

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD) RESPONSE

DECEMBER 2022

GOVERNANCE

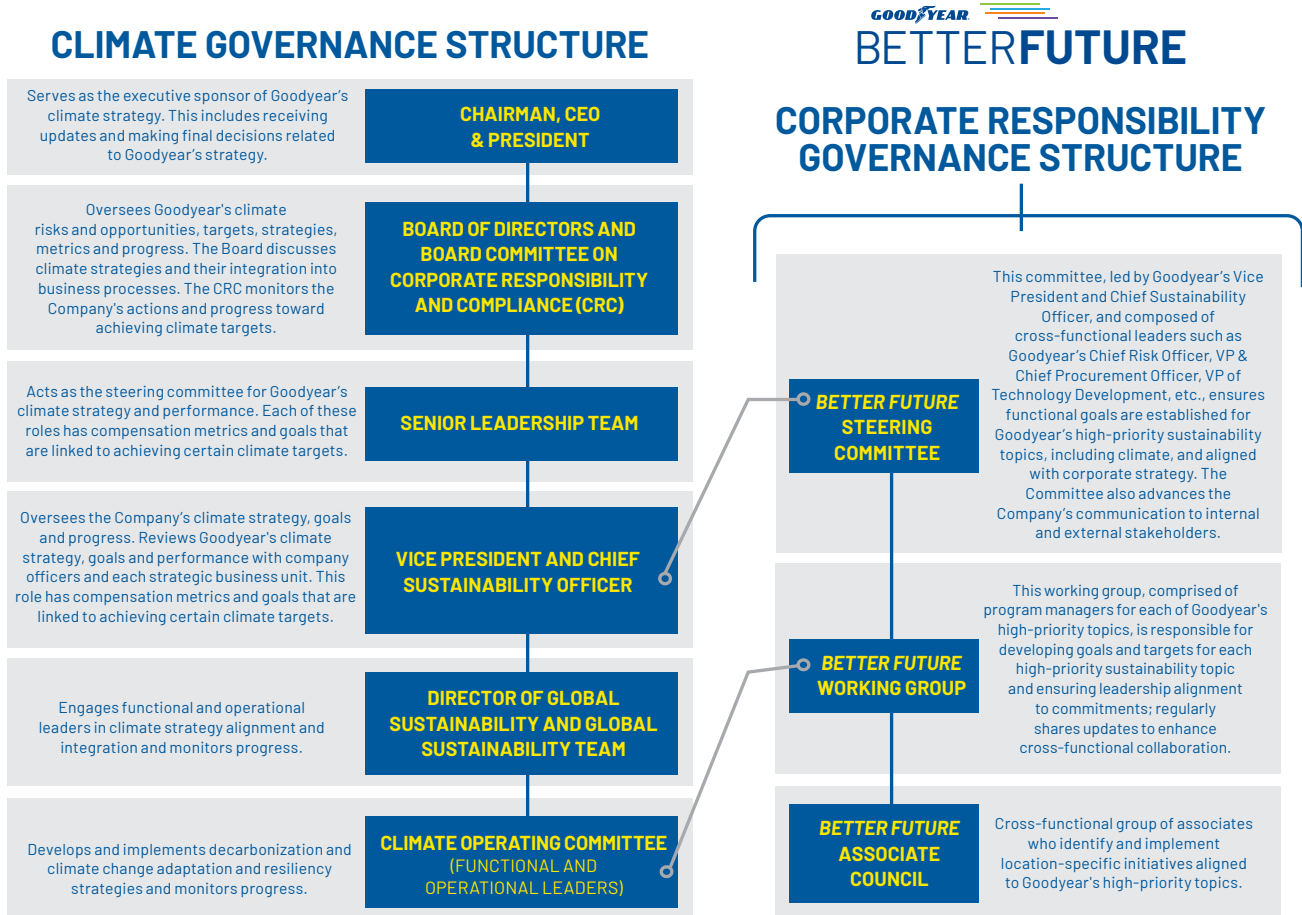
Disclose the organization’s governance around climate-related risks and opportunities.

a) Describe the board’s oversight of climate-related risks and opportunities.

The Goodyear Tire & Rubber Company (“Goodyear” or the “Company”) Board of Directors (“Board”) is committed to overseeing the company’s environmental, social and governance (“ESG”) impacts, risks and opportunities, and the prioritization and integration of ESG strategies. This positions Goodyear to operate responsibly, act with integrity, compete effectively and sustain long-term shareholder value. The Board annually reviews climate-related risks and opportunities, targets, climate strategies, metrics and progress. The Board discusses the strategies and their integration into business processes.

In 1976, the Board of Directors formed the Committee on Corporate Responsibility and Compliance (“CRC”), which is responsible for monitoring and providing recommendations on how the Company manages its business in a responsible manner, including its environmental, social and governance objectives, policies, strategies, programs and performance. This includes the responsibility to monitor the Company’s climate strategy, sustainability initiatives and compliance with environmental laws and regulations. The CRC, comprised of no fewer than three members of the Company’s Board and currently comprised of five members, meets three times a year to review and receive updates from management related to ESG matters. These Board members receive reports and updates from Goodyear’s Vice President and Chief Sustainability Officer, including being informed on and discussing climate-related items. The CRC has received climate-related updates for many years.

The Board and CRC support the work underway regarding the Company’s climate-related risk and opportunity materiality assessment, scenario analysis, financial impact assessment and creation of a decarbonization roadmap. The Board and CRC will review the results of these efforts for purposes of evaluating Goodyear’s climate strategy and action. This Board oversight increases Goodyear’s focus on climate-related risks and opportunities and their impacts on the Company’s business, strategy and financial planning, as well as risk management processes.



b) Describe management’s role in assessing and managing climate-related risks and opportunities.

Goodyear’s climate-specific governance structure helps the Company maximize accountability for climate-related risk and opportunity assessments and for the integration and ongoing management of a climate strategy into the Company’s overall corporate responsibility framework.

Climate Governance Structure

Chairman, CEO & President: Serves as the executive sponsor of Goodyear’s climate strategy. This includes receiving updates and making final decisions related to Goodyear’s strategy.

Goodyear’s Board of Directors and Board Committee on Corporate Responsibility and Compliance (CRC): Oversees Goodyear’s climate risks and opportunities, targets, strategies, metrics and progress. The Board discusses climate strategies and their integration into business processes. The CRC monitors the Company’s actions and progress toward achieving climate targets.

Senior Leadership Team: Acts as the steering committee for Goodyear’s climate strategy and performance. Each of these roles has compensation metrics and goals that are linked to achieving certain climate targets.

Vice President and Chief Sustainability Officer: Oversees the Company’s climate strategy, goals and progress. Reviews Goodyear’s climate strategy, goals and performance with company officers and each strategic business unit. This role has compensation metrics and goals that are linked to achieving certain climate targets.

Director of Global Sustainability & Global Sustainability Team: Engages functional and operational leaders in climate strategy alignment and integration and monitors progress.

Climate Operating Committee (Functional & Operational Leaders): Develops and implements decarbonization and climate change adaptation and resiliency strategies and monitors progress.

Goodyear Better Future Corporate Responsibility Governance: Following an extensive materiality assessment in 2018, the Company’s current corporate responsibility framework, Goodyear *Better Future*, was launched to illustrate Goodyear’s high-priority ESG topics. This framework’s governance structure helps ensure corporate responsibility is integrated into all levels of the organization, promotes communication and awareness and drives alignment with Goodyear’s corporate strategy and stakeholder priorities.

Better Future Steering Committee: This committee, led by Goodyear’s Vice President and Chief Sustainability Officer, and composed of cross-functional leaders such as Goodyear’s Chief Risk Officer, VP & Chief Procurement Officer, VP of Technology Development, etc., ensures functional goals are established for Goodyear’s high-priority sustainability topics, including climate, and aligned with corporate strategy. The Committee also advances the Company’s communication to internal and external stakeholders.

Better Future Working Group: This working group, comprised of program managers for each of Goodyear’s high-priority topics, is responsible for developing goals and targets for their respective topics and ensuring leadership alignment to these commitments. The working group regularly shares updates to enhance cross-functional collaboration.

Better Future Associate Council: This is a cross-functional group of associates who identify and implement location-specific initiatives aligned to Goodyear’s high-priority topics.

STRATEGY

Disclose the actual and potential impacts of climate-related risks and opportunities on the organization’s businesses, strategy, and financial planning where such information is material.

a) Describe the climate-related risks & opportunities the organization has identified over the short, medium, and long term.

Taking into consideration the useful life of Goodyear’s assets and the fact that climate-related issues often manifest themselves over the medium and longer terms, the following short-, medium- and long-term time horizons were considered relevant in Goodyear’s climate-related risk assessment:

- Short term:** 0-5 years
- Medium term:** 5-10 years
- Long term:** 10-30 years

Through the Company’s assessments, as described in disclosure of Risk Management (a), Goodyear’s finance team evaluated 15 climate-related risks and opportunities and identified the following to be the most material risks and opportunities.

Material Climate-Related Risks

Risk 1: Severe weather events occurring in the supply chain

Risk Type: Physical – Acute

Value Chain Impact Area: Upstream

Relevant Time Horizon: Short term

Description: Goodyear is subject to risks due to interruptions in the supply side of its value chain due to chronic weather events. Where not able to be managed, these interruptions may either delay or prevent the successful production of Goodyear’s products. Added costs could be incurred, but not limited to, the following areas: managing supply chain issues, managing operational consequences on production, increased material costs, added logistics and customer management. Goodyear has experienced such weather-related supply interruptions on several occasions in the past decade, including those related to tornadoes, flooding and freezing, affecting its operations both in the United States and overseas. A recent example is the widespread freezing event that occurred across a wide, non-winterized area of the southern United States in early 2021.

Risk 2: Severe weather events occurring at owned facilities

Risk Type: Physical – Acute

Value Chain Impact Area: Direct operations

Relevant Time Horizon: Short term

Description: Goodyear is exposed to risks of extreme weather events interrupting its owned operational facilities. As a global manufacturing company with 57 manufacturing locations, weather impacts can disrupt operations, even though Goodyear’s manufacturing operations strive to have the flexibility to quickly adapt. In recent years, Goodyear was impacted by hurricanes of moderate severity. For example, the Company’s U.S. operations saw significant flood-related costs in 2017 and 2019 associated with hurricanes Harvey, Irma and Imelda. Costs can be incurred in managing interruptions from these events, repairing damaged equipment, and lost revenue where product manufacturing and delivery is compromised. The unpredictability of these kinds of extraordinary incidents demands effective business continuity efforts, including the implementation of emergency response and recovery procedures.

Risk 3: Carbon pricing mechanisms imposed on the direct emissions of greenhouse gases in operations

Risk Type: Current Regulation – Mandates on and regulation of existing products and services

Value Chain Impact Area: Direct operations

Relevant Time Horizon: Medium term

Description: Goodyear is potentially subject to carbon taxes and similar mechanisms that create an explicit “cost of carbon.” Goodyear facilities may become subject to further limitations on the emission of greenhouse gases due to public policy concerns regarding climate change issues or other environmental or health and safety concerns. For example, cap and trade schemes are an evolving mechanism in the European Union (EU) where Goodyear has significant operations. The purpose of the EU Emission Trading Scheme (ETS) is to limit carbon emissions by driving greater energy efficiencies and increasing the use of low-carbon energy sources or risk the required purchase of carbon emission credits. While the form of any additional regulations cannot be predicted, a system similar to the one adopted in the EU could be adopted in the United States. Any such “carbon tax” system (including the system currently in place in the EU) or other fees imposed on the emission of greenhouse gases could require Goodyear to pay taxes, acquire emission credits and/or restructure its manufacturing operations, any of which could have a material adverse effect on Goodyear’s operating results, financial condition and liquidity. Furthermore, similar costs to Goodyear suppliers might be indirectly passed to the Company.

Material Climate-Related Opportunities

Opportunity 1: Increased market demand for products and services

Opportunity Type: Products and services

Value Chain Impact Area: Direct operations

Relevant Time Horizon: Short term

Description: Goodyear sees an opportunity to increase its market share and therefore revenue through marketplace benefits associated with strong climate performance. These benefits may occur through increased brand value or product-specific demand from Original Equipment Manufacturers (OEM) customers and/or consumers.

For example, recognizing the potential impact of tires on vehicle carbon emissions during use, governments in Europe, Japan, Korea, the United States, China and Brazil are progressing on consumer information labeling programs for tires sold in each respective country. The purpose of these programs is to 1) enable each country to reduce carbon emissions, 2) inform the tire-buying public of the impact the tires they select have on vehicle fuel efficiency and other attributes (e.g., wet grip, noise) and 3) influence customer-buying habits to select lower carbon-emitting tires (through the tire’s rolling resistance). The first of these tire labeling programs became effective in 2012 in the EU. A revised law applies in Europe as of May 2021. While the introduction of this program did not have any major impact on consumer preference for best-labeled products, these mandatory/government-mandated labeling programs provide a basis for both consumers and Goodyear’s OEM customers to distinguish its products. Goodyear believes these comparisons will showcase the Company’s technological innovations and its award-winning products, such as the Assurance Fuel Max in the U.S. and EfficientGrip in Europe.

Additionally, Goodyear’s lifecycle assessment (LCA) results point to the product-use phase as representing the greatest opportunity to reduce greenhouse gas (GHG) emissions associated with tires. Goodyear can help influence fuel efficiency through its tires’ rolling resistance and weight. A tire with low rolling resistance consumes less fuel and emits fewer GHG emissions. To do so, tire construction must reduce unnecessary weight and minimize energy losses in the tire, while providing performance. Therefore, Goodyear tests rolling resistance and weight reduction advancements with wet and winter grip to ensure top performance. To illustrate its commitment to improve vehicle fuel efficiency, Goodyear has goals to reduce rolling resistance by 40% and reduce tire weight by 9% for its global consumer tire portfolio by 2025 from a 2005 baseline.

Further, the EU is continuing to focus on circular economy aiming at, for example, resource efficiency, carbon neutrality and safe, high-quality and long-lasting products. Circular economy is a pillar in the EU Green Deal adopted in December 2019, which set goals for the digitalization and carbon neutrality of Europe by 2050. An opportunity for tires in this context could be higher market uptake of retreaded commercial tires and tires with high performances in, for example, public procurement.

Opportunity 2: Development of climate adaptation solutions in the supply chain

Opportunity Type: Products and services

Value Chain Impact Area: Upstream

Relevant Time Horizon: Medium term

Description: Goodyear sees an opportunity to avoid costs from supply chain interruptions through successful efforts to encourage and support its supply chain partners in effective climate action and preparedness. Goodyear invests in suppliers' technologies, and at Goodyear's significant scale, this may help to secure future supply and efficiencies and lead to less downtime.

As with all tire manufacturers, natural rubber pricing can impact Goodyear's financial performance. Climate change, particularly in Southeast Asia's tropical rainforest region, may have the potential to negatively impact the supply of natural rubber and, consequently, Goodyear's supply costs. With approximately 90% of global natural rubber production concentrated in Southeast Asia, changes in either annual rainfall or temperature can affect the production of natural rubber from rubber trees. Although there is no absolute substitution for natural rubber for all tire applications, synthetic rubber alternatives have been developed for most applications. This poses an opportunity for the industry to increase the sustainability in natural rubber supply chains. Such considerations are also relevant against the background of the EU's intentions for tabling draft legislation in 2021 to minimize EU-imported deforestation, as well as render more sustainable supply chains and corporate operations.

Opportunity 3: Leadership in supplying tires to the emerging market for electric vehicles

Opportunity Type: Products and services

Value Chain Impact Area: Direct operations

Relevant Time Horizon: Short term

Description: Goodyear sees an opportunity for increased market share through effective action to lead in the emerging market for electric vehicles, which is supported by the drive to deliver climate solutions. Goodyear believes the electrification of the vehicle fleet to be a key enabler for the transition to a substantially lower carbon-emitting transport sector. The Company anticipates this trend to continue to advance very quickly in the coming decade, as evidenced by the rapid increase in market share of electric vehicles (EVs) in recent years and the many policy actions around the world that encourage this transition.

Many of Goodyear's customers have committed to increasing their share of EVs from 2021-2030. As the automotive industry evolves, Goodyear will provide a wider range of products and services to remain competitive, including products that require additional capability to manufacture as well as related services. The growing trend of consumer fleets of electric vehicles coincides with similar trends such as shared vehicles, autonomous vehicles and connected vehicles and is driving the need for new tire technology to support the future of mobility. Goodyear products offer a competitive level of performance to maintain market share and meet the needs of the evolving customer. The potential advancements in this segment provide growth opportunities for Goodyear.

Such shifts in the market create an opportunity for repositioning of the key market players, as well as new market entrants. Goodyear has already been working to ensure a strong position in the EV market and sees an opportunity for continued success in this area. Goodyear's principal business is the development, manufacturing, distribution and sale of tires and related products and services worldwide. Goodyear has the knowledge and experience to develop and provide tires that will continue to meet the ever-increasing need for low-emission goods and services.

b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.

During the qualitative scenario analysis, as described in the disclosure of Risk Management (a), participants including senior executives and functional leaders for risk, finance, sustainability, strategy, business continuity, sales, procurement, supply chain and manufacturing described how the relevant climate-related risks and opportunities might impact Goodyear's business, strategy and financial planning. Participants considered the impact on all aspects of the full value chain (including procurement, upstream and downstream logistics, operations, manufacturing, customers and markets) and financial performance (revenues, expenditures, assets, liabilities, capital and financing). This exercise revealed that these relevant risks and opportunities have the potential to cause dynamic and complex impacts—meaning that multiple aspects of the value chain and financial performance are impacted, and the magnitude of impact is linked to that of other risks and opportunities.

During the quantitative financial impact assessment, the complex impacts of relevant risks and opportunities identified and mapped during the qualitative scenario analysis were used to develop formulas for estimating the financial impacts they might have on the business. See Risk Management disclosure (a) for additional information on parameters, assumptions, analytical choices and data sources used in the Financial Impact Assessment. Material climate-related risks and opportunities—identified as described in Risk Management (a)—were estimated to have the following potential impacts on Goodyear's business:

Risk	Primary Potential Financial Impact	Potential Financial Impact Figure (US\$) 2023-2030	Cost of Response to Risk (US\$)
Risk 1: Severe weather events occurring in the supply chain	Increased indirect (operating) costs	210,000,000*	981,000,000**
Risk 2: Severe weather events occurring at owned facilities	Decreased revenues due to reduced production capacity	180,000,000*	21,600,000***
Risk 3: Carbon pricing mechanisms imposed on the direct emissions of greenhouse gases in operations	Increased indirect (operating) costs	92,000,000*	4,000,000,000****

Opportunity	Primary Potential Financial Impact	Potential Financial Impact Figure (US\$)	Cost to Realize Opportunity (US\$)
Opportunity 1: Increased market demand for products and services	Increased revenues resulting from increased demand for products and services	395,000,000*	4,000,000,000****
Opportunity 2: Development of climate adaptation solutions in the supply chain	Reduced direct costs	21,000,000*	4,000,000,000****
Opportunity 3: Leadership in supplying tires to the emerging market for electric vehicles	Increased revenues resulting from increased demand for products and services	240,000,000*	4,000,000,000****

*An explanation for how these figures were determined can be found in [Goodyear's 2022 CDP response](#).

**Please note that where "Cost of Response to Risk" has a value of 981 million USD, this figure represents Goodyear's total capital expenditure in 2021, where a portion of this spend was allocated to various initiatives.

***Please note that Goodyear budgets 2.7 million USD annually for its business continuity response to risks that include hurricanes and other natural incidents and events. For the 2023-2030 period, this could equate to approximately 21.6 million USD; however, major incidents and events are not currently impacting Goodyear on an annual basis.

****Please note that where "Cost of Response to Risk" and "Cost to Realize Opportunity" have a value of 4 billion USD, this figure represents Goodyear's total expected R&D spend over the period from 2023-2030 based on recent annual expenses of this type. While Goodyear's R&D focuses on a variety of product and technology improvements, only a portion of these expenditures will be dedicated to projects directly related to each of these material risks and opportunities over the relevant period.

Key metrics pertaining to climate-related risks and opportunities serving as inputs to the financial planning process are described in Metrics and Targets disclosure (a).

As described in Metrics and Targets disclosure (c), Goodyear has set time-bound targets for the reduction of its GHG emissions. To achieve these targets, Goodyear is developing a climate strategy that includes specific actions to decarbonize its value chain. Based on Goodyear's carbon footprint, focus areas for decarbonization include Scope 1, Scope 2 and Scope 3 emissions, specifically purchased goods and services, upstream energy impacts, logistics and use phase.

The implementation of climate strategies and achievement of emissions reduction targets will contribute to the mitigation of transition risks, such as Risk 3, as well as the recognition of climate opportunities, such as Opportunities 1 and 2. For example, one action within the climate strategy focuses on replacing energy used in operations with either low-carbon or renewable alternatives that will decrease direct emissions and greatly mitigate Goodyear's exposure to Risk 3. Another action to be implemented through the climate strategy is the substitution of raw materials for low-carbon alternatives that would reduce the emissions associated with Goodyear's products while contributing to the realization of Opportunity 1. Goodyear's climate strategies are being further developed and financially modeled for senior leader review. Additional information about Goodyear's climate strategy will be found in Goodyear's 2022 corporate responsibility report. Going forward, the Company plans to document its progress against the established climate goals and strategies in Goodyear's annual corporate responsibility report.

In addition, Goodyear is integrating its climate ambition into its annual planning processes. For example, Goodyear recently aligned its capital expenditure categorization with the EU taxonomy in order to measure capital expenditures toward climate change mitigation and climate change adaptation. This integration into additional planning processes will continue into 2023.

c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.

If material climate-related risks are not addressed with adequate risk mitigation and adaptation strategies, Goodyear's business, strategy and financial performance could be negatively affected. Please see the descriptions of each material risk described in Strategy disclosure (a) for a detailed explanation of how each risk could potentially impact financial performance. More generally, increased costs and loss of revenue—as quantified in Strategy disclosure (b)—have the potential to reduce profit margins, and, if prolonged, these negative impacts on financial performance could impact Goodyear's ability to deliver against its business strategy. However, during the qualitative scenario analysis, as described in Risk Management disclosure (a), participants including senior executives and functional leaders for risk, finance, sustainability, strategy, business continuity, sales, procurement, supply chain and manufacturing identified numerous ways in which Goodyear is already implementing risk mitigation and adaptation measures that bolster resiliency and capture climate opportunities.

An example of Goodyear's resilience can be seen when considering the risk of "severe weather events occurring at owned facilities" (Risk 2). To mitigate this risk, Goodyear can expand manufacturing capabilities for critical SKUs across locations so that, under the extreme physical risk scenario, if one manufacturing facility were damaged or interrupted temporarily, the volumes produced there could be supplemented by or shifted to other sites.

Goodyear's Business Continuity function—as described in Risk Management disclosure (c)—develops and deploys Business Continuity Plans (BCPs) designed to minimize physical damage and interruption at Goodyear-owned facilities. The continued successful execution of these plans can mitigate physical risk to operations and maintain resilience in the short- and medium-term timeframes. In the long term, under the extreme physical risk conditions of the "Failed Transition Scenario" utilized in the scenario analysis, Goodyear may explore additional risk mitigation and adaptation measures. Goodyear's Business Continuity function is designed and positioned to react and adapt to even extreme physical risks in the long-term time horizon (i.e., 10 to 30 years).

Goodyear expects that its climate targets—as described in Metrics and Targets disclosure (c)—and the successful execution of the climate strategy—as described in Strategy disclosure (b)—that is designed to achieve Goodyear's climate targets will result in mitigation of the transition risk "carbon pricing mechanisms imposed on the direct emissions of greenhouse gases in operations" (Risk 3) across the short, medium and long term. Goodyear anticipates this robust and science-aligned climate strategy over the coming years will build Goodyear's resilience to its material climate-related risks.

Another example of Goodyear's resilience can be seen when considering the potential risk associated with the transition to lower-emissions technologies in the automotive market. Goodyear considered how such a technological shift will require the Company to advance its business model to meet growing demand for tires designed for electric and other types of low-carbon vehicles. Goodyear identified "leadership in supplying tires to the emerging market for electric vehicles" (Opportunity 3) as a material climate-related opportunity. Based on Goodyear's ongoing and planned growth in the market for manufacturing tires for electric vehicles, Goodyear is not only planning to mitigate impacts associated with this development, but also working to be a leader in this space to realize this opportunity.

Some of the material climate opportunities directly counteract material risks; therefore, implementation of climate strategies may serve a dual purpose not only to capture new opportunities but also to simultaneously mitigate emerging risks.

See Risk Management disclosure (a) for a description of the climate scenarios and associated time horizons considered. See Strategy disclosure (b) for the potential impact of climate-related issues on financial performance and position.

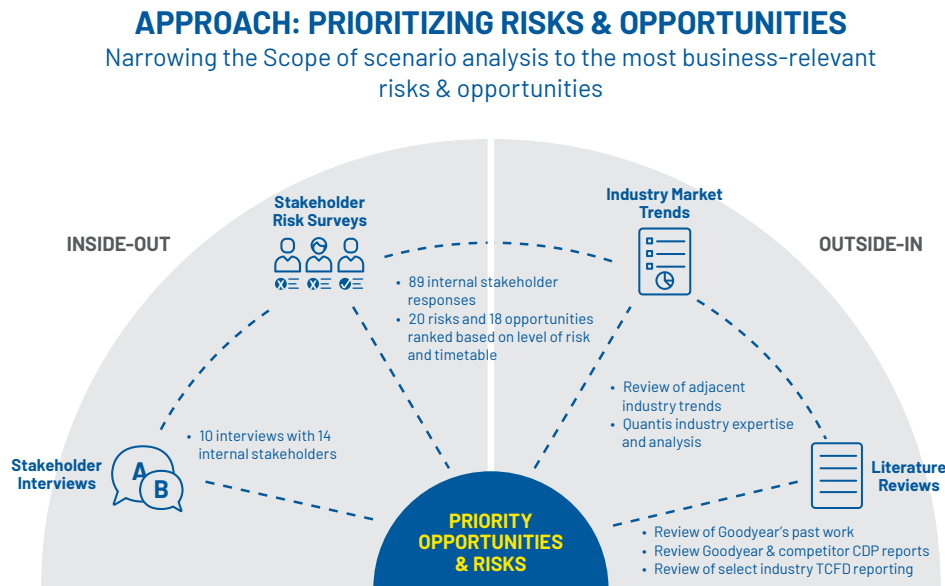
RISK MANAGEMENT

a) Describe the organization’s processes for identifying and assessing climate-related risks.

In 2021 and 2022, Goodyear conducted a climate-related materiality assessment, qualitative scenario analysis and financial impact assessment to:

1. Identify and prioritize climate-related risks and opportunities relevant to Goodyear’s value chain; and
2. Consider how these risks and opportunities may evolve across various forward-looking climate scenarios; and
3. Estimate the financial impact of risks and opportunities on Goodyear’s business.

Goodyear’s climate-related materiality assessment used a combination of internal and external insights gathered in 2021 to identify and prioritize potentially relevant climate-related risks and opportunities. A summary of that process is below:



1. Informational interviews with thoughtfully selected internal stakeholders helped to outline Goodyear’s “risk universe.”
2. A survey distributed to a broader and more diverse group of internal stakeholders evaluated the identified risks and opportunities based on when and how dramatically those stakeholders thought they would impact Goodyear’s business model.
3. To balance internal insights from stakeholder interviews and surveys, Goodyear leveraged industry and market trends, benchmarked examples of industry-relevant, climate-related risk reporting and engaged professional consultants.
4. Finally, the internal and external insights were cross-referenced to consolidate a list of material risks and opportunities and prioritize them based on qualitative assessment of impact and relevant time horizon.

The full list of relevant climate-related risks and opportunities identified via the climate-related materiality assessment is shown below:

PHYSICAL RISK	TRANSITION RISK	OPPORTUNITIES
<p>P1: Limited availability or interrupted supply of purchased materials</p> <p>P2: Extreme weather events causing damage or closure at Goodyear facilities</p> <p>P3: Extreme weather events interrupting access to Goodyear supply chain</p> <p>P4: Disruptions in car manufacturing industry reducing demand</p>	<p>T1: Increased demand for low-carbon products and sustainable materials</p> <p>T2: Accelerated regulations on carbon intensity, environmental and social impacts</p> <p>T3: Increased accountability from investors and customers to develop a climate strategy and achieve GHG emission reduction targets</p> <p>T4: New penalties placed on carbon such as a carbon tax</p> <p>T5: Unsuccessful adaptation to emerging technologies</p>	<p>O1: Increase brand dependability through expanded business continuity planning</p> <p>O2: Differentiate Goodyear products, by reducing footprint of Goodyear tires</p> <p>O3: Leverage circular economies to reduce demand for raw materials</p> <p>O4: Supply chain engagement (esp. natural rubber) for resilience</p> <p>O5: Branding to demonstrate Goodyear's commitment to sustainability</p> <p>O6: Leadership in providing and accommodating new technologies</p>

Following the climate-related materiality assessment, Goodyear further refined the relative significance of risks and opportunities with a qualitative scenario analysis. This exercise brought together key internal decision makers including senior executives and functional leaders for risk, finance, sustainability, strategy, business continuity, sales, procurement, supply chain and manufacturing to consider how relevant risks and opportunities and their impacts on Goodyear's business, strategy and financial planning might evolve under three sufficiently diverse climate scenarios. The qualitative scenario analysis aimed to answer the following focal questions:

1. How might Goodyear's identified climate-related risks and opportunities plausibly affect the Company's value chain and financial performance over the short, medium and long term?
2. What climate-related forces and developments have the greatest ability to shape Goodyear's future performance? What is their likely timing and potential impact?
3. Under each climate scenario, how is Goodyear already prepared to mitigate and adapt to climate risks in the short, medium and long term?
4. What must Goodyear do to increase corporate resilience to climate risks while capturing climate-related opportunities?

The three qualitative climate scenarios were customized for relevance to Goodyear's unique value chain. The parameters, assumptions and limitations of these scenarios were informed by the most recent physical and transition climate models published by the Intergovernmental Panel on Climate Change (IPCC) and International Energy Agency (IEA) in their respective 2021 reports. All three climate scenarios are evaluated across short-, medium- and long-term time horizons, as defined in Strategy disclosure (a).

Climate Scenario	Approximate Global Average Temperature Rise by 2050	Public Scenarios Used
"Failed Transition Scenario"; designed to consider high physical risk associated with rapidly increasing atmospheric concentrations of greenhouse gases in the absence of a transition to a lower-carbon economy	2.5°C (Based on trajectory to 4.4°C by 2100)	IPCC's SSP5-8.5
"Current Policy Scenario"; designed to consider both physical and transition risks associated with future circumstances likely to result from policies already enacted or committed to by global governments	2°C (Based on trajectory to 2.7°C by 2100)	IPCC's SSP2-4.5 IEA's "Stated Policies" scenario
"Net Zero by 2050 Scenario"; designed to consider high transition risk associated with a rapid and persistent transition to a low-carbon economy, such that global temperature rise is limited to 1.5°C by 2050	Limited to 1.5°C by 2050	IEA's "Net Zero Emissions by 2050" scenario

Following the qualitative scenario analysis, a financial impact assessment was used to quantify the potential impacts of the identified risks and opportunities on Goodyear’s business. For this assessment, “materiality” was defined as *having substantive financial or strategic impact*, which applies when a risk or opportunity has the ability to negatively or positively influence Goodyear’s finances (including revenues, expenditures, assets, liabilities, capital and financing by more than 50 million US\$ annually or more than 400 million US\$ from the fiscal years of 2023 to 2030). While the climate-related materiality assessment and the scenario analysis considered the long-term time horizon (10–30 years; out to 2050), the financial impact assessment considered only the short- and medium-term time horizons from 2023 to 2030 due to internal discussion regarding the extensive uncertainty associated with financial estimates beyond 2030, as well as the limited utility for both internal and external stakeholders of longer-term estimates.

Due to the uncertain nature of the forward-looking scenario analysis, the assessment relied on the integration of both internal and external sources of data and projections. Internal sources included historical financial loss data, corporate greenhouse gas emissions data and activity growth projections. External sources included parameters and assumptions provided by the public climate models such as projected carbon price. Due to the proprietary nature of internal financial information and estimates, these metrics cannot be disclosed publicly.

Through this assessment, the list of relevant climate-related risks and opportunities was further refined to those determined as most material. See Strategy disclosure (a) for a complete list of material climate-related risks and opportunities and their description. The quantitative results of the financial impact assessment can be found in Strategy disclosure (b).

Goodyear’s climate-related materiality assessment, scenario analysis and financial impact assessment will be reviewed on an annual basis to ensure parameters, assumptions, analytical choices and data remain relevant and up to date.

b) Describe the organization’s processes for managing climate-related risks.

This report discloses the methodology and outcomes of Goodyear’s first climate-related risk and opportunity assessment. Previously, climate-related risks identified through Goodyear’s overall risk management process were managed primarily through the Company’s established business continuity process.

Please see Risk Management disclosure (c) below for information on how Goodyear manages climate-related risks.

Please see Risk Management disclosure (a) above for a description of how climate-related risks and opportunities are prioritized and how materiality determinations were made during the financial impact assessment.

c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization’s overall risk management.

Goodyear’s processes include a robust Business Continuity function that, among other things, identifies, assesses and manages climate-related operational risks utilizing frameworks developed by Disaster Recovery Institute (DRI) International and aligned with ISO Standard 22301 “Security and resilience – Business continuity management systems.” Goodyear policy establishes an internal standard operating procedure for major incident reporting that includes climate-risk related events such as disruptions of operations and environmental releases.

Goodyear’s Business Continuity teams conduct annual risk assessments that feature the following actions relevant to assessing climate-related risks:

1. Risk Assessment (RA)
 - Benchmark industry trends, escalating risks, and align on an annual operational risk focus for all regions
 - Review past risk assessment procedures and outcomes
 - Survey internal stakeholders via business continuity software
 - Evaluate the main activities in which the Business Continuity team has been engaged over the past year
2. Business Impact Assessment (BIA)
 - Conduct critical process identification and evaluation
 - Assess how well Goodyear is prepared for these risks from an operational perspective
 - Determine the appropriate Recovery Time Objectives (RTO) and potential impacts to operations
3. Business Continuity Planning (BCP)
 - Aggregate the data collected during the RA to categorize and define risks with the highest probability and impact
 - Summarize regionally reported RTOs to define the time horizon required for recovery planning
 - Develop detailed Business Continuity plans to summarize the actions, resources and tools required in supporting business units, associates and facilities to prepare for, respond to and recover from risk impacts and restore normal operations within the RTO

Goodyear's new Chief Risk Officer will work with senior executives and functional leaders to understand and evaluate climate-related risks and opportunities, and help develop an annual process for identifying, assessing and managing climate-related risks.

Going forward, Goodyear anticipates integrating the identification and analysis of climate-related risks, as described in Risk Management disclosure (a), into risk management and other relevant global business processes.

METRICS AND TARGETS

Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.

a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.

To assess climate-related risks and opportunities in line with its strategy and risk management process, Goodyear uses the cross-industry, climate-related Metric Categories as described by Table A2.1 of the TCFD's Implementation Guidance:

Metric Category	Amount (US\$)*	Primary Potential Financial Impact(s)	Description Value in Relation to Financial Impact Assessment Results Listed in Strategy Disclosure (b)
Absolute Scope 1, Scope 2 and Scope 3 GHG emissions	See Metrics and Targets disclosure (b)		
Transition Risk	92,000,000*	Increased costs and decreased revenues	Sum of Primary Potential Financial Impact Figure for Risk 3
Physical Risk	390,000,000*	Increased costs and decreased revenues	Sum of Primary Potential Financial Impact Figures for Risks 1 & 2
Climate-related Opportunities	656,000,000*	Decreased costs and increased revenues	Sum of Primary Potential Financial Impact Figures for Opportunities 1, 2 & 3
Capital Deployment	5,002,600,000*	Cost of mitigating risks and recognizing opportunities	Cost of Response to Risk for Risks 1 and 2, albeit it will only be a portion of this cost, plus Goodyear's expected total R&D spend over the period from 2023-2030 based on recent annual expenses of this type

*Amounts are reflective of the timeframe of 2023-2030.

As Goodyear repeats the climate-related risk assessment process in the future, the Company intends to re-evaluate business impact. Goodyear anticipates that its approach will improve and evolve as the Company continues to monitor climate-related risks and opportunities and refresh its climate risk financial impact assessment. Changes in the parameters, assumptions and analytical choices underlying these metrics may lead to improved metrics but may also complicate year-over-year comparison of values. Goodyear will continue to monitor best practices in climate-related risk assessment as new standards, guidance and data become available.

b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.

2019 Baseline Corporate Carbon Footprint in Million Metric Tons (MMT):

- Scope 1:** 1.35 MMT CO₂e
- Scope 2:** 1.78 MMT CO₂e (market-based)
- Scope 3:** 10.02 CO₂e (excludes indirect product use phase emissions)

2021 Corporate Carbon Footprint in Million Metric Tons (MMT):

- Scope 1:** 1.42MMT CO₂e
- Scope 2:** 1.64MMT CO₂e (market-based)
- Scope 3:** 10.4MMT CO₂e (excludes indirect product use phase emissions)

Goodyear’s 2019 baseline and 2021 corporate carbon footprint assessment, in alignment with the Greenhouse Gas Protocol, was conducted using data for Goodyear’s global footprint, including the global footprint for Cooper Tire & Rubber Company (Cooper). Goodyear acquired Cooper in 2021.

The Scope 1, 2, and 3 GHG emissions publicly reported in Goodyear’s and Cooper’s 2019 & 2021 CDP reports and Goodyear’s Corporate Responsibility Report (CRR) will differ than those presented here. The numbers in this response reflect the recalculation of Goodyear’s and Cooper’s 2019 and 2021 footprints based on adjustments to the methodology and the inclusion of additional data (Cooper’s Scope 3 emissions) to improve the accuracy of the collective footprint.

Goodyear set its climate ambition in December 2021 and spent 2022 identifying decarbonization strategies. These decarbonization strategies will be implemented across several years to reduce Goodyear’s carbon footprint to reach its 2030 science-based targets.

The emissions increase from 2019 to 2021 in Scope 1 and Scope 3 Purchased Goods and Services and Transport categories are being reviewed to ensure Goodyear builds effective decarbonization plans. Goodyear reduced Scope 2 emissions from 2019 to 2021, primarily through global energy efficiency projects and increasing the use renewable electricity, from 2.8% of total electricity in 2019 to 14% in 2021.

Goodyear identified a material risk associated with its Scope 1, 2 and 3 greenhouse gas emissions: Carbon pricing mechanisms imposed on the direct emissions of greenhouse gases in operations. See “Risk 3” in Strategy disclosure (a) for additional detail on this material climate-related risk. Goodyear’s science-based targets and decarbonization strategies are being implemented to offset this risk.

b) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.

In 2021, Goodyear announced its commitment to achieving the following science-based climate goals, aligned with the Science Based Targets initiative (SBTi):

2030 Targets: Using 2019 as a base year, Goodyear is committed to reducing its absolute Scope 1 and 2 emissions by 46% by 2030 and its most significant relevant Scope 3 emissions categories (purchased goods and services, upstream energy impacts and upstream transport) by 28% over the same time frame.*

2050 Target: Goodyear announced its goal to reach net-zero value chain greenhouse gas (GHG) emissions by 2050.

Performance against climate targets will be evaluated on an annual basis and in accordance with the SBTi framework.

* Use phase emissions are not included in Goodyear’s science-based targets due to them being indirect emissions that are within Goodyear’s influence, but not control. Goodyear will address use phase emissions separately.

DISCLAIMER

Historical, current and forward-looking climate-related statements, including non-financial climate-related metrics presented herein, may be based on standards measuring progress that are continuing to develop, internal controls and processes that are expected to mature and evolve, assumptions that are subject to change in the future, and data measurements that contain uncertainties resulting from limitations inherent in the methods used for determining such data.

Modeling the future is inherently uncertain and this increases over longer time horizons. The statements and results summarized in this report do not represent forecasts of expected risk and outcomes. Goodyear aims to evolve its disclosures to provide meaningful information to stakeholders by adapting it to new facts, processes, and regulations impacting the changing climate landscape. Goodyear reserves the right to update its processes, measurement techniques and methodologies in the future.

Certain information, including climate-related estimates, forecasts, targets and plans, contained in this report constitutes forward-looking statements that are based upon current expectations and assumptions regarding anticipated developments and other factors. These forward-looking statements are subject to a number of risks and uncertainties and do not represent a guarantee by the Company's future performance. There are a variety of factors, many of which are beyond Goodyear's control, that affect its operations, performance, strategy and results, including global demographic and economic trends, energy prices, technological innovations, climate-related conditions and weather events, governmental policies and legislative and regulatory changes, and could cause the Company's actual results and experience to differ materially from the assumptions, expectations and objectives expressed or implied by any forward-looking statements. These factors are discussed in Goodyear's filings with the Securities and Exchange Commission, including its annual report on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K. In addition, any forward-looking statements represent the Company's estimates only as of the date they are made and should not be relied upon as representing the Company's estimates as of any subsequent date. While Goodyear may elect to update forward-looking statements at some point in the future, Goodyear specifically disclaims any obligation to do so, even if the Company's estimates change.