

Summary of the Small Meeting / Dialogue between the Board Chair and the Chairs of the Three Statutory Committees with Institutional Investors and Analysts

Bridgestone Corporation

Date: Monday, January 19, 2026, 15:00-16:00

Location: Headquarters conference room / Online (Hybrid Format)

Participants: 40 representatives from 34 institutional investor firms and research institutions

Speakers:

- **Scott Trevor DAVIS**, Chairperson of the Board of Directors
- **Kenichi Masuda**, Chairperson of the Nominating Committee
- **Kenzo Yamamoto**, Chairperson of the Compensation Committee
- **Yasuhiro Nakajima**, Chairperson of the Audit Committee
- **Hidekazu Kimizu**, Vice President and Senior Officer, Corporate Administration

Secretariat:

- **Naoki Hishinuma**, Vice President and Senior Officer, Global CFO & Global Finance
- **Kazuchika Higuchi**, Head of Global IR & Financial Planning (Moderator)

Following the presentations by the Chairperson of the Board and the Chairpersons of the three statutory committees—covering progress and challenges in FY2025—a Q&A session was held.

■ Presentation Summary

Message from the Chairperson of the Board — Scott Trevor Davis

Guided by our corporate mission of “Serving Society with Superior Quality,” we have consistently pursued higher standards in the operation of our Board, leading the way in adopting necessary reforms and innovative practices to further strengthen the effective of our governance. With the recent leadership transition, fiscal 2026 marks the final year of the current Mid Term Business Plan (24MBP). In close partnership with the executive team, the Board will begin its oversight of the planning process for the next Mid Term Business Plan (MBP), while respecting management’s primary responsibility for its formulation and execution.

Our Board consists of 12 Directors, eight of whom are Independent Directors, reflecting our strong commitment to independence and diversity. As a Company with a Nominating Committee structure, we continued to strengthen our governance framework. This year, Ms. Morikawa and Mr. Itagaki joined the Board as Independent Directors, while Mr. Banno, the Global CTO, was appointed as an Internal Director. Our annual assessment of the Board and committee effectiveness confirmed that active, forward-looking contributions from newly appointed Directors have further invigorated discussions and enhanced overall Board performance.

The Board sets its agenda twice a year—at the beginning and mid-point of the fiscal year—drawing on the issues recognized and raised by Independent Directors. Key areas of focus include progress of the MBP, sustainability strategy, IT governance, and tax governance. In addition, based on quarterly reports on the Global Executive Committees, the Board continuously monitors management strategy, performance, and risk. Through

this mechanism, we ensure a clear separation between execution and oversight, while maintaining strong alignment and mutual reinforcement between them.

As Chair, I strive to create an environment where all Directors share a coherent “big picture,” enabling constructive challenge and encouraging healthy risk-taking by management. By fostering deep, issue-driven discussions grounded in a shared understanding of the Company’s challenges, we continue to strengthen the Board’s monitoring function. Through these efforts, we are steadily enhancing the effectiveness of our governance and its contribution to sustainable, long-term value creation.

Message from the Chairperson of the Nominating Committee — Kenichi Masuda

The Nominating Committee is composed solely of four Independent Directors, ensuring a high degree of independence and objectivity. The Committee comprises Masuda as Chair, Scott Davis, the Chair of the Board, Kenzo Yamamoto, Chair of the Compensation Committee, and Toshiaki Itagaki, who was appointed at the March Shareholders’ Meeting. Together, we maintain a structure grounded in transparency and diversity.

The Committee’s primary responsibility, as mandated by law, is to select Director candidates to be presented to shareholders at the Annual Shareholders’ Meeting held in March. In addition, the Committee plays a central role in CEO succession planning and candidate evaluation, as well as conducting preliminary reviews of other executive appointments.

To fulfill these responsibilities, the Committee operates continuously throughout the year. From the period following the Annual Shareholders’ Meeting through autumn, we hold individual meetings with senior leaders in Japan and overseas, including heads of business units and regional leaders to gain insight into their perspectives and emerging challenges. While formal Committee meetings are convened roughly once a month, actual activities extend far beyond those sessions, with frequent additional online discussions and ad-hoc meetings. Last year, ahead of the Global CEO transition, we conducted extensive additional deliberations beyond formal Committee sessions.

The Nominating Committee leads the search for candidates for Independent Director positions, acting independently from the executive function while working closely with the secretariat to reach final decisions. As Chair, I also hold individual discussions with other Independent Directors to understand their views and assessments, which I bring back to the Committee to support more rigorous and well-rounded deliberations. Through these efforts, the Committee plays a central role in strengthening the Company’s leadership structure, reinforcing the independence and effectiveness of the Board, and enhancing the overall effectiveness of our governance—thereby supporting sustainable, long-term value creation.

Message from the Chairperson of the Compensation Committee — Kenzo Yamamoto

The Compensation Committee, like the Nominating Committee, consists solely of four Independent Directors, ensuring a structure that prioritizes transparency and independence. The Committee determines compensation for 12 Directors and six Executive Officers (one of whom also serves as a director,) designing a remuneration system aligned with the respective roles and responsibilities of Directors and Executive Officers. Our compensation philosophy is built on the four principles:

1. Attract and cultivate superior talent

2. Support a competitive remuneration level
3. Provide motivation for the execution of business strategies
4. Provide motivation for enhancing shareholder value

Remuneration levels are benchmarked with reference to major companies in Japan operating globally.

For Independent Directors and non-executive Internal Directors, we adopt fixed compensation aligned with their oversight role. For Executive Officers, compensation consists of fixed pay and variable pay. Variable compensation includes short-term incentives and long-term incentives.

Short-term incentives comprise a company-wide bonus (based on consolidated adjusted operating profit) and an execution-linked bonus (based on achievement of objectives in each executive's area of responsibility). This structure incentivizes both profitability and the execution of strategic priorities.

Long-term incentives consist of Performance Share Units (PSUs), based on financial performance, and Restricted Stock Units (RSUs), based on sustainability indicators, weighted 50:50. PSU awards are determined by three-year ROIC and ROE performance. RSUs support the execution of the Company's sustainability-driven mid- to long-term strategy; awards are granted annually and vest upon retirement.

Our remuneration system serves as a critical incentive for Directors and Executive Officers to fulfill their respective responsibilities. We will continue to review and refine the compensation levels and structure in line with the four guiding principles, ensuring their ongoing effectiveness in supporting the Company's mid- to long-term objectives.

Message from the Chairperson of the Audit Committee — Yasuhiro Nakajima

The Audit Committee is composed of six members—four External Audit Committee Members and two full-time members—each bringing professional expertise in law, accounting, and corporate management. The external members include an attorney, certified public accountants, and senior corporate executives, thereby ensuring a robust oversight structure that secures audit quality and reliability from an independent standpoint.

In 2025, the Committee convened 21 meetings, including interviews and discussions with the Representative Executive Officers. Key areas of focus included monitoring the progress of the Mid-Term Business Plan, with particular attention to sustainability initiatives, enhancing talent creativity, and measures taken for “the year of emergency and crisis management.” The committee also examined the Company's frameworks for global management risks such as cyber risks, geopolitical risks, and the prevention of fraud and misconduct—which have the potential to impair corporate value.

With respect to internal controls, the Committee reviewed the monitoring framework based on the three-lines model and examined initiatives aimed at enhancing business quality. In addition to statutory matters, the Committee received activity reports from the risk management function, relevant business units, and the internal audit function. Through rigorous discussions and Q&A, the Committee sought to reinforce the effectiveness of audit activities.

In overseeing external audits, the Committee held quarterly reporting sessions and convened meetings with global partners from KPMG, which reviewed audit plans and key audit matters. These interactions deepened the Committee's understanding of the global audit framework and contributed to strengthen audit quality across the Group.

The Committee also conducted on-site visits to 11 domestic and 16 overseas locations, meeting local management teams and external auditors to obtain insights into operational realities, risk management practices, and local challenges. From last year, all Regional Audit Committee Chairs have been participating in a newly established global audit meeting to further reinforce alignment and collaboration across regions. Through these activities, the Audit Committee continuously assesses and enhances the effectiveness of the Company's risk management, internal control, and audit processes. By promoting improvements where necessary and ensuring that audits reflect on-the-ground realities across the globe, the Committee advances governance that contributes to the sustainable enhancement of corporate value.

■ **Q&A Session Summary:** (Questions 1-3 were submitted in advance; 4-7 were received during the session.)

Q1. Review of the Audit Framework and Processes

Given the accelerating geopolitical risks and the rapidly evolving business environment, what specific aspects should the Audit Committee focus on when reviewing the audit framework and processes to ensure that audits continue to meet the demands of the times?

A1. Nakajima

We place strong emphasis on ensuring that our audits remain current and aligned with the evolving risk landscape. To this end, the Audit Committee designates areas closely connected to the Company's business risks as priority themes. For these themes, we conduct on-site internal and management audits and receive direct reports on their findings. In areas of increasing complexity—such as cyberattacks and talent creativity—we also receive direct reports from the heads of the relevant divisions to verify both on-the-ground realities and the effectiveness of our audit activities.

As an example of our efforts to stay ahead of change, in the sustainability domain we have begun discussions on the optimal audit framework and processes in anticipation of enhanced sustainability disclosure requirements and the commencement of assurance engagements by external assurance providers from 2026 onward.

Q2. Succession Planning for Directors

Could you share, how the succession planning process for members of the Board is approached at your company?

A2. Masuda

As a Company with Nominating Committee, etc., our Board functions as a monitoring board responsible for overseeing executive management. Accordingly, the Nominating Committee places the highest priority on selecting individuals who can fully exercise the Board's oversight responsibilities, in alignment with our Director Nomination Policy.

We view the Board not as a group of independent actors, but as a team that must function effectively as a whole. To support the sustainable enhancement of corporate value, we aim for a composition that brings

together individuals with diverse backgrounds, fosters healthy tension, and enables strong teamwork. While we consider planned and periodic refreshment, succession decisions are not based solely on tenure. Instead, we prioritize achieving an optimal balance between directors who bring fresh perspectives and those with a deep understanding of the Company's history and context. Our selection process is designed to ensure a more effective and efficient oversight structure for the Board as a whole.

Q3. Executive Compensation

Your compensation framework incorporates RSU (Restricted Stock Unit) program linked to sustainability indicators. Could you explain, the compensation structure for RSUs including the allocation of each component and the thresholds?

A3. Yamamoto

Our sustainability evaluation framework consists of multiple underlying components that are reviewed annually to reflect changes in the business environment and shifts in our strategic priorities. For Fiscal year 2024, we identified the following six pillars as evaluation targets:

1. Internal and external communication and driving value creation based on the "Bridgestone E8 Commitment" as the axis
2. Investment in and development of talent to enhance added value and engagement
3. Carbon neutrality, including reduction of CO₂ emissions
4. Circular economy, including increasing the ratio of recycled and renewable resources
5. Nature positive, focusing on natural rubber and water resources
6. Address TRWP* and 6PPD* as an industry leader

Multiple metrics—both quantitative indicators and qualitative evaluation items—are assigned to each pillar, and an overall qualitative assessment is conducted at the end of the fiscal year. All six pillars are treated as equally important.

We do not rely solely on simple quantitative metrics. As a global tire manufacturer, we believe it is important to evaluate efforts to address long term challenges that may not be easily captured numerically, and to encourage our leaders to fulfill their role as industry front runners. For instance, in addressing TRWP, we have played a leading role internationally through the Tire Industry Project (TIP) under the World Business Council for Sustainable Development (WBCSD), contributing to the development of ISO standards related to the generation and capture of TRWP. By incorporating such contributions into our evaluation framework, we aim to ensure that our sustainability assessment promotes mid to long term corporate value creation. We will continue to refine our approach to sustainability evaluations accordingly.

*TRWP: Tire and Road Wear Particles

*6PPD: An anti-degradant commonly used in the tire industry

Q4. Executive Officer Compensation Structure

While the high proportion of variable compensation and the inclusion of non-financial indicators are positive, relying heavily on “achievement against targets” may unintentionally create a bias toward conservative target-setting. Have you considered incorporating other indicators—such as year-on-year performance improvement ratio or TSR (Total Shareholder Return)—into the compensation framework?

A4. Yamamoto

We conduct an annual review of our compensation framework, taking into account external market practices and developments. We are aware of examples that incorporate TSR and have discussed its potential relevance for our Company. After careful deliberation, we have maintained the current structure.

Our variable compensation system is designed to reinforce disciplined execution by linking incentives to strategic objectives that executives directly manage. We recognize that a target-based mechanism may at times result in outcomes below expectations when goals are set ambitiously. However, in line with our four compensation principles—particularly the principle of “providing motivation for the execution of business strategy”—we believe the current approach remains appropriate.

We reassess the structure flexibly each year and make updates as necessary. At present, we continue to emphasize consolidated adjusted operating profit as a core profitability metric, along with capital efficiency indicators such as ROIC and ROE, to promote sustainable value creation for our shareholders.

Q5. 1) Skill Matrix and 2) Monitoring of Corporate Value and Share Price

1) Do you believe the current seven categories in the skill matrix to be sufficient?

A5 -1) Masuda

The current categories included in the skill matrix were developed by the Nominating Committee, and we do not perceive material gaps at this time. Each Director selects up to three areas that best represent their core strengths. Accordingly, the matrix serves as a high-level reference information to understand the overall balance of the Board, but it does not capture every detailed competency or personal attribute.

When selecting Directors, we do not rely mechanically on this matrix. Instead, we take a holistic view—considering diversity, team dynamics, and overall balance—to ensure the Board functions effectively as a team. While the current matrix has served its purpose, several years have passed since its creation, and we recognize the possibility of revisiting it in the future.

2) To what extent does the Board discuss or monitor corporate value and share price?

A5-2) Davis

The Board does not take up the share price as a standalone agenda item. Instead, we receive regular reports from the Head of Investor Relations. These reports cover investor dialogue, market reactions, key areas of interest, feedback on our IR activities, and analyses of analyst reports. These inputs inform our engagement with management, including questions such as how they intend to respond to certain market expectations.

Our discussions focus not on daily price movements of the share price, but on the strategic direction of the company, the quality of communication, and how our strategy is perceived by the market. By receiving explanations from both the IR function and management, we discuss potential improvements in communication and strategy, aiming to strengthen alignment and enhance the quality of our external messaging.

What I consider essential as Chair is that these reports do not simply conclude the discussion; they often lead to constructive requests such as, “Please elaborate on this aspect next time,” or “Include this information in future updates.” This dynamic enables the Board to function as a forum for productive dialogue that contributes to long-term corporate value creation. It is a continuous improvement process—akin to a PDCA cycle—where insights from IR activities and market reactions directly inform subsequent communication and strategic discussions. Independent Directors show strong interest, and debates focus squarely on fundamental value creation rather than short-term stock movements.

Q6. 1) Background of Global CEO Transition, 2) Expected changes and Expectations for the Next MBP

1) Could you explain the background behind the Global CEO transition—how the timing was determined, the key points of discussion within the Nominating Committee, and why Mr. Morita was selected from among the candidates.

A6-1) Masuda

The selection of the Global CEO is one of the most critical responsibilities of the Nominating Committee, and we conducted extensive and careful deliberations. In considering the timing, our decision was not driven by formal considerations such as aligning with the end of MBP. Rather, we focused on whether the Company had reached the most appropriate juncture to move to its next stage of development.

A key starting point for discussion was the significant progress made under former Global CEO Mr. Ishibashi, who navigated the Company through unprecedented challenges during the COVID-19 pandemic and advanced major business rebuilding and restructuring initiatives. As the Company shifts toward a phase centered on “growth with quality,” and with the centennial anniversary in 2031 approaching, the Committee concluded that renewal and acceleration under next-generation leadership were appropriate. This led to the decision to proceed with the Global CEO transition.

In evaluating candidates, we conducted interviews with multiple individuals and engaged in discussions with former Global CEO Ishibashi. Our assessment focused on the ability to articulate a compelling long-term vision for the Company’s future, their capability to oversee global operations, and their leadership strengths within a global organization. Through this comprehensive evaluation, we concluded that Mr. Morita—who brings extensive overseas experience and a strong track record as head of overseas subsidiaries as well as the Asia Pacific SBU—was the most suitable to lead the Company into its next stage.

2) As discussions on the next Mid Term Business Plan move forward, what changes do you foresee compared with the current plan, and what does the Board expect?

A6-2) Davis

While it is still too early to share specifics regarding the next MBP, our immediate priority is ensuring that the final year of the current 24MBP is fully and successfully executed. The Board is committed to closely monitoring progress and ensuring that the plan's commitments are met.

At the same time, preparations for the next MBP have already begun. Throughout the Global CEO selection process, our discussions with various candidates provided broad insights into potential future directions for Bridgestone. Among them, Mr. Morita presented the most concrete and compelling vision for the Company's future, which was an important factor in his selection.

Mr. Morita is currently devoting significant energy to completing the 24MBP, while also shaping a view of what the Company should aspire to become beyond this plan. Over the next six months to a year, the Board intends to work closely with him by providing oversight and constructive challenge as management structures the core framework of the next MBP.

We expect the next plan to continue building on fundamental principles advanced under former Global CEO Mr. Ishibashi: organizational optimization, a commitment to avoiding the deferral of legacy issues, the premium strategy, and the sustainability strategy. As one Director, I also hope that the next MBP will mark the transition to the next phase, in which our sustained investments in sustainability and human capital translate more visibly into corporate value creation.

This timing also aligns with the emergence of the next generation of leaders developed through the Company's "NEXT100" initiative. Mr. Morita is among those leaders, and we have high expectations for this broader group of future leaders—including today's moderator, Mr. Higuchi—as they begin contributing more directly to value creation.

Q7. Compensation Indicators

Compared with industry peers, your executive compensation framework does not appear to include cash-flow or TSR indicators. Could you explain the rationale behind your current choice of metrics?

A7. Yamamoto

Each year, the Compensation Committee reviews whether stock-price-related indicators, including TSR, should be incorporated into the compensation framework. While we acknowledge the relevance of such indicators and monitor peer practices, we also recognize that they can be heavily influenced by short-term external factors. For this reason, we carefully assess whether they align with our compensation principles, particularly the principle of providing motivation for enhancing shareholder value.

At present, we position ROIC and ROE as our key mid-term performance indicators. These metrics directly promote improvements in capital efficiency, reinforce the strengthening of the Company's business foundation, and align with its strategic direction. We review the compensation framework annually and will continue evaluating potential use of external indicators, including TSR. However, at this stage, we believe that a framework centered on ROIC and ROE best supports sustainable, long-term shareholder value creation.

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