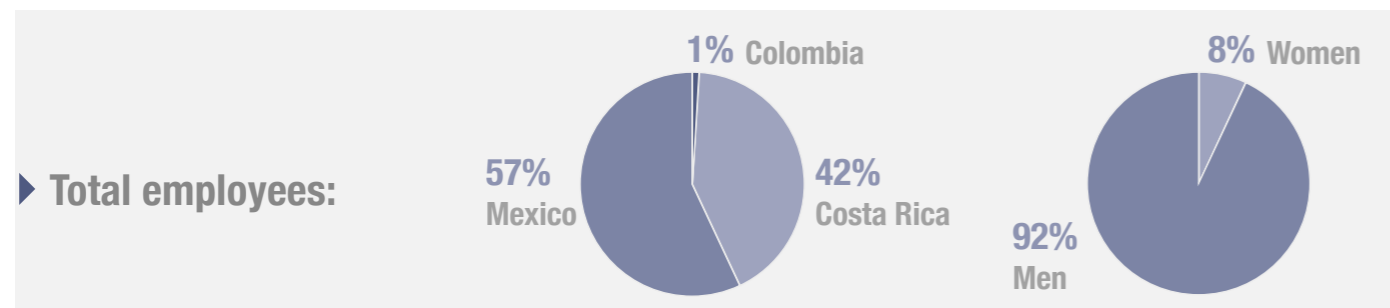
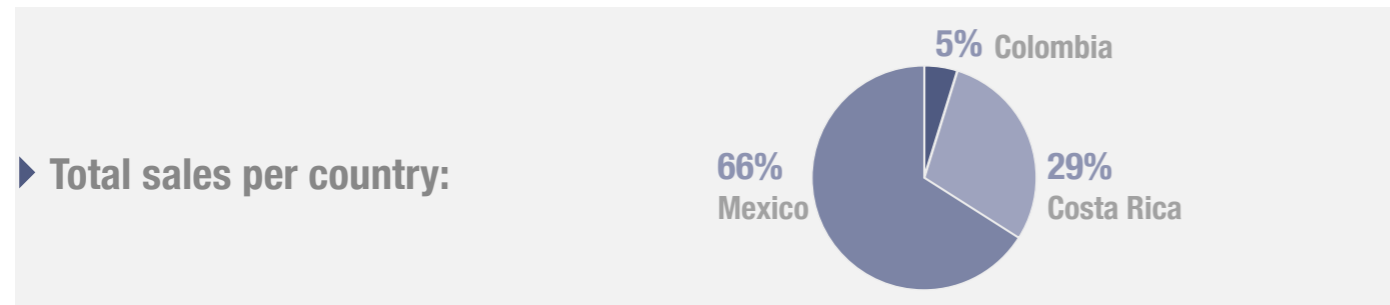
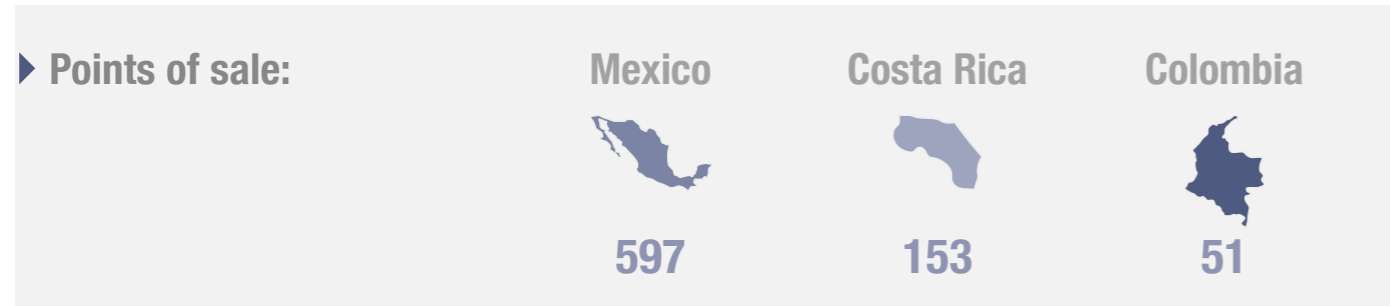
► Annual tire production:
9.372.281 tires

3.723.095
Costa Rica



5.649.186
Mexico

► Tire retreading annual production: 9.358 tonnes



Bridgestone Latin America North (BS-LAN) Governance

This governing body is comprised of senior officers and managers, who are tasked with ensuring that the organization develops sustainably in a manner consistent with the vision that characterizes Bridgestone Americas and the Bridgestone Corporation.

The directors report directly to Bridgestone Americas and/or to the regional headquarters, applying the same international systems and quality standards in order to standardize and integrate operations and to foster compliance with the applicable regulations in each country.

Board of Directors

		Men	Women	
59 Mexico	President	1		
	Directors	6	2	
	Deputy directors, managers, or area representatives	44	6	
4 Colombia	Directors	1		
	Deputy directors, managers, or area representatives	3	1	
31 Costa Rica	Directors	4		
	Deputy directors, managers, or area representatives	26	1	



Products and Services

Bridgestone Costa Rica develops, manufactures and markets, and sells a wide variety of tires for different means of transport through its Bridgestone, Firestone, and other associated brands.

Cars

Through the Bridgestone and Firestone brands, the Company manufactures tires for the light vehicle mass market. In this segment, it also manufactures OEM (Original Equipment Manufacturers) tires.

Trucks

The Bridgestone and Firestone brands manufacture tires for trucks and heavy goods vehicles, which use larger and thicker tires.

Agriculture

Bridgestone Costa Rica makes tires for vehicles used in the agricultural sector, such as tractors and other types of off road machinery. It also manufactures OEM (Original Equipment Manufacturers) tires.

Retreading

Bridgestone plays a major role in the high-mileage tire retreading industry, offering technology, expertise, 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.

Golf Products

Bridgestone Costa Rica sells a wide range of golf balls, clubs, accessories, and apparel.

Bridgestone Costa Rica



Awards and Certifications



Awards 2018	Organization
Leading Automotive Company in Corporate Reputation	Corporate Reputation Monitor (MERCO)
Ecological Blue Flag Award in the Climate Change category for the sixth consecutive year	Costa Rican Institute of Aqueducts and Sewers (AyA)
Commitment to Quality	Costa Rican Chamber of Industry (CICR)
CSR in Action Award for the Family Bridgestone project	Costa Rican-American Chamber of Commerce
Development program recognition in Preventive Management Systems	National Insurance Institute (INS)
Preventico Award	National Insurance Institute (INS)

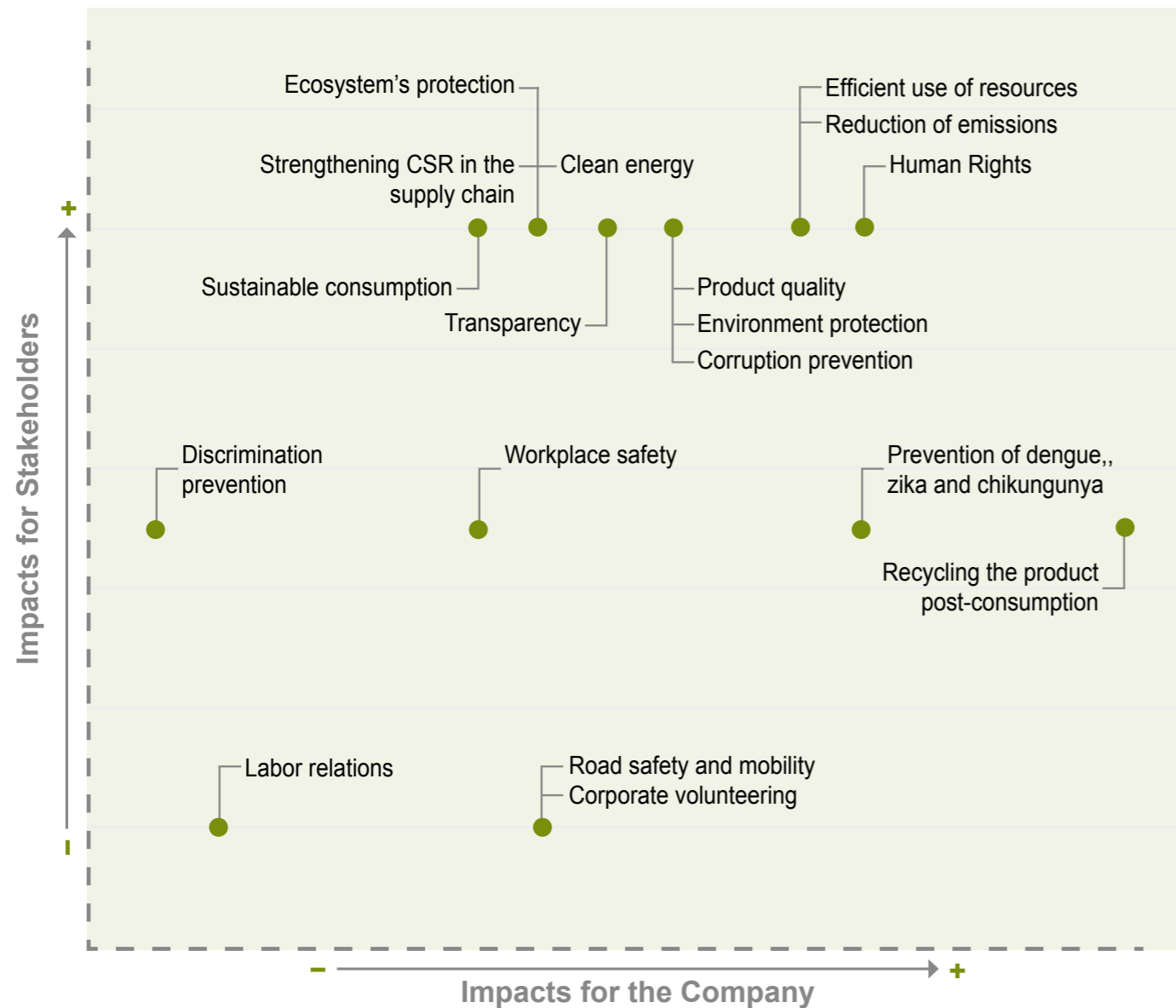


Certifications 2018	Organization
Great Place to Work (biennial 2017-2019)	Great Place to Work Institute (GPTW)
Authorized Economic Operators Certification	Ministry of Finance
ISO 50001 Certification - Energy Management	Technical Standards Institute of Costa Rica (INTECO)
INTE G:35 - CSR Management System	Technical Standards Institute of Costa Rica (INTECO)
INTE OHSAS 18001 - Occupational Risk Prevention Management System	Technical Standards Institute of Costa Rica (INTECO)
INTE ISO 14064-1 - Management System for Quantifying and Reporting Greenhouse Gas Emissions and Removals	Technical Standards Institute of Costa Rica (INTECO)
IATF 16949 - Technical Specifications for Original Equipment	Lloyd's Register Quality Assurance (LRQA)
INTE ISO 14001: ISO 9001 - Environmental Management System	Technical Standards Institute of Costa Rica (INTECO)
ISO 9001: Quality Management System	Lloyd's Register Quality Assurance (LRQA)
INTE ISO 9001 - Product Compliance Framework	Technical Standards Institute of Costa Rica (INTECO)
BASC - Asset Security. Version 4-2012	Business Alliance for Secure Commerce (BASC) Costa Rica
"Esencial Costa Rica" Country Brand	Costa Rican Foreign Trade Promoter (Procomer)
INTE ISO/IEC 17025 - Accreditation of Laboratory Testing. Finished Product Testing BSCR (Lab. QA)	Costa Rican Accreditation Entity (ECA)
INTE ISO/IEC 17025 - Accreditation of Laboratory Testing. Calibration of Measuring Equipment	Costa Rican Accreditation Entity (ECA)

Material Issues

Bridgestone Costa Rica conducted a materiality analysis in order to understand its stakeholders' expectations and prioritize them based on their importance and influence.

Through its three Priority Areas and its six Management Fundamentals, the company works on these material issues, measures its results, and establishes future commitments to minimize potential negative impacts and reinforce the positive ones.



Contribution to the Sustainable Development Goals (SDGs)

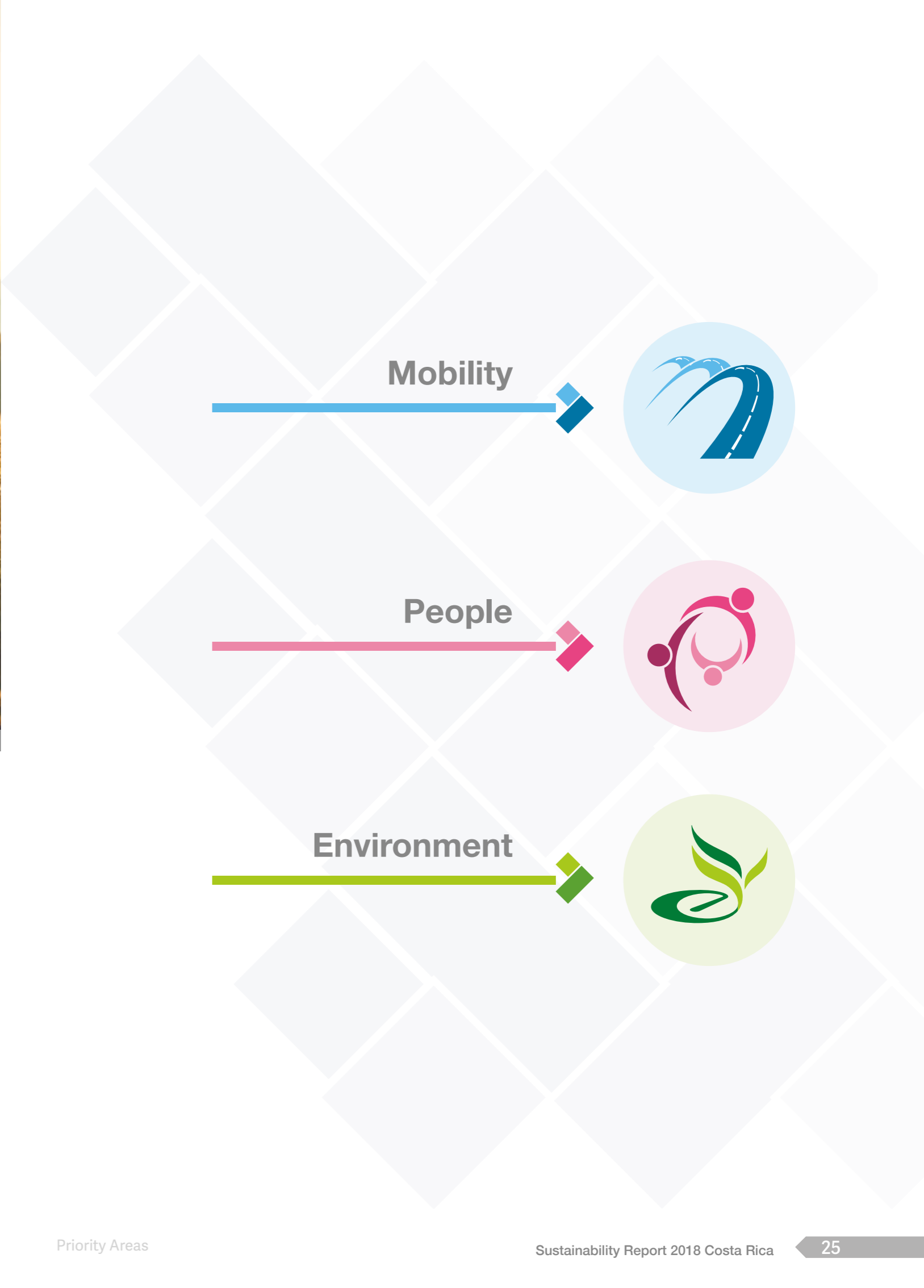
In 2015, all countries comprising the United Nations approved the 2030 Agenda for Sustainable Development, which consists of 17 goals and 169 targets in five areas: people, prosperity, planet, peace, and partnership.

Bridgestone Costa Rica is committed to the Sustainable Development Goals and has identified its contribution as follows:

Related SDGs	Bridgestone Priority Areas and Management Fundamentals	Examples of Existing Work Contributing to SDGs Targets
Mobility		
 	<ul style="list-style-type: none"> • Accessible Mobility • Smart Mobility • Safe Transportation 	<ul style="list-style-type: none"> • Run-Flat Tires (3.6) (11.2) • Think Before You Drive Campaign (3.6)
People		
  	<ul style="list-style-type: none"> • Contributing to a Safer Society • Accessible and Inclusive Education • Promoting Healthier Communities 	<ul style="list-style-type: none"> • B-Happy Parks (3.8) • Back to School (4.1) • Bridgestone Christmas (1.1)
Environment		
    	<ul style="list-style-type: none"> • In Harmony with Nature • Value Natural Resources • Reduce CO2 Emissions 	<ul style="list-style-type: none"> • Efficient Use of Water Resources (6.4) • Use of a Biomass Boiler (7.2) • Correct Disposal of Waste (12.5) • Llantatón (12.5) • Environmental Certifications (13.2) • Environmental Education Program (13.3) • Beach Cleaning (14.2)
Management Fundamentals		
 	<ul style="list-style-type: none"> • Compliance, Fair Competition 	<ul style="list-style-type: none"> • Global Code of Conduct and Ethics Training (16.5) • Partnerships (17.17)
	<ul style="list-style-type: none"> • Business Continuity (BCP), Risk Management 	<ul style="list-style-type: none"> • Crisis Management Program (16.6)
 	<ul style="list-style-type: none"> • Human Rights, Labor Practices 	<ul style="list-style-type: none"> • Diversity Committee (5.1) • Training, Talent Development, and Respect for Diversity (8.5) • Internship Program (8.6)
 	<ul style="list-style-type: none"> • Safety, Industrial Hygiene 	<ul style="list-style-type: none"> • Health Services for Employees and their Family (3.d) • Safety Mission Statement (8.8)
	<ul style="list-style-type: none"> • Procurement 	<ul style="list-style-type: none"> • Global Sustainable Procurement Policy (12.2) • Supplier Training, Development, and Evaluation (12.2)
	<ul style="list-style-type: none"> • Quality and Customer Value 	<ul style="list-style-type: none"> • Distributor Evaluation and Development (12.2)



Priority Areas





Material issues addressed

• Road Safety and Mobility

GRI 103-1, 103-2, 103-3



In the fast-changing world of mobility, the Bridgestone Group is pioneering solutions that benefit end-users, customers, and society. High-performance mobility can improve quality of life in cities with better public transportation, reduced congestion and traffic-related accidents, and increased accessibility.

Mobility



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



Smart Mobility

Run-Flat Technology

Bridgestone's Run-Flat technology allows travel up to 80 kilometers per hour (50 miles) to a safe place after a puncture.

A reinforced material inside the walls of the tires allows a flat Bridgestone tire to continue carrying the weight of the vehicle after total loss of pressure.

Once the tire is punctured, the driver will feel no difference when driving, but thanks to the air pressure sensor, the vehicle's computer will notify the driver using an indicator light.



Safe Transportation

Bridgestone Costa Rica promotes a culture of road safety in the country. According to figures from the World Health Organization⁽⁷⁾, around 1.35 million people die each year as a result of traffic accidents. Between 20 and 50 million people suffer nonfatal injuries, many of which result in disability.

Through its campaigns, Bridgestone contributes to raising awareness in society of the importance of road safety.

Think Before You Drive

Each year, Bridgestone Costa Rica conducts the Think Before You Drive campaign, which is designed to raise awareness among drivers regarding the most important actions to consider when driving, thereby promoting a culture of safe transport in the country.

There are three modalities of the Think Before You Drive campaign, each based on specific audiences and seasons:

- ▶ **University Students:** Activities are carried out to raise awareness among young people about the loss of motor skills and coordination that occurs under the influence of alcohol or drugs.
- ▶ **Kids:** Talks and workshops on road safety are given at various schools for children who will one day be drivers.
- ▶ **Vacations:** Tire pressure and conditions are checked for free, handing out informational brochures with road safety tips at service centers during vacation periods in Holy Week and during the end and middle of the year.

(7) <https://www.who.int/es/news-room/fact-sheets/detail/road-traffic-injuries>

Seguro Llegas (Get There Safely)

This is a unique road safety campaign aimed at transport and shipping companies. Its purpose is to provide safety and accident prevention information and recommendations in three key areas:

1. Avoiding driving while tired
2. Promoting proper maintenance of vehicles
3. Encouraging regular review of tire conditions

Road Safety Campaigns

Think Before You Drive for Vacations	Think Before You Drive for University Students	Seguro Llegas (Get There Safely)
Programs conducted at 9 service centers	3 universities	2 programs at Sociedad Portuaria Caldera
331 free tire checks	6.000 student beneficiaries	120 free tire checks
1.082 informational brochures delivered		600 beneficiaries
3.896 beneficiaries		





Bridgestone Corporation strives to make a positive impact on the communities where it operates around the world. The company is delivering on its People commitments by investing in a safer society, supporting accessible and inclusive education, and promoting healthier 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.



Contributing to a Safer Society

Volunteering

One of the ways that Bridgestone Costa Rica supports communities is through its Corporate Volunteering program, which operates in four modalities:

Assistance Volunteering: Directs philanthropic support to communities, generating resources and fundraising.

Volunteering at Events: Activities that generate a positive impact through implementation or maintenance of infrastructure and related donations.

Skill-Based Volunteering: Encourages the participation of volunteers through transfer of skills and abilities to beneficiaries.

Entrepreneurial Volunteering: Promotes leadership and entrepreneurship among employees through execution of the volunteer's own projects with the program's advisory.

- ▶ **512** volunteers
- ▶ **2.196** volunteer hour
- ▶ **91.243** people benefited



Accessible and Inclusive Education

Education is one essential to improving quality of life and contributing to the building of a more sustainable society. Inclusive and accessible education is one important way to provide communities with the tools necessary to develop innovative solutions for the world's greatest problems.

Back-to-School Campaign

In order to contribute to the education of children in economically vulnerable situations, Bridgestone Costa Rica supported the San Rafael School in the Ngäbe indigenous community with donations of school supplies for the start of the school year.

- ▶ Place: **San Rafael School, Ngäbe Indigenous Territory**
- ▶ **169** elementary school children and **31** secondary school students
- ▶ **200** school supply kits delivered
- ▶ **60** volunteers





Promoting Healthier Communities

Bridgestone Costa Rica promotes initiatives to contribute to creating healthier and more prosperous communities in low income areas.

B-Happy Parks

Recreational spaces encourage healthy habits such as play, sport, and outdoor activity. The B-Happy Program consists of building areas for play and recreation with end-of-life tires to the benefit of communities.

El Silencio Park, Turrialba, Costa Rica	San Miguel Basic School, Dominican Republic	Papa Francisco Shelter, Guatemala
70 tires reused	70 tires reused	80 tires reused
3.000 children benefitted	517 children benefitted	250 children benefitted
25 volunteer		
200 volunteer hours		



Bridgestone Christmas

Bridgestone Costa Rica organized an event to celebrate Christmas with 150 children from the Ngäbe-Buglé Community. With the help of 25 volunteers, games and activities were carried out during a special day of giving and sharing.

- ▶ Place: **Comunidad Ngäbe-Buglé, Bajo los Indios**
- ▶ **150** children benefitted
- ▶ **25** volunteers





Environment



With the social and environmental impact of climate change, resource depletion, and biodiversity loss becoming more pronounced, Bridgestone Corporation has established a framework to address these challenges and to contribute to ensuring a healthy environment for current and future generations.



In Harmony with Nature

Promote biodiversity by improving natural habitats and through education and research on the environment.



Value Natural Resources

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



Reduce CO2e Emissions

Continually reduce emissions of Greenhouse Gases, including CO2, from our products' complete life cycle.



In Harmony with Nature

Bridgestone Costa Rica seeks to promote a balance between human activities and respect for nature. To this end, it organizes activities to preserve biodiversity while also raising awareness among communities

Beach Cleanup

The contamination of beaches and oceans poses a risk both for marine biodiversity and for public health. In partnership with civil organizations and government, Bridgestone Costa Rica participated in two beach cleanup days

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 CO₂ emissions**
To continually reduce emissions of greenhouse gases, including CO₂, from our products' complete life cycle.

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

TEAMS
Operations | Environmental Communication | Products and Services | Community Activities

TEAMS: Total Environmental Advanced Management System. TEAMS unites the group under a program management system to help ensure a healthy environment.

One Team, One Planet.

BRIDGESTONE



Global Volunteer Day Mega Beach Cleanup

Partners: Acos Verde, United Nations Development Programme (UNDP), Ministry of Health, and private companies	3,2	30
	tonnes of solid waste collected	volunteers

Isla Uvita Beach Cleanup

Partners: Municipality of Limón, United Nations Development Programme (UNDP) Costa Rica, and Acos Verde	2.5	26	260
	tonnes of solid waste collected	volunteers	volunteer hours



2018 Llantatón

The purpose of this program is to encourage the recovery and reuse of end-of-life tires, prevent environmental pollution, raise awareness among the population, generate partnerships with authorities to facilitate collection of end-of-life tires, and thereby eliminate sites of infection that cause disease.

The program's phases are:

1.
Implementation
2.
Collection
3.
Reuse
4.
Appropriate disposal of tires

In 2018, Bridgestone Costa Rica called on the community to participate in the second edition of its annual Llantatón program.

Llantatón

<p>Place: 10 municipalities: Belén, Grecia, San José, Desamparados, Santa Cruz, Cañas, Garabito, San Rafael de Heredia, Naranjo, and El Guarco</p> <p>Partners: Ministry of Health, ACOLRRE Fundellantas, Quirós y Compañía, and Cementos Mexicanos (CEMEX)</p>	<p>101 tonnes collected</p>	<p>20 volunteers</p>	<p>160 volunteer hours</p>
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Cañas Tire Collection

<p>Place: Cañas Guanacaste</p> <p>Partners: Fundellantas, Municipality of Cañas, Red Cross, and Ministry of Health</p>	<p>640 tires collected</p>
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Garabito Tire Reuse Workshop

<p>Place: Garabito-Jacó, Parque Central</p> <p>Partners: Municipality of Garabito, Chamber of Commerce, and Acos Verde</p>	<p>80 tires reused</p>	<p>70 people benefited</p>
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Environmental Training

For Bridgestone Costa Rica, it is important to develop a culture of environmental protection among its employees and along the value chain.

	Employees	Suppliers and Contractors
Number of people trained	653	611
Number of training hours	35	28,5
Topics	<ul style="list-style-type: none"> • Water • Emissions • Waste <div style="display: flex; justify-content: space-around; align-items: center; margin-top: 5px;"> </div>	



Valuing Natural Resources

Aware of the importance of preserving the planet's natural resources, Bridgestone Costa Rica implements operational efficiencies that allow it to reduce the consumption of valuable resources, thereby decreasing its environmental impact.

Energy and Fuel Consumption

In 2018, Bridgestone Costa Rica decreased its consumption of energy and fuels such as diesel and bunker fuel, thanks to the implementation of projects aimed at energy efficiency, reduction of volatile compounds, and reduction of use of fossil fuels

1,2% less electricity used than in 2017

25% less diesel than in 2017

11% less bunker fuel than in 2017



	2016	2017	2018
Electricity (MJ)	179.070.113	202.175.489	199.790.986
Diesel (MJ)	1.558.344	1.737.703	1.299.382
LP Gas (MJ)	7.635.872	7.503.167	7.900.685
Bunker (MJ)	117.981.164	147.387.789	130.645.044
Pellets Used for Steam Production (kg)	8.267.011	8.291.294	7.683.490
Lubricants (l)	362.081	158.969	437.498
Fixed Combustion for Fire Control System Plants (l)	12.745	11.400	7.600

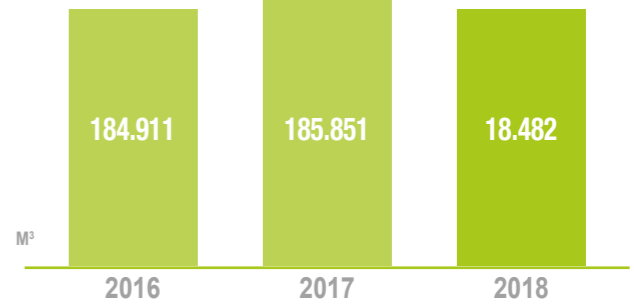
*The 2018 calculation of the calorific value of fuels was conducted, as well as the 2016 and 2017 recalculation, using the following conversion factors, according to the GHG Protocol's guidelines: Electricity 0,0036 GJ/kWh Diesel 5,715 MJ/bl LP Gas 4,24 MJ/bl Bunker 41,123 MJ/bl

- ▶ Residual oxygen sensors and flow meters were installed to improve monitoring of fuel efficiency and reduce consumption of bunker fuel
- ▶ Programs were established to use natural lighting, changing the roofs of the plants to take full advantage of natural light
- ▶ Outdoor lighting and the offices of the General Manager of Bridgestone use solar energy

Water Use

Bridgestone Costa Rica continues to improve the efficient use of water through optimization of its production processes, as well as implementation of new projects.

- 30% of water is treated
- 5% of water is recycled
- 293% more water reused than in 2017



Treated Water and Water Discharge

	M³	2018
Water used		189.482
Water treated		56.826
Water recycled		9.176

- ▶ The 2% rise in water use is due to the increase in plant production. In contrast, a record low (8.56 m3/RRT) was achieved in water use per unit of weight produced
- ▶ The water reuse system began operation in 2018, allowing use of treated water in fire prevention, irrigation, and plant cleaning systems
- ▶ Currently, all cleaning equipment, fire system tanks, testing of fire prevention pipes, and irrigation of areas around the treatment plant is sourced using 100% reused water



Waste

One of the most consolidated practices at Bridgestone Costa Rica is the recycling of waste generated at its plant, reaching a rate of 97% in 2018.

Waste Generated			
	2016	2017	2018
Tonnes	2.405	2.825	2.894

2,894 tonnes of waste generated 

76% non-hazardous waste 

97% of beneficial reuse 

► The 2.4% rise in waste generation is due to the increase in plant production. In contrast, total waste recycled increased by 2.3% from 94.7% in 2017 to 97% in 2018, representing a record for the plant.

Waste Disposal			
	2016	2017	2018
Disposal method		Hazardous	Non-hazardous
Reuse		0,0	178.963,20
Composting		0,0	34.947,50
Recycling		0,0	409.539,20
Recovery (including energy)		691.803,90	1.131.564,60
Landfill		195,20	109.397,10
Other*		0,0	337.736,30
Total		691.999,10	2.202.147,90

- As an alternative to recycling for production waste, energy processing is carried out in cement kilns in 30x30 cm packages
- 255 waste containers located at 85 points in the plant were replaced and distributed strategically to be near the areas where such waste is generated
- 100% of operators in production areas received training to improve classification of waste
- Bridgestone converted waste rubber into anti-fatigue carpets used at 205 workstations, positively impacting the comfort and health of 304 people
- 15 points were installed with containers for waste rubber dust, a recycled material used to contain and clean up spills

* Other:
 • 15,822.3 kg of internal liquid waste are disposed of at the waste water treatment plant.
 • 223,555 kg of ash are used as organic fertilizer.
 • 26,936 kg of clean earth from construction projects are used as cover in landfills.
 • 71,423 kg of organic waste are processed as animal feed.

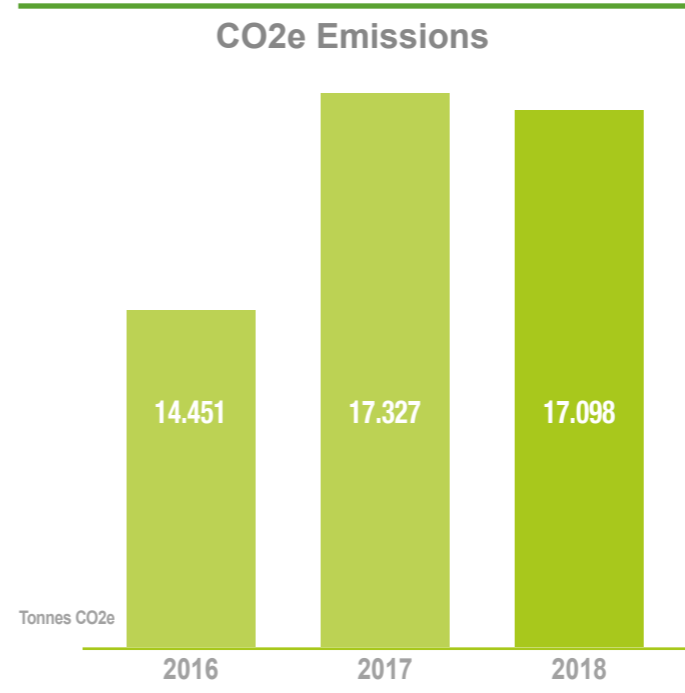


Reducing CO2 Emissions

Pursuant to the target established by G8 global leaders in 2008, Bridgestone has agreed to accomplish a 50% global reduction in its CO2 emissions by 2050.

17.098 tonnes of CO2 

1,3% less CO2 than in 2017 



Direct and Indirect CO2e Emissions			
Tonnes of CO2e	2016	2017	2018
Direct (Scope 1) Emissions	10.279	12.767	12.914
Indirect (Scope 2) Emissions	4.172	4.560	4.185
Total	14.451	17.327	17.098

Emissions of Other GHGs (Greenhouse Gases)			
Gas	2016	2017	2018
NOx mg/m ³	391	500	493
Sox mg/m ³	3.524	3.090	2.303
Particulate matter ppm (PM)	262	115	35

- A record 0.789 tonnes of CO2/RRT was obtained, representing a 10.1% reduction per unit of weight produced over 2017
- An emissions-free biomass boiler is used
- Improvement was made in particulate control of the biomass boiler through installation of a baghouse filter system
- The operating time of the manifold blower was reduced and the steam and hot water pipes were insulated

- Annual investment of \$104,500 USD in environmental improvements, such as:
- Installation of water-saving taps
 - Insulation of steam pipes to avoid losses
 - Waste treatment and disposal
 - Environmental education and training
 - External environmental management services



Management Fundamentals





Ensure excellence through compliance and integrity.

To build trusting relationships with all stakeholders, Bridgestone ensures that ethical decision-making guides responsible business practices across all our operations

Code of Conduct

In 2018, the new Global Bridgestone Code of Conduct was launched, based on its mission and its fundamental values.

The Code of Conduct provides a practice guide to managing ethical questions and applies both to employees and to suppliers and contractors. In addition, it establishes ethical guidelines to act with integrity, not only at work, but also in the market and in our communities.

To learn more about the Bridgestone Code of Conduct, you can review it here: https://www.bridgestone.com/corporate/library/corporate_governance/pdf/Bridgestone_global_code_of_conduct.pdf

Compliance Committee

The Compliance Committee is a support, monitoring, and internal reporting entity comprised of five members, one from each of the following areas: Office of the President, Auditing, Legal, Finance, and Human Resources.

Its functions include:

- ▶ Ensuring that people know and uphold the Code of Conduct
- ▶ Following up on complaints received through BridgeLine, mailboxes, and/or any other channel available to Bridgestone employees
- ▶ Promoting training on compliance, ethics, conflicts of interest, workplace harassment, etc.

Compliance, Fair Competition



2018 Ethics and Compliance Training

Course	Number of Employees Trained
Ethics and Compliance	514
Appropriate Electronic Communication	514
Code of Conduct	307
Anti-corruption	270



Ethics and Compliance Week

During the 2018 Ethics Week, various activities and conferences were held to review the concepts from the Bridgestone Code of Conduct, such as integrity at work, integrity in our communities, and training on the new Code of Conduct, allowing the development of a culture of ethics among employees.

BridgeLine Reporting Channel

Bridgestone has established a set of reporting channels to allow employees and others to confidentially report suspected criminal activity, violations of the Code of Conduct or other company policies, or ethical questions or concerns.

BridgeLine reports can be made through the following ways:

- ▶ Visiting: www.bridgestoneamericascompliance.com
- ▶ Calling the Ethics Line: +506 4002 3874
- ▶ **0** cases presented through the reporting channels

Anti-corruption

The Code of Conduct establishes clear rules to maintain honest sales practices and to combat bribery and corruption.

It also stipulates that under no circumstance may a Bridgestone employee or third party acting on behalf of Bridgestone offer gifts to a government official or to any third party in order to obtain or retain business or for any other commercial advantage.

Partnerships

In keeping with the Bridgestone philosophy of being a good corporate citizen, the Company works together with industry associations and public and private organizations.

Asociaciones

- Costa Rican Association of Large Energy Consumers (ACOGRAE)
- High Technology Services Companies' Chamber (CAMSCAT)
- Costa Rican Chamber of Industry (CICR)
- Costa Rican-North American Chamber of Commerce (AMCHAM)
- Costa Rican Chamber of Commerce
- Ecological Foundation for the Recycling of Rubber and end-of-life tires (Fundellantas)
- Association of Tire Distributors and Retreaders (ACOLLRE)
- Costa Rican Chamber of Exporters (CADEXCO)
- Costa Rican Association of Free Trade Zone Companies (AZOFRAS)

Regulatory Compliance

During 2018, Bridgestone Costa Rica received no fines or penalties for violation of laws or regulations relating to environmental aspects or its relations with the community that could be significant in regard to the company's net worth, financial situation, and consolidated results. There were also no complaints regarding discriminatory acts, violations of human rights, or violations of basic working conditions.





We anticipate, prevent and mitigate risk, and when crises arise, we protect our people, property, and profits.

Crisis management is a fundamental aspect of business continuity, and for this reason, potential risks are divided into two categories from Bridgestone Japan: business strategy risks and operational risks. For both cases, Bridgestone has prepared a response plan for situations that are critical to operations.

For this reason, the company has created a business continuity and risk management working group, which focuses on the following five initiatives based on the Global Risk Management Policy:

- ▶ Fine tune and standardize the annual risk identification process in all Bridgestone companies
- ▶ Create a global definition and structure for crisis management and business continuity
- ▶ Improve risk management in the emergency action reports
- ▶ Develop a corporate travel risk management program
- ▶ Formalize the process for support between business units in crisis management

Crisis Committee

Bridgestone Latin America North has a Crisis Committee which establishes a response plan and provides the necessary tools for decision makers, in order to respond in a fast, effective, and structured way.

This committee is essential to ensuring business continuity during critical times. Its particular nature lies in the fact that there are matters that must be addressed at the corporate level and others in which the region assumes the authority and responsibility to act and communicate.

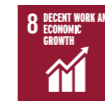
Protection of Personal Information

One important aspect in regard to regulatory compliance for Bridgestone is the protection of the personal information of company employees and candidates for employment. All their information is protected through a Corporate Privacy Notice, establishing the specifications and guidelines to ensure that personal information in the company's possession is handled appropriately.



Business Continuity (BCP), Risk Management





Material issues addressed

- Human Rights
- Non-discrimination
- Labor Practices

GRI 102-7, 102-8, 103-1, 103-2, 103-3, 401-1

Bridgestone fosters an inclusive culture to adopt and apply ethical labor practices, build trust with our employees, and respect diversity and fundamental human rights.

The company is committed to promoting fundamental human rights and responsible labor practices, not only because it is the right thing to do, but also because it is essential to improving the satisfaction and pride felt by its employees, which is key to the company's sustainable success.

Global Human Rights Policy

Bridgestone's Global Human Rights Policy comprises fundamental principles which include:

- ▶ Respect for diversity and inclusion
- ▶ Prohibition of discrimination and harassment
- ▶ Focus on occupational health and safety
- ▶ Commitment to responsible labor practices
- ▶ Protection of freedom of expression and association

Staff

The Bridgestone Costa Rica staff is made up of 1,000 employees, of which 6.5% are women and 14.5% are older than 50 years of age.

Human Rights, Labor Practices



2018 Workforce by Gender and Age

Gender	Age	Total
Men	Under 30 years	227
	Between 30 and 50	569
	Over 50	139
Women	Under 30 years	24
	Between 30 and 50	33
	Over 50	8
Total		1.000

11,5% annual turnover

• Rate of absenteeism of **1%** against **2,5%** in 2017

77 new hires

Respect for Diversity

Bridgestone Costa Rica offers an environment in which people with different values and personalities can work comfortably and demonstrate their skills. To make this possible, the company:

- ▶ Recognizes and respects the diversity of cultures and customs
 - ▶ Reconciles with people's different points of view to create more value
 - ▶ Establishes a system in which employees can do their work with peace of mind and fully demonstrate their abilities in the different stages of their lives
- The company has a Non-discrimination Policy and a Compliance Committee that investigates and received any complaint relating to discrimination and sexual harassment
 - In 2018, planning was conducted for a new Diversity Committee, defining the pillars upon which the committee will work in the coming years
 - Compensation policies for promotions and new hires establish that all employees have access to the same salary range according to their role in the organization
 - Life balance activities were carried out through family integration in the Family @Bridgestone program, which includes four areas: Kids, Parents, Wellness, and Diversity
 - All employees have a benefits package that exceeds the legal minimum in terms of health, family, culture, and wellbeing



Training

Bridgestone Costa Rica invests in the professionalization of its human capital implementing training and talent development programs.

Employees Receiving Training	
	2018
Number of individual trainings	3.906
Hours of training	93.081
Average hours of training per employee	93
Investment in training	117.230 USD

3.620 individual technical training sessions: safety, quality, productivity, and other topics

103 employees participated in development programs: master's degrees, certifications, coaching, English, and others



Talent Development

Bridgestone Costa Rica maintains a commitment to working with its employees to improve their skills and performance.

All employees have a plan that allows them to clearly understand their career opportunities, as well as the growth and development they can provide to Bridgestone.

There are different programs that contribute to training and development:

Program	Description
Development of Dan Totsu Executive Skills	In partnership with ADEN International Business School, Bridgestone employees receive training through a comprehensive platform that strengthens and develops their business and leadership skills. 35 participants
Mentoring	Helps to develop the knowledge, networks, and careers of employees through a relationship between experienced mentors and their mentees. 13 participants
Inside Track Internal Leadership Program	The purpose is to standardize the knowledge and competencies of team leaders through an e-learning platform. Regional launch of Inside Track
Human Experience	Seeks to develop talented successors to assume senior positions in the future. A pilot program was implemented
Internship Program	Attracts talented young university students who wish to strengthen their academic knowledge and acquire professional experience with an internship, with the possibility of being hired after the end of the internship. 23 interns 1 hire

Considering medium- and long-term challenges, the company carries out a performance evaluation with an integrated talent management system, Performance Management Appraisal (PMA).

The four PMA stages are:

1. Defining goals
2. Biannual review
3. Annual review
4. Calibration of results

100% of employees received a performance evaluation

- Bridgestone Costa Rica received **Great Place to Work certification** with an approval rate of 86%



Material issues addressed

Occupational Health and Safety

GRI 103-1, 103-2, 103-3, 403-1, 403-2

Safety always comes first.

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

Health and Safety Commission

The primary objectives of this commission are to provide guidance and instruction on safety, inform employees regarding potential hazards, ensure regulatory compliance in regard to occupational health, and prepare activities that contribute to achieving these goals.

- ▶ Eight members
- ▶ Conducts on-site training on risks
- ▶ Safety meetings to analyze risks of the machines
- ▶ Safety tours to determine areas of improvement
- ▶ Campaigns to identify and reduce mosquito breeding sites

Safety Mission Statement

Safety First, Always

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

We aim with pride to achieve perfect safety.

Safety First, Always includes the prevention of all work related incidents including disasters, industrial hygiene and traffic accidents.

BRIDGESTONE

Safety, Industrial Hygiene



Workplace Accidents		
	2017	2018
Number of accidents reported	10	9
Days lost from accidents	391	253

The Safety Training Center (CES, in Spanish) at the Belén Plant includes a system designed using the 70-20-10 method (70% of learning comes from experience, 20% from environmental feedback, and 10% from formal training), where each employee is trained on the main hazards and risks at the plant.

568 employees from the plant trained at the CES

Training and Awareness

1.060 individual training sessions and **4.632** hours on health and safety

820 suppliers and contractors trained and **1.230** hours on health and safety

2 drills and **24** hours of training on plant evacuations

Notices and posters on safety and accident prevention

Practice using extinguishers with administrative and plant staff

Close coordination with local firefighters



Occupational Health

Bridgestone Costa Rica carries out various initiatives to promote healthy habits and sport.

Name of Program/Activity/Campaign	Goal	Number of sessions for employees	Number of sessions for family members
Medical Practice	Offer free medical service at the plant facilities	11.759	Exclusively for employees
Nutrition	Provide nutritional counseling for employees and their families	2.909	614
Physical Therapy	Improve the quality of life of people with musculoskeletal problems or ailments	5.297	Exclusively for employees
Psychology	Psychology services on varied topics for employees and family members	607	319
Vaccination Campaign	Raise awareness among employees regarding the fundamental importance of full immunization at all ages	623	Exclusively for employees
Physical Conditioning Center	Promote physical conditioning of employees	10.183 visits	2.380 visits
Retirement Program	Program focused on providing tools for transition and new roles for older adults	22	22





Create value to society through sustainable procurement practices.

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

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

Global Sustainable Procurement Policy

In 2018, the Bridgestone Global Sustainable Procurement Policy was launched in 2018, reflecting the company's commitment to creating a prosperous and sustainable supply chain.

This policy establishes the expectation that business partners and key suppliers operate with respect for human rights, environmental standards, and product quality, while including additional requirements for the conservation and rights of the earth, traceability of point of origin, and resilience.

This new policy is consistent with Bridgestone's global target to use 100% sustainable materials in its products by 2050.

Supplier Training, Development, and Evaluation

Bridgestone Costa Rica conducts an evaluation of its suppliers' understanding and implementation of the principles of sustainability in order to align them and build a fair and transparent business relationship.

Using forms and an established internal procedure, each person responsible for the service or product to be acquired must evaluate the supplier with the support of the purchasing area. Once the evaluation is completed, a meeting is held to report the outcome and clarify any questions.

Suppliers have a 30-day period to send a corrective action plan to Bridgestone for any nonconformities identified, which will be verified subsequently in an audit conducted by the company.

Supply Chain

Bridgestone Costa Rica's supply chain is comprised of two large groups of suppliers:

1. **Suppliers of raw materials:** natural rubber, synthetic rubber, carbon black, sulfur, pigments, steel, ropes, etc.
2. **Suppliers of products or services for business management, maintenance, and general purchasing:** repairs, molds, machinery, etc.

832 suppliers in 2018

84% from Costa Rica

Domestic suppliers represented **13.5%** of purchasing expenditure

611 suppliers and contractors trained on environmental topics

28,5 hours of environmental training on the following topics: water, emissions, and waste

3 suppliers awarded recognition as a 2018 Supplier of Excellence: Distribuidora Ionics, Distribuidora de Materiales, and Central de Mangueras

Procurement





Creating customer value and trust.

To create a global framework in collaboration with all related Bridgestone Group 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*.

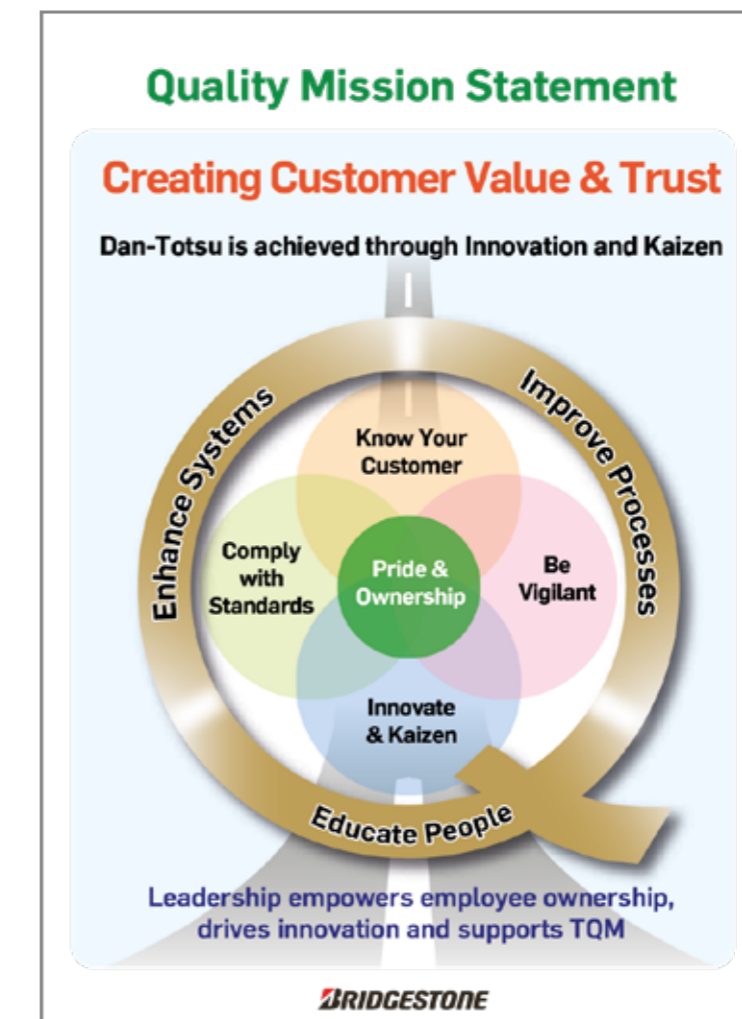
New Products

To stay a step ahead in the development of high quality products, in 2018, Bridgestone Costa Rica launched the following new products:

Model	Description
DESTINATION A/T 2	Off-road product with design and technology aimed at maintaining good performance in severe road conditions.
DURAVIS R660	Intended for light transport vehicles, vans, and delivery vehicles; its design helps to decrease irregular wear and cuts along the sides. Excellent performance with a gentle and silent driving experience.

Bridgestone has **153** points of sale in Central America and the Caribbean

Quality and Customer Value



Continual Improvement

Bridgestone Costa Rica implements continual improvement programs that seek to make production plant processes more efficient.

The following results were achieved in 2018:

— VOR (Virgin Out Ratio), which is related to minor adjustments that must be made to tires after the general production process, reached a record low of 8.93%. A low VOR indicates that the plant and processes are efficient and effective.

— The Yellow Belt program was developed to train employees on continual improvement, focusing especially on eliminating hidden costs and improving production cost. This methodology uses LEAN and Six-Sigma tools to develop innovative ideas at the organization. In 2018, 23 employees were certified.

— The Green Belt program was also developed, which uses continual improvement tools that focus on improving production processes and key indicators to make production more efficient. In 2018, one employee was certified in this program.

— A company continual improvement competition was conducted, encouraging plant operators and technicians—as experts on internal processes—to participate by proposing ideas and projects for improvement and innovation to be executed with the support of their supervisors.

Quality and Customer Service

Thanks to its innovation and the commitment of its employees, Bridgestone Costa Rica achieves excellence and quality in its manufacturing, its value chain, and in all products and services delivered to customers.

Customer Service Channels	
Customer Type	Service Channel
Manufacturers	Periodic meetings
	Email
Distributors	Sales consultants
	Instructor
	Trader
	Sales hub
End Consumers	Business advisor
	Website
	Service centers
	Social networks

The Call Center received **1.257** calls in 2018, **91%** of which were answered



Training and Development of Distributors

In 2018, the Bridgestone University application was launched, offering a fun, interactive, and easy way for Service Center staff to receive regular training at any time of day through a mobile device. Bridgestone University allows the company to offer training on a large scale, using a mobile gaming technology platform.

2018 Courses for Distributors

Course Name	Description	Number of Participants	Percentage of Total Distributors
Leaving an Impression	Identifies the key points that customers want to be addressed at each point of sale to create a positive purchase experience.	45	50%
Consumer Products Clinic	Tools that allow the distributor to sell a product based on its benefits and compare it to the competition.	45	50%
JR Adjusters	Trains personnel from the distributor network at specific sites in the country on product adjustment, in order to promptly and professionally diagnose and address end user complaints.	89	84,7%
MR Adjusters	Trains personnel from the distributor network at the Bridgestone plant on adjustment of products from the Consumer Division and on the handling of the different things to address in a product complaint.	89	84,7%
Fleet Technician Training	Trains fleet technical staff for support and specialized advisory to end users of truck and retreaded tires.	89	84,7%
Firestone Clinic	Training on topics of maintenance and new products.		

Evaluation of Distributors

► The “Trader” acts as a figure within the Trade Marketing area who provides—together with the sales consultant—service to the distributor regarding topics of development of points of sale, training, promotions, etc. They are also responsible for monitoring point-of-sale development.



The Bridgestone Costa Rica 2018 Sustainability Report provides information on the activities and results of Bridgestone de Costa Rica S.A. in economic, social, and environmental areas during the period from January 1 to December 31, 2018.

Scope

The report only covers operations of Bridgestone de Costa Rica S.A., including its corporate headquarters and its plant in Belén de Heredia, and it is independent from other subsidiaries and entities within the Bridgestone Corporate Group.

This report has been prepared in accordance with the Comprehensive option of the GRI Standards, and complies with the Content and Quality Principles

Content Principles	Quality Principles
Stakeholder Engagement	Accuracy
Sustainability Context	Balance
Materiality	Clarity
Completeness	Comparability
	Reliability
	Timeliness

The Corporate Communication and Social Responsibility Area was responsible for gathering the information, with the collaboration of the local operating divisions.

To request any additional details on the information from this Sustainability Report, contact the Bridgestone Latin America North (BS-LAN) Department of Corporate Communication and Social Responsibility via email: BS_LAN_Prensa@la-bridgestone.com

This report has been verified by an independent third party, Firma Social, S.C. (AuditaRSE), which conducted a review of the contents to ensure that the report contains accurate information that is consistent with GRI Standards.

About this Report




















Stakeholders

Bridgestone wishes to maintain close relations with its stakeholders, establishing channels for dialogue and communication to understand the stakeholders' expectations and consider their priorities when making company decisions.

Stakeholder Dialogue Mechanisms

Continuous 

Stakeholder	Description	Communication Channels	Frequency of contact
 Employees	These are all Bridgestone staff members, whose rights are respected while promoting the development of their skills and abilities. The company respects diversity and encourages communication between employees and managers.	<ul style="list-style-type: none"> • Meetings • Activities • Internal communications 	<ul style="list-style-type: none"> • Training • Courses and assessments • Audits 
 Suppliers	These vendors supply the necessary raw material for the company's daily production and operational activities. Bridgestone conducts fair and impartial transactions with them and promotes their sustainability policies.	<ul style="list-style-type: none"> • Supplier meetings and assessments • Training 	<ul style="list-style-type: none"> • Email • Telephone 
 Associations and Institutions	These groups represent the interests of the sector to which Bridgestone belongs. They can be of a social or economic nature.	<ul style="list-style-type: none"> • Meetings • Email 	<ul style="list-style-type: none"> • Plant tours to learn about the company's quality systems, among others 
 OEMs (Original equipment)	Automotive assembly plants, dealers, and end users represent these. Bridgestone strives to ensure that it is Serving with Superior Quality by offering attractive products and services that respond to their needs, along with information to help them make better decisions.	<ul style="list-style-type: none"> • Meetings • Audits • R&D 	<ul style="list-style-type: none"> • Email • Direct communications 
 Clients		<ul style="list-style-type: none"> • Meetings • Training 	<ul style="list-style-type: none"> • Encounters • Direct and permanent communications with the sales and marketing teams 
 Business Partners (Dealers)		<ul style="list-style-type: none"> • Website • Toll-free Customer Service Center phone number 	<ul style="list-style-type: none"> • Market Research • Social Media • Email 
 End Consumer	It refers to the people to whom the company's operations generate an impact or benefit. Bridgestone works to contribute to the development of the community, preserve natural resources and carry out activities for the benefit of social causes.	<ul style="list-style-type: none"> • Communication campaigns for employees and the community • Direct communications with social organizations 	<ul style="list-style-type: none"> • Campaigns on social networks • Website • Sponsorships 
 Community		These national and international external organizations and government bodies regulate and audit industry processes and operations.	<ul style="list-style-type: none"> • Meetings and participation in sector associations and initiatives • Email
 Authorities	It refers to the media for dissemination and creation of informative content, private or public, which have a direct impact on Bridgestone and its environment.		<ul style="list-style-type: none"> • Email • Events
 Media			

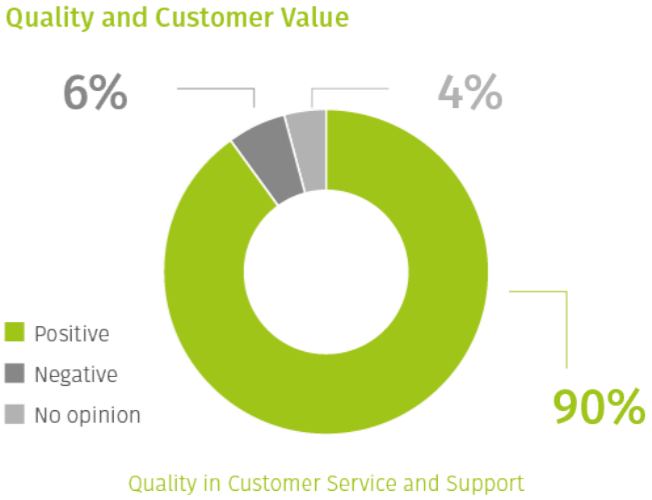
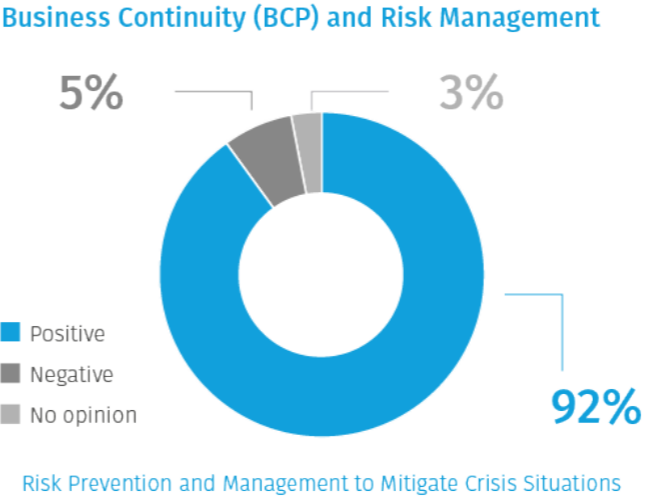
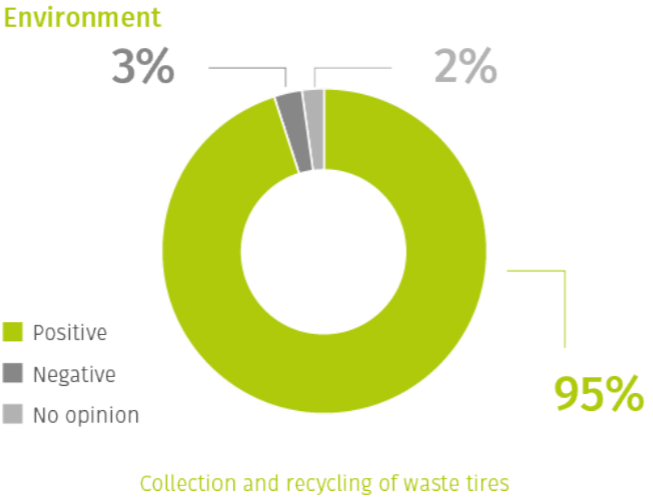
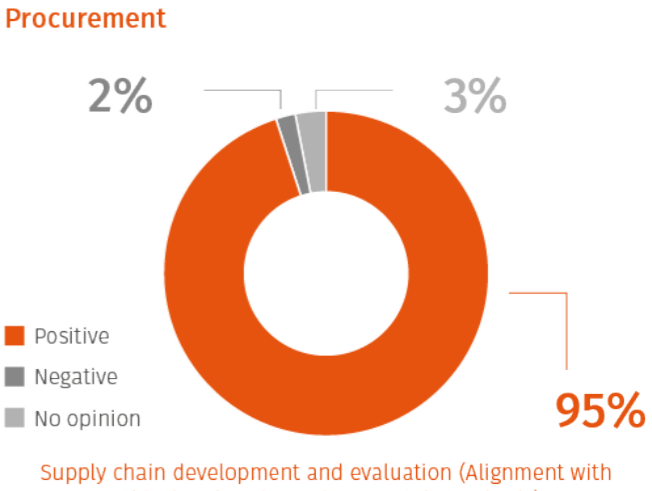
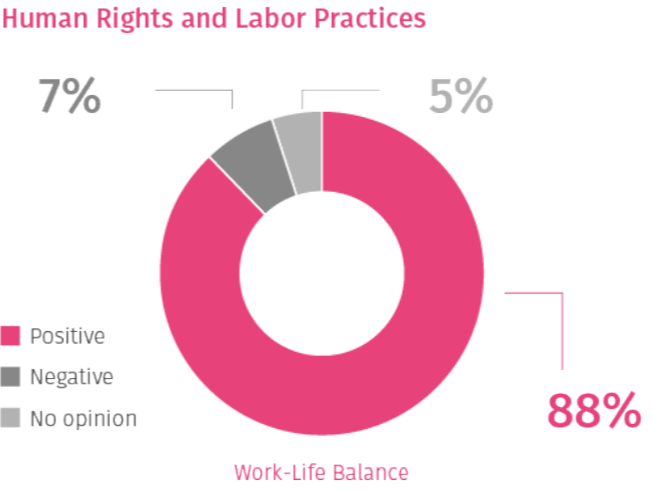
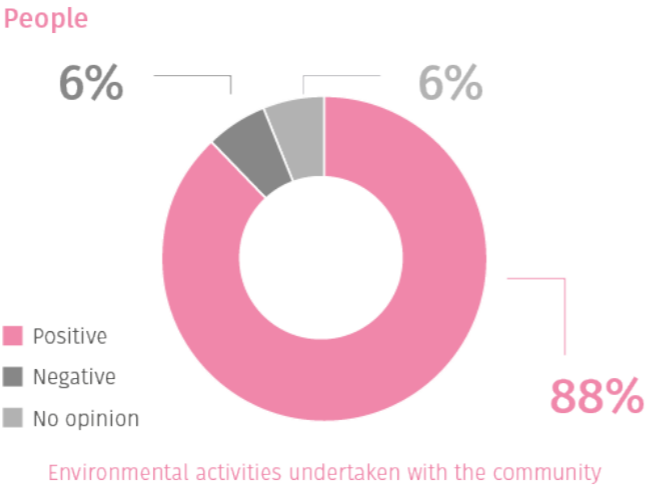
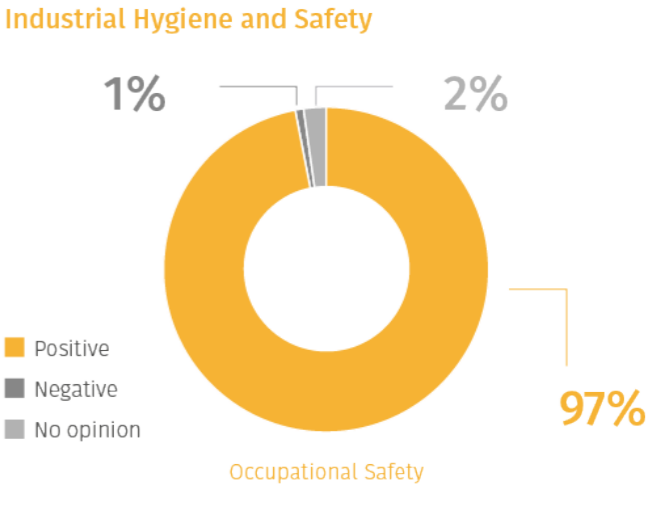
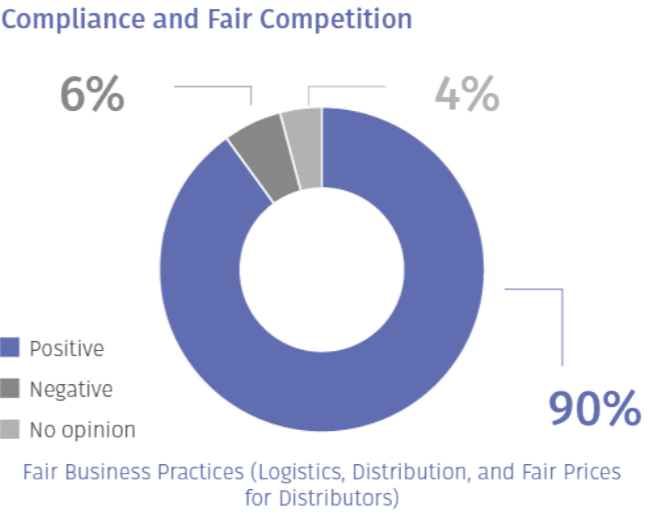
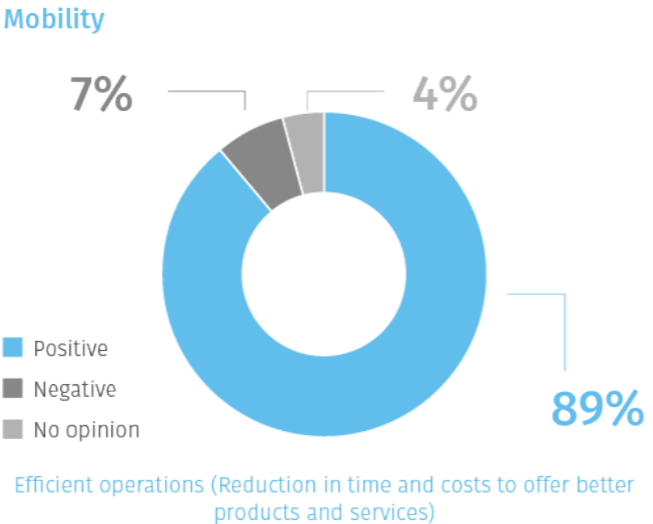
Materiality Analysis

In 2017, Bridgestone Latin America North (BSLAN) conducted a materiality analysis, which remains current, with the following objectives:

- ▶ Identify the perceptions of stakeholders regarding the company's performance regarding sustainability, consistent with Our Way to Serve (according to the three Priority Areas and six Management Fundamentals)
- ▶ Prioritize the expectations and/or needs of stakeholders through an indirect dialogue (survey), in order to establish the topics covered in this Sustainability Report

The materiality analysis was carried out in adherence to the GRI Guidelines and Standard G:35 of the Institute of Technical Standards of Costa Rica (INTECO). The materiality analysis focused initially on approaching internal and external stakeholders, so as to acknowledge their expectations and perceptions regarding sustainability at Bridgestone. In so doing, important topics were identified for the continued development of the company's regional sustainability plan, seeking to align priority points of the plan with the interests of the stakeholders and the company's business objectives.

Stakeholders were consulted regarding the company's performance and key reporting topics for each Priority Area and Management Fundamentals, concluding that in Costa Rica, there is a positive perception of the Company's sustainability, in excess of 91% on average.



GRI Content Index “in accordance” with GRI Standards: Comprehensive Option

GRI Standard	Disclosures	Page/Direct Answer	Omissions
GRI 101: Foundation 2016			
General Disclosures			
GRI 102: General Disclosures 2016	102-1 Name of the organization.	Scope p.69	
	102-2 Activities, brands, products, and services.	Products and Services p.19	
	102-3 Location of headquarters	Back cover p.87	
	102-4 Location of operations	Bridgestone Corporation in Figures p.10	
	102-5 Ownership and legal form	Scope p.69	
	102-6 Markets served	Products and Services p.19 Bridgestone Corporation in Figures p.10	
	102-7 Scale of the organization	Bridgestone Corporation in Figures p.15 Staff p.55	
	102-8 Information on employees and other workers	Staff p.55	
	102-9 Supply chain	Supply Chain p.63	
	102-10 Significant changes to the organization and its supply chain	Scope p.69	
	102-11 Precautionary Principle or approach	Business Continuity (BCP), Risk Management p.53	
	102-12 External initiatives	Awards and Certifications p.20 Contribution to the SDGs p.23	
	102-13 Membership of associations	Partnerships p.51	
	102-14 Statement from senior decision-maker	Message from the President and Managing Director p.5	
	102-15 Key impacts, risks, and opportunities	Message from the President and Managing Director p.5	
	102-16 Values, principles, standards, and norms of behavior	Corporate Philosophy p.9 Code of Conduct p.49	
	102-17 Mechanisms for advice and concerns about ethics	Canal de Denuncia Bridgeline p.50	

GRI Standard	Disclosures	Page/Direct Answer	Omissions
GRI 102: General Disclosures 2016	102-18 Governance structure	Corporate Governance p.11 https://www.bridgestone.com/corporate/locations/index.html	
	102-19 Delegating authority	Corporate Governance p.11 https://www.bridgestone.com/corporate/locations/index.html	
	102-20 Executive-level responsibility for economic, environmental, and social topics	CSR Governance p. 11	
	102-21 Consulting stakeholders on economic, environmental, and social topics	Materiality Analysis p.72	
	102-22 Composition of the highest governance body and its committees	Corporate Governance p.11 https://www.bridgestone.com/corporate/locations/index.html	
	102-23 Chair of the highest governance body	Corporate Governance p.11 https://www.bridgestone.com/corporate/locations/index.html	
	102-24 Nominating and selecting the highest governance body	Corporate Governance p.11 https://www.bridgestone.com/corporate/locations/index.html	
	102-25 Conflicts of interest	Corporate Governance p.11 https://www.bridgestone.com/corporate/locations/index.html	
	102-26 Role of highest governance body in setting purpose, values, and strategy	Corporate Governance p.11 https://www.bridgestone.com/corporate/locations/index.html	
	102-27 Collective knowledge of highest governance body	Corporate Governance p.11 https://www.bridgestone.com/corporate/locations/index.html	
	102-28 Evaluating the highest governance body's performance	Corporate Governance p.11 https://www.bridgestone.com/corporate/locations/index.html	
	102-29 Identifying and managing economic, environmental, and social impacts	CSR Governance p. 11	
	102-30 Effectiveness of risk management processes	Corporate Governance p.11 https://www.bridgestone.com/corporate/locations/index.html	

GRI Standard	Disclosures	Page/Direct Answer	Omissions
GRI 102: General Disclosures 2016	102-31 Review of economic, environmental, and social topics	CSR Governance p. 11	
	102-32 Highest governance body's role in sustainability reporting	CSR Governance p.11 Scope p.69	
	102-33 Communicating critical concerns	CSR Governance p. 11	
	102-34 Nature and total number of critical concerns	Corporate Governance p.11 https://www.bridgestone.com/corporate/locations/index.html	
	102-35 Remuneration policies	Corporate Governance p.11 https://www.bridgestone.com/corporate/locations/index.html	
	102-36 Process for determining remuneration	Corporate Governance p.11 https://www.bridgestone.com/corporate/locations/index.html	
	102-37 Stakeholders' involvement in remuneration	Corporate Governance p.11 https://www.bridgestone.com/corporate/locations/index.html	
	102-38 Annual total compensation ratio	Corporate Governance p.11 https://www.bridgestone.com/corporate/locations/index.html	
	102-39 Percentage increase in annual total compensation ratio	Corporate Governance p.11 https://www.bridgestone.com/corporate/locations/index.html	
	102-40 List of stakeholder groups	Stakeholders p.70	
	102-41 Collective bargaining agreements	N/A	
	102-42 Identifying and selecting stakeholders	Stakeholders p.70	
	102-43 Approach to stakeholder engagement	Stakeholders p.70	
	102-44 Key topics and concerns raised	Materiality Analysis p.72	
	102-45 Entities included in the consolidated financial statements	Scope p.69	
	102-46 Defining report content and topic Boundaries	Materiality Analysis p.72	
	102-47 List of material topics	Materiality Analysis p.72	
	102-48 Restatements of information	Scope p.69	
	102-49 Changes in reporting	Scope p.69	

GRI Standard	Disclosures	Page/Direct Answer	Omissions
GRI 102: General Disclosures 2016	102-50 Reporting period	Scope p.69	
	102-51 Date of most recent report	Scope p.69	
	102-52 Reporting cycle	Scope p.69	
	102-53 Contact point for questions regarding the report	Scope p.69	
	102-54 Claims of reporting in accordance with the GRI Standards	Scope p.69	
	102-55 GRI content index	GRI Content Index p.74	
	102-56 External assurance	Independent Assurance Report p.84	

Material Topics

Economic		
Procurement Practices		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Procurement p.63
	103-2 The management approach and its components	Procurement p.63
	103-3 Evaluation of the management approach	Procurement p.63
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Supply Chain p.63
Anti-corruption		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Compliance, Fair Competition p.49
	103-2 The management approach and its components	Compliance, Fair Competition p.49
	103-3 Evaluation of the management approach	Compliance, Fair Competition p.49
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Compliance Committee p.49
	205-2 Communication and training about anti-corruption policies and procedures	2018 Ethics and Compliance Training p.49
	205-3 Confirmed incidents of corruption and actions taken	BridgeLine Reporting Channel p.50

GRI Standard	Disclosures	Page/Direct Answer	Omissions
Environmental			
Energy			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Value Natural Resources p.42	
	103-2 The management approach and its components	Value Natural Resources p.42	
	103-3 Evaluation of the management approach	Value Natural Resources p.42	
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Energy and Fuel Consumption p.42	
	302-2 Energy consumption outside of the organization	Energy and Fuel Consumption p.42	
	302-3 Energy intensity	Energy and Fuel Consumption p.42	
GRI 302: Energy 2016	302-4 Reduction of energy consumption	Energy and Fuel Consumption p.42	
	302-5 Reductions in energy requirements of products and services	Energy and Fuel Consumption p.42	
Water			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Value Natural Resources p.42	
	103-2 The management approach and its components	Value Natural Resources p.42	
	103-3 Evaluation of the management approach	Value Natural Resources p.42	
GRI 303: Water 2016	303-1 Water withdrawal by source	All water used in Bridgestone Costa Rica is underground and obtained through wells.	
	303-2 Water sources significantly affected by withdrawal of water	No water sources of this type have been affected.	
	303-3 Water recycled and reused	Treated Water and Water Discharge p.43	

GRI Standard	Disclosures	Page/Direct Answer	Omissions
Biodiversity			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	In Harmony with Nature p.38	
	103-2 The management approach and its components	In Harmony with Nature p.38	
	103-3 Evaluation of the management approach	In Harmony with Nature p.38	
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Bridgestone Costa Rica operates on urban lands; therefore it does not impact any protected natural areas and/or biodiversity.	
	304-2 Significant impacts of activities, products, and services on biodiversity	Bridgestone Costa Rica activities do not have a significant impact on biodiversity.	
	304-3 Habitats protected or restored	Beach Cleaning p.38	
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	Bridgestone Costa Rica operates on urban lands; therefore it does not impact any protected natural areas and/or biodiversity.	
Emissions			
103-1 Explanation of the material topic and its Boundary	Reducing CO2 Emissions p.45	Reducing CO2 Emissions p.45	
	103-2 The management approach and its components	Reducing CO2 Emissions p.45	
	103-3 Evaluation of the management approach	Reducing CO2 Emissions p.45	
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Direct and Indirect CO2e Emissions p.45	
	305-2 Energy indirect (Scope 2) GHG emissions	Direct and Indirect CO2e Emissions p.45	
	305-3 Other indirect (Scope 3) GHG emissions	Scope-3 GHG emissions is not registered.	
	305-4 GHG emissions intensity	GHG emissions intensity is not registered.	
	305-5 Reduction of GHG emissions	Reducing CO2 Emissions p.45	
	305-6 Emissions of ozone-depleting substances (ODS)	Bridgestone Costa Rica does not emit ozone-depleting substances.	
	305-7 Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	Other GHG emissions p.45	

GRI Standard	Disclosures	Page/Direct Answer	Omissions
Effluents and Waste			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Waste p.44	
	103-2 The management approach and its components	Waste p.44	
	103-3 Evaluation of the management approach	Waste p.44	
GRI 306: Effluents and Waste 2016	306-1 Water discharge by quality and destination	The quality of the water discharged to the municipal sewer system fully complies with law as it is part of an internal wastewater treatment plant.	
	306-2 Waste by type and disposal method	Waste Disposal p.44	
	306-3 Significant spills	No cases of this type occurred.	
	306-4 Transport of hazardous waste	No hazardous waste is transported.	
	306-5 Water bodies affected by water discharges and/or runoff	No spills occurred.	
Environmental Compliance			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Compliance, Fair Competition p.49	
	103-2 The management approach and its components	Compliance, Fair Competition p.49	
	103-3 Evaluation of the management approach	Compliance, Fair Competition p.49	
GRI 307: Environmental Compliance 2016	307-1 Non-compliance with environmental laws and regulations	Regulatory Compliance p.51	
Social			
Employment			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Human Rights, Labor Practices p.55	
	103-2 The management approach and its components	Human Rights, Labor Practices p.55	
	103-3 Evaluation of the management approach	Human Rights, Labor Practices p.55	

GRI Standard	Disclosures	Page/Direct Answer	Omissions
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Staff p.55	
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Respect for Diversity p.56	
	401-3 Parental leave	Respect for Diversity p.56	
Occupational Health and Safety			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Safety, Industrial Hygiene p.59	
	103-2 The management approach and its components	Safety, Industrial Hygiene p.59	
	103-3 Evaluation of the management approach	Safety, Industrial Hygiene p.59	
GRI 403: Occupational Health and Safety 2016	403-1 Workers representation in formal joint management– worker health and safety committees	Health and Safety Commission p.59	
	403-2 Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	Workplace Accidents p.59	
	403-3 Workers with high incidence or high risk of diseases related to their occupation	No cases of this type occurred.	
	403-4 Health and safety topics covered in formal agreements with trade unions	N/A	
Non-Discrimination			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Respect for Diversity p.56	
	103-2 The management approach and its components	Respect for Diversity p.56	
	103-3 Evaluation of the management approach	Respect for Diversity p.56	
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	BridgeLine Reporting Channel p.50	

GRI Standard	Disclosures	Page/Direct Answer	Omissions
Human Rights Assessment			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Human Rights, Labor Practices p.55	
	103-2 The management approach and its components	Human Rights, Labor Practices p.55	
	103-3 Evaluation of the management approach	Human Rights, Labor Practices p.55	
GRI 412: Human Rights Assessment	412-1 Operations that have been subject to human rights reviews or impact assessments	BridgeLine Reporting Channel p.50	
	412-2 Employee training on human rights policies or procedures	2018 Ethics and Compliance Training p.49	
	412-3 Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	No cases of this type occurred.	
Local Communities			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	People p.31	
	103-2 The management approach and its components	People p.31	
	103-3 Evaluation of the management approach	People p.31	
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Volunteering p. 32	
	413-2 Operations with significant actual and potential negative impacts on local communities	No cases of this type occurred.	
Supplier Social Assessment			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Procurement p.63	
	103-2 The management approach and its components	Procurement p.63	
	103-3 Evaluation of the management approach	Procurement p.63	
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Supplier Training, Development, and Evaluation p.63	
	414-2 Negative social impacts in the supply chain and actions taken	No cases of this type occurred.	

GRI Standard	Disclosures	Page/Direct Answer	Omissions
Customer Health and Safety			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Mobility p.27	
	103-2 The management approach and its components	Mobility p.27	
	103-3 Evaluation of the management approach	Mobility p.27	
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	Think Before You Drive p.28	
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	No cases of this type occurred.	
Socioeconomic Compliance			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Compliance, Fair Competition p.49	
	103-2 The management approach and its components	Compliance, Fair Competition p.49	
	103-3 Evaluación del enfoque de gestión	Cumplimiento Regulatorio y Competencia Justa p.49	
GRI 419: Cumplimiento socioeconómico 2016	419-1 Incumplimiento de las leyes y normativas en los ámbitos social y económico	Cumplimiento Normativo p.51	

Independent Assurance Report



Letter of Independent Verification

To the Stakeholders of Bridgestone de Costa Rica, S.A. and readers of this Report

Firma Social S.C. (AuditaRSE), at the request of Bridgestone de Costa Rica, S.A., has conducted an independent verification of its Sustainability Report for the year 2018.

Scope

The scope of the verification was based on review of the contents and performance indicators presented in the report, while preparation of the document and the opinions it contains are the responsibility of Bridgestone de Costa Rica, S.A.

Our work consisted of issuing an independent and responsible opinion on the reliability of the information contained by obtaining appropriate and sufficient evidence to this end.

Verification Process

Our review was based on ISAE 3000 and Accountability AA1000 standards and the Global Reporting Initiative (GRI) methodology for preparation of sustainability reports, in accordance with the GRI Standards for the Comprehensive option, as well as the seventeen UN Sustainable Development Goals.

Verification was conducted in the corporate offices of Bridgestone Latin America North, located at Juan Vázquez de Mella No. 481 Piso 4, Col. Los Morales Polanco, Delegación Miguel Hidalgo, C.P. 11510 Ciudad de México, conducting the following reviews:

- Physical Review: Validation and analysis of the aspects described in the report.
- Testimonials: Interviews to understand the management and depth of social responsibility programs.
- Document Review: Examination of the data and information contained in the report through:
 - Verification of external and internal evidence that supports the information presented.
 - Review of the systems, processes, and procedures used to collect, consolidate, and report data presented in aggregate form.
 - Validation of the consistency of the information presented with regard to the previous report and the progress of relevant programs and indicators.

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The review process considered the GRI Standards identified in the Materiality Assessment as well as others applicable to the report's content, in addition to the seventeen UN Sustainable Development Goals.

The GRI Standards validated as having been met are listed below:

102-1	102-11	102-21	102-31	102-42	102-52	203-2	302-4	305-7	404-3
102-2	102-12	102-22	102-32	102-43	102-53	204-1	302-5	306-1	412-1
102-3	102-13	102-23	102-33	102-44	102-54	205-1	303-1	306-2	412-2
102-4	102-14	102-24	102-34	102-45	102-55	205-2	303-3	307-1	413-1
102-5	102-15	102-25	102-35	102-46	102-56	205-3	304-3	308-1	414-1
102-6	102-16	102-26	102-36	102-47	103-1	301-2	305-1	401-1	416-1
102-7	102-17	102-27	102-37	102-48	103-2	301-3	305-2	403-1	419-1
102-8	102-18	102-28	102-38	102-49	103-3	302-1	305-3	403-2	
102-9	102-19	102-29	102-39	102-50	201-1	302-2	305-4	404-1	
102-10	102-20	102-30	102-40	102-51	203-1	302-3	305-5	404-2	

Conclusions

Based on the verification works we conducted for this report, we were able to observe the importance given to the development, implementation, and maintenance of various programs and activities that fully support the Bridgestone Corporate Philosophy on social responsibility, in turn contributing to meeting the requirements of the various stakeholders.

There being no evidence of any discrepancy or contradiction in the information presented, we believe that the **Bridgestone de Costa Rica, S.A. 2018 Sustainability Report** contains reliable information that coherently and reasonably reflects the results from the reporting period in accordance with the Global Reporting Initiative Standards for the Comprehensive option, and in adherence with the seventeen UN Sustainable Development Goals.

Mexico City, August 20, 2019.

C.P. Guillermo Suárez Soriano
AuditaRSE

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Sustainability Report 2018
Costa Rica