

New & True Glocal and Portfolio Management

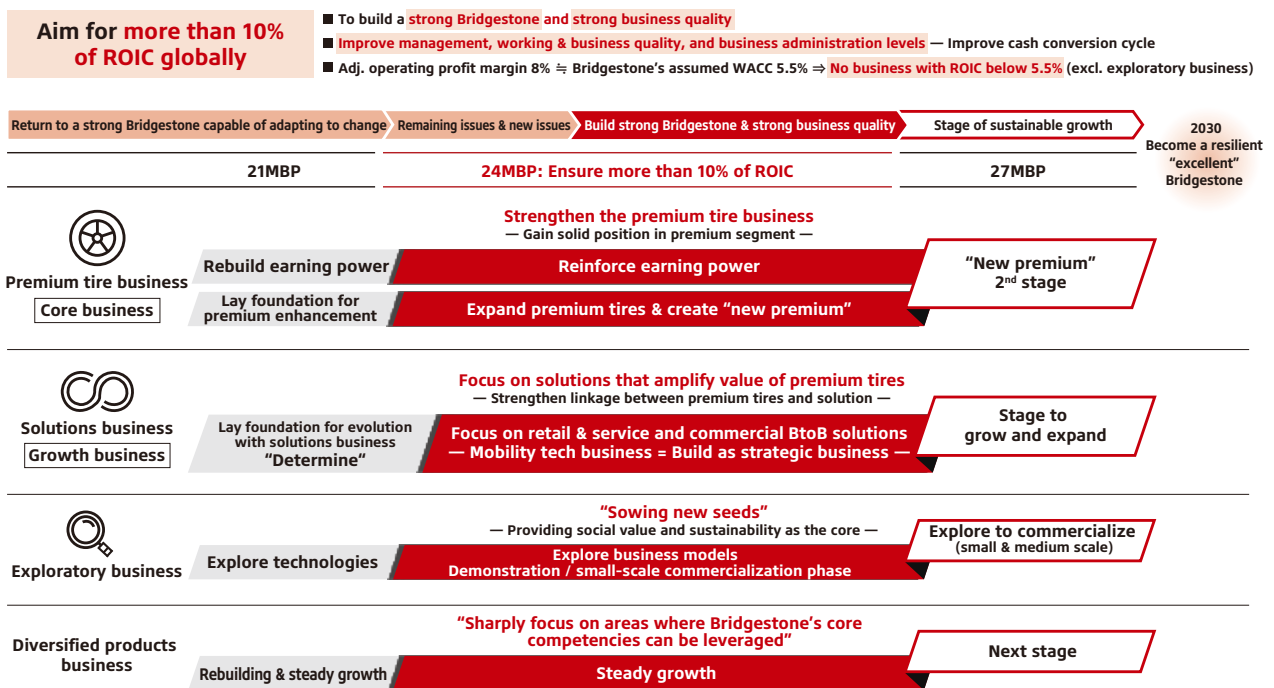
Bridgestone developed our new & true glocal and portfolio management to achieve the global management indicators. To aim for more than 10% of ROIC globally, the basic axes are "to build a strong Bridgestone and strong business quality", "to improve management quality, working & business quality", and "to have no business with adjusted operating profit margin below 8% ≈ Bridgestone's assumed WACC below 5.5% and ROIC below 5.5% (excl. exploratory business)".

We promote portfolio management in line with each characteristic of our four businesses: premium tire business as core business, solutions business as growth business, exploratory business, and diversified products

business. For the core business, reinforcing earning power and creation of "new premium" are promoted to gain a solid position in premium segment. In terms of the growth business, we focus on solutions that amplify value of premium tires and build the foundation to enter growth and expansion stage in the next 27MBP. Regarding the exploratory business, we will step up from exploring technologies to business model, and will also take on the challenge of sowing new seeds, providing social value and sustainability as the core.

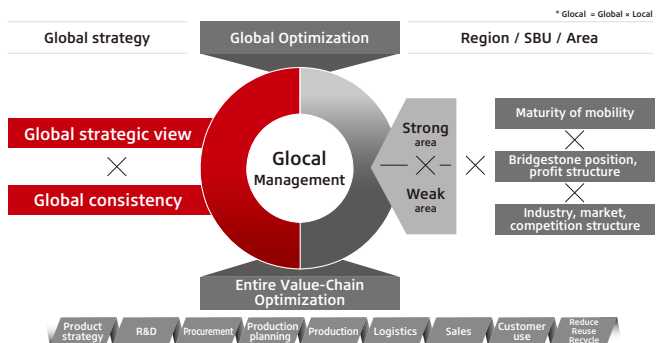
In the diversified products business, we sharply focus on areas where our core competencies can be leveraged and aim for steady growth.

● 24MBP: New & True Glocal Portfolio Management Scenario Overview — Target



New & true glocal and portfolio management is based on the "glocal" management that we have been promoting since 2020. Based on our global strategy, we deploy local strategies adapted to the characteristics of each region and market such as mobility maturity and industry structure, while ensuring total optimization across the value chain.

● "Glocal*" Management Concept



New & True “Glocal” Management Structure: Management by 47 Areas Focusing on Value Creation Based on Genbutsu-Genba (Respect for Being On-site)

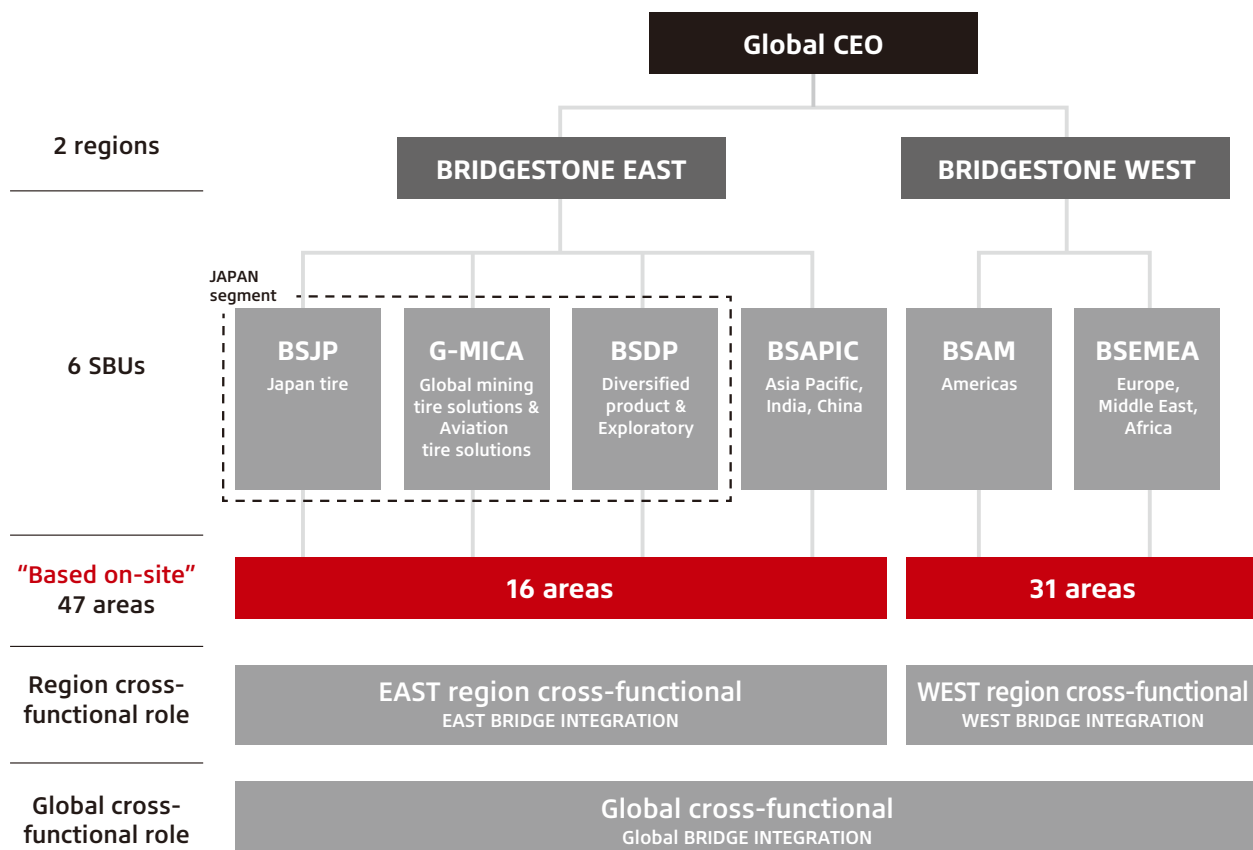
Bridgestone is driving to build a new & true “glocal” management structure to execute new & true glocal portfolio management.

First, by dividing Bridgestone’s business into two major regions, Bridgestone EAST and Bridgestone WEST, we promote our management based on the characteristics of each region, while streamlining support functions in each region. Under the two regions, six SBUs (Strategic Business Units) are placed with streamlining functions from the complex SBU structure.

Furthermore, we divided the SBUs into 47 areas with clarified roles and responsibilities as business management unit. The 47 areas are the structure to emphasize value creation based on “Genbutsu-Genba,” while focusing on execution and delivering results. By thoroughly reinforcing signal monitoring, visualizing issues, and conducting the PDCA cycle, which are remaining issues from the 21MBP, we are building the structure that enables us to respond to change promptly based on Genbutsu-Genba (on-site).

The Global BRIDGE INTEGRATION plays a global cross-functional role and effectively support Genba (on-site), coordinating with region cross-functional roles as well as ensuring to balance consistency of regional strategy with global strategy.

● Management Structure (As of January 1, 2024)



Management by Business Portfolio x Area

We have clarified the strategic direction by each business and area as in the below chart based on the maturity of motorization, growth potential and profitability, and Bridgestone's position in the market.

On the horizontal axis, each area is mapped from mature markets to growing markets with the perspectives of motorization, based on the number of PS (passenger car tires) / LT (light truck and bus tires) owned per 1,000 people and capital GDP. While the vertical axis is organized based on business portfolio.

First, for the core business at the top of the chart, we strengthen it as a sustainable premium tire business, focusing on mature markets such as North America and Japan and specialties tires for mining and aviation. Furthermore, as for the growing markets of the core business such as India and Indonesia in the upper left corner, we expand the premium tire business from the volume perspective.

Regarding the growth business in the middle row, retail and retread in North America and Japan are enhanced linked with the premium tire business. In addition, we reinforce mining and aviation solutions, as well as Webfleet business in Europe and Azuga business in North America that provide mobility solutions, in order to build the mobility tech business, which is our strategic business.

On the other hand, in Latin America including Argentina, where the business environment is volatile, we closely monitor the situation and respond with high sensitivity. Business rebuilding is promoted for the entire European business, China TB from which we have decided to withdraw, and Thailand where we promote business rebuilding.

The diversified products business continue to sharply focus on areas where our core competencies can be leveraged.

See pages 82-84 for details on financial targets by each business portfolio/area.

● 24MBP: New & True Glocal Portfolio Management Scenario—Management by Business Portfolio x Area

