

Premium Tire Business

Bridgestone E8 Commitment

- Energy
- Ecology
- Efficiency
- Extension
- Economy

In Mid Term Business Plan (2021-2023), the Group is working to expand sales and market share of high rim diameter (HRD) tires for passenger cars in the existing premium area. Accordingly, it is replacing manufacturing equipment and promoting maximum utilization of existing equipment based on current production capacity. The Group is reinforcing its structure to “produce and sell” premium products, which will serve as the foundation for starting the creation of Bridgestone’s unique “new premium” at full-scale in Mid Term Business Plan (2024-2026).

Reinforcement of Existing Premium Segment

» Strengthening Sales of Passenger Car HRD Tires

The Group will continue to strengthen its approach to passenger car HRD tires globally as a premium segment that is relatively resilient to environmental changes. The Group is working to capture recursion demand from original equipment (OE) tires to replacement (REP) tires, including in North America and Europe, which are key markets for passenger car HRD tires, and in emerging markets where the use of HRD tires is continuing to expand.

In North America and Europe in particular, the Group is aiming to have HRD tires 18 inches and above account for approximately 65% of total sales volume for OE tires and approximately 40% of total sales volume for REP tires in 2023. The Group will also add a new perspective, focusing on ultra-HRD tires 20 inches and above, an area where we expect strong growth in demand resulting from the accelerated shift to EVs. While taking advantage of the EV expansion trend in the United States, which is the Group’s largest market, we will also reinforce efforts on a global scale.

» Improvement in Dan-Totsu Product Power and Product Planning Power

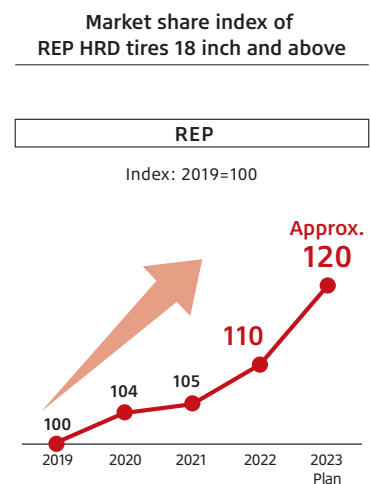
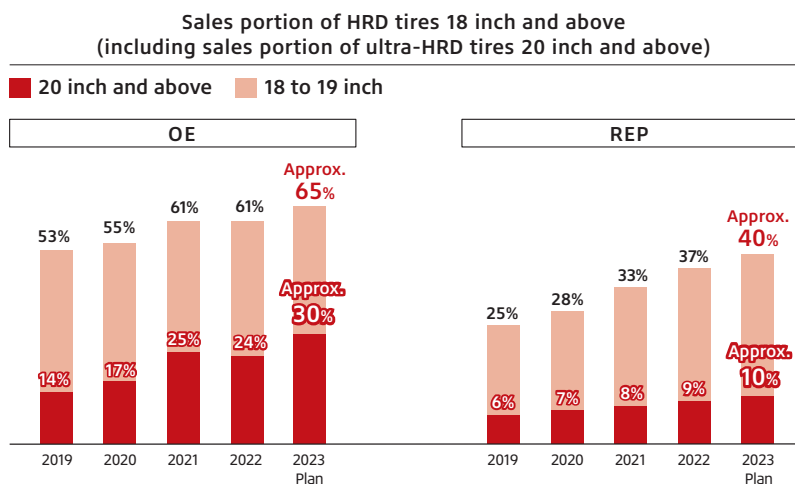
The Group is steadily improving its Dan-Totsu product power

by enhancing product planning power based on the global product strategy that it has been continuing to strengthen since 2020. As an example that illustrates customer recognition of the value of Dan-Totsu products, in North America the Group achieved the top spot in 2022 for the number of products that achieved the number one ranking in the Voice of Customer survey by Tire Rack®, an E-commerce tire distributor that receives overwhelming support from premium customers. In Europe as well, in terms of premium tires such as the sport tire POTENZA, the winter tire BLIZZAK, and the TURANZA 6 equipped with ENLITEN, the Group is receiving high evaluations from magazines that have large local influence.

» Improvement of Sales Mix with Premium Tires in Each Region

Based on this Dan-Totsu product power, the Group is continuing to strengthen sales of premium tires in each region and improving the sales mix. Premium tires include premium tire brands such as POTENZA and BLIZZAK built by proving value to customers. In terms of passenger car tires, in 2023 more than half the sales of global replacement tires will be for HRD tires and premium tires in each region. The Group will also further reinforce sales of premium brands for truck and bus tires.

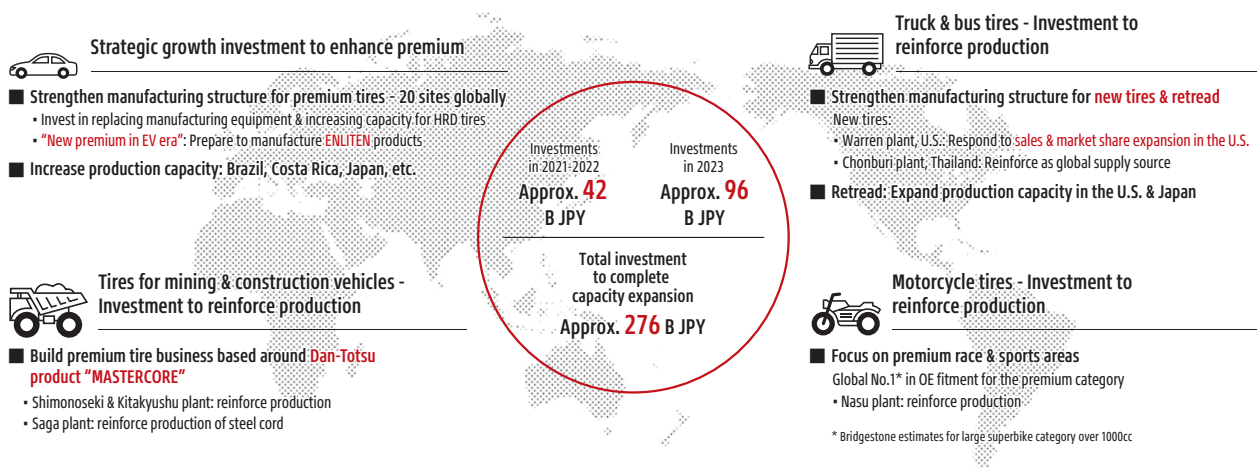
Europe & North America



» Reinforcement of Structure to “Produce” Premium Products

The Group will make strategic growth investments and reinforce its structure for producing premium products. For passenger car tires, investments are focused on production of HRD tires and products equipped with ENLITEN, not only to replace manufacturing equipment at 20 sites around the world, but also to increase production capacity in Brazil, Costa Rica, and Japan. For truck and bus tires, where the Group is establishing a circular business model, the manufacturing structure for new tires and retreads will be strengthened, in response to sales and market share expansion in the United States where the Bridgestone Group has a strong business

• Strategic Growth Investments to Enhance Premium Segment



In addition to making strategic growth investments, ensure they are lean through on-site productivity improvement & full leverage of existing equipment

New Global Footprint

New Core Competency

Regarding the new global footprint, which is a new core competency in the 2030 Long Term Strategic Aspiration, the Group is continuing to build flexible and agile supply chain management capable of adapting to change. For passenger car tires and truck and bus tires, the Group is building a structure that can achieve global optimization by ensuring it has the flexibility to adapt to changes in the business environment while keeping “local production for local sales” as the basic concept. The aim is to build a structure that is also optimal for contributing to carbon neutrality. Through investments to reinforce production during Mid Term Business Plan (2021-2023), the Group will aim to achieve a local production for local sales ratio of 95% for passenger car tires and 85% for truck and bus tires. From Mid Term Business Plan (2024-2026) onwards, investments for Green & Smart factories will also be

reinforced. The Group will reinforce manufacturing leveraging regional strengths and characteristics such as those between North America and Europe, and Asia and Japan. Japan will remain the core of manufacturing, supporting the premium tire business where high-levels of on-site and technological capabilities are required, such as for high-difficulty specialties tires including off-the-road mining tires and aircraft tires.

- Global “local production for local sales” ratio (Aspiration)
 - Passenger car tires: **95%**
 - Truck and bus tires: **85%**
- Off-the-road mining tires and aircraft tires
 - Percent manufactured in Japan: **90%**

Creation of “New Premium”

Based on the reinforcement of the existing premium segment, the Group will drive the full-scale creation of “new premium” toward Mid Term Business Plan (2024-2026). The starting point for this is Dan-Totsu products. The Group will reinforce product planning power to plan Dan-Totsu products on a global level. Bridgestone will build “new premium” by realizing “ultimate customization” that involves customizing not only desired tire performance based on being attentive to and having a deep understanding of customers and markets, but also performance providing new value that Bridgestone will uniquely create and provide. This customization will enable sharpening competitive edge. The core will be value creation through the fusion of ENLITEN, which is the base technology for product design, and BCMA, which is the base technology for manufacturing and R&D. The two are positioned as Bridgestone’s base technology for “products”. Another key element will be the off-the-road mining tire Bridgestone MASTERCORE.

Bridgestone’s Base Technology for “Products”

» Base Technology for Product Design to Realize “Ultimate Customization” “New Premium” ENLITEN

ENLITEN, positioned as a “new premium”, is a base technology for product design that can improve the basic performance of tires and elevate all conventional performance indicators.

In addition, it significantly enhances environmental performance leading to sustainability, as well as performance that not only meets the apparent needs and potential wants of specific markets and customers, but also further inspires and delivers new value that the market and customers may not even have imagined. ENLITEN can be used to customize performance and sharpen the competitive edge of products.

By realizing this “ultimate customization” according to market and customer desires, thus generating customer delight and proving value, the Group aims to increase prices and improve its position. ENLITEN is positioned as the “new premium in the EV era” for passenger car tires and the “new premium in the circular business era” for truck and bus tires. This value will be expanded from technology to products and the business model.

For passenger car tires, the Group has expanded the number of products equipped with ENLITEN for original equipment fitments. By proving their value to customers, the number of fitments has expanded from 27 models (including 7 EVs) at the end of 2021 to 50 models (including 20 EVs) at the end of the first quarter in 2023. Based on this expansion, from 2023 the Group has started to drive the full-scale expansion of ENLITEN-equipped replacement tires, taking in recursion demand. “Turanza 6”, which is Bridgestone’s first replacement passenger car tire with ENLITEN, and “DURAVIS VAN” for light truck and bus were launched in Europe in January 2023.

As the phrase “new premium in the EV era” suggests, ENLITEN will not only significantly improve EV driving range and electricity consumption and extend vehicle battery life through reduced tire rolling resistance, but also contribute

to ensuring space for batteries, lighter batteries, and reduced cost for vehicles. The Group will continue expansion of ENLITEN-equipped products to solve issues related to electrification from the ground up.

The percentage of ENLITEN equipment for replacement tires is planned to be expanded from 5% in 2023 to 20% in 2024, and 70% in 2026 with the launch of a total of 50 products equipped with ENLITEN.



Steven De Bock

Vice President, Consumer Business Unit, BSEMA

TURANZA 6 is our first replacement passenger car tire equipped with ENLITEN, our base technology for product design, which aims to combine EV compatibility with maximum safety, outstanding tire performance and improved sustainability characteristics. Creating a tire that is perfectly adapted to meet the needs of drivers is a balancing act between delivering exceptional performance, optimal sustainability characteristics, and ensuring the highest levels of safety in dry and wet conditions. TURANZA 6 can be applied regardless of whether the tires are intended for use on ICE, hybrid, or electric vehicles and will support a carbon-neutral mobility society from the ground up.

» **Base Technology for Manufacturing and R&D: BCMA**

BCMA (Bridgestone Commonality Modularity Architecture) is the base technology for manufacturing and R&D, supporting the realization of “ultimate customization” using ENLITEN. The basic concept of BCMA is to group tire components into three modules and share them across different products, simplifying development and the supply chain, optimizing cost (including cost reduction) and improving agility in development and manufacturing while realizing “ultimate customization”. To develop BCMA and to establish the foundations for its execution and expansion, the Group will clarify the roles and responsibilities of 50 new tire factories around the world.



Customize

Customize performance flexibly & agilely per market/customer, and differentiate

Simplification

Improve efficiency of development process & supply chain, realize productivity improvement & cost reduction

» **Value Creation in Premium Tire Business toward Mid Term Business Plan (2024-2026)**

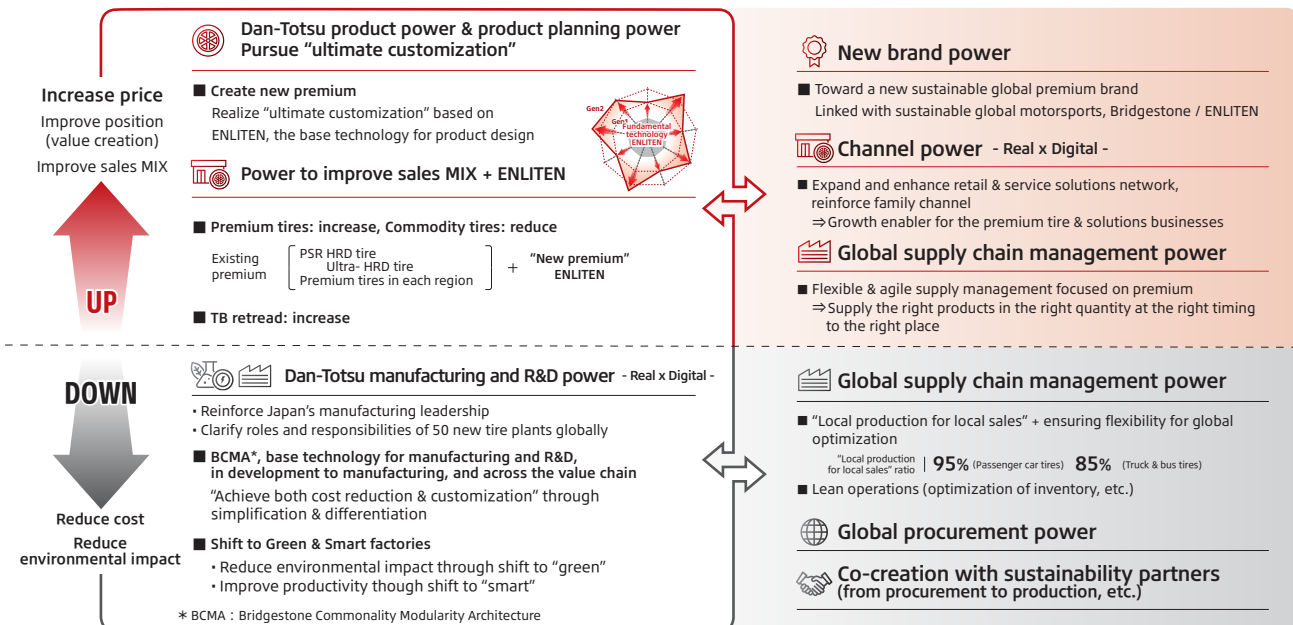
In order to create value and gain a competitive advantage, the Group will promote the fusion of price position improvement based on generating customer delight that can be realized through ENLITEN’s “ultimate customization” and cost reduction and optimization through BCMA. Agility improvement in product design and agility improvement from development to production will create further value. It will also be important to enhance product planning power and global supply chain management power to effectively leverage them.

Product planning power, in particular for planning Dan-Totsu products—the starting point for everything—is the key to the creation of “new premium”. Whether the Group can

not only meet the apparent needs and potential wants of specific markets and customers, but also convert Bridgestone’s technologies and passion into new benefits, create new value that markets and customers could not have imagined, and deliver products that breakthrough conventional ways of thinking and inspire people, is critical. The Group will also consider its organizational structure including enhancing the diversity of its talent to achieve this.

In addition, toward Mid Term Business Plan (2024-2026), the Group will consider measures for reinforcing new brand power and channel power. As a premium business to support the “reinforcement of earning power”, the Group will lay the groundwork for realizing value creation as shown in the image below.

• **Mid-Term Business Plan (2024-2026) Reinforce Earning Power: Global x Regional Strategy**



New Core Competency

Building New Brand Power: Promoting Sustainable Global Motorsports

60th Anniversary of Bridgestone Motorsport—Journey for Excellence

Bridgestone E8 Commitment

Energy

Ecology

Emotion

Bridgestone celebrates the 60th anniversary of its motorsports activities in 2023. For the Group, motorsports is its starting point as a tire manufacturer and represent a “challenge for excellence”. On this anniversary year, the Group will return to its starting point and restart its global journey for excellence. Placing sustainability at the core, the Group will reinforce activities to achieve sustainable global motorsports. Furthermore, it will evolve the global brand power it has built over 60 years of motorsports activities to create a new brand power, striving to build a sustainable global premium brand.

» The Journey and Challenges of Bridgestone’s Motorsports Activities

For over a century since its beginning at the end of the 19th century, motorsports have helped the development of the automobile and contributed to the evolution of mobility, pushing cars to their limits and demanding maximum performance and durability in extreme racing conditions. For the Bridgestone Group also, motorsports have always been a “challenge for excellence”. Repeatedly taking on the challenge of ensuring safety and peace of mind as stated in the Group’s fundamental principle of “tires carry life” and supporting the motion of vehicles in races where both cars and drivers challenge the limit in extreme conditions is what made Bridgestone what it is today.

The Group first participated in Japanese motorsports with the first Japan Grand Prix in 1963, and then began expanding its activities from Japan to the world taking part in a variety of motorsports activities. Bridgestone returned to the INDYCAR® SERIES in 1995 and also started participating in F1® from 1997 and MotoGP™ from 2002, supporting global motorsports from the ground up at the pinnacle of the world stage. Currently the Group has moved away a little from global circuits, but in the 1990s Bridgestone participated in and stood on the podium in each of the Triple Crown of Motorsport (the world’s most prestigious motor races): the F1® Monaco Grand Prix, the Indianapolis 500®, and the 24 Hours of Le Mans.

» What We Obtained through Our Challenge for Excellence

The experience gained through motorsports not only fostered the Group’s passion as a tire manufacturer, but also elevated its technology and development capabilities for tires used in harsh environments. It also refined operation under extreme conditions such as the supply of tires to races that travel around the world in short periods of time. It can be said that motorsports was the grounds where the Group refined comprehensive capabilities that serve as the

foundation of its business today. Proving performance through racing enabled Bridgestone to be recognized as a global premium brand, gaining the trust of customers and becoming the driving force for the Group’s current global business based on premium tires. Additionally, the challenge for excellence has contributed to talent development in diverse business domains within the Group, from engineers to business personnel. The technology and brand power refined in the field through these challenges have contributed to the establishment of the Group’s premium product brands such as POTENZA, a sports tire brand, and BATTLAX, a high performance motorcycle tire brand, driving the expansion of the premium tire business of today.

» Toward Sustainable Global Motorsports

The starting point in Bridgestone 3.0, where the Group is accelerating its transformation to a sustainable solutions company as set out in its vision, is motorsports and its challenge for excellence. The Group is revisiting its starting point as a tire manufacturer and restarting its journey for excellence.

The Group will continue to support the development of motorsports culture and take on the challenge of evolving its activities into sustainable global motorsports activities combining real (physical) and digital capabilities.

By promoting sustainable global motorsports, the Group will further reinforce management, and also enhance sustainability, which is placed at the core of management and business, Bridgestone’s pride and passion, and the four elements of Bridgestone’s DNA—“focus on quality”, “respect for being on-site”, “being attentive and supportive of customer problems”, and championing a “challenging spirit”. Motorsports activities also enhance agility, which is required of current and future business management in order to respond quickly to change. The Group will leverage the above activities as a starting point to realize agile and sustainable management. Especially for sustainability, the Group will refine its comprehensive capabilities acquired



Return to the INDYCAR® SERIES



F1®



MotoGP™ (2015 Round 18 Valencia)

so far as a tire manufacturer, and by pursuing “excellence” continue to support sustainable motorsports from the ground up.

As one such effort, the Group is driving development of tires containing a high ratio of recycled and renewable resources such as race tires using natural rubber extracted from guayule shrubs, which can be grown in arid regions. In 2022, tires using guayule were supplied to the NTT INDYCAR® SERIES and proved their performance.

The Group’s sustainability initiatives have been recognized and awarded the highest rank Three Star Environmental Accreditation by the FIA (Fédération Internationale de l’Automobile).

The Group will continue to broadly and steadily support various Japanese and overseas motorsports, ranging from four-wheels and motorcycle races to digital racing, and from top-level professional race series to grassroots amateur races.



Bridgestone World Solar Challenge



Race tires made with natural rubber derived from guayule



Support for eMotorsports

» Motorsports Activity Plan

Going forward, the Group’s motorsports activities will be developed around two pillars: sustainability and the development of motorsports culture. In terms of sustainable global motorsports activities, the Group supports the Bridgestone World Solar Challenge, a solar car event that Bridgestone will serve as title sponsor until 2031. The Group has also broadened its scope by becoming an official partner of the Bridgestone FIA ecoRally Cup, a new international competition for EVs promoted by the FIA, to further support the realization of a carbon neutral mobility society.

Toward the development of motorsports culture, the Group also supports eMotorsports, promoting the appeal and excitement of motorsports and further expanding the motorsports fanbase.

» “Co-Creation” from Inspiring Excitement and Spreading Joy to the World of Mobility

The Group’s commitment and passion to continue providing driving excitement in the coming 10 to 20 years, and to continue supporting motorsports culture development is represented in the Bridgestone E8 Commitment as “Emotion: Committed to inspiring excitement and spreading joy to the world of mobility”. The Group hopes that enjoying motorsports with numerous comrades, sharing emotions, and acquiring empathy toward its challenges will lead to co-creation for the future to realize a sustainable society. Together with its employees, society, partners, and customers, the Group will accelerate its journey for excellence by turning the engine of sustainable motorsports.

Solutions Business

Bridgestone E8 Commitment

- Energy
- Ecology
- Efficiency
- Extension
- Economy

The solutions business aims to be attentive and supportive of customer problems to solve them.

» Value Creation through Bridgestone’s Mobility Ecosystem

Bridgestone’s solutions business aims to be attentive and supportive of social and customer issues and solve them. By combining Bridgestone’s “real” capabilities developed on-site with “digital” capabilities, the Group will amplify the value of Dan-Totsu products and create social value and customer value.

The Group will reinforce both tire-centric solutions and mobility solutions to amplify the value of Dan-Totsu products in the tire “use” phase by enhancing synergy with the premium tire business. Tire-centric solutions provide services such as making proposals to customers regarding better use of tires based on tire wear and durability predictions, which is achieved by collecting tire data from vehicles and then leveraging digital capabilities and our knowledge of tires to analyze them. Mobility solutions provide fleet management leveraging mobility data.

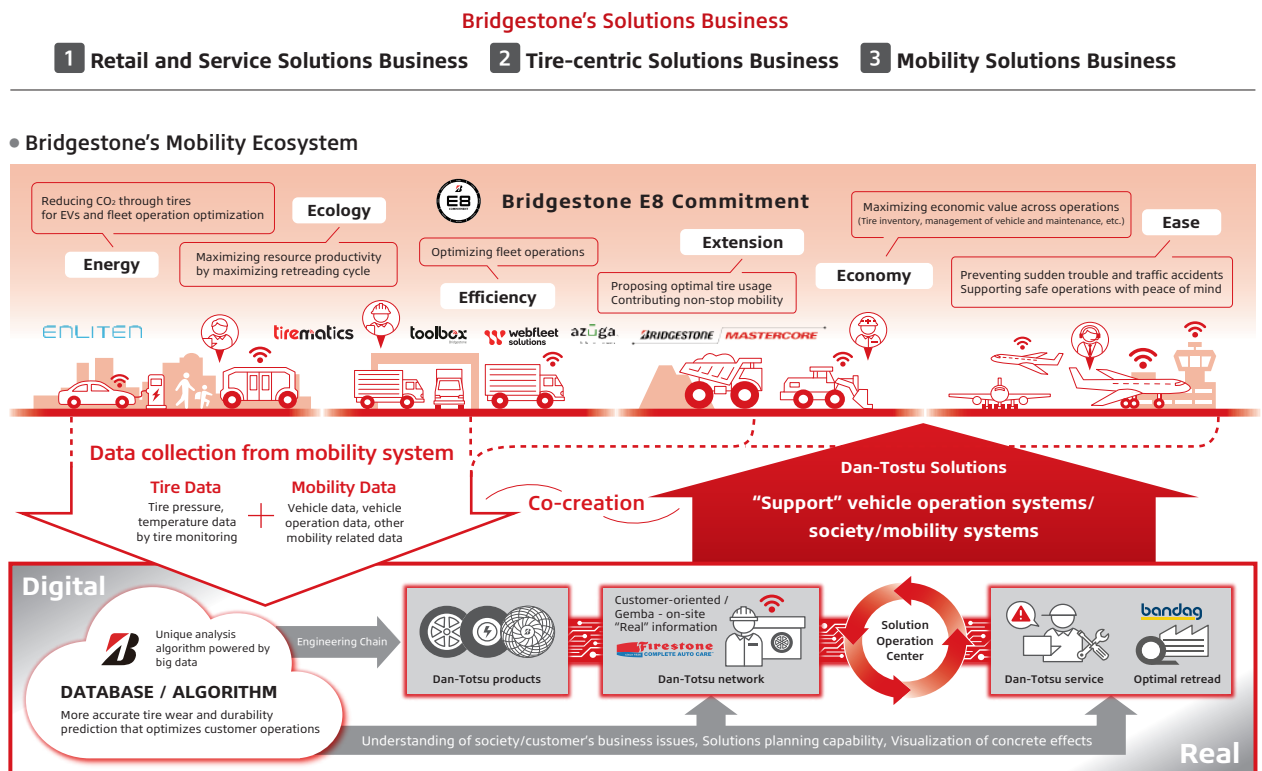
In addition to supporting vehicles, the Group will take on the challenge of supporting vehicle operation systems, society and mobility systems to generate both social value and customer value through co-creation with society, partners, and customers. Our Dan-Totsu products and

amplifying trust will lead to further co-creation and ultimately establish Bridgestone’s mobility ecosystem.

» New Organization: Bridgestone Mobility Solutions

To achieve growth in the solutions business, the Group started with a focus on North America and Europe where the mobility markets are mature. The Group integrated solutions organizations in North America and Europe and established Bridgestone Mobility Solutions (BMS), in order to maximize Bridgestone WEST synergy between North America and Europe. The new organization will oversee solutions businesses in North America and Europe (excluding the retail tire business) and will account for approximately 25% of total global solutions revenue.

The Group created the structure needed to facilitate agile business execution under the Joint Global COO, who oversees business in North America and Europe. This will facilitate operational integration and efficiency as well as strengthen the Group’s customer-focused approach. In addition to determining the potential for each solution, the Group will scale up operations in North America while positioning Europe as its strategic starting point.



1 Retail and Service Solutions Business

The Group will expand retail and service solutions as a business while also enhancing functions as a retail and service solutions network—customer touchpoints providing Dan-Totsu products and services tailored to customer needs.

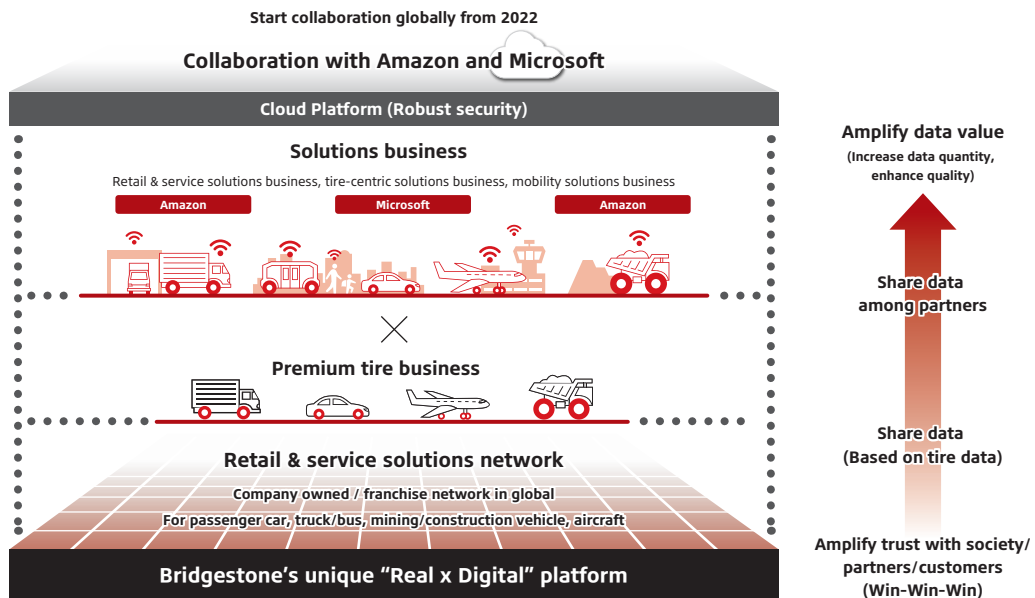
The Group will establish its unique platform combining real and digital capabilities, based on its service solutions network of approximately 18,400 sites for passenger cars, 7,100 sites for trucks and buses, and 130 sites for mining vehicles.

Collaboration with Cloud Platforms

Furthermore, as an enabler to amplify the value of data and gain a new competitive advantage, the Group announced collaboration with Microsoft and Amazon in 2022. Linking the Group's worldwide retail and service solutions network with cloud platforms, the Group will further evolve Bridgestone's unique "real and digital" platform.

Collaboration with Microsoft is centered on tire-centric solutions. For example, the Group uses Microsoft's cloud platform to monitor the status of customers' tire usage in detail in real time. By storing higher quality and more extensive tire data and by analyzing them using proprietary algorithms, we aim to achieve accurate tire wear and durability predictions and propose safer and more efficient tire maintenance to customers, ultimately leading to further retread opportunities.

• Bridgestone's Unique "Real x Digital" Retail & Service Solutions Network



Passenger Car Network

Approx. **18,400** sites



Truck & bus Network

Approx. **7,100** sites



Mining Vehicle Network

Approx. **130** sites

As of June 30, 2022

Enhancement of the User Experience (UX) in the Tire “Use” Phase

In the retail and service solutions business for passenger cars, the Group is expanding tire and vehicle maintenance services tailored to each customer, mainly in the United States where we boast a Dan-Totsu network of around 2,200 company owned stores including Firestone Complete Auto Care. The Group will also expand business in Japan, Australia, and Thailand.

» Expanding EV Charging Services in Europe and North America

To give an example, the Group is expanding its EV charging network in the mature mobility markets of Europe and the United States to accommodate the accelerating shift to EVs. The Group has partnered with the EV charging solution provider Blink Charging in the United States and is enhancing charging solutions in Europe as well.

Through these initiatives, the Group is improving UX while contributing to the realization of carbon neutrality throughout the value chain by combining ENLITEN, the “new premium in the EV era”, with the mobility solutions business that supports the electrification and optimal operations of fleets.

» Deployment of New Network “B-select” in Japan

The Group intends to expand its B-select retail and service solutions network throughout Japan, providing optimal high-quality service solutions nationwide based on a thorough understanding of each customer’s issues on-site.

For B-select, the Group will first partner with company owned stores and special contract tire dealers. In the future, the network will be expanded to include new partners that share the Group’s vision and direction. Around 700 stores selling passenger car tires are currently participating in the program, and we aim to boost this number to 1,000 going forward. For truck and bus tires, the Group will establish a network of around 400 stores this year and 500 stores in the future. By doing so, the Group plans to achieve its goal of expanding its Dan-Totsu network nationwide. This will make it more convenient for passenger car customers to purchase tires while ensuring that customers use tires with safety and peace of mind. It will also contribute to maximizing operations and realizing efficiency, including through workload reduction for logistics industry customers. Moreover, B-select will create both social value and customer value by reducing environmental impact.

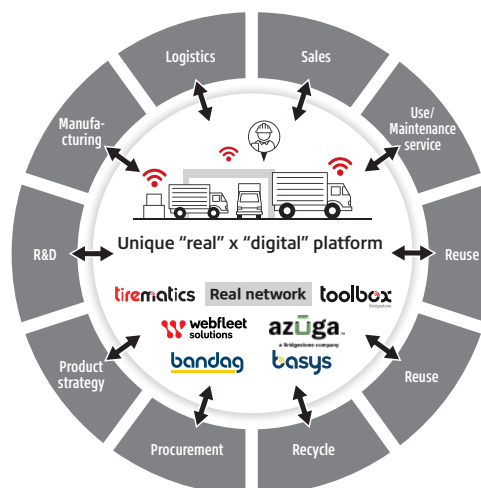
2 Tire-centric Solutions Business

Establish a Circular Business Model for Truck and Bus Tires

In its tire-centric solutions business for trucks and buses, the Group is taking on the challenge of establishing a circular business model that maximizes tire value by fully using each tire asset until the end of its life through the integrated approach combining Dan-Totsu products and retreads. The first element is to expand the Group’s lineup of products equipped with ENLITEN the “new premium in the circular business era”. Based on these competitive new tires with enhanced durability and wear resistance, the Group will increase the number of retreads for each tire, thus contributing to improved resource productivity and reduced CO₂ emissions. For this purpose, the Group is investing in retread reinforcement, mainly in the United States and Japan. In addition, the Group will provide advanced tire models with features such as tire wear and durability prediction by integrating tire data businesses that utilize digital technologies including Tirematics, a tire monitoring system, and Radio Frequency Identification (RFID)*, which enables individual tire management throughout the product lifecycle. By deepening the link between the “produce and sell” and “use” phases, the Group will promote the establishment of a circular business model that amplifies the value of its Dan-Totsu products and expand social value and customer value. In Mid Term Business Plan (2024-2026), the Group will expand its business mainly in North and Latin America where it has a competitive advantage, as well as in Japan and Australia.

* Automatic recognition technology for contactless reading and writing of information from IC tags, etc., using wireless communication such as electromagnetic fields or radio waves.

• Circular Business Model (For truck and bus tires): Aspiration in 2030



Enhancement of “Strong” Real Capabilities

» New Tires

The starting point for everything is our Dan-Totsu products that pursue high durability and wear resistance, are adapted to customer usage conditions, and take retreading into account. In 2022, the all-round studless W999 was launched in Japan. It is Bridgestone's first truck and bus tire equipped with ENLITEN—the base technology for product design to realize “ultimate customization”. This tire boasts exceptional balance between ice and snow performance and wear life, and also achieves enhanced performance against irregular wear. As a Dan-Totsu product, it serves as the starting point for the Group's circular business model, with benefits such as extending the tire replacement cycle and consequently improving resource productivity.

» Retreads

The Group is investing to reinforce its retreading production capabilities, mainly in the United States and Japan where it has a strong business foundation for truck and bus tires. In the United States, the Group has made investments to enhance production of retread materials at its Abilene and Joliette plants. The Group provides high-quality retreaded tires to many fleet companies through Bandag, LLC, a leading retreading company that it acquired in 2007. In Japan, the Group is making strategic growth investments aimed at enhancing equipment and manpower at its retread manufacturing sites. In both the United States and Japan, the Group is building a strong foundation for providing solutions linked with its nationwide service solutions network.



Enhancement of Digital Capabilities

» Radio Frequency Identification (RFID)

The Group promotes equipping truck and bus tires with RFID tags, which allow individual management of tires across their lifecycle from new products to retreading and maintenance. RFID-tagged tires were first launched in Europe in 2019 and the technology is now being rolled out globally, with plans for almost all truck and bus tires used in Europe, the United States, and Japan to be equipped with RFIDs by 2030.

In addition, the Group intends to develop next-generation RFID tags through co-creation with TOPPAN Edge Inc. Through the integration of Bridgestone's tire development and manufacturing technology with the RFID technology of TOPPAN Edge, the Group aims to develop next generation tags that can communicate accurately from even greater distances as well as to establish technology for mounting the tags onto tires. This will improve the safety of tire management and maintenance operations and substantially reduce on-site workload. It will also enable faster and easier management of various data for each tire, including production date, factory inspection details, shipping date, vehicle installation date, and other tire inspection details. Based on this information, the Group aims to achieve both social value and customer value by providing retreads, services, and solutions according to each customer's operations.

» Tire Monitoring System: Tirematics

Tirematics is a digital tool for monitoring tire pressure and temperature. Rollout of this service started in Europe in 2012 and it is now offered globally with enhanced service content. Tirematics contributes to safe driving and stable vehicle operation as well as to reduction of environmental impact, including reducing CO₂ emissions during vehicle operation by preventing deterioration in fuel efficiency due to low tire air pressure. Tirematics was introduced in the Japanese market in 2020 and the Group started a real-time remote monitoring service for tires in 2022.

In addition to helping to prevent tire-related troubles by improving the accuracy of day-to-day tire inspections, this service also enables the sending of real-time alerts to vehicles, fleet managers, and drivers in the event of any abnormal tire conditions detected while driving. Additionally, the ability to remotely verify tire condition and vehicle location facilitates agile maintenance services leveraging the approximately 900 sites in Bridgestone's domestic tire service and solutions network.

Mining Solutions Based on the “New Premium” Dan-Totsu Product Bridgestone MASTERCORE

In its mining solutions, the Group will reinforce expansion of Dan-Totsu product Bridgestone MASTERCORE as well as reinforce solutions combining its strong “real” capabilities mainly at on-site service locations with its “digital” capabilities. As the core of the Group’s mining solutions, the new Dan-Totsu product Bridgestone MASTERCORE realizes ultra-high durability based on the combination of its unique new technologies including steel cord manufactured in-house. Bridgestone MASTERCORE can be customized to each customer’s needs and the operating condition of each vehicle by improving durability and other desired tire performance without sacrificing performance in other areas. Based on customer recognition of their value, Dan-Totsu product Bridgestone MASTERCORE expanded to 88 mines as of the end of 2022. The Group plans for MASTERCORE to account for around 90% of ultra-large 63-inch mining tires in 2023 and to reach nearly 100% by 2030.

In the tire “use” phase, the Group proposes better ways of using tires to contribute to the optimization of mining operations leveraging the Group’s digital capabilities to analyze tire and vehicle data. This is based on the strong, real capabilities of the Group’s approximately 130 solutions sites which provide services, mainly centered on Otraco acquired in 2021, and through the trust built with customers on-site. The Group will enhance monetization through benefit sharing by enhancing data analysis and customer value verification for our mining customers on-site. Currently, the Group has approximately 70 long term contracts that combine Dan-Totsu products and solutions, and the Group will promote further expansion.

I think Bridgestone MASTERCORE is one of the core products in Bridgestone’s premium tire business. The first product launched was one of the world’s largest tires, the 59/80R63 MRPS/MVRF, designed for the world’s most severe market in terms of durability.

The larger the mining tire, the harder it is to ensure its durability, and the higher the difficulty in developing them. Faced with the daunting task of meeting extremely high performance requirements in a short period, we gathered the most innovative technologies for tire durability at the time and took on the challenge of mass production within a limited time frame. Evaluation of tires under development is typically conducted near the final product stage. However, because of the tight schedule, we had to assess each technology individually, with team members doing their best to distinguish the good from the bad. Some were even sent to mining sites overseas on short notice to cut the tires for analysis.

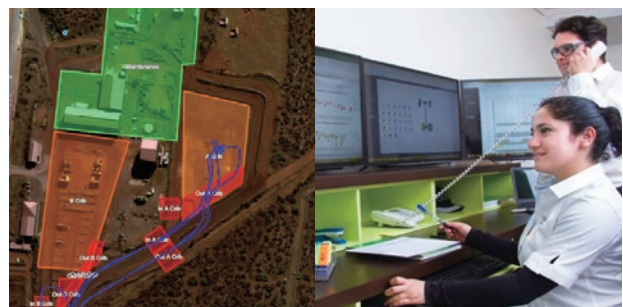
While staying close to customers on-site to understand their issues, we got through it with hard work and perseverance. To sum up my reflections on our development in one word, I believe the Japanese phrase *ungaisoten* (there is always light beyond the clouds) is most appropriate. With the entire development team sharing our target of contributing to the optimization of mining operations by providing value to customers as a “new premium”, we were able to overcome on-site difficulties and dedicate ourselves to development.



Junya Asari
 Manager, Mining, Industrial and Construction Tire Design Section I, Tire Development Division II



Real



Digital

Strategic Starting Point of the Solutions Business: Aviation Solutions

Premised on safety and peace of mind above all, aircraft tires are required to be able to withstand harsh conditions in areas such as load, speed, and heat/cold. This is therefore a domain where Bridgestone's core competencies in "mastering rubber" and "mastering road contact" can be leveraged to the fullest. The Group has already established a circular business model that maximizes the value of each tire through multiple retreads.

By promoting co-creation with customers and system vendors, the Group will provide tire wear and durability prediction using digital technologies, management of each tire that is indispensable for flight operations with peace of mind and safety, and efficient tire inventory plans. Through these initiatives, the Group will amplify data value, maximize tire asset value, and contribute to sustainability.

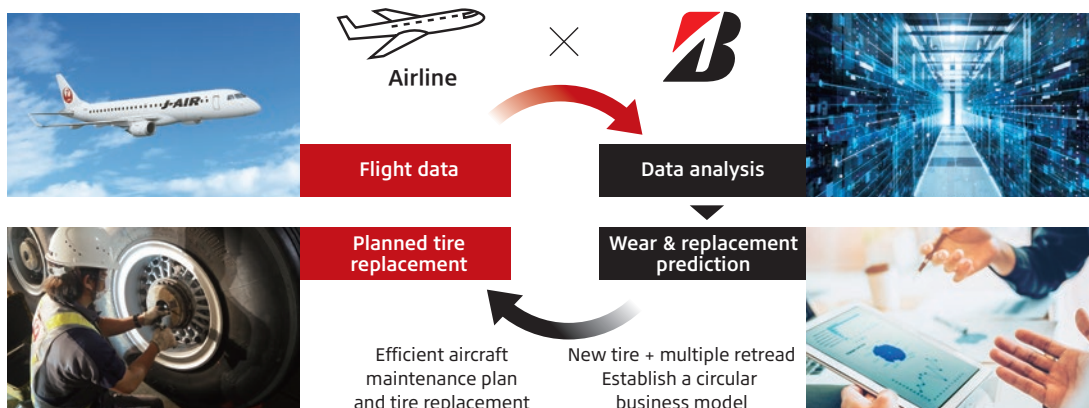
As its pioneering circular business model, the Group will enhance aviation solutions based on the trust with aircraft manufacturers, airlines, and system vendors.



Kohei Hara
Aviation Tire Solutions Sales & Business Planning Department

I am responsible for promoting and planning aviation solutions and predicting tire replacement timing based on data. To co-create value with customers, I tried to understand not only on-site work processes but also the perspectives and ideas of those who carry out the work. This has involved accompanying maintenance workers on night shifts and visiting sites multiple times to ensure that I share an understanding with everyone involved in the maintenance planning process. Although it was a major challenge that required me to go beyond my usual duties, in the end I felt I was able to build a friendship-like relationship with shared goals. Maintenance personnel have told me that our solutions have enabled them to plan and schedule their work more efficiently, giving them more time for other maintenance besides those for tires, which in turn contributes to improving the overall quality of aircraft equipment and ensuring its safe operation. They have also explained that it is now easier to plan for securing tire stock prior to weekends and holidays. I am committed to working with customers to create a new way of working in the aviation industry so that planned periodical tire replacements become the norm.

• Framework for Co-creation with Airlines in Aviation Solutions



Aviation Solutions Enhancement Based on the Trust of Aircraft Manufacturers, Airlines, and System Vendors

3 Mobility Solutions Aiming to Establish a Mobility Tech Business in North America

The Group's mobility solutions business amplifies the value of tire data and mobility data by connecting with approximately one million contracted vehicles mainly through Webfleet Solutions in Europe and Azuga in North America. While pursuing growth as a stand-alone business, mobility solutions is also expanding synergies with the premium tire business and other solutions businesses with the aim of establishing a mobility tech business.

» Launch of New Service "Fleetcare"

As a first step toward expanding synergies, Bridgestone started a new "Fleetcare" service in Europe in 2022. The service offers everything in a single contract as a package covering fleet management in mobility solutions, premium

tires, tire management, and maintenance. As a model that ensures safety, peace of mind, and efficient operations for fleet operators and drivers, the Group will expand the concept from Europe to North America where we have strong foundation for solutions such as retreading.

» Building Bridgestone's Mobility Ecosystem: One-stop Service that Supports the Transition to Electric Fleets

In 2022, Webfleet Solutions entered into a partnership with the German startup Charylize to support fleets in their transition to EVs. Through its use of vehicle data analysis for proposals of the best-suited EV models for customers, and support for optimal operations in areas such as electric fleet management and EV charging solutions, the Group will strive to support a carbon neutral mobility society from the ground up.

fleetcare



Mariska Matadin

Manager, Business Development EV, Fleet Management Solutions, Bridgestone Mobility Solutions

We've created a holistic ecosystem to support the EV journey of our customers. Built with carefully selected partners, such as Charylize, and BIA Power for smart charging, we accelerate our customer's EV transition in a safe and sustainable way. Once up and running, our datasets ensure the EV fleet runs economically. In this way, Bridgestone is the catalyst that enables the customer to have a positive societal impact.

Evolution in Mid Term Business Plan (2024-2026)

1. Reinforce sustainable global premium tire business



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

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



India China etc.

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

Premium tire business



Premium
leader
strategy



Premium niche
strategy

Tire-centric solutions business



Expand solutions around MASTERCORE which has
Dan-Totsu product power



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

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



Retail & service
solutions network



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)

Reinforce coordination between Webfleet Solutions (Europe)
and Azuga (N. America)
- Enhance and expand Fleetcare in N. America

Based on progress made in the premium tire business and the solutions business, in Mid Term Business Plan (2024-2026), the Group will divide its business into five stages. It will clearly identify which business, product category, and region to reinforce and expand (on both a global and regional basis) and pursue operational excellence across the entire value chain.

Five Business Stages

1. The Group will further reinforce the premium tire business that it has focused on enhancing in Mid Term Business Plan (2021-2023) and evolve it to a “sustainable global premium tire business” toward the next stage. Strategies will be developed according to Bridgestone’s position in each region. The following three regions will be the core: North America, where the Group aims to acquire a leading position; Europe, where it aims to establish a unique position by integrating solutions while still implementing a follower strategy; and Japan, where it aims to maintain and reinforce its Dan-Totsu (the clear and absolute leader) leading position. The Group will also enhance its sustainable global premium tire business in regions that are expected to become the next profit contribution areas: Latin America, Southeast Asia, and the Middle East.
2. In emerging countries and growing markets, the Group will enhance the premium segment of its passenger car tire business, especially in India and China.
3. The Group aims to evolve specialties tires—including off-the-road tires for mining vehicles, one of its primary sources of revenue and profit—into a Dan-Totsu premium business combining premium tires and solutions. The Group will take a premium leader strategy for off-the-road tires for mining vehicles, based on its Dan-Totsu product Bridgestone MASTERCORE. For aircraft and motorcycle tires, the Group aims to establish a premium niche strategy.
4. The Group will expand the tire-centric solutions business mainly in mature countries. For passenger car tires, it will reinforce its retail and service solutions primarily in the United States, as well as in Japan, Australia, and Thailand. For truck and bus tires, based on the retread business, the Group will expand in North America and Latin America where it has competitive advantage, as well as in Japan and Australia.
5. As a new challenge, the Group aims to build a mobility tech business that links premium tires, tire-centric solutions, and mobility solutions to provide new value to customers in North America. It will begin by reinforcing coordination between Webfleet Solutions in Europe and Azuga in North America and expanding the rollout of Fleetcare—a package service that includes tire services and fleet management, which will be a key factor in obtaining a competitive advantage going forward.

With this overall picture, the Group will continue building Mid Term Business Plan (2024-2026).

Diversified Products Business

Bridgestone E8 Commitment

- Energy
- Extension
- Emotion
- Ease

Sharply Focus on Areas Where Bridgestone’s Core Competencies Can Be Leveraged: Enhance Premium Segment and Solutions

The diversified products business, which sharply focuses on areas where Bridgestone’s core competencies can be leveraged, will create social value and customer value centered on enhancing the premium segment, offering solutions, and promoting sustainability in the same way as the premium tire business. In Mid Term Business Plan (2021-2023), the Group is increasing production capacity for air springs for EVs in the United States, premium rubber tracks in Europe, and premium hydraulic hoses in Asia. Major initiatives are presented below.

» Premium Hydraulic Hoses

Supporting Nonstop Operation for Various Industries

Hydraulic hoses are used in construction machinery around the world, such as on excavators. The Group’s hydraulic hose business is based on the Dan-Totsu products born from technology for “mastering forming hybrid polymer” (for handling rubber) and on core competencies such as the Group’s global manufacturing and sales footprint. Its strength is its business model that links original equipment, replacement and solutions. Through the investment made to expand production capacity for premium hydraulic hoses at the Thailand plant in 2022, the Group reinforced its structure for the “produce and sell” phase. In addition, for the product “use” phase, the Group will amplify its value proposition by enhancing solutions that leverage the Group’s leading global network of sales channels, which includes mobile van services in the United States.

» Air Springs for EVs: Support the Shift to EVs

The air spring business in the United States leverages innovative technologies to develop and manufacture air springs which support improved electricity consumption and battery protection for EVs. As global demand for EVs continues to grow, the Group is taking measures such as expanding its production capacity for air springs for EVs at its plant in Williamsburg, United States, contributing to the realization of a carbon neutral mobility society from the ground up.



Justin Monaghan

President, Firestone Airide
Bridgestone Americas, Inc.

At Firestone Airide which develops the air spring business mainly in the United States, we continue to drive innovative air spring technology designed to eliminate vibration and harshness across global transportation and work as a key enabler for a safer, more efficient, accessible, sustainable, and connected mobility experience in order to contribute to the evolution of a mobility society. Through air springs specifically designed for EVs, we will continue to support the realization of a carbon neutral mobility society from the ground up with the creation of social value and customer value.

• Overview and Core Competencies in the Diversified Products Business

