



Mid Term Business Plan (2024-2026)

Planning process update

May 15, 2023

Member of the Board

Global CEO and Representative Executive Officer

Shu Ishibashi

Mission: Serving Society with Superior Quality

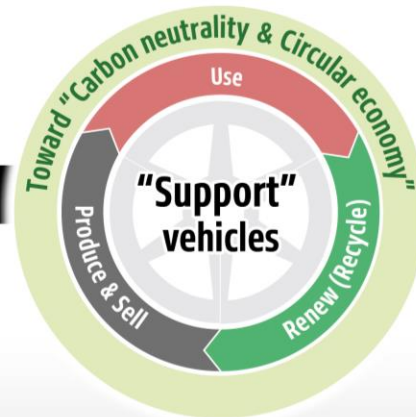
Vision: 2050 Bridgestone continues to provide social value and customer value as a sustainable solutions company

Solutions for your journey



Bridgestone E8 Commitment

“Support” society/mobility systems
 “Support” vehicle operation systems



Real x Digital

Tires and solutions “carry life”

Amplify value of Dan-Totsu products

Amplify trust Interaction with empathy to co-creation

Amplify data value

Enhancing value chain of Dan-Totsu products

Trust with society / partners / customers (Win-Win-Win)

Based on tire data

Unique “Real x Digital” platform

Share data among partners

Cloud platform

Growth business

Core business

Solutions for social systems

Mobility Solutions

Tire-centric Solutions
Retail & Service Solutions

Retail & Service Solutions Network

Premium Tires

Diversified Products/
Exploratory

New core competencies

New global footprint

Ultimate customization

New brand power

Technology & Innovation

New glocal & portfolio management

Bridgestone DNA

Focus on quality

Respect for being on-site

Being attentive and supportive of customer problems

Challenging spirit

Fundamentals

Sustainability

Compliance, Human rights

DE&I

Governance

BCP, Risk management

Enhance talent creativity

Create new DNA

Peace of mind, Safety

Mid Term Business Plan (2024-2026): Accelerating transformation along the “2030 Long Term Strategic Aspiration”



Bridgestone 3.0 Journey

Mid Term Business Plan (2021-2023)

Mid Term Business Plan (2024-2026)

Return to a “strong” Bridgestone capable of adapting to change

Focus on premium business and solutions business to create “new premium”

Complete laying foundations for premium enhancement and evolution with solutions business

- Premium tire business – “Reinforce existing premium” and “create new value”
- Solutions business – Build foundation to accelerate determined solutions business
- Diversified products and Exploratory business –
Sharply focus on areas where Bridgestone’s core competencies can be leveraged

Tackle past negative legacies squarely without delay

Focus on execution and delivering results for immediate issues

Lay foundation for future growth

Become a resilient “excellent” Bridgestone by 2030

Amplify trust and value through coordination of premium tire, solutions, diversified products and exploratory businesses
A talent group that can create new business value and support the business portfolio / Build new corporate culture and DNA

Toward Mid Term Business Plan (2024-2026)



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

Mid Term Business Plan (2024-2026)

Management approach

"Crisis" (common issues)



Next stage

"PASSION" for Excellence

Build & manage strategy

Global strategy-led (common issues)



Next stage

Global × Regional strategy (common + individual issues)

Earning power

Rebuild earning power



Next stage

Reinforce earning power

Strategic growth investment

Build foundations for investment management structure (Shift to management focusing on investment cost)
ROIC / ROE / Adj. operating profit



Determine

Move on to **expansion & reinforcement** stage for strategic growth investments
ROIC / ROE / Adj. operating profit + Talent creativity

Business stage

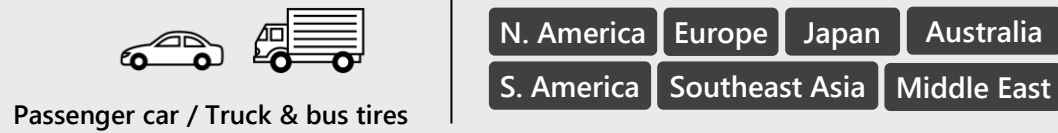
Lay foundations for premium enhancement and evolution with solutions business



1. Reinforce **sustainable global premium tire business**
 2. Expand premium tire business in emerging countries & growing markets
 3. Evolve specialties tires into a **"Dan-Totsu" premium business**
 4. Expand **tire-centric solutions business** mainly in **mature countries**
 5. Establish **mobility tech business in N. America**
- Pursue operational excellence across the entire value chain



1. Reinforce **sustainable global premium tire business**

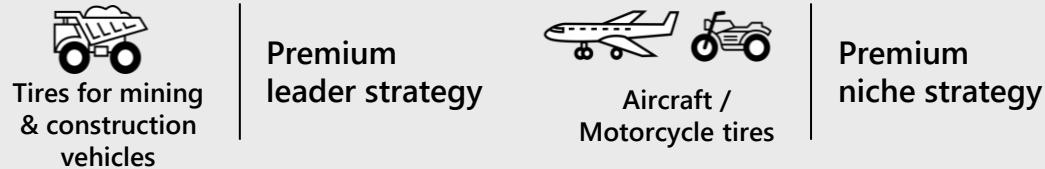


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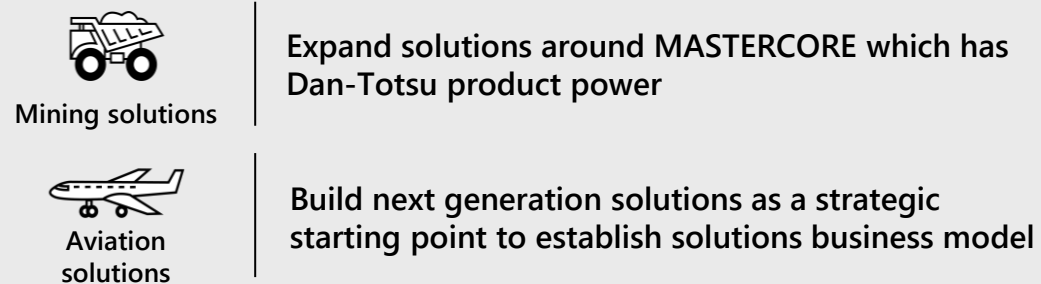


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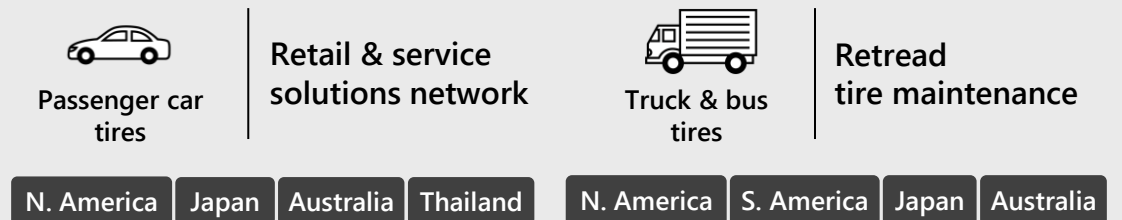
Premium tire business



Tire-centric solutions business



4. Expand **tire-centric solutions business** mainly in **mature countries**



5. Establish **mobility tech business in N. America**

(Focus on BtoB and truck & bus tires)

Reinforce coordination between Webfleet Solutions (Europe) and Azuga (N. America)

- Enhance and expand FLEETCARE in N. America



1. Reinforce sustainable global premium tire business



Passenger car / Truck & bus tires

- N. America
- Europe
- Japan
- Australia
- S. America
- Southeast Asia
- Middle East

2. Expand premium tire business in emerging countries & growing markets



Passenger car tires

- India
- China
- etc.

3. Evolve specialties tires into a "Dan-Totsu" premium business

Premium tire business



Tires for mining & construction vehicles

Premium leader strategy



Aircraft / Motorcycle tires

Premium niche strategy

Tire-centric solutions business



Mining solutions

Expand solutions around MASTERCORE which has Dan-Totsu product power



Aviation solutions

Build next generation solutions as a strategic starting point to establish solutions business model

4. Expand tire-centric solutions business mainly in mature countries



Passenger car tires

Retail & service solutions network



Truck & bus tires

Retread tire maintenance

- N. America
- Japan
- Australia
- Thailand
- N. America
- S. America
- Japan
- Australia

5. Establish mobility tech business in N. America

(Focus on BtoB and truck & bus tires)

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Mid Term Business Plan (2024-2026) Reinforce earning power

Reinforce sustainable global premium tire business
(Passenger car / Truck & bus tires)

Mid Term Business Plan (2021-2023)

Global strategy-led /
Rebuild earning power

Mid Term Business Plan (2024-2026)

Towards Global + Regional strategy
Reinforce earning power – next stage –

Increase price

Improve position
(value creation)
Improve sales MIX



Dan-Totsu product power & product planning power Pursue "ultimate customization"

- Create new premium
Realize "ultimate customization"
based on innovative tire technology



Power to improve sales MIX + ENLITEN

- Premium tires: increase, Commodity tires: reduce

Existing premium

PSR HRD tire
Ultra- HRD tire
Premium tires in each region

 + "New premium" ENLITEN

- TB retread: increase

Dan-Totsu manufacturing and R&D power - Real x Digital -

- Reinforce Japan's manufacturing leadership
- Clarify roles and responsibilities of 50 new tire plants globally

- BCMA* in development to manufacturing, and across the value chain
"Achieve both cost reduction & customization" through simplification & differentiation

*BCMA : Bridgestone Commonality Modularity Architecture

- Shift to Green & Smart factories
 - Reduce environmental impact through shift to "green"
 - Improve productivity through shift to "smart"

Reduce cost
Reduce environmental impact

DOWN



New brand power

- Toward a new sustainable global premium brand
Linked with sustainable global motorsports, Bridgestone / ENLITEN

Channel power - Real x Digital -

- Expand and enhance retail & service solutions network, reinforce family channel
⇒ Growth enabler for the premium tire & solutions businesses

Global supply chain management power

- Flexible & agile supply management focused on premium
⇒ Supply the right products in the right quantity at the right timing to the right place

Global supply chain management power

- "Local production for local sales" + ensuring flexibility for global optimization
"Local production for local sales" ratio | 95% (Passenger car tires) 85% (Truck & bus tires)
- Lean operations (optimization of inventory, etc.)

Global procurement power

- Co-creation with sustainability partners
(from procurement to production, etc.)

Mid Term Business Plan (2024-2026) Reinforce earning power

Reinforce sustainable global premium tire business
(Passenger car / Truck & bus tires)

Mid Term Business Plan (2021-2023)

Global strategy-led /
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Mid Term Business Plan (2024-2026)

Towards Global + Regional strategy
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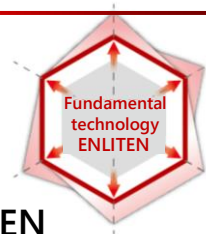
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Improve position
(value creation)
Improve sales MIX



Dan-Totsu product power & product planning power
Pursue “ultimate customization”

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(from procurement to production, etc.)

Reinforce sustainable global premium tire business
 "New perspective" - Reinforce improvement of sales MIX with
 ultra-HRD tires 20 inch and above (Passenger car tires)



Energy
Efficiency
Extension



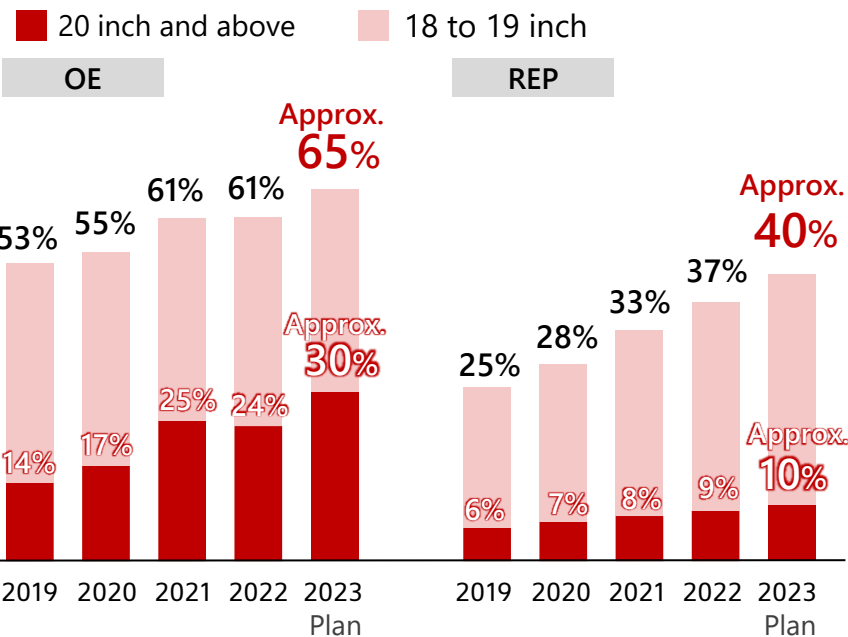
Mid Term
Business Plan
(2024-2026)

Take in REP* tire recursion demands from OE* tires and continue **improvement in sales MIX and market share** of HRD* tires globally.
 Starting from Europe & N. America, reinforce **ultra-HRD tires 20 inch and above** expecting strong demand growth from the **accelerated shift to EVs**.

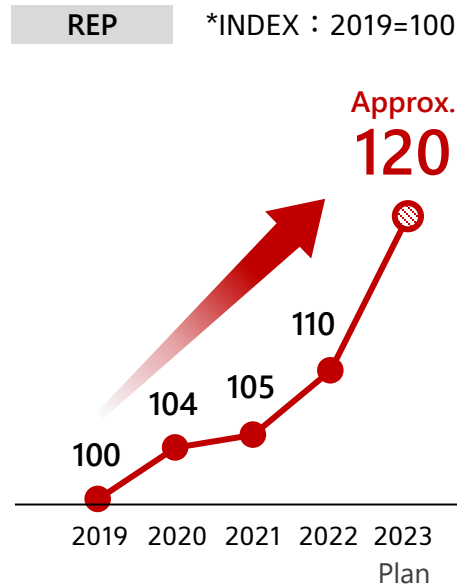
* OE: Tires on new vehicles / REP: Tires for replacement / HRD: High rim diameter

Europe & N. America

Sales portion of HRD tires 18 inch and above
 (including sales portion of ultra-HRD tires 20 inch and above)

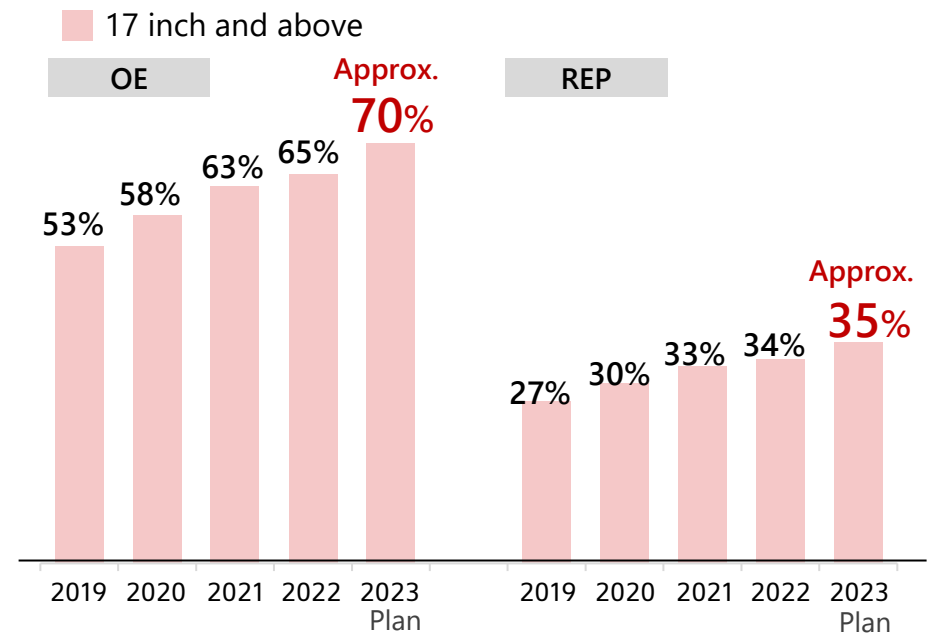


Market share index of
 REP HRD tires 18 inch and above



Emerging markets (Asia Pacific, China, S. America)

Sales portion of HRD tires 17 inch and above



In planning process for reinforcing improvement of sales MIX & expansion of HRD tires and ultra-HRD tires for 2024-2026

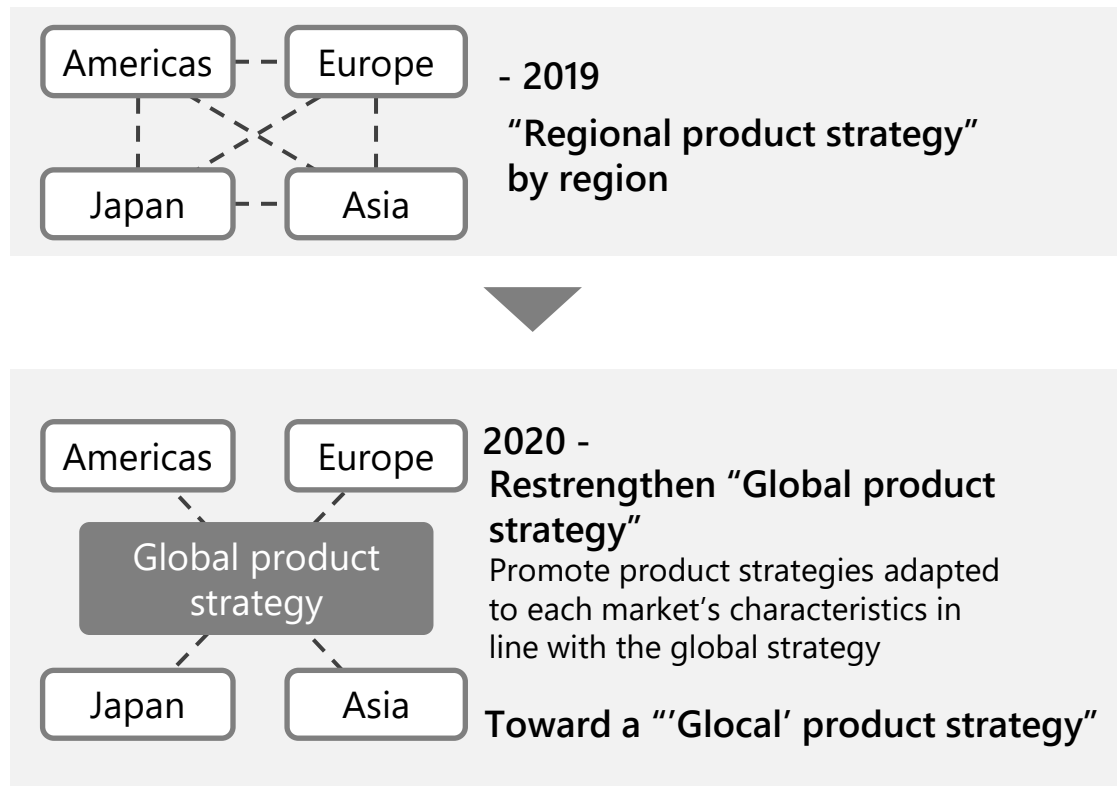
Reinforce sustainable global premium tire business
 Improve Dan-Totsu product power & product planning power



- Based on the **global product strategy**, “**customize**” adapted to market characteristics
 ⇒ Steadily improve product power and prove value to customers

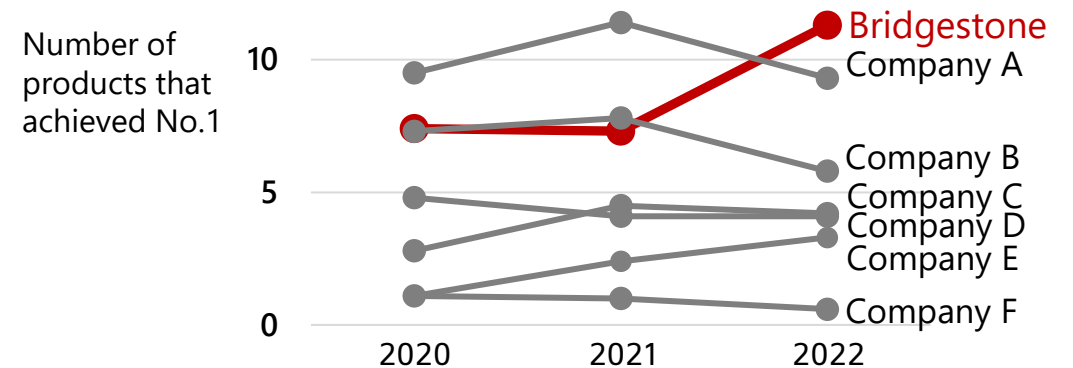
Mid Term Business Plan (2024-2026) Take on the challenge to create Bridgestone’s unique “**new premium**”

Evolution of product strategy function



N. America: Tire Rack* VOC survey by tire category

Number of products that achieved No.1 (Annual monthly average)
 ⇒ **Achieved No.1 ranking in 2022**



Europe: Magazine rating

- Sport tire **POTENZA SPORT** (Spring 2023)
 Ranked No.1 in Auto Zeitung
- Winter tire **BLIZZAK LM005** (Winter 2022)
 Ranked No.1 in Auto Bild Sportscars’ winter *1
 Ranked No.2 in Auto Express, Auto Zeitung
- Summer tire **TURANZA 6** (Spring 2023)
 Ranked No.2 in Auto Bild SUV summer tires *2



*1 245/40R19 *2 225/65R17

Reinforce sustainable global premium tire business

Reinforce improvement of sales MIX with premium tires in each region

Energy
Ecology
Efficiency
Extension
Economy



Mid Term Business Plan
(2024-2026)

Expand sales of premium tires in each region (including premium tire brands),
built through proving their Dan-Totsu product value to customers

HRD tires

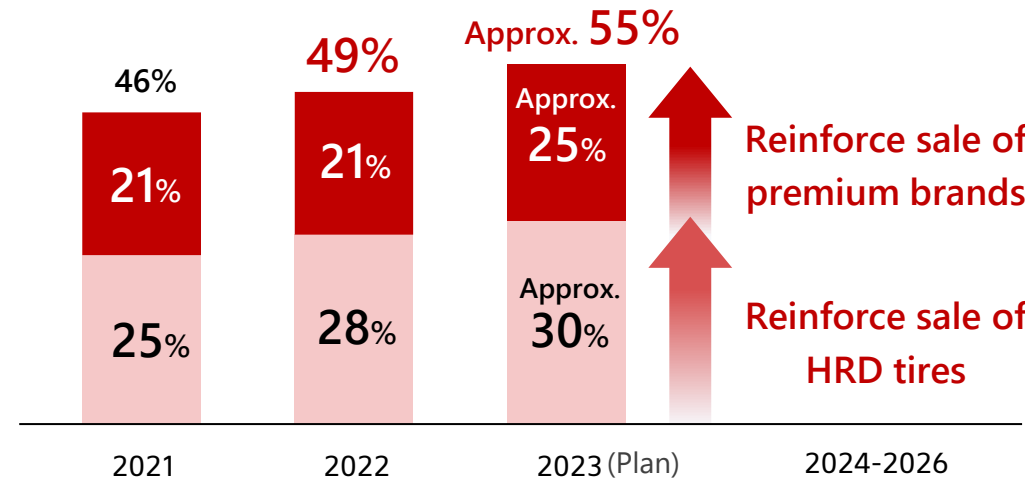
Europe & N. America: 18 inch and above
Emerging markets: 17 inch and above

Ultra-HRD tires: 20 inch and above

Sales portion of premium tires Passenger car tires (for replacement)

- Premium tire brand + premium tires in each region
- HRD tires*

*U.S., Europe, Middle East: 18 inch and above
Other regions: 17 inch and above



Continue sales MIX improvement of premium tires for truck & bus tires and light truck & bus tires

In planning process of strategy & sales plan for 2024-2026
to reinforce improvement of sales MIX & expansion of premium tire brands and premium tires in each region

Reinforce sustainable global premium tire business

Create "new premium": "New premium in EV era" – ENLITEN – (passenger car tires)

Energy
Ecology
Ease



Mid Term Business Plan
(2024-2026)

Expand products equipped with ENLITEN, the "new premium in EV era"

⇒ Move to market penetration phase

Innovative tire technology optimized to fit EVs

⇒ Expand value to products and business model



Achieve both environmental & driving performance

Contribute to solving problems related to electrification

- Significant improvement in EV driving range & electricity consumption through reduced tire rolling resistance, contribution to extension of vehicle battery life

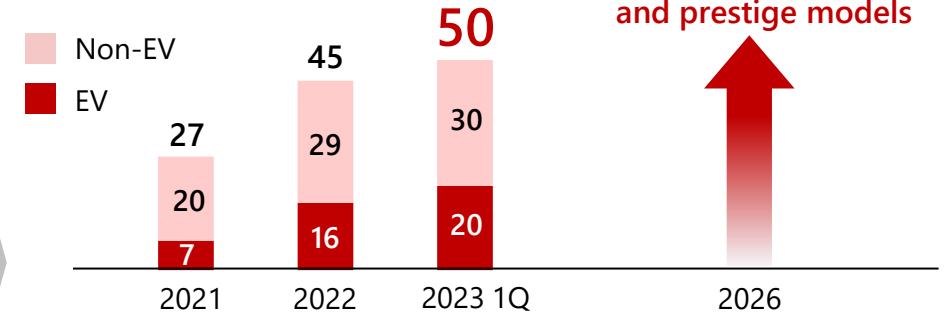
⇒ Contribute to lighter battery, reduced cost, and improvement in vehicle space utility

Expand products equipped with ENLITEN from OE to REP tires

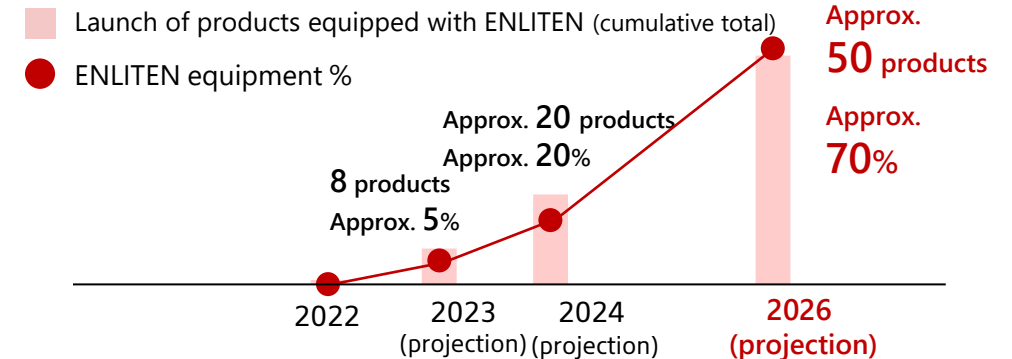
Expansion of OE fitment

Number of car models with ENLITEN OE fitment

Reinforce approach to strategic vehicle models focusing on EVs and prestige models



Expansion to replacement tires



Mid Term Business Plan (2024-2026): Accelerating transformation along the “2030 Long Term Strategic Aspiration”



Bridgestone 3.0 Journey

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Mid Term Business Plan (2024-2026)

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