



2030 Long Term Strategic Aspiration - Bridgestone 3.0 Journey -

Roadmap toward becoming a resilient "excellent" Bridgestone

August 31, 2022

Member of the Board

Global CEO and Representative Executive Officer

Shu Ishibashi



Hello, everyone. I am Shu Ishibashi, Global CEO of Bridgestone Corporation.

Today I will explain our Long Term Strategic Aspiration, our Group's roadmap toward 2030.

Today's agenda

1. **Bridgestone's Mission, Vision and Corporate commitment**
2. **2030 Long Term Strategic Aspiration - Bridgestone 3.0 Journey - Roadmap toward becoming a resilient "excellent" Bridgestone**

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Mission

Serving Society with Superior Quality

Bridgestone's Mission is "Serving Society with Superior Quality."
This was established by founder Shojiro Ishibashi and remains unchanged to this day.

Bridgestone 3.0 Journey

Vision

2050

**Bridgestone continues to provide social value and customer value
as a sustainable solutions company.**

Guided by this mission, we set our vision:

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

2020
Bridgestone 3.0
Third Foundation

Announcement of Mid-Long Term Business Strategy “Sustainability at the core of management & business”



2021

Corporate Transformation (CX): Mid Term Business Plan (2021-2023): Return to a “strong” Bridgestone capable of adapting to change

“Tackle past negative legacies without delay”
“Focus on execution & delivering results for immediate issues”
“Lay foundations for future growth”

Rebuilding earning power

Strategic growth investment

2022

Close to becoming a “strong” Bridgestone capable of adapting to change

Our Mid-Long Term Business Strategy was formulated to realize this vision.

With a sense of urgency toward changes in society, customers, the market and competition, we have been driving corporate transformation these past two and a half years through an “aggressive approach” and “challenging” spirit.

Our aim is to become a “strong” Bridgestone capable of adapting to change, and we are close to achieving that in 2022.



Corporate commitment

Bridgestone E8 Commitment

Axis to drive management while earning
the trust of future generations

8 Bridgestone-like vectors for transformation

The axis and guiding vectors in our journey to follow-through on our mission and realize our vision is our corporate commitment, the Bridgestone E8 Commitment.

I will be talking about the Bridgestone-like 8 values defined in the Bridgestone E8 Commitment in today's aspirations as well.



**2030 Long Term Strategic Aspiration
- Bridgestone 3.0 Journey -**

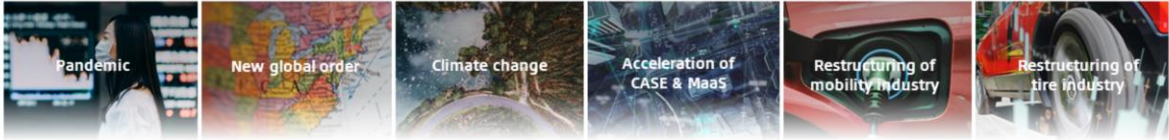
**1st step of "Third foundation" Bridgestone 3.0
toward Bridgestone's 100th anniversary in 2031**

Roadmap toward becoming a resilient "excellent" Bridgestone



This time, under our mission and vision,
and using the Bridgestone E8 Commitment as our axis and vectors,
we have laid out a detailed roadmap toward 2030.

Why is the "2030 Long Term Strategic Aspiration" required now?



"Turbulent change" in business environment, "Change becomes commonplace"

"Transform change to opportunity"

2030 Long Term Strategic Aspiration Present **"Roadmap toward becoming a resilient 'excellent' Bridgestone"**

Establish management structure & practices in which the global management team ensures **"unwavering management"** following the roadmap, while also responding to change flexibly & agilely

- Clarify management strategy, direction of resource allocation and capital allocation toward 2030
- Engage new partners and create new value as a resilient "excellent" Bridgestone that is both robust and capable of transforming change to opportunity amidst change that is becoming more commonplace
- Even in turbulent times, the "mobility of people & objects" will not change
Bridgestone will respond to change, and continue "supporting the mobility of people & objects"

Toward 2030, and Bridgestone's 100th anniversary in 2031, accelerate transformation from a "strong" Bridgestone capable of adapting to change, to a **resilient "excellent" Bridgestone**

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Since 2020, there have been various changes in our environment, such as the COVID-19 pandemic and the acceleration of CASE and MaaS. We have acquired flexible and agile management in response to such changes, and are close to becoming a "strong" Bridgestone.

However, this year with the emergence of a new global order, etc., we are experiencing extreme turbulence and change is becoming common place.

In order to survive these unpredictable times, we believe it is essential now to present a roadmap toward Bridgestone's 100th anniversary in 2031.

This is the "2030 Long Term Strategic Aspiration."

This roadmap indicates how we will transform to a resilient "excellent" Bridgestone that transforms change to opportunity, unperturbed by continuous change and remaining robust and flexible like rubber.

We will establish a new management structure, in which the global management team ensures "unwavering management" following the roadmap, while also being flexible and agile.

2030 Long Term Strategic Aspiration: 3 pillars

Enhance corporate value as a resilient “excellent” Bridgestone by creating and balancing social and customer value, and gaining new competitive advantage

- Focus on premium business & solutions business which can create “new premium”
- Establish business models with high certainty
(accelerate growth of premium tire business and solutions business that leverages premium tire business’s strengths)
- Sustainability vs. business growth,
customization of tire performance vs. productivity improvement & cost optimization across value chain
- Simultaneously create value that can sometimes be contradictory -

As a resilient “excellent” Bridgestone, aim for the 100th anniversary and the next stage

- Fulfill our responsibility to every stakeholder (nature, society, customer, employee, supplier, investor, local community, etc.)

Survive in a VUCA* world, and stay resilient *Volatility, Uncertainty, Complexity, Ambiguity

- Establish management structure, abilities and practices capable of responding to changes in the business environment with agility

In the roadmap, we have set 3 pillars:

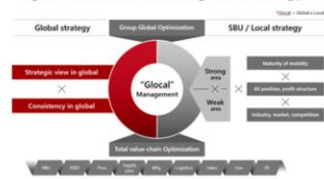
- 1) Enhancing corporate value as a resilient “excellent” Bridgestone by creating and balancing social and customer value, and gaining new competitive advantage;
- 2) Aiming for the 100th anniversary and the next stage;
- 3) Survive in a VUCA world and stay resilient.

2030 Long Term Strategic Aspiration: New management structure

2020:
Corporate transformation
Mid Term Business Plan (2021-2023)

"Glocal" management

- Total optimization globally & across value chain
- Deploy local strategies adapted to each region/market, based on global strategy



Build foundations for a new "glocal & portfolio management"
Evolve to a "strong" Bridgestone capable of adapting to change

2020 2021 2023

Mid Term Business Plan (2024-2026)
Establish new "glocal & portfolio management"
– Flexible & agile management

4 business portfolio management

- Passenger car tire : Premium tire & solutions business
- Truck & bus tire : Premium tire & solutions business
- Specialties tire (OR AC AG MC*) : Premium tire & solutions business
- Diversified products & Exploratory business

Regional & market characteristics x 4 business portfolio

2024 2026

Establish management structure & practices in which the global management team ensures "unwavering management" following the roadmap, while also responding to change flexibly & agilely

"Roadmap toward becoming a resilient 'excellent' Bridgestone"

Mid Term Business Plan (2027-2029)
Further evolve new "glocal & portfolio management"

2030: 1st step of "Third foundation"
Bridgestone 3.0 completed

2031: 100th anniversary of founding

2027 2029 2030

Regarding the new management structure,
Based on "glocal" management where we deploy local strategies adapted to each region/market based on the global strategy,
we will evolve to a new "glocal & portfolio management" consisting 4 business portfolios by 2024.

Setting 2030 as the year to complete the 1st step of our "third foundation," we will continue our journey toward a resilient "excellent" Bridgestone under the new management structure.

2030 Long Term Strategic Aspiration: New business portfolio



Passenger car tires (PS): New premium in the EV era - ENLITEN business strategy
Premium tire business + Retail & service solutions business



Truck & bus tires (TB): New premium in the circular business era - ENLITEN business strategy
Premium tire business + Tire-centric solutions business + Mobility solutions business



Specialties tire (OR AC AG MC*): Realize a circular business model - MasterCore business strategy (OR), etc.
Premium tire + Tire-centric solutions business

*OR: Off-the-road tires, AC: Aircraft tires, AG: Agricultural tires, MC: Motorcycle tires



Diversified products & Exploratory business: Sharply focus on areas where Bridgestone's core competencies can be leveraged

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I will explain about the 4 business portfolios.

The passenger car tire business is based around the premium tire business, and retail & service solutions business.

The truck & bus tire business, -we are historically strong, includes tire-centric solutions and mobility solutions which propose a better way to use tires as well as better vehicle operations.

The specialties tire business supports customer operations with tires for mining vehicles and aircrafts etc., which can only be produce by tire manufacturers with advanced technological and comprehensive capabilities.

Last but not least, in the diversified products and exploratory business, we will be focusing on areas where the Group's core competencies can be leveraged.

We will create new value, according to the characteristics of each business.

2030 Long Term Strategic Aspiration

| 2022 | | 2030 | |
|------------------------------|-------------------|--|-----------------------|
| Revenue | 4,000 B JPY level | Over 5,000 B JPY level | Expand scale |
| | | <small>Growth level equal to moving up approx. 50 positions in Fortune Global 500: 484th (2021) → 430th level (2030)</small> | |
| Adj. operating profit | 450 B JPY level | Over 800 B JPY level | Enhance earning power |
| Adj. operating profit margin | 11% | over 15% | Reinforce quality |
| | | <small>Exceed Japanese standards to reach global level (Avg. AOP¹ for all industries: 8.6% (Japanese companies), 14.8% (U.S. companies) for 2021)</small> | |
| ROIC | 9% | 12% level | Reinforce quality |
| | | <small>Exceed Japanese standards to reach global level (Auto parts manufacturing industry²) (26 companies with revenue above 1,000 B JPY) Avg. ROIC: 9.7% for 2021)</small> | |
| ROE | 10% | 13% level | Reinforce quality |
| | | <small>Reach top level among Japanese companies, and a global level (ROE³ for key companies in all industries: 6.3% in Japan, 12.1% in Europe, 17.9% in U.S., for 2019)</small> | |
| Talent creativity | Trial from 2023 | Introduce from Mid Term Business Plan (2024-2026) | |

*1 Source: Article in Nikkei (July 27, 2022) *2 Source: SPEEDA Database

*3 Source: Ministry of Economy, Trade and Industry's secretariat material on "Inauguration of a Study Group on Dialogues that Contribute to Long-term Corporate Management and Investment for Creation of Sustainable Corporate Value (the "5x Study Group")" (May 2020)

FX assumption - 2023 : 1USD = 125JPY, 2024 onwards : 1USD = 120JPY

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This is our aspiration, or the target we want to achieve by 2030.

We will expand scale of our revenue from 4,000 billion JPY level in 2022 to over 5,000 billion JPY level.

For adjusted operating profit, we will enhance earning power to achieve over 800 billion JPY level, nearly doubling that in 2022.

Furthermore, we will reinforce the quality of business by achieving more than 15% in adjusted operating profit margin, 12% level in ROIC, and 13% level in ROE.

We are aiming to achieve global levels for all of our business indexes.

In addition, we are newly testing the implementation of "talent creativity."

We plan to officially introduce this in the Mid Term Business Plan (2024-2026).

2030 Long Term Strategic Aspiration

Mid-term environmental target

"Milestone 2020" (established in 2012)

CO₂ reduction target (vs. 2005):
Reduce more than the CO₂ emitted in manufacturing
- Reduce 35% of CO₂ emissions in manufacturing process (per revenue)



Achieved

Bridgestone 3.0 environmental target (announced June 2020)

Reduction of CO₂ emissions

Milestone 2030 **50%** (vs. 2011, Scope 1 & 2)

Recycled & renewable material ratio

40%



2050

Carbon neutrality

100% Sustainable material

Regarding sustainability, we aim to accomplish reducing 50% of CO₂ emissions compared to 2011 which is our target for 2030, and go on to realize carbon neutrality by 2050.

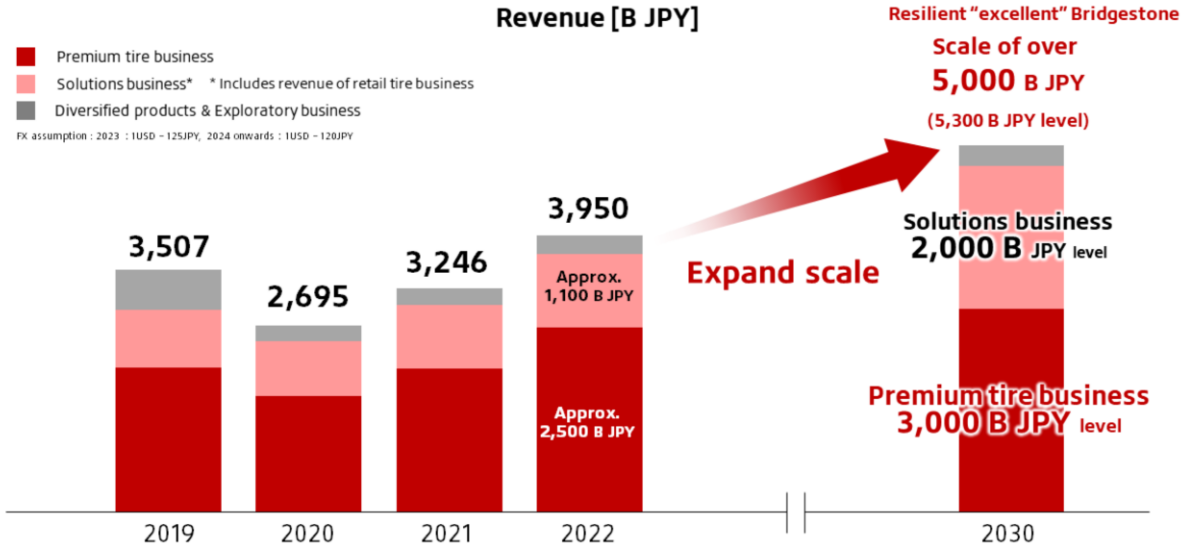
For circular economy, we will increase our use of recycled and renewable materials to 40% of resources by 2030, and achieve 100% sustainable materials by 2050.

We will reinforce our efforts more than ever.

2030 Long Term Strategic Aspiration

Revenue [B JPY]

- Premium tire business
 - Solutions business* * Includes revenue of retail tire business
 - Diversified products & Exploratory business
- FX assumption : 2023 : 1USD = 125JPY, 2024 onwards : 1USD = 120JPY



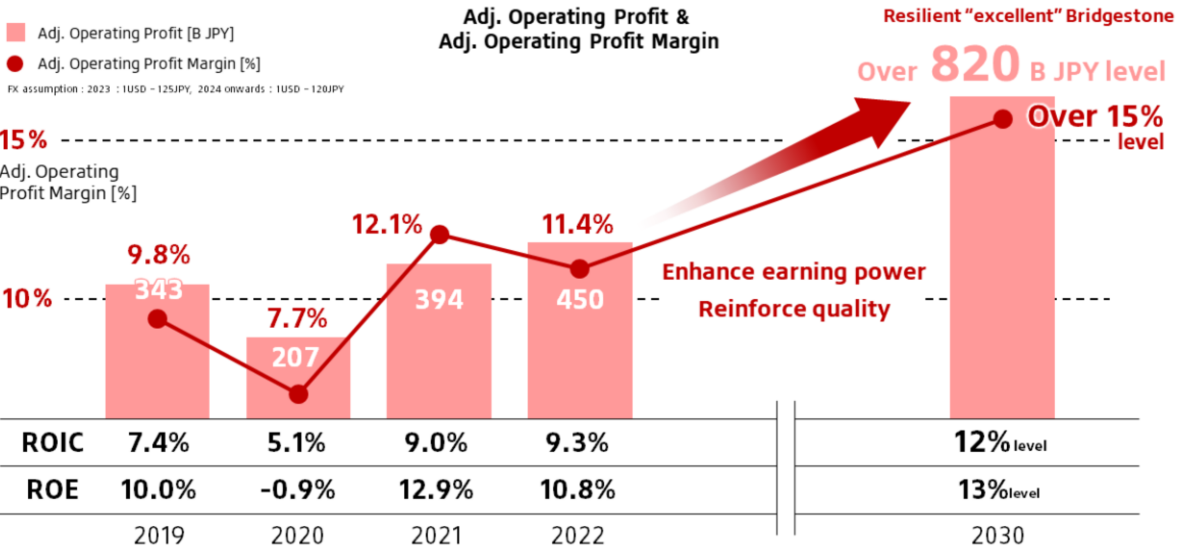
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In expanding the scale of revenue,
we will focus on and reinforce the premium business for tires.

We will also nearly double the revenue of our solutions business to 2,000 billion JPY level.

2030 Long Term Strategic Aspiration



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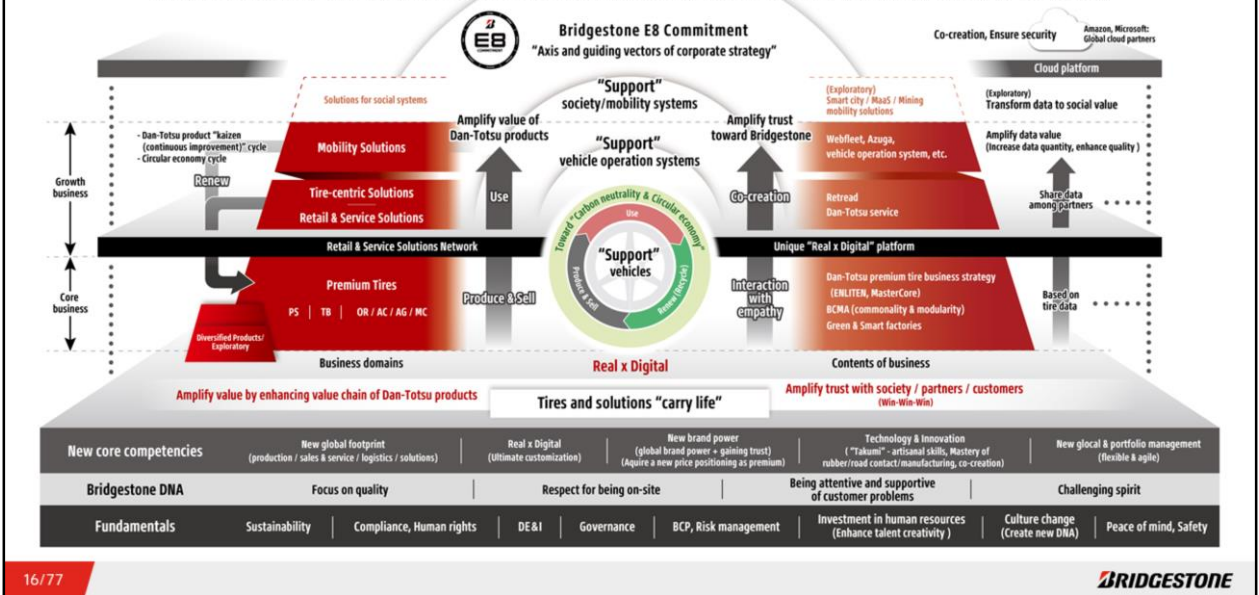
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In terms of profit, we will not only expand scale, but also attain over 15% in adjusted operating profit margin, to step up to the next level as a resilient "excellent" Bridgestone.

2030 Long term strategic aspiration : Strategic map

Mission: Serving Society with Superior Quality

Vision: 2050 Bridgestone continues to provide social value and customer value as a sustainable solutions company (Solutions for your journey)



We have laid out a strategic map to accomplish these aspirations.

I will start explaining from the bottom of the diagram.

Our unique DNA that we have acquired through our 91-year history such as a “focus on quality,” “respect for being on-site,” “being attentive and supportive of customer problems,” and championing a “challenging spirit” lives on the strong fundamentals that we have continued to carefully reinforce: sustainability, compliance and human rights, DE&I, governance, etc. We have established our strategy based on new competencies born from such fundamentals and DNA.

Our 5 new core competencies consist of: a new global footprint that widely covers production, logistics and sales; real and digital capabilities that realize ultimate customization; new brand power that acquires a new price positioning as premium based on global brand power and trust; technology and innovation; and new global and portfolio management.

On top of that is our fundamental principal: “Tires and solutions carry life.” As also promised in the Bridgestone E8 Commitment, Bridgestone’s belief is to continue supporting safe mobility of people and objects with peace of mind.

Based on these strong foundations, we build our business strategy which is shown as a red pyramid.

The pillars of our strategy is amplifying the value of our Dan-Totsu products and trust with society, partners and our customers.

The Group’s core business will remain the premium tire business, in which we “produce and sell” tires.

For the solutions business on top, in which we amplify value during the customer’s “use” of tires, we will accelerate growth toward 2030 based on retread and Dan-Totsu services etc..

What stretches horizontally in between these two, is the enabler that will allow the growth of the two businesses – the retail & service solutions network. This is our unique real x digital platform that accompanies customers on-site in various places around the world.

As shown by the circles in the middle, by evolving the value created, we will support vehicles and vehicle operation systems through interaction with empathy to co-creation.

In the future, we aim to support the entire society and its mobility systems such as smart cities and MaaS.

What will be important in doing this is the cloud platform which is positioned toward the top.

Linking this with our unique real x digital platform, collaborating with global cloud partners, and sharing tire and mobility data based on the trust with our customers, we will amplify data value, create new value, and thereby gain competitive advantage.

Similarly, we will create value in the diversified products business, and the exploratory business which includes the recycle business renewing tires to raw materials, shown in the bottom left.

From the next page onwards, I will talk about each business based on this strategic map.



Premium Tire Business

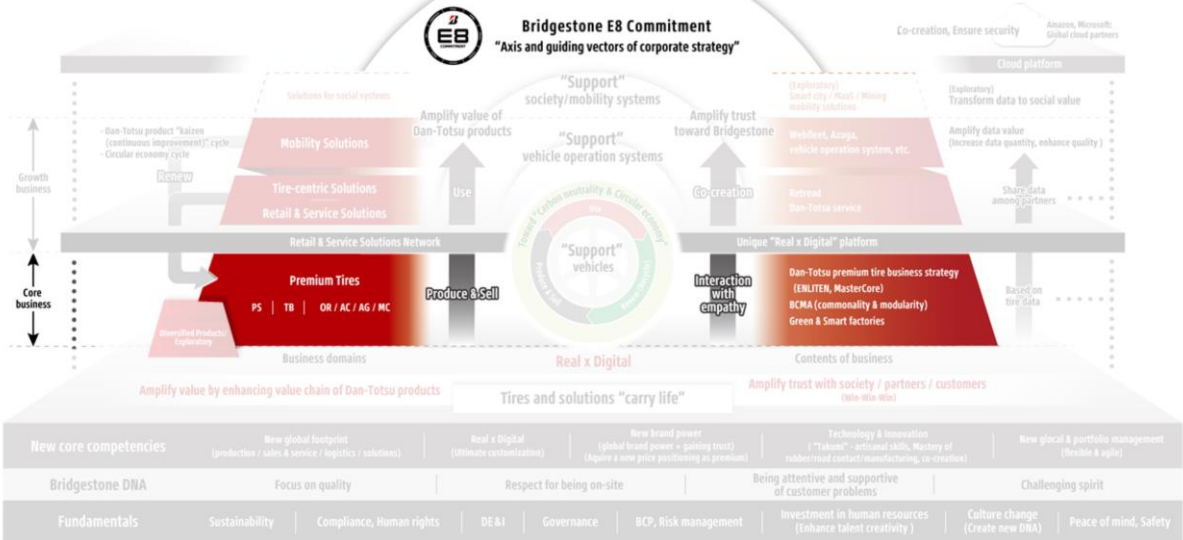
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2030 Long term strategic aspiration : Strategic map

Mission: Serving Society with Superior Quality

Vision: 2050 Bridgestone continues to provide social value and customer value as a sustainable solutions company (Solutions for your journey)

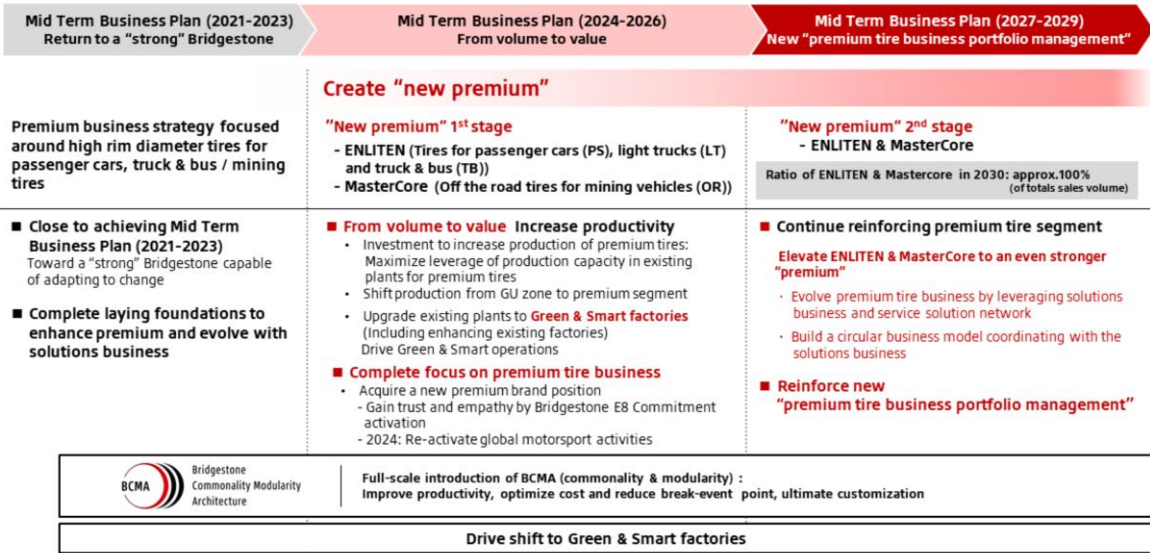


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First, regarding the premium tire business.

Strategy outline: Premium tire business



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The roadmap toward 2030 is separated into 3 phases based on 3 year Mid Term Business Plans, each starting from 2021, 2024, and 2027.

For the premium tire business, in the Mid Term Business Plan (2021-2023), we have been laying foundations to enable growth, enhancing premium; and ensuring it evolves with the solutions business.

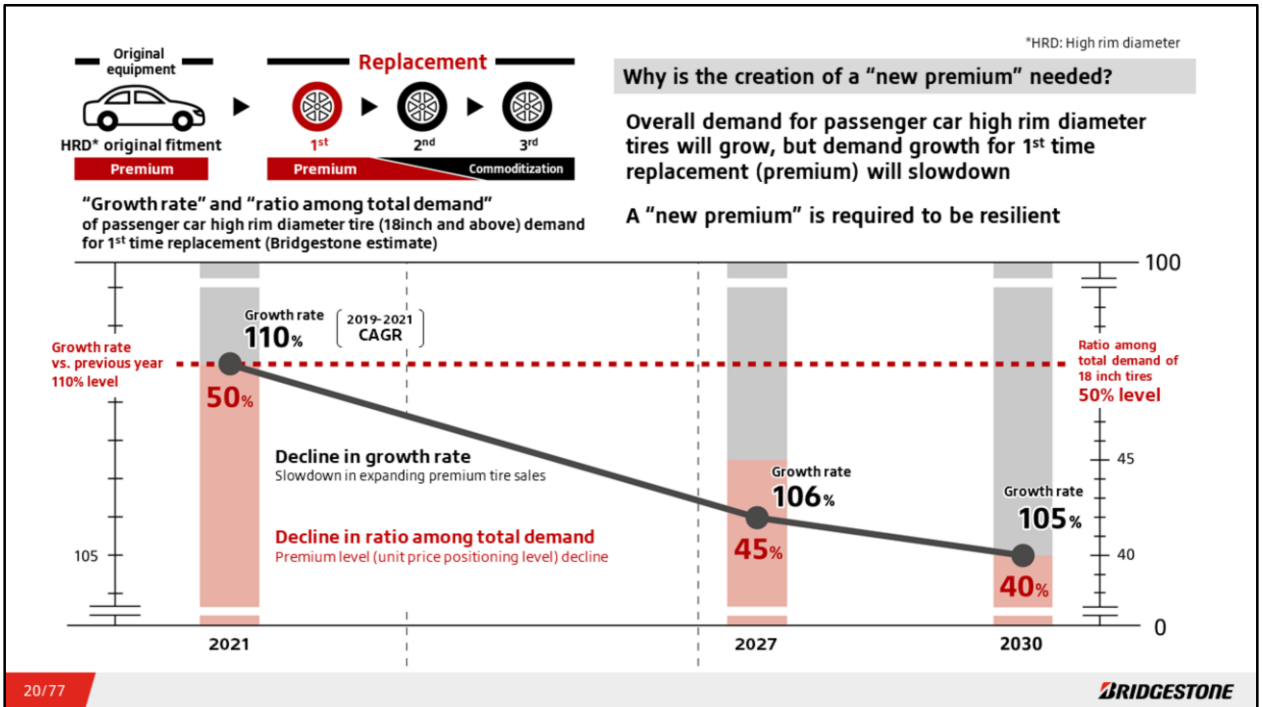
From Mid Term Business Plan (2024-2026) onwards, we will further focus on creating a new premium, with ENLITEN, and OR tire for mining vehicles MasterCore at the core.

The theme in the Mid Term Business Plan (2024-2026), our 1st stage, is: "From volume to value." We will complete establishing a structure that focuses on the premium tire business.

In the Mid Term Business Plan (2027-2029) which will be our 2nd stage, we will reinforce the premium tire business leveraging the solutions business and our networks, to elevate it to an even stronger premium.

Amplifying value, we will reinforce the new "premium tire business portfolio management."

We will also take on the challenge of pursuing both sustainability and business growth - driving BCMA, Bridgestone's unique commonality & modularity that enables simplification and differentiation, and driving the shift to Green & Smart factories.



Why is the creation of a new premium needed?
I will explain using this graph.

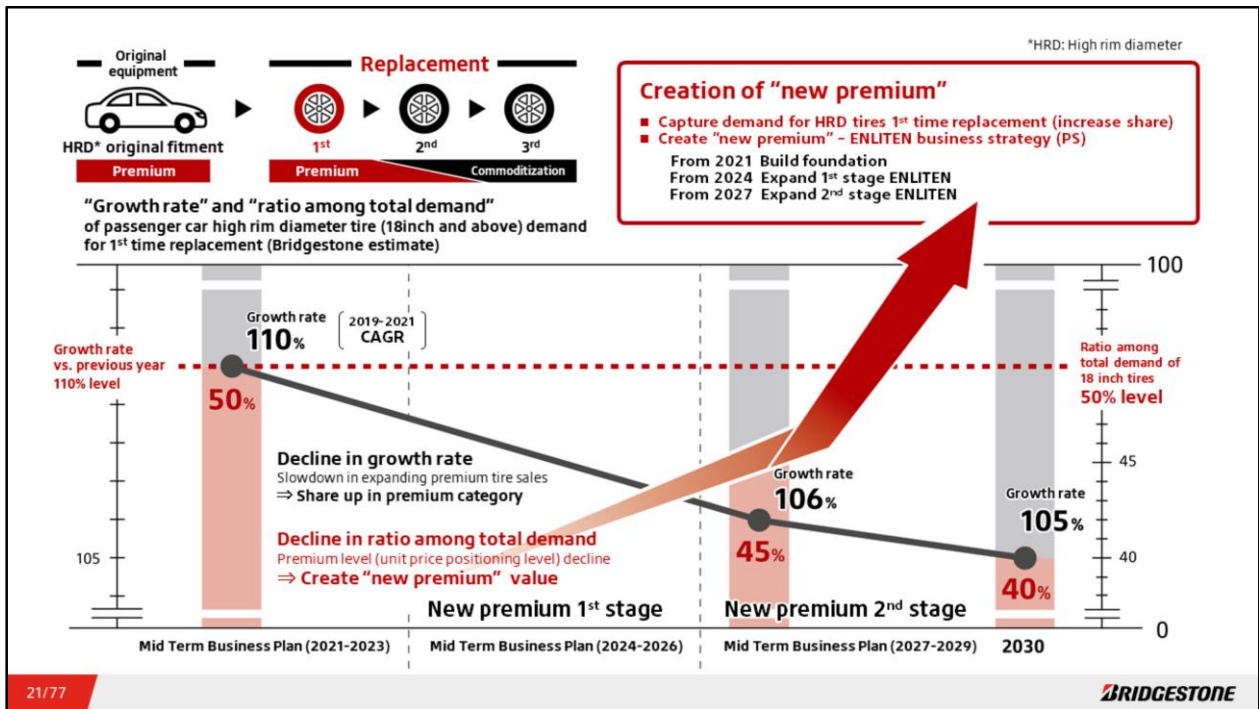
For passenger car tires, the growth in demand for high rim diameter (HRD) tires is the growth driver for the premium segment.

This trend is expected to continue, but we anticipate that as replacement of tires proceed from first time replacement of original equipment tires, to the second time, and third time, the ratio of customers choosing premium tires will gradually decrease.

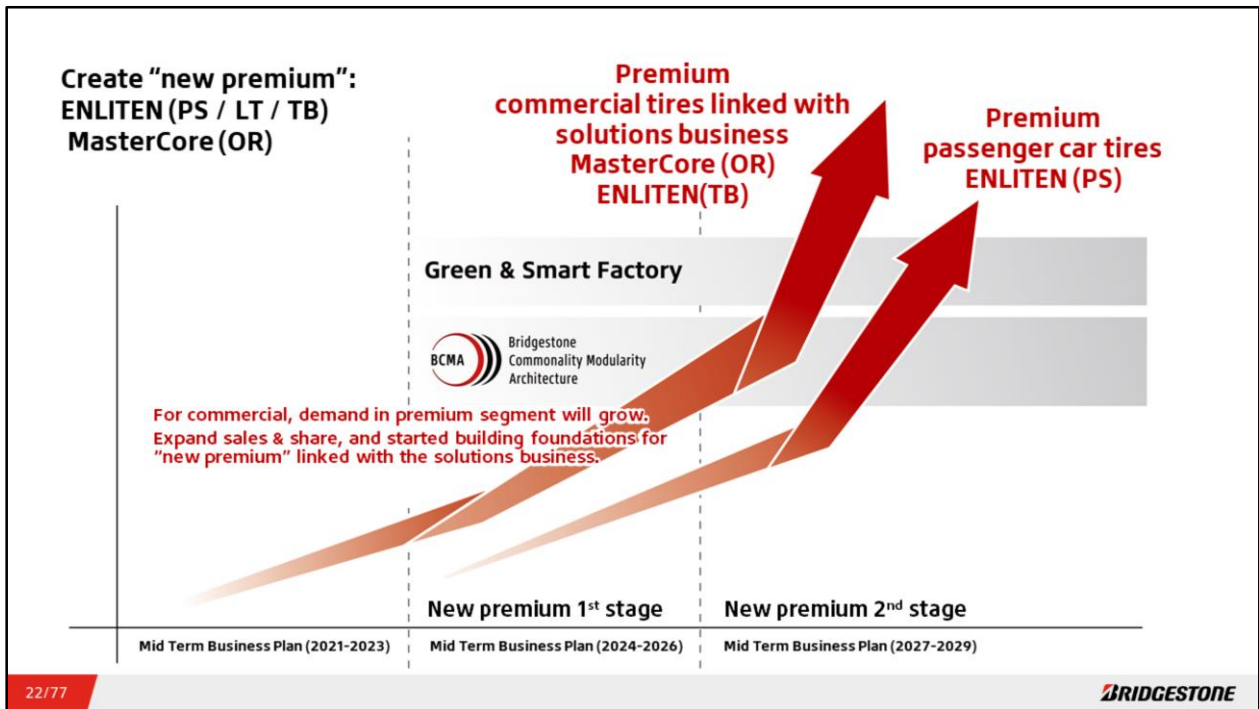
In other words, as both the "growth rate" and the "ratio among total demand" of passenger car HRD tire demand for 1st time replacement decline, its premium level will decline.

Growth rate compared to the previous year is expected to slowdown from 10% in 2021 to 5% in 2030. The ratio is also expected to decline from 50% in 2021 to 40% in 2030.

For this reason, the creation of a new premium toward 2030 is essential.

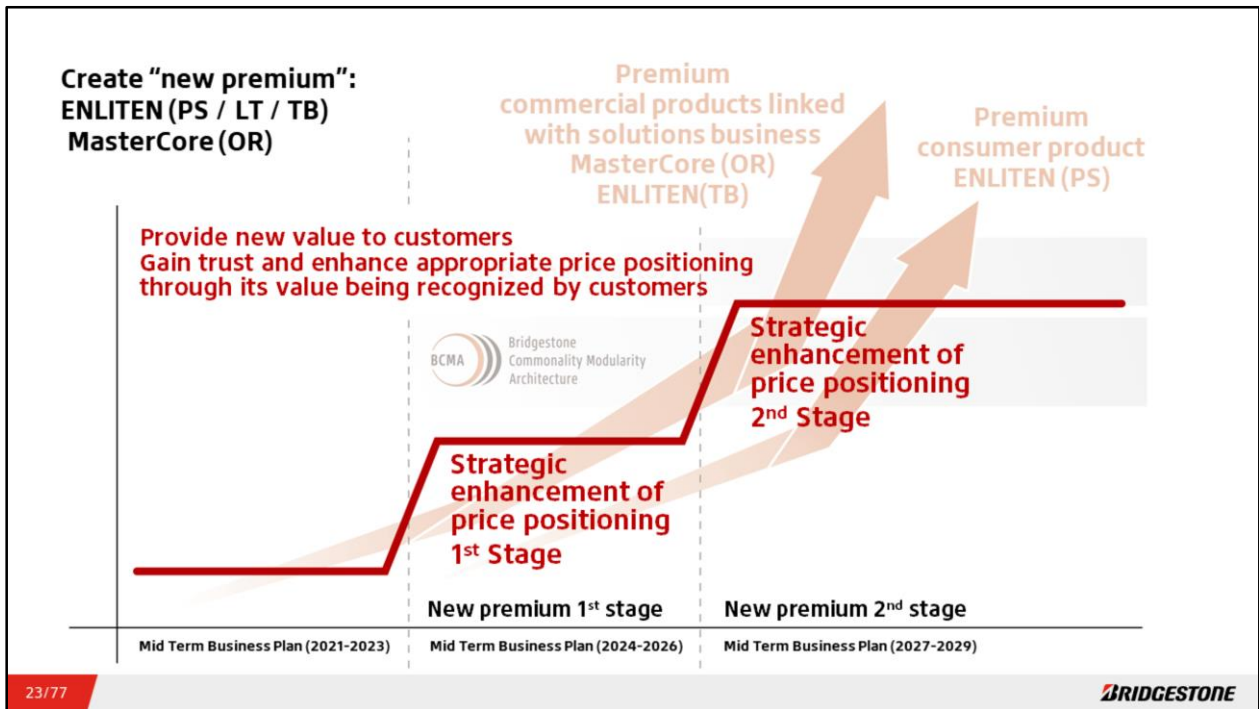


For passenger car tires, while gaining trust from customers based on our Dan-Totsu products and increasing market share to the maximum in the existing premium segment, we will create new value (new premium) by expanding the ENLITEN business strategy.



For commercial products, such as truck & bus tires and OR tires, we will expand sales volume and share, as an area in which we are historically strong. Also we will continue to build foundations for a new premium that evolves with the solutions business, and that gains further trust from customers.

We will further reinforce such efforts to establish a new premium, with the ENLITEN business strategy for truck & bus tires and the OR tire MasterCore at the core.



For both commercial and consumer products, we will realize evolution of new premium in two stages.

By providing customers with new value, gaining trust, and having them recognize the value, we will enhance appropriate price positioning.



Bridgestone
Commonality Modularity
Architecture

Simplification & differentiation

Energy
Ecology
Efficiency
Economy



Module 1
Carcass (tire skeleton)



Module 2
Belt (reinforces tire)



Module 3
Tread (tire surface)



Share between products, simplify

Customize performance, differentiate

Modules 1 & 2: Improve efficiency of development process & supply chain,
realize productivity improvement & cost optimization

Module 3: **Customize performance** flexibly & agilely per market/customer, and **differentiate**

BCMA adoption rate in 2030 (for passenger car and truck & bus tires) **Approx. 100%**

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BCMA is the foundation to support the new premium, by realizing simplification and differentiation.

The technology divides the tire into 3 modules: “carcass” which is the skeleton of the tire (Module 1), “belt” which reinforces the tire (Module 2), and “tread” which makes up the tire surface (Module 3).

Modules 1 and 2 can be shared between products, which lead to simplifying the value chain spanning from development to production and sales.

Differentiation will be made through customization of performance in the tread.

Taking passenger car tires for the Japanese market as an example, we will consolidate the existing 30 to 40 modules per product to 1 module per tire category such as for summer, for winter and for sports, to a total of 5 modules.

We will incorporate this into our product strategy, and plan to complete consolidation by 2025.

Man-hours for development will be reduced by approximately 30% compared to now.

By 2030, BCMA will be adopted in approximately 100% of passenger car tires and truck & bus tires.



Bridgestone
Commonality Modularity
Architecture

Simplification & differentiation - Create value across entire value chain -

Energy
Ecology
Efficiency
Economy



- Cost optimization & lower environmental impact by **improving efficiency of development process**

- **Agile new product development & sales** through shortened development process (reduced lead time from planning to sales)

- Procurement cost optimization through **standardization of raw material**

- Contribution to both sales & cost through **flexible production allocation** (realize global optimization)

- Productivity & quality improvement, cost optimization and lower environmental impact by **improving efficiency of production process**

- **Speed up response to changes in sales plans** through shared components & modules between products

- **Increase customer satisfaction through "ultimate customization"**

- **Optimize inventory** through improved flexibility in production
 - Optimize cost of logistics & inventory, lower environmental impact
 - Reduce back orders (shortages)**
 - Avoid missing out on sales opportunities

"Improve productivity, optimize cost ⇒ reduce break-even point" vs. "ultimate customization" for each customer/market

Contribute also to **sustainability** through resource-saving, improving resource productivity, reducing CO₂ emissions, etc. across the value chain

Aim for simultaneously creating value that can be contradictory

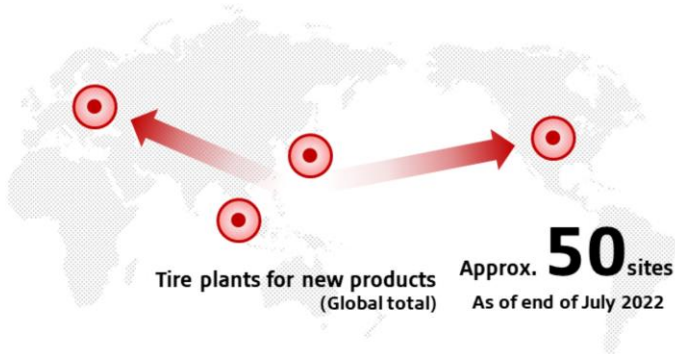
Through the BCMA, we are aiming to simultaneously create value that can be contradictory across the entire value chain.

We will reduce the break-even point by improving productivity and optimizing cost, while also enabling ultimate customization that allows performance to be adapted to each customer and market.

Furthermore, this will not only lead to business growth but also largely contribute to sustainability, such as saving resources, improving resource productivity, and reducing CO₂ emissions.

Global Tire Footprint (Manufacturing)

Energy
Ecology
Efficiency
Economy



“Local production for local sales” ratio (aspiration) - Global -

Passenger car tires **95%** Truck & bus tires **85%**

While keeping “local production for local sales” as a basic concept, aim for global optimization by ensuring flexibility

Leverage Japanese and Asian plants as global premium tire supply sites

Reinforce structure to produce premium products

Replace equipment to produce high rim diameter tires for passenger cars /

Establish manufacturing structure to adapt to ENLITEN technology, reinforce MasterCore, and other premium products for truck & bus tires, and motorcycle tires

Make investment for Green & Smart factories and operations

Balance CO₂ emission reduction, improvement in resource productivity & labor productivity by suru-raku at manufacturing (less burden in manufacturing) with business growth

In terms of our global tire manufacturing footprint, we will establish a structure with “local production for local sales” as a basic concept, which includes initiatives for carbon neutrality.

We will also aim for global optimization by being able to respond to changes in the business environment flexibly. While leveraging Japanese and Asian plants as global supply sites, we will reinforce our structure to produce premium products in each region.

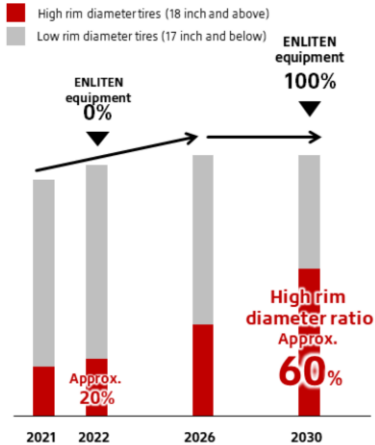
Our aspiration is to maintain the ratio of “local production for local sales” at 95% for passenger car tires, and 85% for truck & bus tires.

We will also reinforce investments for Green & Smart factories.

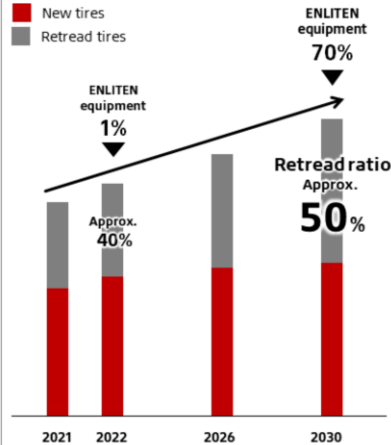
From volume to value: Premium tire sales expansion in replacement

Height of bar graph: Volume

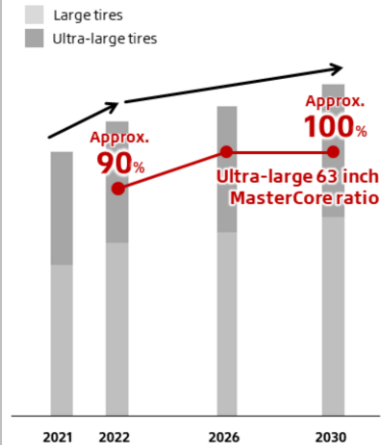
High rim diameter tires for passenger cars: Accelerate shift to premium



Truck & bus tires: Increase sales & share for new tire + retread



Ultra-large & large tires for mining vehicles: All premium, reinforce increase in volume & share



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The premium tire business will shift “from volume to value.”

We will expand sales in the premium segment for all products.

For passenger car tires, we will largely increase the ratio of high rim diameter tires to approximately 60% by 2030.

On the other hand, total sales volume will basically remain flat after reaching a branch point in 2026, and we will shift toward enhancing value.

For premium truck & bus tires, we will continue to expand sales of premium new products, and will also expand retread in conjunction.

For OR tires, we consider all products to be “ultimate premium,” and will expand sales. Ultra-large 63 inch tires, which boasts an especially high premium level, will be 100% MasterCore. Linking it with the solutions business, we will provide large value.

ENLITEN

BUSINESS STRATEGY **PS**

Passenger car tire
New premium in EV era

Ecology
Efficiency
Economy



Evolve the value from "ENLITEN" technology, achieving both environmental and driving performances and contributing to expanding the driving distance of EVs, to products and business model

2030

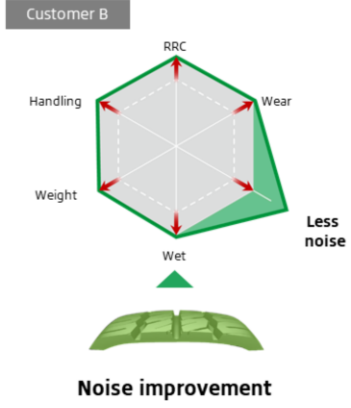
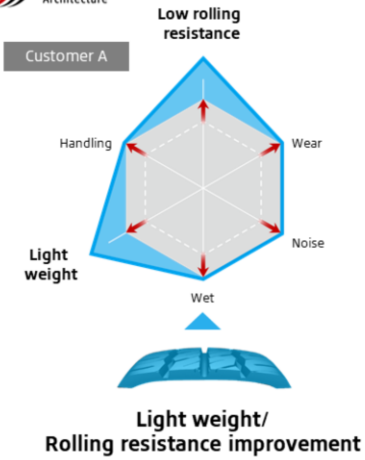
ENLITEN product : approx. **90** products

ENLITEN equipment % : approx. **100**%

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We will drive the ENLITEN business strategy for passenger car tires as the new premium in the EV era.

In 2030, almost all products will be equipped with ENLITEN technology.



First, for technology and product, we will realize "ultimate customization" optimal for EV fitment such as light weight, rolling resistance improvement, noise improvement and wear performance improvement, linked with BCMA.

We will offer products customized to each market and customer usage conditions.



Drive electrification & software first development

The value required for tires has changed : Customize to the performance optimized to fit EVs

Significant improvement of driving range and electricity consumption by improving tire rolling resistance

Improving development efficiency and flexibility to respond to soft development

Ensuring space for battery in vehicles · Lighter vehicle weight · Cost optimization · Improvement of space utility

Shift from tailor-made tire development according to the hardware, to tire development that realize both efficiency and ultimate customization

Bring out the maximum driving experience of the vehicle
Support to create vehicle by our across value chain



We will also create value as a business model, as the new premium in the EV era.

The manufacturing of vehicles will drastically change, such as the shift to EVs and software-first development.

The value required of tires will also significantly change, and we will respond with ENLITEN.

With significant improvement of driving range and electricity consumption through improvement in tire rolling resistance, we will contribute to ensuring space for battery in vehicles, lighter vehicle weight, cost optimization and improvement of space utility.

Through BCMA, we will shift from tailor-made tire development according to the hardware, to tire development that balances both efficiency and ultimate customization.

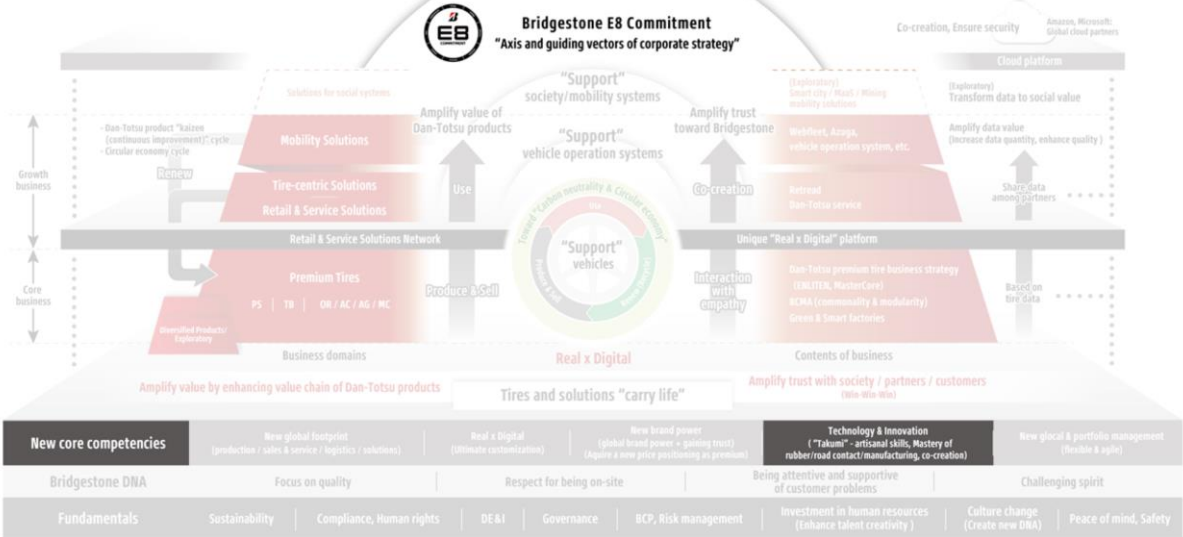
Even in the EV era, we will bring out the vehicle's maximum driving experience.

We will support vehicle manufacturing and the realization of a carbon neutral mobility society across our entire value chain, leading to gaining trust from customers.

2030 Long term strategic aspiration : Strategic map

Mission: Serving Society with Superior Quality

Vision: 2050 Bridgestone continues to provide social value and customer value as a sustainable solutions company (Solutions for your journey)



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BRIDGESTONE

With technology & innovation, we will evolve our premium tire business.



At the center of the Group’s innovation is the “Bridgestone Innovation Park,” which creates new value with various stakeholders starting from interaction with empathy and moving to co-creation.

Along with innovation sites in Europe and the U.S. - Mobility Lab in Akron, Ohio, U.S. and Digital Garage in Rome, Italy - we will generate various technologies and innovation which will create new premium.

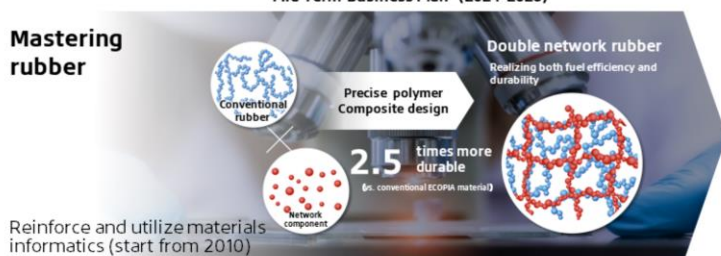
Technology & innovation

Energy
Ecology



Mid Term Business Plan (2024-2026)

Mastering rubber



Mid Term Business Plan (2027-2029)

- **Double network rubber :**
Implement in MasterCore (OR) 2nd stage
- **Drive to develop sustainable materials**
Cure less / Sulfur free : Rubber which easily recycle
Design sustainable multi-scale polymer composite by managing, creating and returning chemical bonding

2030
Multi-scale composite design
(from atoms to a tire for sustainability)

Mastering road contact



Realize **digital twin** which can reproduce tire conditions in market by incorporating complex real road contact mechanisms and tire/vehicle transient characteristics*

*Behavior before conditions become stable, such as force generated in tires, deformation, etc.

2030
Digital twin through mastering road contact to monitor tire in market on a real time basis

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BRIDGESTONE

At the core is three types of “mastering.”

First, “mastering rubber” involves reinforcing and utilizing materials informatics to drive the development of double network rubber, which simultaneously realizes both fuel efficiency and durability.

We plan to implement it in the OR tire MasterCore first from 2027, the 2nd stage of new premium, as MasterCore can maximize leverage of the benefits.

Second, for “mastering road contact,” we will leverage knowledge cultivated through F1 and other motorsports.

Using digital capabilities, we will evolve Bridgestone’s knowledge of various roads around the world to realize the digital twin, tire simulation which can reproduce tire usage conditions in each market including road surfaces.

By 2030, we aim to realize a digital twin mastering road contact, which can monitor tires used in real markets in real time.

Technology & innovation “Mastering manufacturing”: Green & Smart factory

Energy Ecology



Green factory

Mid Term Business Plan (2021-2023)

Mid Term Business Plan (2024-2026)

Mid Term Business Plan (2027-2029)

Electrification of the manufacturing equipment energy source (mainly curing process)

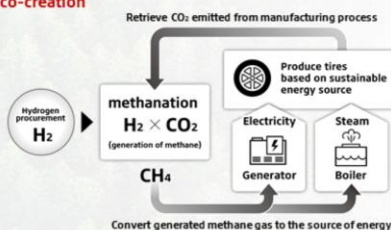
Replace thermal energy to electric energy
Combine with renewable energy and reduce CO₂ emission

Drive to introduce renewable energy (electricity)
Renewable energy ratio (plan)
2022 24%, 2023 over50%

Proof-of-Concept experiments in Japanese model plant (Kitakyushu plant)

Manufacturing converting CO₂ emitted in factory to energy

Drive manufacturing leveraging methanation through co-creation



Implementation of Green factory model plant
Global model 4 plants: Americas · Europe · Asia · Japan

Maximize value with minimum sustainable resources

2030
CO₂ emission
50% reduction(vs 2011)
(Scope 1 & 2)

Renewable energy (electricity)
Aim for 100%

2050
Carbon neutrality

2030
Recycled & renewable material ratio 40%
2050
100% Sustainable material

Manufacturing keeping on renewing tires to raw material and circulating resource (Utilization of sustainable raw material)

- Develop material which can increase recycled & renewable material ratio : Align with ENLITEN business strategy, product strategy (incl. retread)
- Drive recycle business, reinforce to utilize renewable material : Natural rubber business, guayule business

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BRIDGESTONE

The third is “mastering manufacturing”.
We will introduce the Green & Smart factory.

Regarding “Green” factories, we will introduce renewable energy.
We plan to attain a renewable energy ratio of 50% globally by 2023.
In addition, in the Mid Term Business Plan (2024-2026), we are planning electrification of energy sources for manufacturing equipment. We will especially consider and aim to implement our unique curing process of electric curing.

From Mid Term Business Plan (2027-2029), we will drive manufacturing leveraging methanation through co-creation.
Methanation is the technology which generates methane from hydrogen and CO₂.
We will procure hydrogen, and retrieve CO₂ emitted in the factory, to generate gas which will then be converted to energy.
This will allow the circulation of energy within the factory.
We will implement this in 4 global model plants and contribute to carbon neutrality.

As for the realization of a circular economy, we will incorporate utilization of recycled & renewable material into our product strategy.
We will realize manufacturing where resources continue to circulate.

Technology & innovation “Mastering manufacturing”: Green & Smart factory

Efficiency
Empowerment



Smart factory

Mid Term Business Plan
(2021-23)

Mid Term Business Plan
(2024-26)

Mid Term Business Plan
(2027-29)

Automate control of manufacturing process which is Bridgestone’s strong “real”, fostered through producing Dan-Totsu products (MasterCore, REGNO, POTENZA)

Drive automation of each process

Drive to introduce digital / sensing technology and AI control

Evolution and expansion of sensing technology cultivated by Bridgestone unique state-of-the-art tire building system “EXAMATION”

Convert tacit knowledge to explicit knowledge (expand to other process)

Connect by digital and build manufacturing digital platform

Creation of new value such as enhancing quality and productivity

Implementation of Smart factory model plant

**Global model 8 plants
Americas / Europe / Asia / Japan
Passenger car / Truck & bus tire factory**

“Strong” real
 (“Takumi”- artisanal skills)
 × digital
 Mastering manufacturing
 2030

Challenge toward
 global superior /
 uniform quality & ultimate “circle”

Product accuracy (circularity)
 30% up

Less skills/High efficiency
 Labor productivity

130%

Aspiration in 2030

Connect across value chain and create new value (next generation’s manufacturing platform)

Product development/
 procurement

**Mixing process
(Kneading with rubber)**

Automation technology
 +
 Digital / sensing
 technology and AI control

**Extruding/
Cutting process**

Automation technology
 +
 Digital / sensing
 technology and AI control

Building process

Automation technology
 +
 Digital / sensing
 technology and AI control

Curing process

Automation technology
 +
 Digital / sensing
 technology and AI control

Inspection process

Automation technology
 +
 Digital / sensing
 technology and AI control

Logistics/ Sales

Connect across factory process : Manufacturing digital platform - MES*

*Manufacturing Execution System

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BRIDGESTONE

As for “Smart” factories, we will implement automatic control of the manufacturing process which make up our strong “real” capabilities, fostered through producing Dan-Totsu products. We first started with the automation of each process.

In addition, we evolve and expand our sensing technology cultivated through Bridgestone’s unique state-of-the-art tire assembling system “EXAMATION.”

In Mid Term Business Plan (2024-2026), we will introduce digital/sensing technology and AI control, to build a manufacturing platform that connects the entire manufacturing processes.

In Mid Term Business Plan (2027-2029), we will implement this in 8 global model plants.

We aim to build a next generation manufacturing platform, which connects the entire value chain even beyond the factory – from product development and procurement upstream of the supply chain, to logistics and sales downstream – and creates new value.

These initiatives will also lead to further improvement in tire quality, enhancement of labor productivity by reinforcing suru-raku activities on-site, and promotion of DE&I.

We will drive the shift to green and smart in manufacturing sites around the world.

That is all regarding the premium tire business.



Growth enabler of premium tire business and solutions business

Retail & service solutions network

Passenger car

Retail & service solutions business

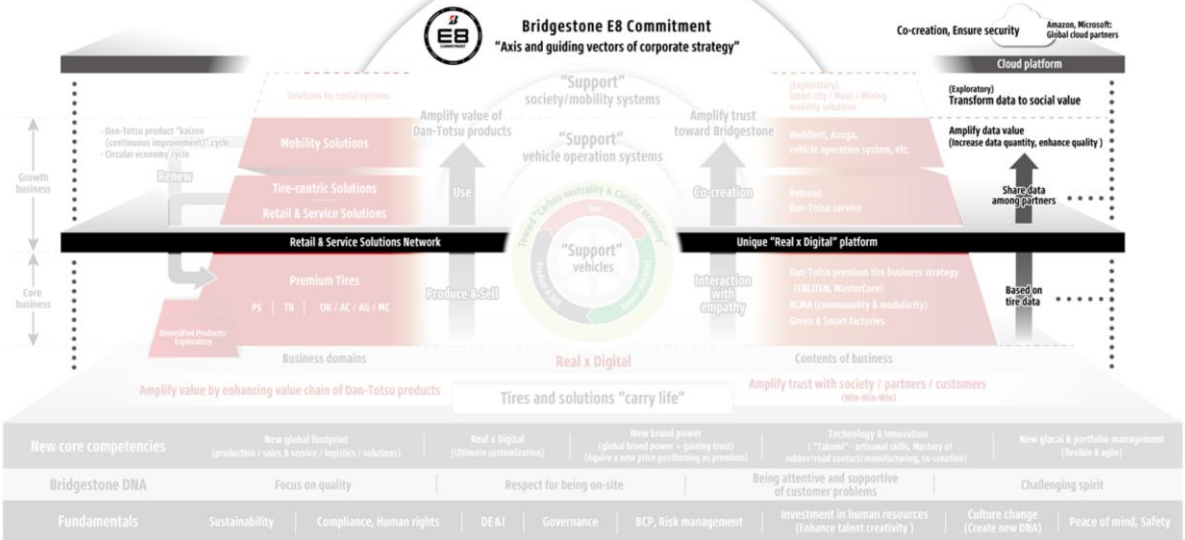
BRIDGESTONE

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2030 Long term strategic aspiration : Strategic map

Mission: Serving Society with Superior Quality

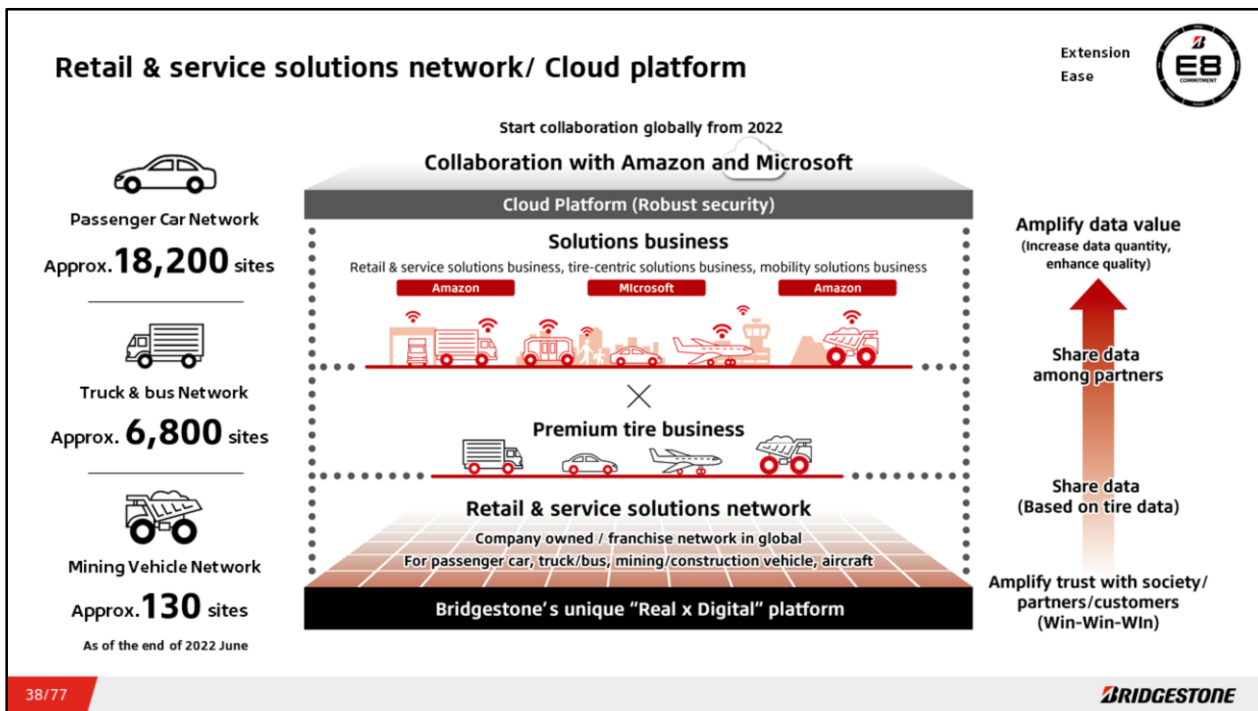
Vision: 2050 Bridgestone continues to provide social value and customer value as a sustainable solutions company (Solutions for your journey)



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BRIDGESTONE

Next, I will explain our retail & service solutions network which is our unique real x digital platform as our growth enablers for the premium tire business and solutions business, and cloud platform that amplifies data value.



We have worldwide service solutions sites comprised of more than 18,000 sites for passenger cars, nearly 7,000 sites for commercial fleets, and approximately 130 sites for mining vehicles.

This is Bridgestone's unique real x digital platform .

On the basis of this platform, we will provide Dan-Totsu products, Dan-Totsu services, and Dan-Totsu solutions, and amplify trust from customers.

In addition, through the collaborations with Microsoft's and Amazon's cloud platforms that we recently announced, we will amplify value of tire data and mobility data.

Through the collaboration with Microsoft, we will utilize data to strengthen retread, tire data business such as wear/durability prediction and digital solutions for the tire-centric solutions business.

Through the collaboration with Amazon, we aim to improve the value of customer experience in the retail & service solutions business and mobility solutions business.

These are the important enablers in this Long Term Strategic Aspiration to gain new competitive advantage while balancing social value and customer value creation.



New premium in circular business era
linked with premium tire business

Tire-centric solutions business

- ENLITEN business strategy (TB)
- Mining solutions with MasterCore at the core
- Aviation solutions

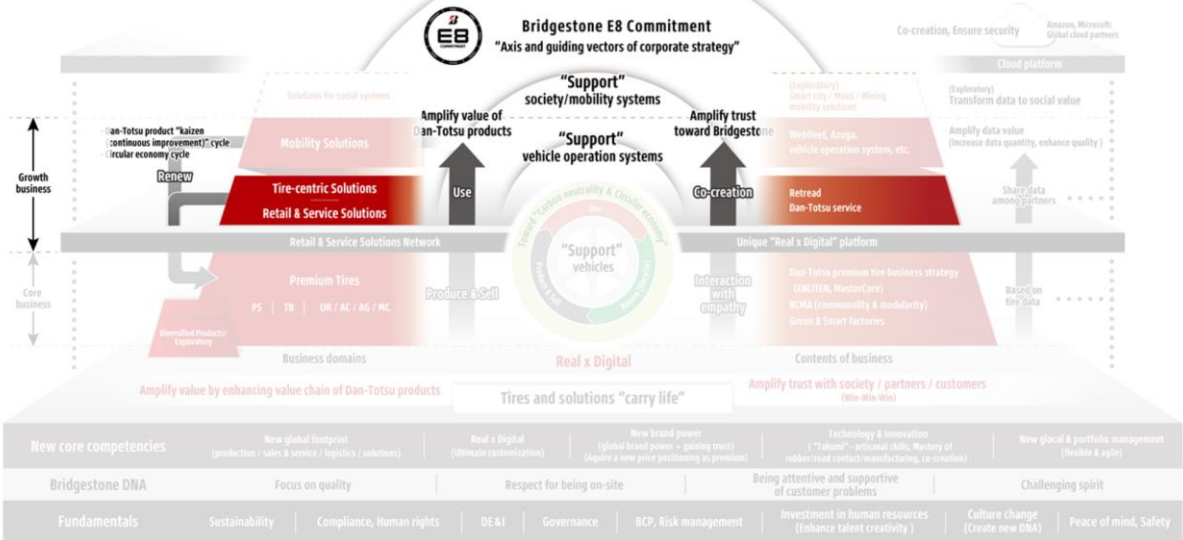
BRIDGESTONE

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2030 Long term strategic aspiration : Strategic map

Mission: Serving Society with Superior Quality

Vision: 2050 Bridgestone continues to provide social value and customer value as a sustainable solutions company (Solutions for your journey)



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BRIDGESTONE

Next, I will talk about the tire-centric solutions business, linked with the premium tire business.

ENLITEN

BUSINESS STRATEGY **TB**

Truck & bus tires
New premium
in circular business era

Efficiency
Extension
Economy



Maximize each tire value

through the one integrated approach with retread
by using up each tire asset till the end of life



Through close alignment with mobility solutions and recycle,
Create a society where tire value "circulates"

Realize circular economy

2030

ENLITEN product # : approx. **90** products

ENLITEN equipment % : approx. **70%**

BRIDGESTONE

We will build the ENLITEN business strategy for truck & bus tires as the new premium in the circular business era.



Premium tire

Competitive new tires

High durability,
Wear performance,
Low rolling resistance



Case for retreads

High durability cases which
maximize # of retread



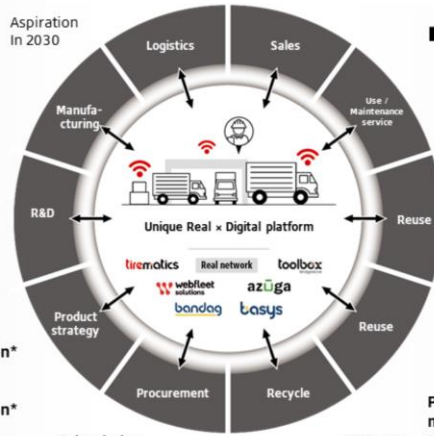
Contribute to reduce environmental burden

new tire × 3 vs Fuel efficient new tire + Retread tire × 2

Resource productivity
(Efficient use of resource) **50% reduction***

Greenhouse gas emissions
(calculated based on CO2 emissions) **48% reduction***

* Calculated based on Tire U2022 Calculation Guideline Ver. 2.0
(The Japan Automobile Tyre Manufacturers Association, Inc.), example - Truck & Bus tire (275/80R22.5)



Provide solutions leveraging tire data



Tire monitoring system (air pressure & temperature)
Understand customer's tire conditions deeply



Database of customers and tire information
Analyze customer's usage conditions deeply



Retread tire process management system
Productive retread tire manufacturing

Provide the subscription package including
maintenance services that customer can use tire
safer, longer, more proper and efficient according to
each customer's situation of use

Subscription for truck & bus approx. **500,000** (2022 plan) contracts

Expand to ENLITEN - light truck tires, passenger car tires (commercial use) as the circular business model

The circular business model, linked with Dan-Totsu products and retread, is based around maximizing tire value by using each tire asset until the end of life.

The first element is our competitive new tires, our Dan-Totsu products. Based on the technology pursuing high durability and wear performance that we have cultivated, we will maximize the number of retread with strong case. We will also contribute to resource productivity and reduction of CO₂ emissions.

In addition, by also integrating the tire data business which leverages the tire monitoring system Tireomatics among others, we will enhance durability, wear prediction and efficient retread.

We will combine these initiatives into packages, and propose solutions according to each customer's usage conditions so that they can use tires safer, longer, better and more efficiently.

By creating value linking the "produce and sell" and "use" phases of the value chain, we will accompany customers and deepen trust.

Tires for mining vehicles
**New premium
MasterCore**



The other pillar of new premium other than ENLITEN is MasterCore for OR tires.

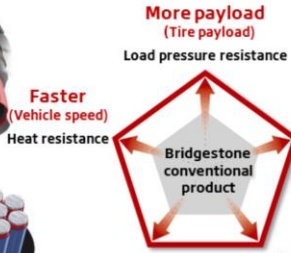
New premium Dan-Totsu product **Bridgestone MasterCore**

Efficiency
Extension
Economy



BRIDGESTONE **MASTERCORE**

Improve customized performances
without sacrificing others
Able to customize the same tire to each customers' operation
conditions/plans and mine layout



METAL SURFACE COATING TECHNOLOGY **Industry-first**
Bridgestone's unique new steel cord and rubber adhesion technology



Durability / Longer tire life 114

Vehicle speed 100
Payload 106

Result of testing in an iron ore mine (Australia)

or



Vehicle speed 105

Durability / Longer tire life 100
Payload 100

Result of testing in a gold mine (Mexico)

or



Payload 112

Durability / Longer tire life 100
Vehicle speed 100

Result of testing in a copper mine (U.S.)

*Performance index with Bridgestone conventional tire as 100 (Bridgestone analysis)

Active in **77** mines (As of July 2022)

2030 MasterCore ratio | 63 inch Close to **100%**

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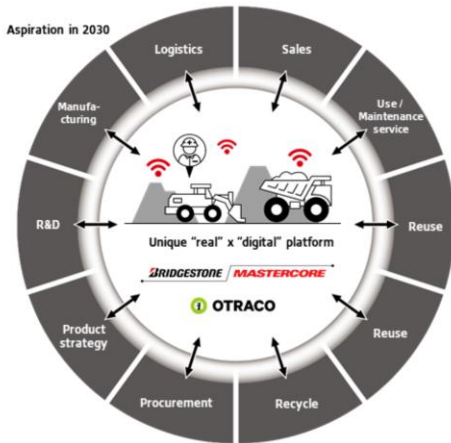


With MasterCore, performance such as durability, vehicle speed and payload can be customized and improved adapted to each customers' operation conditions and mine layout, without sacrificing other performances.

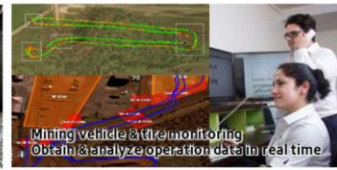
New premium Mining solutions with MasterCore at the core

Propose solutions optimal for each customer with MasterCore at the core. Contribute to maximizing efficiency and economic value in mining operations.

Efficiency
Extension
Economy



"Real"



"Digital"

MasterCore active in **77** Mines

Network **134** Sites

Reinforce coordination with on-site service by Otraco

Promote & expand long term contracts which include solutions

- Leveraging digital tools, understand tire usage & vehicle operating conditions
→ Propose **a better way to use tires (load, speed, etc.)** adapted to each mining vehicles' operations
- Predict tire demand according to customers' operation plans
→ **Propose efficient tire inventory plans & operations. Contribute to the optimization of mining operations.**
- **Work on realizing repair, retread and recycle, and take on the challenge of establishing a circular business model**

41 Mines Solution contract (As of July 2022)

Based on MasterCore, we will combine real and digital capabilities to propose a better way to use tires adapted to the customer, supporting their vehicle operations.

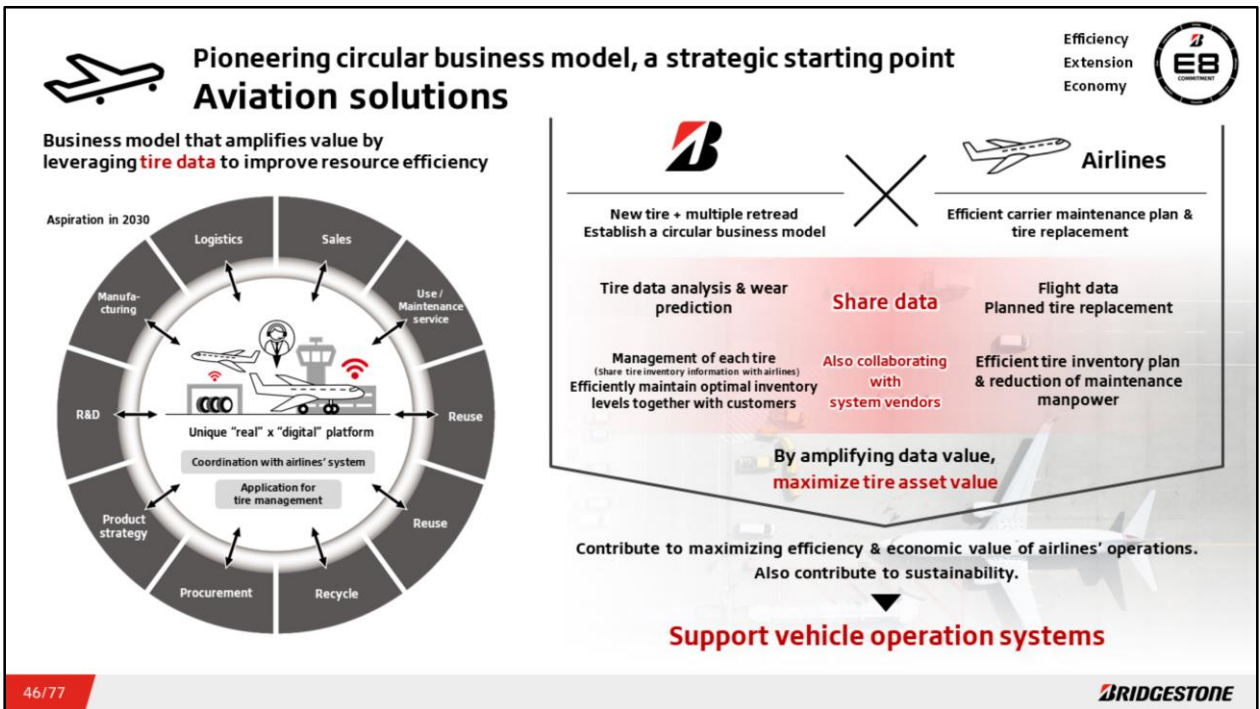
Our mining solutions contributes to maximizing efficiency and economic value of mining operations.

At the core is our on-site service that we will reinforce in close coordination with Otraco, which we acquired last year.

We will combine this with digital solutions which propose to customers a better way to use tires, leveraging tire data and vehicle location data.

Currently, we have long term contracts including such solutions with 41 mines, and we will continue to further expand this.

In the future, we will take on the challenge of establishing a circular business model that links with repair, retread and recycle.



In our Group, aviation solutions will become the strategic starting point for the solutions business, and also has great synergies with other consumer products businesses.

We have established a pioneering circular business model, where Bridgestone owns the tires, leases them to customers and carries out multiple retread under a cost per landing type contract.

We will also provide value through the data business, such as tire wear prediction which leverages tire data as well as flight data acquired through co-creation with customers.

Furthermore, we will collaborate with system vendors to connect to airlines' systems and enable solutions which amplify data value and maximize tire asset value. These include management of each tire which is indispensable to ensure safe flight operations with peace of mind, as well as efficient tire inventory plans.

We will continue to reinforce our business to be able to support operation systems, contributing to maximizing efficiency and economic value, while also contributing to sustainability.



Truck and bus
Mobility solutions business

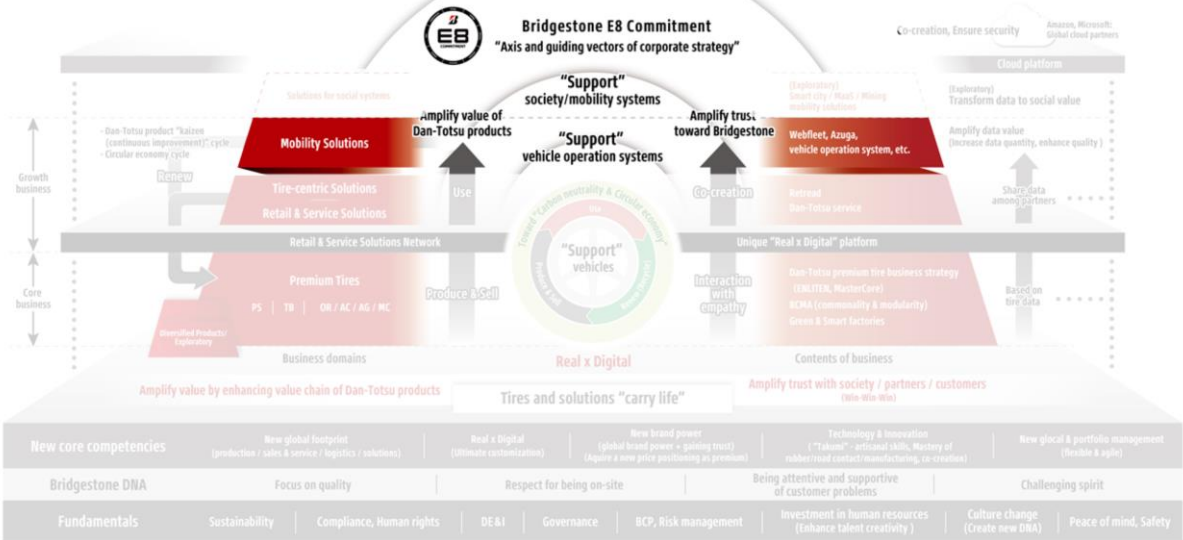


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2030 Long term strategic aspiration : Strategic map

Mission: Serving Society with Superior Quality

Vision: 2050 Bridgestone continues to provide social value and customer value as a sustainable solutions company (Solutions for your journey)



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BRIDGESTONE

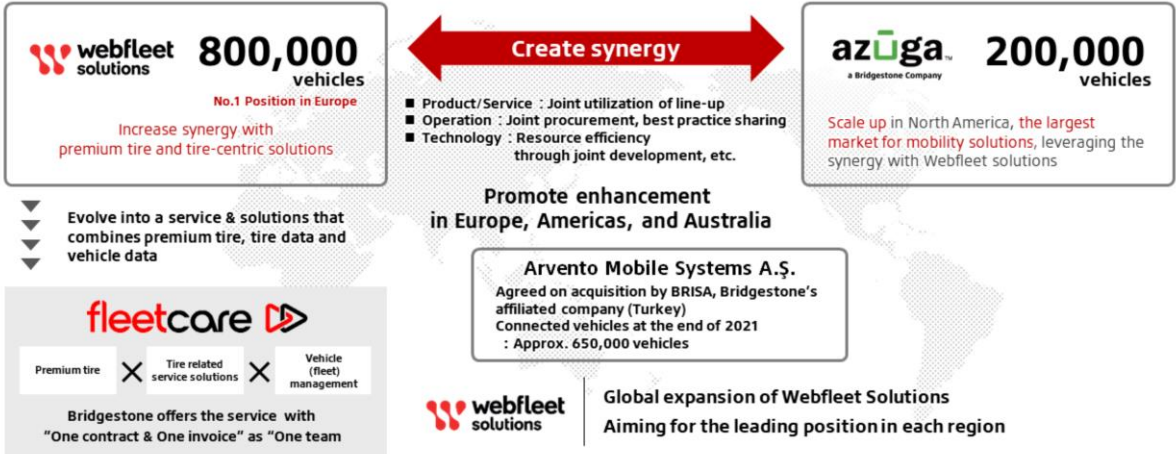
Regarding the mobility solutions,

Mobility solutions business

Efficiency
Extension
Economy



Contribute to the growth of truck and bus premium tires business and the establishment of circular business model
Expand customer base and enhance fleet solutions which amplifies the value of tire data and mobility data



We just launched fleetcare, which combines premium tires, services such as maintenance and fleet operation management, as a customized package adapted to each customer, in Europe.

Expanding this concept globally, we will continue to enhance fleet solutions which amplify the value of tire data and mobility data.

Including the expansion of customer base, we will strengthen this as a business that contributes both to the growth of the truck and bus premium tire business as well as to the establishment of a circular business model, mainly in Europe, the U.S., and Australia.

Strategy outline: Solutions business

Mid Term Business Plan (2021-2023)
Return to a "strong" Bridgestone

- Determine synergies with premium tires biz, profitability and growth potential by each business
- **Close to achieving 21MBP**
Toward "strong" Bridgestone capable of adapting to change
- **Complete laying foundations to enhance premium and evolve with solutions business**

Mid Term Business Plan (2024-2026)
Build the foundation to accelerate the solutions business

- **Expand investment in solutions business**
 - Execute strategically with the determined business
 - Build a foundation for the rapid expansion of solutions business for 2027 and onwards

Retail & service solutions network

- Strengthen expansion of the network as **our growth enabler**

Retail & service solutions business

- Passenger car
- UX - Amplify customer experience value
 - Enhance mobile van service and EV charging stations
 - Enhance subscription model

Tire centric solutions business

- Truck & bus : ENLITEN business strategy (TB)
- Retread: **"as a Bridgestone's core"**
 - Invest in reinforcement of retread
 - Strengthen synergy with the premium tire business and mobility solutions business

Mining: Solutions with MasterCore at the core

Aviation: solutions: Pioneering circular business model, starting point of solutions strategy

Mobility solutions business

- Truck & bus : Contribute to premium tire biz growth and establishment of circular business model
- Expand premium tire's customer base with Webfleet & Azuga
 - Extend the "Fleetcare" concept globally

Mid Term Business Plan (2027-2029)
Expand & grow solutions business rapidly

- Expand solutions business rapidly leveraging strength of premium tire business

Let me summarize the solutions business.

In the Mid Term Business Plan (2021-2023), we will determine synergies with the premium tire business, profitability and growth potential for each business, and in the Mid Term Business Plan (2024 -2026) we will expand investment in the determined businesses.

Based on such investment, we will rapidly expand our solutions business leveraging the strength of the premium tire business in the Mid Term Business Plan (2027-2029).

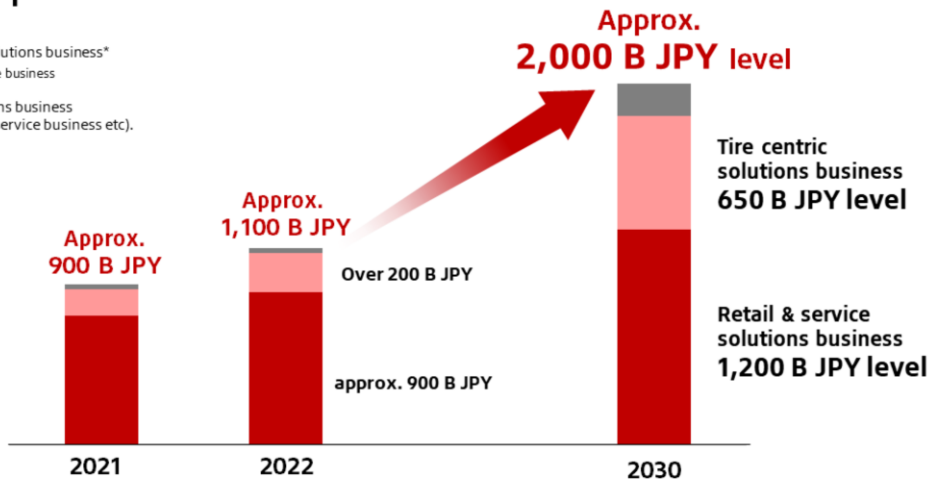
Revenue by each solutions business

Expand solutions business leveraging strength of premium tire business

■ Retail & service solutions business*
* Including retail tire business

■ Tire centric solutions business
(retread, tire data service business etc.)

■ Others



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BRIDGESTONE

In terms of revenue of the solutions business, we aim to expand nearly two times from 1,100 billion JPY in 2022 to 2,000 billion JPY in 2030.

Respond to new mobility - Build mobility ecosystem

Extension



Build a extensive ecosystem from the premium tire business to the solutions business and sustainability

| | Venture Capital | Strategic investment & Partnership | | | |
|--|--|--|--|---|--|
| Mobility solutions Business | <p>Autotech Ventures (U.S.)</p> <p>Iris Capital (Europe)</p> <p>The Westly Group (U.S.)</p> | <p>May mobility Autonomous driving technology development, U.S.</p> <p>TIER IV Autonomous driving technology development, Japan</p> <p>REACH service provider for fleets (Notice dealer when vehicle breaks down), U.S.</p> | <p>Kodiak Robotics Autonomous long-haul trucking technology development, U.S.</p> <p>Tyrata Tire sensor/data management service provider, U.S.</p> <p>Car IQ Automobile related payment platform provider, U.S.</p> | | |
| Retail & service solutions business | | <p>Wrench Mobile vehicle maintenance service provider, U.S.</p> | <p>Yoshi Mobile vehicle maintenance service provider, U.S.</p> | <p>EVBox EV charging network solutions, EU</p> | |
| Premium tire business | | <p>TireHub <small>* Joint company with Goodyear</small> Retail provider of Passenger car and light truck tires, U.S.</p> | | | |
| Exploratory business Sustainability | <p>KKR (U.S.)</p> | <p>LanzaTech Development of technology for recycling used tire to synthetic rubber, U.S.</p> | <p>Delta Energy Development of technology for recycling used tire to carbon black, U.S.</p> | | |

Furthermore, we will respond to new mobility in anticipation of the industry’s accelerating evolution.

We will build an extensive mobility ecosystem which includes autonomous driving, tire recycling, etc.



Diversified products business

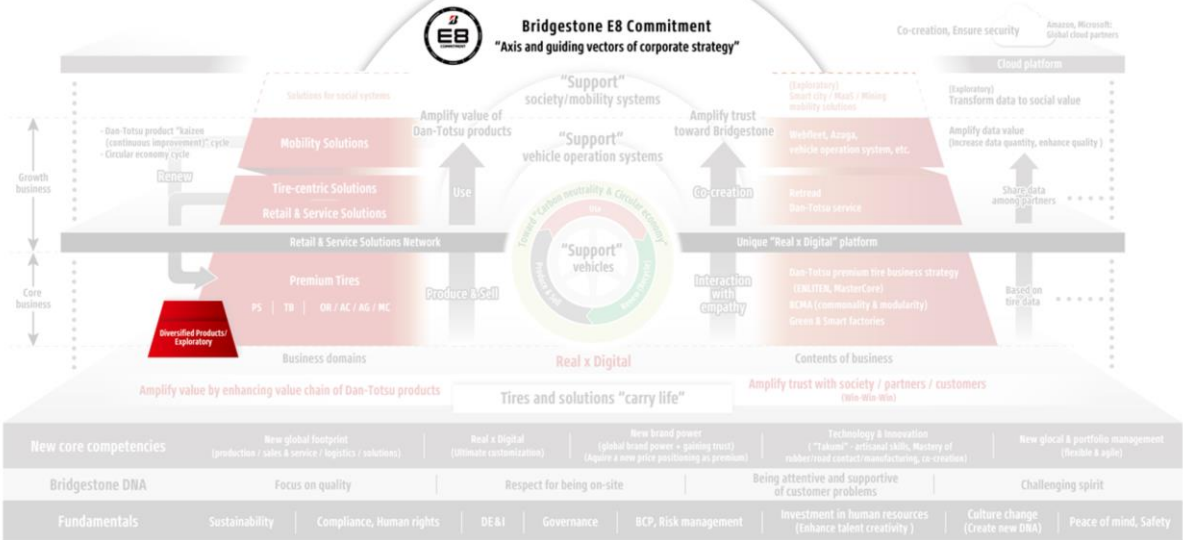


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2030 Long term strategic aspiration : Strategic map

Mission: **Serving Society with Superior Quality**

Vision: 2050 Bridgestone continues to provide social value and customer value as a sustainable solutions company (Solutions for your journey)



S4/77

BRIDGESTONE

Next, regarding the diversified products business and exploratory business.

Diversified products business

Sharply focus on areas where Bridgestone's core competencies can be leveraged and promote **premium and solutions**

Energy
Extension
Emotion
Ease



Business



Core competence

Support operations in various industries

Hydraulic/high performance hose

Rubber track

support lifestyles that prioritize safety and peace of mind

Plastic piping

Seismic isolation

Support the shift to EV from the ground up

Air spring (U.S.)

Support sports life and mobility life that inspires excitement and spreads joy

Sports

Golf ball
Golf club

Cycle

Power assisted bicycle
bicycle

Extension

Ease

Energy

Emotion

Technology core mastering forming hybrid polymer

Strong brand power fostered by long history and track record

Premium product power (high performance, high added value)

Ability to make proper technological proposal based on Genbutsu-Genba and customer focus



We will sharply focus on areas where our core competencies can be leveraged.

We will promote premium and solutions in various businesses, including hydraulic hose, rubber track, plastic pipe, seismic isolation, air spring, sports and cycle, aiming to support industries and spread joy.



Sustainability business model

Produce and sell ~ Use ~ Renew
Build a circular business model from raw material

Carbon neutrality
Circular economy

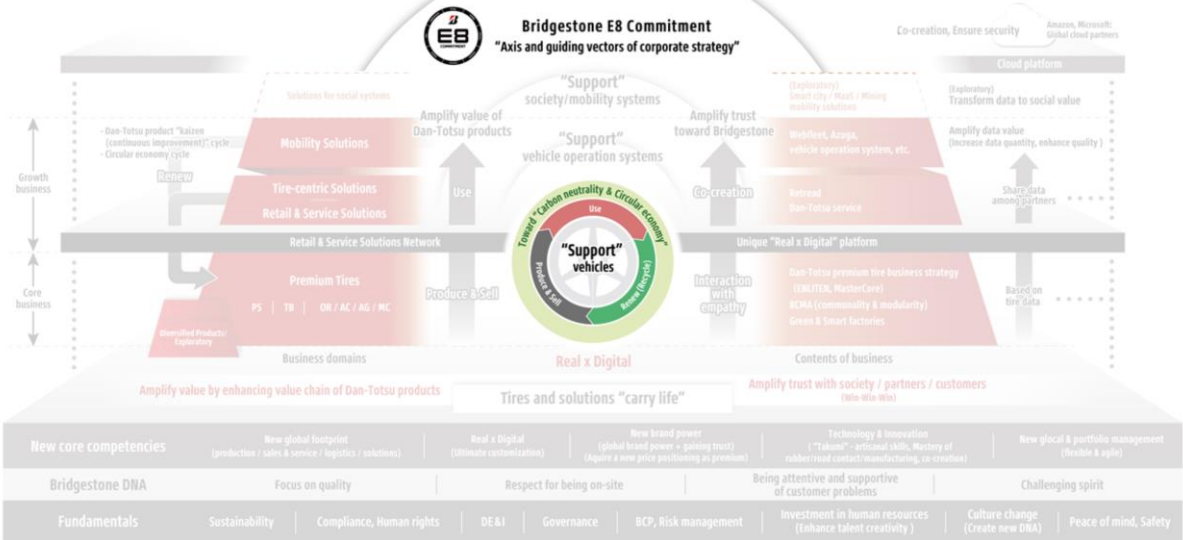


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2030 Long term strategic aspiration : Strategic map

Mission: Serving Society with Superior Quality

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BRIDGESTONE

Regarding sustainability at the core of our management and business, we are building a sustainability business model.

Sustainability business model

Realize carbon neutrality and circular economy

Energy Ecology



| | | | | | |
|-------------------|--|------------|--|------------------------------------|---|
| | Scope1&2 *vs 2011 | | | | |
| Carbon neutrality | CO2 emission reduction* | | 2021 : 25%, 2023 : over 30% | 2026 : over 40% | 2030 : 50% |
| | Expand renewable energy (electricity) : 2023 -over 50%, 2030 : challenge to achieve approx. 100% Strengthen internal utilization of carbon pricing : \$100 t/CO₂ Green & Smart factory (Existing plants including capacity expansion): Start in 2024-2026, accelerate in 2027-2029 | | | | |
| | Scope3 *Science based target | | Set quantitative emissions reduction target for SBT update in 2026 | | Contribute to reducing more than 5x our emissions |
| Circular economy | Recycled & renewable material ratio | | Develop material to improve Recycled & renewable material ratio: Alignment with ENLITEN business strategy and product strategy (including retread) | | 100% Sustainable material |
| | 2021 : 37% | 2022 : 37% | Promote recycle business, strengthen renewable material: Natural rubber business, Guayule business | | |
| | Mid Term Business Plan (2021-2023) | | Mid Term Business Plan (2024-2026) | Mid Term Business Plan (2027-2029) | 2030 |
| | | | | | 2050 |

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BRIDGESTONE

Across the entire value chain where we “produce and sell”, “use” and “renew” products, we are taking on the challenge of linking initiatives focused on the realization of carbon neutrality and circular economy, and our business model.

Build Sustainability business model
Circulate from raw material:
Leverage biotechnology and forming hybrid polymer technology



Natural rubber business

3 natural rubber plantations
(Liberia and Indonesia)

Investment in planting
(2 natural rubber plantations in Indonesia)



Guayule business

Invest mainly in the U.S.
Diversify natural rubber sources
Aim for commercialization in 2026
through co-creation with partners



Recycle business

Technology and business model that "Renew" tires to raw material
Promote mainly in Japan and the U.S. based on co-creation

Synthetic rubber
Carbon black, Steel etc

Regarding circulation from raw material, we will drive initiatives leveraging biotechnology and the forming hybrid polymer technology, which is one of our core competencies.

Natural rubber business

Bridgestone group's natural rubber plantation (3 sites)

Operate the natural rubber plantation business over 90 years (1926-)
Yield increase with the consistent planting of rubber trees
Achieved a profitable adjusted OP in 2021
Dimension: Approx. 480 square kilometers

Investment in planting of rubber trees including elite trees which grow fast (2022-)
Dimension: Sumatra - Approx. 170 square kilometers
Kalimantan - Approx. 40 square kilometers

Liberia

Sumatra Kalimantan



Natural rubber plantation

Energy
Ecology
Empowerment



Carbon neutrality

- Maintain approx. 5.9M tons of CO₂ fixation
- Introduce fast-growing elite trees (Improve productivity and increase yield efficiency)
- Increase in CO₂ absorption and fixation through new planting on a devastated land

Circular economy

- Strengthen the supply of sustainable renewable material supporting premium tire business and Dan-Totsu products

Promote reinforcement of Bridgestone natural rubber plantation and establishment of sustainable natural rubber business across the entire industry

Contribute to the realization of the sustainability business model

Continue social contribution activities staying close to local community

- Impart technology of productivity improvement developed for our own plantation
- Open its health care facility to local community
- Provide land for school facility, etc.

(examples in Indonesia)

Contribute to a society that ensures accessibility and dignity for all

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BRIDGESTONE

For the natural rubber business, we will reinforce the operation of 3 plantations in Liberia, and Sumatra and Kalimantan in Indonesia.

We also will promote the establishment of sustainable natural rubber plantations across the entire industry.

In Liberia, we have been operating natural rubber plantations for over 90 years since the period of Firestone, also contributing to the local community.

In Indonesia, we will strengthen the business through investment in the planting of elite trees which grow faster with high yield efficiency.

We will establish a sourcing structure for sustainable renewable material, that supports the premium tire business and our Dan-Totsu products.

In addition, we will maintain approximately 5.9 M tons of CO₂ fixation at the plantations we operate and increase CO₂ absorption and fixation through new planting on a devastated land, aiming for significant contribution to carbon neutrality.

We will also continue our social contribution activities such as providing small farmers in the local community with support of productivity improvement technology and offer/support of health care and education. We will contribute to a society that ensures accessibility and dignity for all.

Promote guayule business

**Co-create with partners and build an ecosystem
Inject resources globally and
drive the business centering on the U.S.**

1940's: Development activity of tires derived from Guayule by Firestone
2012 : Official re-launch of R&D activities
2013 : Establishment of guayule R&D farm in Arizona (U.S.)
2014 : Establishment of the Biorubber Process Research Center in Arizona (U.S.)
2015 : Completion of first tires made from guayule-derived natural rubber
2018 : Selected as recipient of research grant from USDA *1 National Institute for Food and Agriculture
2022 : Awarded department of energy grant to advance guayule natural rubber research
Opening of the Advanced Tire Production Center in Akron, U.S.,
production facility of sustainable race tires for the INDYCAR® SERIES
Introduction of race tire derived from guayule, debut as the
alternate race tire at the Big Machine Music City Grand Prix in Nashville, U.S.
Investment to establish commercial operations for planting and harvesting guayule at scale
Collaboration and partnering with local U.S. farmers and Native American tribes to
increase capacity of up to 25,000 additional acres of farmland for planting and harvesting activities.

Co-create to date:

- with Local NGO - Environmental Defense Fund : Promote initiatives to convert to harvest guayule, which requires less water, in order to deal with water shortage (U.S.)
- with Versalis: Cooperation toward commercialization (U.S.)
- with NRGene: Advanced guayule research (U.S. & Japan)
- with Kirin Holdings: Development of new technology for improving guayule-derived natural rubber productivity (Japan)

2012-2022
Total investment
amount
**Approx.
13 B JPY**

2022 -2025
Total investment
amount
**Approx.
5 B JPY**

Energy
Ecology
Empowerment



**Enhance sustainable raw material procurement
and expand new green land**

**Accelerate open innovation and co-creation,
aiming for commercialization in 2026
Scale up for production and business toward 2030**

Diversification of natural rubber sources

Enhancement & diversification of renewable
materials
Reduce risk of natural rubber supply & price soaring

Growable in arid zones with little water

Expand new green land and contribute to
increased CO2 absorption
"Conserve Water Resources"

**Contribute to sustainable production of
natural rubber with co-creation partners
and local community**

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BRIDGESTONE

Also, we will strengthen the guayule business to realize diversification of natural rubber sources. Guayule is can be grown in arid zones with little water.

After the development activity of tires derived from guayule in the U.S. in the past during the period of Firestone, we officially re-launched R&D activities in 2012. We have invested approximately 13 billion JPY until 2022.

This year, race tires made from guayule-derived natural rubber debuted at an INDY car race in the U.S.

Going forward, we will expand the business mainly in the U.S. while promoting co-creation with partners and building an ecosystem, and accelerate initiatives aiming for industrial use in 2026 and full-scale production and commercialization in 2030.



Bridgestone's Recycle business

Used tire = "resource"

"Renew" tires to raw material

Create a society where tire value "circulates"

Preserving the environment for future generations through the recycling of tires

Together with you

BRIDGESTONE

For the recycling business, we launched the EVERTIRE INITIATIVE this April to realize a society where tire value circulates.

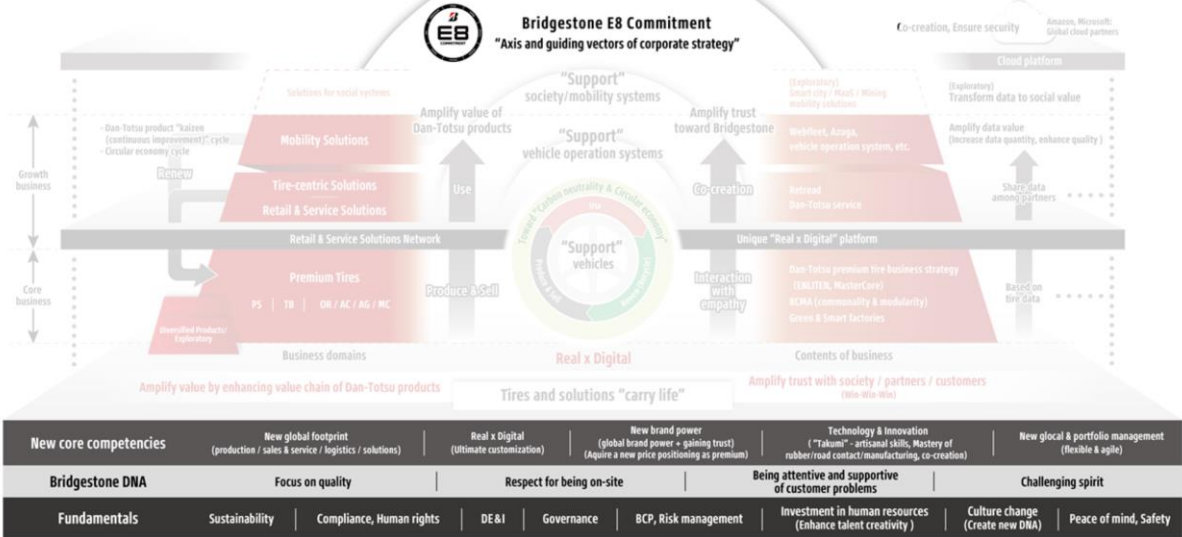
Renewing used tires to raw material as a resource.

By leading initiatives for recycling as a global leading company in the tire and rubber industry, we will continue our challenge to preserve a better environment for future generations, together with all of our partners who empathize with this initiative.

2030 Long term strategic aspiration : Strategic map

Mission: Serving Society with Superior Quality

Vision: 2050 Bridgestone continues to provide social value and customer value as a sustainable solutions company (Solutions for your journey)



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Finally, I will explain our new core competencies, DNA and fundamentals.



New brand power

Global brand power + gaining trust

Acquire a new price positioning as premium brand

Bridgestone E8 Commitment

Global motorsports

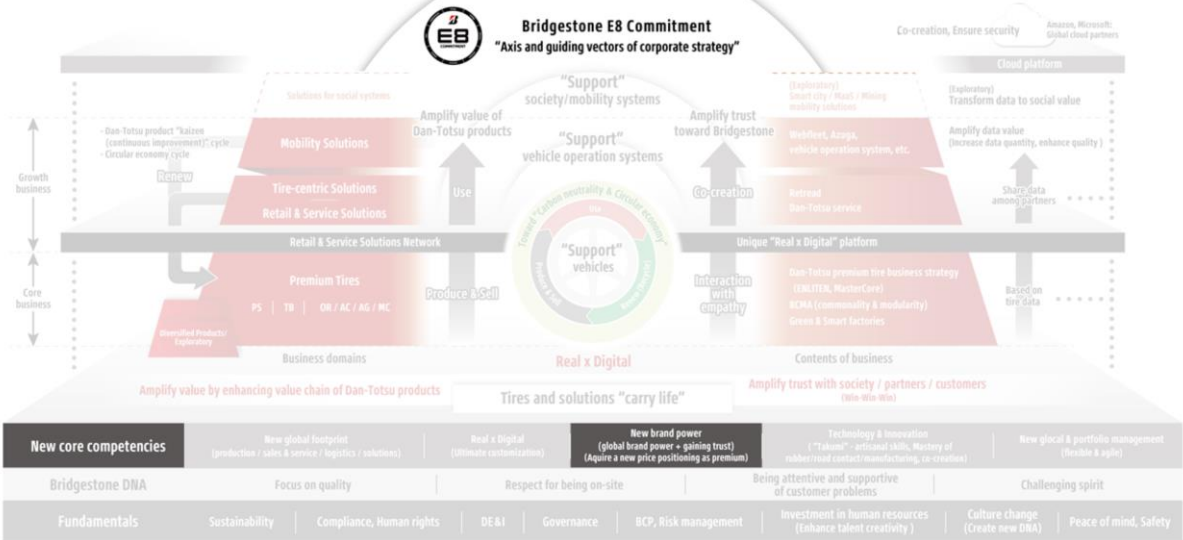
BRIDGESTONE

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2030 Long term strategic aspiration : Strategic map

Mission: Serving Society with Superior Quality

Vision: 2050 Bridgestone continues to provide social value and customer value as a sustainable solutions company (Solutions for your journey)



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BRIDGESTONE

Regarding new brand power which supports our new premium, we will acquire a new price position as premium based on global brand power and trust.

Also, by gaining empathy for the Bridgestone E8 Commitment and committing to realize a sustainable society together with employees, society, partners and customers, we will amplify trust.

Acquire a new position as premium brand
Strengthen global motorsports activity

Emotion



Bridgestone 1.0



Bridgestone 2.0



Bridgestone 3.0



further challenge for "sustainable motorsports"

2024 Re-activate global motorsports activity



Support motorsports culture development through inspiring excitement and spreading joy to the world of mobility

Continue to provide "Driving Excitement" in 10 years, 20 years

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BRIDGESTONE

By 2024, we will also re-activate global motorsports activity, which we have widely participated in since our founding.

As we stated in "Emotion" of the Bridgestone E8 Commitment, we will commit to inspiring excitement and spreading joy to the world of mobility 10 years, 20 years from now, through the support of motorsports culture development.



Talent creativity
Corporate culture change
Create new DNA

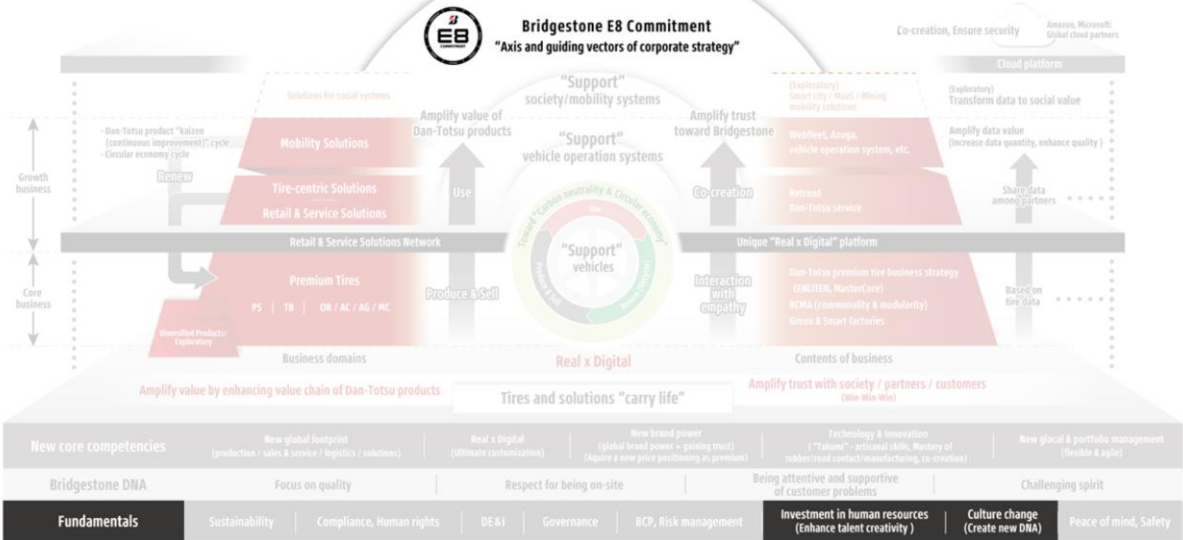


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2030 Long term strategic aspiration : Strategic map

Mission: Serving Society with Superior Quality

Vision: 2050 Bridgestone continues to provide social value and customer value as a sustainable solutions company (Solutions for your journey)



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BRIDGESTONE

Regarding fundamentals, we will enhance talent creativity.

Enhance talent creativity - talent strategy aligned with business strategy

Empowerment



Mid Term Business Plan (2021-2023) Return to a "strong" Bridgestone

Have driven initiatives on HRX as critical management issues since 2020 in gradual execution applying PDCA cycle, still need to be improved

- Expand top managements town hall meetings
- Develop talents having potential to be top management in next generation (Bridgestone Next100)
- Promotion female managers (with mentor system by executives)
- Promote new workstyles (Remote, free address, Promotion of ABW)
- Simple and lean organization

Further strengthen management structure by appointing a Vice President and Senior Officer for talent creativity enhancement as of 1st Jan, 2023

Mid Term Business Plan (2024-2026) New premium 1st stage Complete building the foundation of premium biz Build the foundation to accelerate determined solutions biz

Talent creativity - New Global management KPI -

- Introduce in addition to Revenue, Adjusted OP ratio, ROIC, ROE
- Consistently aim to increase business productivity and create added value
- Execute initiatives globally to realize both growth of Bridgestone and individuals working at Bridgestone and create added value

Reinforce talent investment and increase added value
→ Create a virtuous cycle of value creation



Provide opportunity and program to create added value aligned with business strategy, and for individual talent growth. Continue to increase added value aligned with business strategy to increase corporate value and develop various opportunities for diverse talents to "shine" through spreading experience and gaining confidence of individuals.

Mid Term Business Plan (2027-2029) New premium 2nd stage Enhance new premium biz portfolio management Expand & grow solutions business rapidly

Toward a talent group which can create new business value and support business portfolio

Global culture change in line with Bridgestone E8 Commitment

- Drive E8 commitment activation globally
- Promote initiatives to deal with the problems specific to Bridgestone, to the region and also global common improvement items

Build new corporate culture and DNA

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Bridgestone Group's talent strategy is based on the idea of allowing diverse talents to shine through the spread of individual success and confidence, while aiming to enhance corporate value by added value creation aligned with the corporate strategy.

Enhancing talent creativity is necessary to transform to a resilient "excellent" Bridgestone. Although we have been driven reinforcement initiatives in increments since 2020 applying PDCA cycle, there is still room for improvement.

Strengthening talent investment leads increasing added value. We will create this virtuous cycle of value creation.

In addition, we will promote global corporate culture change in line with the Bridgestone E8 Commitment, which has been filtering into the hearts of more than 80 percent of global teammates.

Enhance Talent creativity

Various opportunities for diverse talents to "shine" in Bridgestone's broad business portfolio

Further challenge to create added value



Empowerment



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As an important initiative for talent investment, we will provide opportunities to take on the challenge for added value creation and personal growth aligned with the business strategy, in Bridgestone's broad business portfolio.

For example, the soft-robotics business in the exploratory business will be an in-house company from 2024, and serve as a place to demonstrate entrepreneurship.



Strategic resource (Strategic investment • strategic expenses)

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I would like to summarize the strategic resource in order to execute these strategies.

Strategic resource (Strategic investment & expenses) 2022-2030 **2,800B JPY level**

2022-2023 plan
Approx. **490 B JPY** level

Lay foundations to enhance premium and evolve with solutions business

Mid Term Business Plan (2021-23)

Approx. **620 B JPY** level

Mid Term Business Plan (2024-2026)

Approx. **1,200 B JPY** level

Focus on injecting resource for expansion of determined solutions biz
Continue building premium tire biz foundation
Start enhancing green & smart factories

Mid Term Business Plan (2027-2029) & 2030

approx. **1,100B JPY**

Shift to mainly Green & Smart factory and sustainability related investment
Continue to invest determined solutions business

Mid Term Business Plan (2027-2029)

Approx. **800 B JPY** level

Premium tire business

Approx. **1,200 B JPY** level

60% Green & Smart factory Sustainability related

40% Enhancement of premium tire production

Solutions business

Approx. **1,100 B JPY** level

Expansion and reinforcement of retail & service solutions network / business and tire centric solutions business

IT · foundation
Diversified products
Exploratory business

Approx. **500 B JPY** level

In Mid Term Business Plan (2021-2023), we are laying foundations to enhance premium and to evolve with the solutions business.

In Mid Term Business Plan (2024-2026), we will focus on injecting resources of 1,200 billion JPY level which will be approximately double of the amount in the Mid Term Business Plan (2021-2023), toward growth from 2027 onwards.

This will be mainly to accelerate expansion of the determined solutions businesses and complete building the foundation for the premium tire business.

In Mid Term Business Plan (2027-2029), we will shift to the investment in Green & Smart factory and sustainability.

Strategic resources that we will inject from this year to 2030 will be 2,800 billion JPY level in total.

We will inject resources of approximately 1,000 billion JPY respectively for the premium tire business and solutions business, and determine where we will inject strategic resources with flexibility and agility along the roadmap toward 2030.



Direction of capital allocation Shareholder returns

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As for direction of capital allocation and shareholder returns,

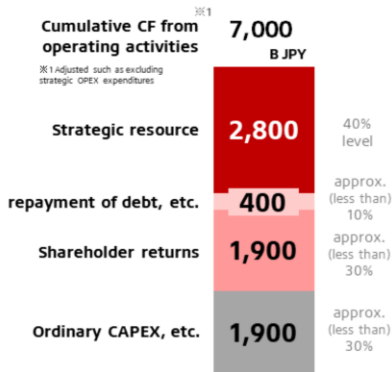
Direction of capital allocation

With 2030 Long Term Strategic Aspiration as a roadmap,

- Secure necessary internal reserves to make strategic resource investment to create and balance new social & customer value and gain the competitive advantage
- Also, aim for "maintaining an appropriate financial position" and "conducting shareholder returns"

2022~2030

Cumulative CF • capital allocation



Strategic resource (2022~2030) : approx. 2,800 B JPY

- Premium tire business : approx. 1,200 B JPY
- Solutions business : approx. 1,100 B JPY
- IT / foundation / diversified products & exploratory business : approx. 500 B JPY

"Maintaining an appropriate financial position"

While securing financial health level, balancing out capital efficiency and maintaining financial position to realize 2030 Long Term Strategic Aspiration

| Securing stability | | Capital efficiency • Capital cost | |
|---|--|--|--|
| • Net D/E Ratio | 2022 0.05 level (plan) 2030 Less than 0.3 level | ROE : 2022 10% (plan) 2030 13% level | |
| • Consolidated equity ratio | 2022 Less than 60% level (plan) 2030 Target 60% level in mid-long term | ROIC : 2022 9% (plan) 2030 12% level | |
| Maintaining and enhancement of rating by credit rating agencies | | 2022 : Moody's: A2, S&P: A, R&I:AA+ | |

"Enhancement of shareholder returns" "Agile capital management"

Dividend policy : Increase dividend amounts stably and continuously

Dividend payout ratio : 2022 40% ⇒ **2030 50% level**

Consider acquisition of treasury stock agilely by reviewing comprehensively from the internal reserves for strategic resource and financial health level

With the 2030 Long Term Strategic Aspiration as the roadmap, we will secure necessary internal reserves for strategic resource investment to balance the creation of new social and customer value, and gain competitive advantage, while aiming for "maintaining an appropriate financial position" and "enhancing shareholder returns".

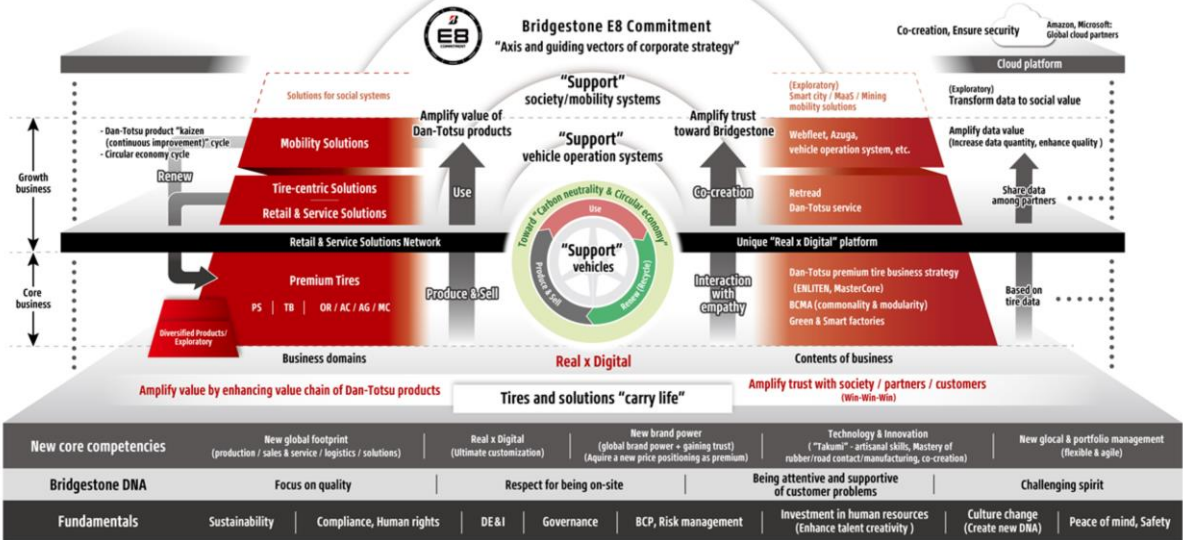
In order to secure financial health that maintains our current credit rating, we will aim for less than 0.3 of Net D/E ratio, and a consolidated equity ratio of 60% level, considering the balance of capital efficiency.

Based on the enhancement of shareholder returns and agile capital management, we will gradually increase the dividend payout ratio from 40% in 2022 to 50% level in 2030.

2030 Long term strategic aspiration : Strategic map

Mission: Serving Society with Superior Quality

Vision: 2050 Bridgestone continues to provide social value and customer value as a sustainable solutions company (Solutions for your journey)



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That was the explanation for our roadmap, 2030 Long Term Strategic Aspiration.



Strategy outline: Summary

2015-2019

Decline in profit and profit share within the industry ⇒ **"We will not survive unless we stay responsive and strong"**

2020 the Third foundation

Bridgestone 3.0 Journey

Mid Term Business Plan
(2021-2023)

Mid Term Business Plan
(2024-2026)

Mid Term Business Plan
(2027-2029)

Return to a "strong" Bridgestone capable of adapting to change

- "Tackle past negative legacies without delay"
- "Focus on execution & delivering results for immediate issues"
- "Lay foundations for future growth"

Focus on premium business and solutions business which create "new premium"

- Premium tire biz - **"From volume to value"**
- Solutions biz - **Build the foundation** to accelerate the determined solutions business
- Diversified products and exploratory biz - Sharply focus on areas where Bridgestone's core competencies can be leveraged
- Enhance **new premium tire business** portfolio management
- Expand and grow rapidly solutions business leveraging strength of the premium tire business

2030 Become a resilient "excellent" Bridgestone

Amplify trust and value through coordination of premium tire, solutions and diversified products and exploratory business

Talent group which can create new business value and support business portfolio / Build new corporate culture and DNA

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BRIDGESTONE

Amplifying trust and value through the premium business, solutions business linking each other, and diversified products and exploratory businesses;
 evolving to a talent group which can create new business value and support business portfolio;
 and building new corporate culture and DNA.

Realizing these, we will accelerate transformation from a "strong" Bridgestone capable of adapting to change into a resilient "excellent" company toward the 100th anniversary of our founding.



Bridgestone 3.0 Journey

**Pursue both social and customer value creation,
and enhance corporate value.
Pursue both sustainability and corporate growth.**

**Confronting & overcoming
various challenges and obstacles,
Bridgestone will continue advancing.**

Many obstacles will await this journey, including the pursuit of both social and customer value creation, and enhancement of corporate value, as well as the pursuit of sustainability and corporate growth.

However, Bridgestone will confront and overcome these challenges, and continue advancing.

Thank you very much for your attention.



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