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# Annual Securities Report

(Filed pursuant to Article 24, paragraph (1) of the Financial Instruments and Exchange Act of Japan)  
Business year  
From January 1, 2025 To December 31, 2025  
(107th Fiscal Period)

Bridgestone Corporation

(E01086)

107th Fiscal Period (from January 1, 2025 to December 31, 2025)

# Annual Securities Report

- 1 This document was prepared for printing by adding a table of contents and pages to the Annual Securities Report, which is in accordance with Article 24, paragraph (1) of the Financial Instruments and Exchange Act, submitted as data on March 18, 2026 using the Electronic Data Processing System for Disclosure (EDINET) prescribed in Article 27-30, paragraph (2) of the aforementioned act.
- 2 The document does not include the attachments to the Annual Securities Report submitted as described above, but the Audit Report is bound in an unpaginated booklet.

Bridgestone Corporation

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### Audit Report

## Cover

[Document Submitted]	Annual Securities Report
[Article of the Applicable Law Requiring Submission of This Document]	Article 24, paragraph (1) of the Financial Instruments and Exchange Act
[Filed to]	Director of the Kanto Local Finance Bureau
[Date of Submission]	March 18, 2026
[Business Year]	107th Fiscal Period (from January 1, 2025 to December 31, 2025)
[Company Name]	Bridgestone Corporation
[Company Name (in English)]	BRIDGESTONE CORPORATION
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## Part I Information on the Company

### I. Overview of the Company

#### 1. Key financial data and trends

##### (1) Consolidated financial data

Term		103rd	104th	105th	106th	107th
Year ended		December 2021	December 2022	December 2023	December 2024	December 2025
Revenue	Yen in millions	3,246,057	4,110,070	4,313,800	4,430,096	4,429,452
Profit before tax	Yen in millions	377,594	423,458	444,154	421,437	354,661
Profit attributable to owners of parent	Yen in millions	394,037	300,305	331,305	284,989	327,264
Comprehensive income attributable to owners of parent	Yen in millions	581,731	556,730	516,150	517,490	378,058
Equity attributable to owners of parent	Yen in millions	2,629,883	2,965,835	3,353,592	3,731,606	3,661,793
Total assets	Yen in millions	4,574,892	4,962,203	5,427,813	5,723,517	5,747,705
Total equity attributable to owners of parent per share	Yen	1,867.11	2,166.90	2,449.12	2,724.49	2,868.49
Basic earnings per share	Yen	279.78	216.10	241.99	208.10	246.00
Diluted earnings per share	Yen	279.36	215.81	241.70	207.88	245.77
Ratio of equity attributable to owners of parent to total assets	%	57.5	59.8	61.8	65.2	63.7
Return on equity attributable to owners of parent	%	16.5	10.7	10.5	8.0	8.9
Price earnings ratio	Times	8.8	10.9	12.1	12.8	14.3
Cash flows from operating activities	Yen in millions	281,538	268,483	661,433	548,844	660,442
Cash flows from investing activities	Yen in millions	131,701	(338,004)	(297,719)	(255,061)	(224,968)
Cash flows from financing activities	Yen in millions	(379,321)	(364,109)	(183,657)	(343,258)	(429,902)
Cash and cash equivalents at end of period	Yen in millions	787,542	518,905	724,601	706,732	713,810
Number of employees	Persons	135,636	129,262	125,199	121,464	115,716

(Notes) 1. The Bridgestone Group (the “Group”) prepares its consolidated financial statements based on International Financial Reporting Standards (IFRS accounting standards).

2. The average number of temporary employees is omitted since the number is below 10% of the number of employees.

3. On January 1, 2026, the Company carried out a stock split of common shares at a 2-for-1 ratio. Total equity attributable to owners of parent per share, basic earnings per share, and diluted earnings per share have been calculated assuming that the stock split was conducted at the beginning of the 103rd fiscal period.

4. The Group has adopted International Accounting Standards (IAS) 12, “Income Taxes” (revised in May 2021), from the 105th fiscal period. Accordingly, the data for the 104th fiscal period are those after the retrospective application.

(2) Financial data for the Company

Term		103rd	104th	105th	106th	107th
Year ended		December 2021	December 2022	December 2023	December 2024	December 2025
Net sales	Yen in millions	839,528	981,660	1,007,593	967,363	981,068
Ordinary Profit	Yen in millions	292,915	231,918	300,594	227,240	241,102
Profit	Yen in millions	167,024	164,341	284,215	235,046	291,567
Common stock	Yen in millions	126,354	126,354	126,354	126,354	126,354
Total number of shares issued	Thousands of shares	713,698	713,698	713,698	713,698	713,698
Total equity	Yen in millions	1,373,813	1,304,356	1,457,572	1,548,873	1,388,428
Total assets	Yen in millions	2,135,579	1,911,361	2,121,023	2,114,128	2,119,502
Total equity per share	Yen	973.22	951.03	1,062.77	1,129.35	1,086.19
Dividend per share	Yen	170	175	200	210	230
[Interim dividend amount]		[85]	[85]	[100]	[105]	[115]
Earnings per share	Yen	118.59	118.26	207.60	171.63	219.17
Diluted earnings per share	Yen	118.41	118.10	207.35	171.45	218.96
Equity ratio	%	64.2	68.1	68.6	73.2	65.4
Return on equity	%	12.5	12.3	20.6	15.7	19.9
Price earnings ratio	Times	20.9	19.8	14.1	15.6	16.0
Dividend payout ratio	%	71.7	74.0	48.2	61.2	52.5
Number of employees	Persons	14,745	13,903	14,106	14,207	13,934
Total shareholder return	%	151.3	148.8	188.7	180.1	236.8
[Comparative indicator: TOPIX (dividend included)]	%	[112.7]	[110.0]	[141.1]	[169.9]	[213.2]
Highest share price	Yen	5,467.0	5,509.0	6,245.0	7,058.0	3,577.0 [7,450.0]
Lowest share price	Yen	3,307.0	4,042.0	4,548.0	4,970.0	3,513.0 [5,113.0]

(Notes) 1. The average number of temporary employees is omitted since the number is below 10% of the number of employees.

2. From April 4, 2022, the highest share price and lowest share price are those recorded on the Tokyo Stock Exchange (Prime Market). Prior to that, the prices were those recorded on the Tokyo Stock Exchange (First Section). The share prices for the 107th fiscal period represent the highest share price and the lowest share price after the ex-rights adjustment due to the stock split, and the highest share price and the lowest share price before the stock split are shown in brackets.

3. At the beginning of the 104th fiscal period, the Group adopted the “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020) and relevant ASBJ regulations. The key financial data for the 104th fiscal period reflects the adoption of these accounting standards, etc.

4. On January 1, 2026, the Company carried out a stock split of common shares at a 2-for-1 ratio. Total equity per share, basic earnings per share, and diluted earnings per share have been calculated assuming that the stock split was conducted at the beginning of the 103rd fiscal period. The total number of shares issued and dividend per share represent the figures before the stock split.

5. Of the dividend per share of 230 yen for the 107th fiscal period, the year-end dividend of 115 yen is subject to a resolution of the Annual Shareholders’ Meeting scheduled to be held on March 24, 2026.

## 2. History

Date	Event
March 1931	Established Bridgestone Tire Co., Ltd. in the city of Kurume, Fukuoka Prefecture in Japan. Commenced production of automotive tires.
October 1935	Commenced the production of golf balls
May 1937	Relocated the head office to Tokyo
September 1937	Commenced production of rubber hoses
February 1942	Changed name to Nippon Tire Co., Ltd.
October 1949	Company split with the establishment of Bridgestone Cycle Company (now, Bridgestone Cycle Co., Ltd.)
February 1951	Renamed back to Bridgestone Tire Co., Ltd.
October 1961	Listed on the Tokyo and Osaka Stock Exchanges
June 1967	Established joint venture in Thailand, Thai Japan Tyre Co., Ltd. (now, Thai Bridgestone Co., Ltd.)
September 1972	Established joint venture Bridgestone Spalding Co., Ltd. (now, Bridgestone Sports Co., Ltd.)
September 1973	Established joint venture in Indonesia, P.T. Bridgestone Tire Indonesia (now, PT Bridgestone Tire Indonesia)
December 1980	Acquired Uniroyal Holdings Limited (now, Bridgestone Australia Ltd.) in Australia
November 1982	Established Bridgestone Tire Manufacturing (U.S.A.), Inc. in the U.S. (May 1990, merged with Bridgestone/Firestone, Inc. (now, Bridgestone Americas Tire Operations, LLC))
April 1984	Changed name to Bridgestone Corporation
May 1988	Acquired the Firestone Tire & Rubber Company. (now, Bridgestone Americas Tire Operations, LLC)
January 1993	Consolidated the sports business into Bridgestone Sports Co., Ltd.
December 1994	Bridgestone/Firestone Europe S.A. (now, Bridgestone Europe NV/SA) became a holding-company structure for European operations with sales and logistics functions in Europe consolidated in that company
December 1994	Established Bmah Corporation (now, Bridgestone Americas, Inc.) in the U.S.
January 1997	Acquired Fedstone (Pty) Limited (now, Bridgestone South Africa Holdings (Pty) Ltd.), with the consolidated subsidiary Firestone South Africa (Pty) Ltd. in South Africa (now, Bridgestone South Africa (Pty) Ltd.)
July 1998	Established Bridgestone/Firestone Poland Sp. z o.o. (now, Bridgestone Poznan Sp. z o.o.) in Poland
November 1999	Established Bridgestone Middle East FZE (now, Bridgestone Middle East & Africa FZE) in the United Arab Emirates
January 2000	Acquired Tianjin Kumho Tire Co.,Ltd. (now, Bridgestone (Tianjin) Tire Co., Ltd.) in China
March 2000	Established Bridgestone Tire Manufacturing (Thailand) Co., Ltd. in Thailand
December 2001	Bridgestone/Firestone, Inc. (now, Bridgestone Americas Tire Operations, LLC) split and reorganized by business with Bridgestone/Firestone Americas Holding, Inc. (now, Bridgestone Americas, Inc.) as a holding company for management of businesses in the Americas
February 2003	Established Bridgestone (Wuxi) Tire Co., Ltd. in China
October 2004	Established Bridgestone (China) Investment Co., Ltd. in China
July 2005	Established Bridgestone Termelo Kft. (now, Bridgestone Tatabanya Kft.) in Hungary
August 2005	Acquired PT. Goodyear Sumatra Plantation (now PT Bridgestone Sumatra Rubber Estate) in Indonesia
July 2006	Established Bridgestone Asia Pacific Pte. Ltd. in Singapore
May 2007	Bridgestone Americas Holding, Inc. (now, Bridgestone Americas, Inc.) acquired Bandag, Incorporated (now, Bridgestone Bandag, LLC)
May 2012	Established Bridgestone Specialty Tire Manufacturing (Thailand) Co., Ltd. in Thailand
June 2014	Acquired Masthead Industries, LLC (now Bridgestone Hose America, Inc.) in the U.S.
May 2017	Bridgestone Europe NV/SA acquired Ets Paul Ayme (Holding) & Ayme er Fils SAS (now First Stop Ayme SAS) in France
April 2019	Bridgestone Europe NV/SA acquired Tom Tom Telematics B.V. (now Bridgestone Mobility Solutions B.V.) in Netherlands
September 2021	Bridgestone Americas, Inc. acquired Azuga Holdings, Inc.
December 2021	Bridgestone Mining Solutions Australia Pty. Ltd. acquired Otraco International Pty. Ltd.

### 3. Description of business

The Bridgestone Group (the “Group”) comprises Bridgestone Corporation (the “Company”), 222 subsidiaries (of which 222 are consolidated subsidiaries), and 122 associates (of which 122 are accounted for using the equity method). The Group is engaged in the businesses below through its reporting segments “Japan,” “Asia-Pacific, India and China,” “Americas,” and “Europe, Middle East and Africa,” as well as through other segments.

Name of segment	Major businesses	Major companies
Japan	Tire business Solutions business Chemical and industrial products and diversified products business [Sports, cycle]	[Controlling, manufacturing and sales] Bridgestone Corporation [Controlling of tire sales] Bridgestone Tire Solution Japan Co., Ltd. [Manufacturing and sales of tires] Bridgestone Specialty Tire Manufacturing (Thailand) Co., Ltd. [Tire sales] Bridgestone Mining Solutions Australia Pty. Ltd. [Chemical and industrial product sales] Bridgestone Diversified Products Japan Co., Ltd. [Manufacturing and sales of golf goods] Bridgestone Sports Co., Ltd. [Manufacturing and sales of bicycles, etc.] Bridgestone Cycle Co., Ltd.
Asia-Pacific, India and China	Tire business Solutions business	[Controlling and sales] Bridgestone Asia Pacific Pte. Ltd. Bridgestone (China) Investment Co., Ltd. [Manufacturing and sales of tires] Bridgestone (Tianjin) Tire Co., Ltd. Bridgestone (Wuxi) Tire Co., Ltd. Bridgestone India Private Ltd. Thai Bridgestone Co., Ltd. Bridgestone Tire Manufacturing (Thailand) Co., Ltd. PT Bridgestone Tire Indonesia
Americas	Tire business Solutions business Diversified products business [Air springs]	[Controlling] Bridgestone Americas, Inc. [Manufacturing and sales of tires] Bridgestone Americas Tire Operations, LLC Bridgestone Canada Inc. Bridgestone de Mexico, S.A. DE C.V. Bridgestone do Brasil Industria e Comercio LTDA. [Tire sales] Bridgestone Retail Operations, LLC [Manufacturing and sales of raw materials for tires] Firestone Polymers, LLC [Manufacturing and sales of air springs] Firestone Industrial Products Company, LLC
Europe, Middle East and Africa	Tire business Solutions business	[Controlling and sales] Bridgestone Europe NV/SA [Manufacturing and sales of tires] Bridgestone Poznan Sp. z o.o. Bridgestone Stargard Sp. z o.o. Bridgestone Tatabanya Kft. Bridgestone Hispania Manufacturing, S.L.U. [Tire sales] Bridgestone Middle East & Africa FZE

Name of segment	Major businesses	Major companies
Others	Other business	Others Bridgestone Singapore Pte. Ltd. Bridgestone Treasury Singapore Pte. Ltd.

- (Notes) 1. The tire business mainly comprises tires for passenger cars, trucks & buses, and specialties tires (for off-the-road mining and construction vehicles, agricultural machinery, and motorcycles).
2. The solutions business comprises the commercial BtoB solutions business (solutions for mining, aviation, and truck & bus), and the retail and service solutions business.
3. The chemical and industrial products business mainly comprises hydraulic and high-performance hoses, rubber tracks, plastic piping, and seismic isolation.

#### 4. Subsidiaries and associates

Name	Location	Common stock / Investment in capital (Yen in millions)	Description of major businesses	Ownership ratio of voting rights (%)	Relationship			
					Officers serving concurrently	Loans	Business transactions	Leasing of facilities
(Consolidated subsidiaries)								
Bridgestone Tire Solution Japan Co., Ltd.	Kodaira, Tokyo	710	Management of domestic sale of tires for replacement market, sale of tires, and development and deployment of solutions business	100.0	Yes	No	Purchase of products from the Company	Business facilities
Bridgestone Diversified Products Japan Co., Ltd.	Totsuka-ku, Yokohama	400	Sale and work on industrial rubber products and building materials	100.0	Yes	No	Purchase of products from and supply of products to the Company	Business facilities
Bridgestone Sports Co., Ltd.	Chuo-ku, Tokyo	3,000	Manufacture and sale of golf goods	100.0	Yes	No	No	Business facilities
Bridgestone Cycle Co., Ltd.	Ageo, Saitama	1,870	Manufacture and sale of bicycles	100.0	Yes	Yes	No	Business facilities
Bridgestone Specialty Tire Manufacturing (Thailand) Co., Ltd.	Thailand	THB in millions 11,900	Manufacture and sale of off-the-road tires for mining and construction vehicles and aircraft tires	100.0	Yes	No	Supply of products to the Company	No
Bridgestone Mining Solutions Australia Pty. Ltd.	Australia	AUD in millions 7	Sale and related services of off-the-road tires for mining and construction vehicles	100.0	Yes	No	Purchase of products from the Company	No
Bridgestone Asia Pacific Pte. Ltd.	Singapore	SGD in millions 1,624	Management of Asia-Pacific, India and China tire operations and sale of tires	100.0	Yes	No	Purchase of products from the Company	No
Bridgestone (China) Investment Co., Ltd.	China	USD in millions 348	Management of China tire operations and sale of tires	100.0	Yes	No	Purchase of products from the Company	No
Bridgestone (Tianjin) Tire Co., Ltd.	China	USD in millions 106	Manufacture and sale of tires	(94.5) 94.5	Yes	No	No	No
Bridgestone (Wuxi) Tire Co., Ltd.	China	USD in millions 255	Manufacture and sale of tires	(100.0) 100.0	Yes	No	Supply of products to the Company	No
Bridgestone India Private Ltd.	India	INR in millions 7,737	Manufacture and sale of tires	(100.0) 100.0	Yes	No	Purchase of products from and supply of products to the Company	No
Bridgestone Tire Manufacturing Vietnam LLC	Vietnam	USD in millions 448	Manufacture and sale of tires	(100.0) 100.0	Yes	No	Supply of products to the Company	No
Thai Bridgestone Co., Ltd.	Thailand	THB in millions 400	Manufacture and sale of tires	(69.2) 69.2	Yes	No	Supply of products to the Company	No
Bridgestone Tire Manufacturing (Thailand) Co., Ltd.	Thailand	THB in millions 6,921	Manufacture and sale of tires	(100.0) 100.0	Yes	No	Supply of products to the Company	No
PT Bridgestone Tire Indonesia	Indonesia	IDR in millions 10,358	Manufacture and sale of tires	(54.3) 54.3	Yes	No	Supply of products to the Company	No
Bridgestone Australia Ltd.	Australia	AUD in millions 206	Sale of tires	(100.0) 100.0	No	No	No	No
Bridgestone Americas, Inc.	U.S.	USD in millions 127	Management of Americas operations	100.0	Yes	No	No	No
Bridgestone Americas Tire Operations, LLC	U.S.	USD in thousands 1	Manufacture and sale of tires	(100.0) 100.0	Yes	No	Purchase of products and raw materials from and supply of products to the Company	No

Name	Location	Common stock / Investment in capital (Yen in millions)	Description of major businesses	Ownership ratio of voting rights (%)	Relationship			
					Officers serving concurrently	Loans	Business transactions	Leasing of facilities
Bridgestone Retail Operations, LLC	U.S.	USD in thousands 1	Sale of tires and automotive components, and automotive maintenance and repair services	(100.0) 100.0	Yes	No	No	No
Firestone Polymers, LLC	U.S.	USD in thousands 1	Manufacture and sale of synthetic rubber	(100.0) 100.0	No	No	Supply of raw materials to the Company	No
Bridgestone Canada Inc.	Canada	CAD in millions 21	Manufacture and sale of tires and sale of automotive components	(100.0) 100.0	No	No	Purchase of products from the Company	No
Bridgestone de Mexico, S.A. DE C.V.	Mexico	MXN in millions 456	Manufacture and sale of tires	(100.0) 100.0	No	No	Purchase of products from the Company	No
Bridgestone do Brasil Industria e Comercio LTDA.	Brazil	BRL in millions 510	Manufacture and sale of tires	(100.0) 100.0	No	No	Purchase of products and raw materials from the Company	No
Bridgestone Argentina S.A.I.C.	Argentina	ARS in millions 201	Manufacture and sale of tires	(100.0) 100.0	No	No	Purchase of products from the Company	No
Bridgestone Europe NV/SA	Belgium	EUR in millions 2,064	Management of Europe, Middle East and Africa tire operations and sale of tires	100.0	Yes	Yes	Purchase of products from and supply of products to the Company	No
Bridgestone Poznan Sp. z o.o.	Poland	PLN in millions 558	Manufacture and sale of tires	(100.0) 100.0	No	No	No	No
Bridgestone Stargard Sp. z o.o.	Poland	PLN in millions 573	Manufacture and sale of tires	(100.0) 100.0	No	No	No	No
Bridgestone Tatabanya Kft.	Hungary	HUF in millions 73,311	Manufacture and sale of tires	(100.0) 100.0	No	No	No	No
Bridgestone Hispania Manufacturing, S.L.U.	Spain	EUR in thousands 3	Manufacture and sale of tires	(100.0) 100.0	No	No	No	No
Bridgestone Middle East & Africa FZE	U.A.E.	AED in millions 17	Sale of tires	(100.0) 100.0	No	No	No	No
Bridgestone Singapore Pte. Ltd.	Singapore	USD in thousands 674	Sale and purchase of natural rubber	100.0	Yes	No	Supply of raw materials to the Company	No
Bridgestone Treasury Singapore Pte. Ltd.	Singapore	USD in millions 451	Lending and factoring	100.0	Yes	No	Collection agency for some of the Company's receivables	No
Other: 190 companies								
(Equity-method associates and others)								
Brisa Bridgestone Sabanci Lastik Sanayi ve Ticaret A.S.	Turkey	TRY in millions 305	Manufacture and sale of tires	43.6	Yes	No	Purchase of products and raw materials from the Company	No
Other: 121 companies								

(Notes) 1. Bridgestone Tire Solution Japan Co., Ltd., Bridgestone Specialty Tire Manufacturing (Thailand) Co., Ltd., Bridgestone Asia Pacific Pte. Ltd., Bridgestone (China) Investment Co., Ltd., Bridgestone (Wuxi) Tire Co., Ltd., Bridgestone India Private Ltd., Bridgestone Tire Manufacturing Vietnam LLC, Bridgestone Tire Manufacturing (Thailand) Co., Ltd., Bridgestone Australia Ltd., Bridgestone Americas, Inc., Bridgestone Americas Tire Operations, LLC, Bridgestone Argentina S.A.I.C., Bridgestone Europe NV/SA, Bridgestone Poznan Sp. z o.o., Bridgestone Stargard Sp. z o.o., Bridgestone Tatabanya Kft., Bridgestone Singapore Pte. Ltd., and Bridgestone Treasury Singapore Pte. Ltd. are specified subsidiaries.

2. Figures in parentheses in the ownership ratio of voting rights column indicate indirect ownership ratio.
3. The initial amount of investment in capital is stated with respect to limited liability companies (LLCs) because LLCs under U.S. law do not have common stock.
4. Revenues of Bridgestone Americas Tire Operations, LLC (hereinafter "BATO") and Bridgestone Retail Operations, LLC (hereinafter "BSRO") (excluding internal sales from intercompany transactions within the Group) exceed 10% of the consolidated revenue.

		(Yen in millions)	
Major financial information	BATO	(1) Revenue	1,169,521
		(2) Profit before tax	104,460
		(3) Profit	89,393
		(4) Total equity	732,238
		(5) Total assets	1,036,394
	BSRO	(1) Revenue	764,009
		(2) Profit before tax	52,281
		(3) Profit	40,498
		(4) Total equity	206,008
		(5) Total assets	480,264

## 5. Employees

### (1) Consolidated companies

(As of December 31, 2025)

Name of segment	Number of employees
Japan	24,563
Asia-Pacific, India and China	18,425
Americas	46,312
Europe, Middle East and Africa	15,783
Other	7,630
Company-wide (common)	3,003
Total	115,716

(Notes) 1. The number of employees represents the number of active employees.

2. The number of employees in the Japan segment includes the number of employees at tire plants in Japan that produce tires for other segments.

### (2) Status of the Company

(As of December 31, 2025)

Number of employees	Average age (Years)	Average length of service (Years)	Average annual salary (Thousands of yen)
13,934	42.1	15.8	7,713

Name of segment	Number of employees
Japan	10,310
Other	621
Company-wide (common)	3,003
Total	13,934

(Notes) 1. The number of employees represents the number of active employees.

2. The average annual salary includes bonuses and extra wages.

### (3) Labor union

The Company's labor union is a member of the Japanese Trade Union Confederation (JTUC-RENGO). There are currently no particular matters concerning relations with the labor union that require mentioning. Labor-management relations are founded on mutual trust and are extremely amicable.

Stable labor-management relations are maintained at consolidated subsidiaries and there are no particular matters that require mentioning.

### (4) Percentage of female employees in managerial positions, rate of male employees who took childcare leave and wage disparities between male and female employees

Since its founding in 1931, the Group has had a history of valuing diverse talent and fostering diversity through the acquisition of Firestone Tire & Rubber Company in the U. S. in 1988, etc., which we consider as our "second foundation (Bridgestone 2.0)." In our "third foundation," starting in 2020, we have set our vision: "Toward 2050, Bridgestone continues to provide social value and customer value as a sustainable solutions company." In an era where change has become commonplace, we aim to continue to support the mobility of people and goods by being attentive and supportive of problems encountered by society and our customers and providing solutions in that regard. To realize this vision, diversity is essential for building a foundation for sustainable value creation. The Group will accelerate various initiatives to cultivate a corporate culture and to create a workplace environment where diverse talents can shine based on the belief that success of diverse talents leads to creation of value based on the "Bridgestone E8 Commitment" as the axis.

(Explanation regarding percentage of female employees in managerial positions)

From the perspective of expecting all employees to support an inclusive workplace environment mutually and at the same time promoting diversity in decision-making as an organization, the Group is empowering women and promoting the development and assignment of female leaders. In Japan, the Group is enhancing its female employee career support such as that of the Program for empowering and supporting female talents towards appointment to managers, in addition to supporting retention of female employees in a manner that enables them to continue working in a manner suited to their individual circumstances in alignment with their diverse life stages, in part by strengthening recruitment of female employees, retaining and empowering them by their work-life balance, and introducing a FemTech program. In promoting assignment of female managers positions, the Company introduced an officer mentor program that combines elements of mentoring and career support in 2021. As a result, the Company's percentage of female managers stands at 5.5% as of December 2025 (2.4% in 2020 prior to program introduction). Going forward, the Company will continue to apply the PDCA cycle and further accelerate these efforts.

(Explanation regarding rate of male employees who took childcare leave)

The Group engages in various initiatives such as those that involve establishing training on the theme of unconscious bias and promoting awareness-raising activities with its sights set on reforming preconceived notions regarding gender role divisions and transforming the corporate culture. We will continue our efforts that entail developing various opportunities for diverse talents to shine on a Group-wide basis. The rate of male employees who took childcare leave (including leave for childcare purpose) (Note 1) was 95.2% as of December 31, 2025 (a year-on-year increase of 9.5%).

(Explanation regarding wage disparities between male and female employees)

There is no disparity in the wage structure or system between male and female employees in the Group. However, there is a difference between male and female employees as a result of current talent portfolio in terms of job categories and the percentage of managerial positions, resulting in wage disparities. In promoting our aim of developing various opportunities for diverse talents to shine on a Group-wide basis, we are putting efforts to have our talent portfolio more balanced, enhancing participation of female managers in key positions, improving working environment at manufacturing sites, and strengthening recruitment of female employees.

Diversity related metrics for the Company and domestic consolidated subsidiaries are as follows.

1) The Company

Company name	Percentage of female employees in managerial positions (%) (Notes 2 and 4)	Rate of male employees who took childcare leave (%) (Notes 1 and 4)	Wage disparities between male and female employees (%) (Notes 3, 4 and 6)		
			All employees	Of which, regular employees	Of which, part-time and fixed-term employees
Bridgestone Corporation	5.5	95.2	83.9	85.2	71.2

2) Consolidated subsidiaries

Company name	Percentage of female employees in managerial positions (%) (Notes 2 and 4)	Rate of male employees who took childcare leave (%) (Notes 1, 4 and 5)	Wage disparities between male and female employees (%) (Notes 3, 4, 5 and 6)		
			All employees	Of which, regular employees	Of which, part-time and fixed-term employees
Bridgestone Tire Solution Japan Co., Ltd.	0.8	41.8	67.2	65.1	77.6
Bridgestone Retail Japan Co., Ltd.	0.0	83.9	71.2	77.2	116.1
Bridgestone Tire Service Eastern Japan Co., Ltd.	0.0	38.9	68.2	72.0	80.2
Bridgestone Tire Service Western Japan Co., Ltd.	0.0	36.4	68.4	71.2	78.8
Bridgestone Tire Center Nishinohon Co., Ltd.	0.0	–	65.0	64.2	93.2
Bridgestone BRM Co., Ltd.	0.0	33.3	68.4	77.7	38.0
Bridgestone Plant Engineering Co., Ltd.	1.6	100.0	75.1	76.6	52.8
Asahi Carbon Co., Ltd.	0.0	100.0	77.3	77.3	–
Bridgestone Diversified Products Japan Co., Ltd.	4.3	55.6	69.1	67.4	75.3
Bridgestone Flowtech Corporation	2.4	109.1	75.9	78.3	69.5
Bridgestone Cycle Co., Ltd.	1.1	100.0	68.3	65.7	107.0
Bridgestone Sports Co., Ltd.	8.2	77.8	78.4	77.3	71.3
Bridgestone Sports Sales Japan Co., Ltd.	3.2	50.0	60.3	67.2	65.6
Bridgestone Software Co., Ltd.	13.5	150.0	80.5	80.1	120.7
Bridgestone Empowerment Co., Ltd	66.7	100.0	110.5	111.2	72.7
Bridgestone Business Service Co., Ltd.	0.0	–	60.0	76.2	55.9

(Notes) 1. Rate of employees who took childcare leave is calculated from the current fiscal year based on the rate of childcare leave, etc. and leave for childcare purpose taken under Article 71-6, item (ii) of the “Ordinance for Enforcement of the Act on Childcare Leave, Caregiver Leave, and Other Measures for the Welfare of Workers Caring for Children or Other Family Members” (Ordinance of the Ministry of Labor No. 25 of 1991) based on the provisions under “Act on Childcare Leave, Caregiver Leave, and Other Measures for the Welfare of Workers Caring for Children or Other Family Members” (Act No. 76 of 1991). The number of male employees who took parental leave is added to the number of male employees who took childcare leave, etc.

This is calculated by the formula: “the sum of the number of employees who started childcare leave and the number of employees who took leave for childcare purposes in the current fiscal year ÷ the number of employees whose spouses gave birth during the current fiscal year × 100.” It may exceed 100% given that some employees whose spouses gave birth in the previous fiscal year have taken childcare leave, etc. during the current fiscal year.

2. This is calculated based on the provisions of the “Act on the Promotion of Women’s Active Engagement in Professional Life” (Act No. 64 of 2015). Managerial positions are calculated based on positions equivalent to manager level or above in each company of the Group. The figures listed represent the percentage of the number of female employees in managerial positions in the total number of managerial positions as of December 31, 2025.

3. This is calculated as a ratio of average annual wages of female employees to those of male employees in the current fiscal year based on the provisions of the “Act on the Promotion of Women’s Active Engagement in Professional Life” (Act No. 64 of 2015). Average annual wages are calculated as “total wages ÷ number of employees.” Total wages include base salary, extra wages, bonuses, etc., excluding retirement allowances, commuting allowances, etc.

4. Secondees are counted as employees of the companies dispatching them as secondees.

5. A hyphen “–” indicates that there are no eligible employees.

6. Regular employees include full-time employees and permanent contract employees, and part-time and fixed-term employees include fixed-term contract employees (including retired reemployed employees). Additionally, wages of

employees on overseas assignments and wages during periods of leave (such as childcare leave and sick leave, etc. due to non-occupational injury and diseases) are excluded from the calculation.

## II. Business Overview

### 1. Management policy, management environment and issues to be addressed

Guided by its mission of “Serving Society with Superior Quality,” the Group has established the vision: “Toward 2050, Bridgestone continues to provide social value and customer value as a sustainable solutions company.” Based on this mission and vision, we aim to enhance the sustainability of both the company and society by achieving growth with quality (Full-year consolidated financial results forecasts for fiscal year 2026: 4,500.0 billion yen of revenue, 515.0 billion yen of adjusted operating profit, 11.4% of adjusted operating profit ratio, and 340.0 billion yen of profit attributable to owners of parent).

#### ■ Business environment and the company’s direction

The Group’s business environment faces ongoing significant changes, including the addressing of sustainability and an impact on the supply chain due to geopolitical risks, technological innovation including digitalization and advances in generative AI, and the rise of emerging manufacturers in the mobility and tire industries. Under such circumstances, we strive to achieve sustainable growth by proactively adapting changes while enhancing profitability and productivity. Furthermore, we remain committed to the continuous improvement and reinforcement of safety, quality, and environmental activities, which are the core foundations of the Group’s management, regardless of the business climate.

#### ■ Business strategy

The Group is focusing on both the development of attractive products and services and the enhancement of cost competitiveness as the center of its growth strategy, positioning the tire business at its core. In addition, we aim to expand value creation in the solutions business and promote the recycle business which renews tires into raw materials, in order to realize value circulation among the tire, solutions and recycle businesses. In the tire business, while consistently enhancing product competitiveness, we are building an optimal supply chain by leveraging our global production and sales networks to adapt to various business environmental changes. We position Japan as our center of manufacturing excellence and global supply hub for high-performance tires that require advanced technological capabilities, such as those for mining and aircrafts, while maintaining our basic policy of local production for local sales. In the solutions business, we will continue to enhance the safety and productivity of our customers’ operations and also contribute to sustainability through activities such as reducing tire consumption and CO<sub>2</sub> emissions. In the recycle business, we are promoting the early social implementation and commercialization of chemical recycling technologies for tires. Furthermore, in the diversified products business, we will pursue growth in areas where we can leverage our core competencies. We will also focus on enhancing our brand power.

#### ■ Initiative for sustainability

The Group has been advancing a unique sustainability business model that connects our efforts toward carbon neutrality, a realization of a circular economy, and a promotion of nature-positive across the entire value chain—from “producing and selling” tires, through the customer “use” phase, to “renewing” tires to raw material with our business activities. These initiatives are incorporated into our business strategy and the Mid Term Business Plan. In terms of carbon neutrality, we have set clear-cut targets of reducing CO<sub>2</sub> emissions (Scopes 1, 2) (Note) by 50% in 2030 compared to our 2011 baseline. We estimate an approximate 62% reduction in 2025, above this goal. In the regions in which we operate around the world, we are promoting the installation of solar panels and switching to electricity derived from renewable energy sources in the electricity purchased externally. The ratio of renewable energy (electricity) at our global plants is expected to be approximately 73% in 2025. We will proceed with initiatives to achieve our goal of 100% by 2030. As for the reduction of CO<sub>2</sub> emissions across the value chain (Scope 3) (Note), we will drive initiatives with the target of contributing to reducing more than five times the total of our Scope 1 and Scope 2 emissions by 2030 (base year: 2020) throughout the lifecycle of our products, services, and solutions. We estimate a steady progress of roughly 3.3 times toward reducing these emissions in 2025. In order to realize a circular

economy, we aim to increase the ratio of recycled and renewable material to 40% by 2030. We estimate to achieve this goal ahead of schedule in 2025. In addition, to contribute to achieving a nature-positive world, we have been focusing on activities that promote the sustainable use of natural rubber and water resources that are directly linked to the Group's business. In particular, to support small-scale natural rubber farmers in improving productivity and preventing deforestation, we are sharing our technologies and know-how in effective disease control, developed at our own farms, with these farmers. While we initially set a target to support a cumulative total of 12,000 small-scale farmers by 2026, we have significantly exceeded this goal, reaching approximately 24,400 farmers as of 2025. Consequently, we have raised our 2026 target to a cumulative 30,000 farmers to further strengthen our contribution to local communities.

#### ■ Global management risks and countermeasures

The Group has currently identified four important issues as global management risks. The first is our response to geopolitical risk. As of now in 2026, we are paying close attention to the impact of U.S. tariffs and the situation in the Middle East, and are implementing swift countermeasures while assessing their impacts on our business. The second is our response to cyber incidents. We have established a global cyber security team. We will strengthen comprehensive security measures across all group companies and manufacturing plants. The third is our response to 6PPD (an antioxidant and antiozonant widely used in the tire industry) and TRWP (Tire and Road Wear Particles). While leading industry-wide initiatives, we will also continue to advance the Group's own efforts. The fourth is our response to the EU Deforestation Regulation (EUDR). We will strengthen our relationships centered on sustainability with natural rubber partners. Beyond these actions, we will continue to closely monitor the rapid-changing business environment and establish global systems to identify and respond promptly to emerging management risks.

#### ■ Talent strategy

The Group is strengthening its talent development and talent investment, based on the basic philosophy that the company grows through the growth of individuals, and individuals grow through the growth of the company. In 2024, we officially introduced talent creativity, measured by adjusted operating profit (added value) divided by talent investment (sum of labor, training, and benefits costs), as a global management KPI. We aim to reinforce talent investment to increase added value and create a virtuous cycle of value creation based on improving productivity and creativity. As one of our initiatives, in 2023, we launched "Genba (on-site) 100-Day Challenge Program," in which employees identify issues themselves and work to improve and solve them on-site. Since 2024, we have expanded and promoted this program to Asia, Oceania, India, and China. Additionally, we have established the Bridgestone NEXT100 program as a training program to foster the next generation of management leaders, in which approximately 100 talents (30 from Japan, 30 from the Americas, 20 from Europe, and 20 from Asia) are selected globally every year. We are promoting the focused training of leaders with diverse perspectives through initiatives such as town hall meetings with regional management and active participation in various management reporting bodies. We will also steadily promote DE&I. In Japan, we are engaged in initiatives including strengthening recruitment of women and working on career support such as the "Promoting Female Manager Assignment Program." In addition, we are also implementing support to empower employees at every life stage such as childcare support and introducing a FemTech program to address female-specific health issues using technology. We will continue to promote talent investment for sustainable growth.

The Group will accelerate its growth toward its 100th anniversary in 2031 with maintaining harmony with our diverse stakeholders, aiming to get back to the world's No.1 position in the tire and rubber industry. With our corporate commitment, the "Bridgestone E8 Commitment," as the axis of value creation, we are committed to supporting a sustainable society together with our employees, society, partners, and customers.

(Note) Scope 1 refers to CO<sub>2</sub> emitted directly by a company (emissions from boilers at in-house plants, etc.), and Scope 2 refers to indirect emissions from energy sources (CO<sub>2</sub> emissions from energy, such as electric power supplied by other companies and consumed in-house). Scope 3 refers to CO<sub>2</sub> emissions during the stages of procurement of materials, logistics, use by customers, and disposal or recycling in the product lifecycle.

## 2. Approach to and initiatives for sustainability

### (1) Sustainability

Since its foundation, the Group has been expanding and evolving its business to meet the changing needs of society and to continue supporting the safe and secure mobility and individuals' lifestyles in each era. We believe that it is the Group's role and responsibility to fulfill its mission of "Serving Society with Superior Quality," which involves anticipating changes in society, turning them into opportunities, and contributing to the realization of a sustainable society through its business and social contribution activities.

We positioned 2020 as the first year of the "third foundation" or Bridgestone 3.0 and announced the Mid-Long Term Business Strategy, placing sustainability at the core of management and business. The Group identified its vision of "Toward 2050, Bridgestone continues to provide social value and customer value as a sustainable solutions company." At the same time, we released our "Sustainability Business Framework" in 2020, for achieving a win-win-win relationship among society, customers, and Bridgestone by striking a balance between creating social and customer value in seeking sustainable growth of the Group itself. Currently, we are working to establish a unique Sustainability Business Model by incorporating sustainability into the management strategy and Mid Term Business Plan, whereby the Sustainability Business Model links our business model with achieving carbon neutrality and realizing a circular economy across the Group's entire value chain, and promoting a nature-positive world.

### 1) Governance

The Company has been making progress in developing its corporate governance system as part of its efforts to drive management in alignment with the Mid Term Business Plan, which is formulated every three years based on the Mid-Long Term Business Strategy for achieving its vision under its mission of "Serving Society with Superior Quality" of the Bridgestone Essence. The Company continues to improve its corporate governance by strengthening internal controls and evolving as a sustainable solutions company.

The Company's Board of Directors enlists a corporate governance system aiming to realize the Mid-Long Term Business Strategy by exercising its supervisory function involving discussions with business divisions from diverse perspectives via business execution progress reports and information sharing from the business divisions. The Board of Directors receives and reviews regular reports on the status of sustainability initiatives such as achieving carbon neutrality, circular economy, and promoting a nature-positive world.

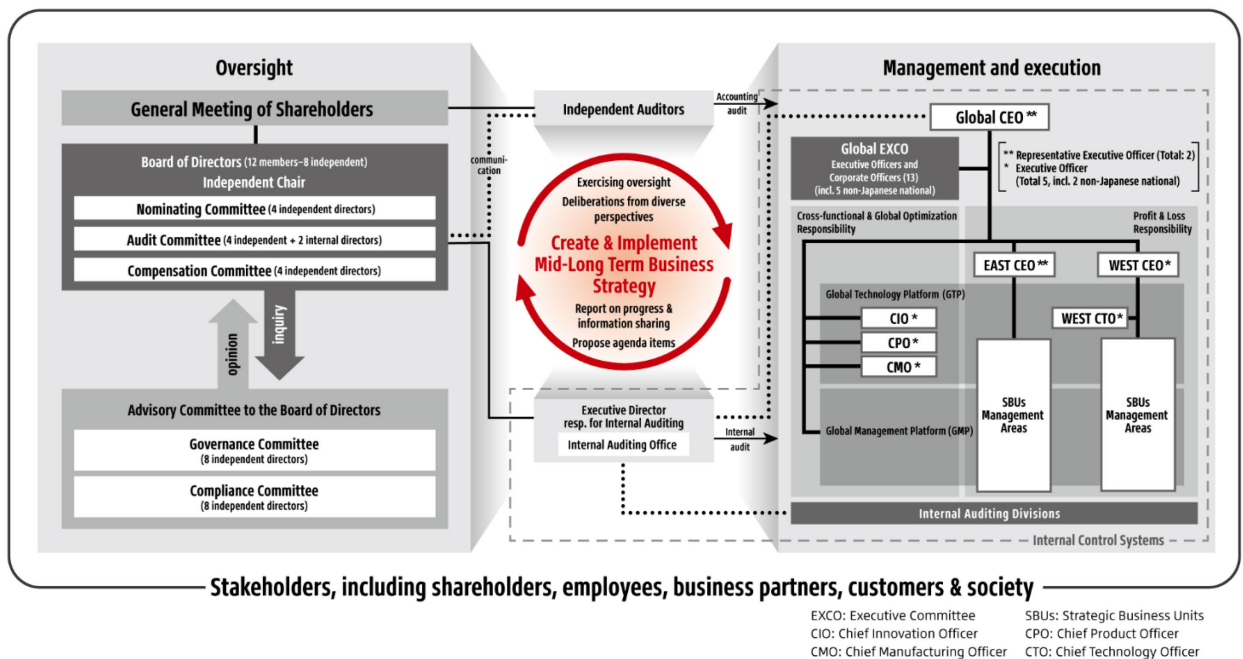
As for the business divisions from January 2024, under the Global CEO, the Group's business has been divided into two regions, WEST (mainly in the U.S. and Europe) and EAST (mainly in Japan and Asia). Under the two regions, several SBUs (Strategic Business Units) have been established, which have been broken down into detailed business areas to allow management and execution to stay closely engaged on-site and fully dive into the issues. In January 2026, new Global CEO was appointed. Furthermore, from March 2026 onwards, under the new management structure, the Company will continue to clarify business responsibilities as well as cross-functional and global optimization responsibilities, which have been emphasized to date, in order to further strengthen corporate competitiveness and realize more agile responses to rapid changes in the business environment. To further reinforce the technological foundation cultivated over many years as a rubber and tire manufacturer, the Company established a global technology platform based on three pillars: material development, product development, and manufacturing (production technology), appointing Executive Officers as Chief Innovation Officer, Chief Product Officer, and Chief Manufacturing Officer. Additionally, to enhance global comprehensive capabilities in management strategy and business administration, the Company assigned Vice President and Senior Officers to each function of the global management platform, thereby further clarifying an optimal company-wide decision-making system. Going forward, the Company will continue to place the development of attractive products and services and the enhancement of cost competitiveness at the core of its growth, and through portfolio management of its businesses worldwide, strive to further strengthen global optimal management.

The Global EXCO, established as the Group’s highest level management and execution committee and consisting mainly of these members, discusses and deliberates management strategies and issues from a global perspective, thereby strengthening the Group’s system of checks and balances and enhancing transparency of the decision-making process. The committee agrees to the Mid Term Business Plan, which is based on the Mid-Long Term Business Strategy, placing sustainability at the core of management, annual budgets, important investment initiatives, etc., and shares the progress of these plans.

The Company has designed the remuneration system for Board Members and Executive Officers based on the following principles of remuneration: “attract and cultivate superior talent,” “support a competitive remuneration level,” “provide motivation for the execution of business strategies,” and “provide motivation for enhancing shareholder value.” From fiscal year 2022, the Company adopted the mid- to long-term incentives aimed at promoting sustainability and transformation initiatives, and achieving Mid-Long Term Business Strategy. In the fiscal year 2025, the Compensation Committee has set the following six goals and evaluates the achievement.

- a. Internal and external communication and embodying value creation based on the “Bridgestone E8 Commitment” as the axis
- b. Investment in and development of talent to increase added value and engagement
- c. Carbon neutrality, including reduction of CO<sub>2</sub> emissions
- d. Circular economy, including increasing the ratio of recycled and renewable materials
- e. Nature positive initiatives focusing on natural rubber and water resources
- f. Address tire and road wear particles (TRWP) and 6PPD (an antioxidant and antiozonant commonly used in the tire industry) as an industry leader

The following chart provides an overview of the Company’s corporate governance system following the conclusion of the Annual Shareholders’ Meeting scheduled for March 24, 2026, and the subsequent Board of Directors meeting.



Details for the corporate governance system and remuneration system, please refer to “(1) Overview of corporate governance, 1) Basic approach to corporate governance and implementation of measures, b. Overview of the corporate governance system,” and “(4) Remuneration for Members of the Board and Executive Officers, 1) Board Members’ and Executive Officers’ remuneration for the current fiscal year, c. Calculation method and evaluation results of performance-based remuneration” in “IV. Status of the Company, 4. Status of corporate governance.”

In addition, in terms of management and execution, committees have been established based on management strategy and issues, and each committee promotes initiatives to resolve issues across the regions and organizations. In the area of sustainability, several related committees, including the Global Sustainability Committee (GSC), assume the role of promoting the planning and execution of various sustainability initiatives, and they continuously strive to strengthen measures by implementing PDCA cycles, advancing the progress management, targets and KPI and formulation of measurement criteria. In addition to the GSC conducting periodic reviews of the sustainability priority items to be addressed, working groups under the purview of the GSC promote activities for each of the key themes, and regularly report on its progress and plans to management.

## 2) Strategy and risk management

The Group believes that it is essential to build a deeper relationship of trust with its stakeholders while continuing to promote initiatives that form an indispensable foundation for a responsible company to create new value for society and customers, and to achieve sustainable growth together with customers and partners. The Group’s sustainability strategy, as one of the initiatives forming a foundation for management, delineates the trajectory for creating value for society and customers through its business activities, social contribution activities, and co-creation activities with all partners, and accordingly identifies the sustainability priority items to be addressed to continue to create both social and customer value.

### Sustainability priority items to be addressed

- Establishment and evolution of the Sustainability Business Model: develop readiness toward carbon neutrality, expand circular economy business activities, and promote a nature-positive world (focusing on “initiatives for sustainable use of natural rubber and water resources”)
- Fostering trust with customers, partners and local communities: contribute to solving issues in local communities, and promote road safety education around the world
- Respect for human rights: promote initiatives in line with the Global Human Rights Policy and continue reinforcement of activity levels
- TRWP (tire and road wear particles)/6PPD (an antioxidant and antiozonant commonly used in the tire industry): in collaboration with other industry players and academic institutions, investigate the environmental impacts of tires throughout their lifecycle as an industry leader. Continue to promote initiatives to reduce TRWP across the value chain from “produce and sell” to “use” of tires, including expansion of long-life products and collaboration with the solutions business. Promote initiatives to develop 6PPD alternatives based on the basic premise that it is possible to ensure tire safety and security.

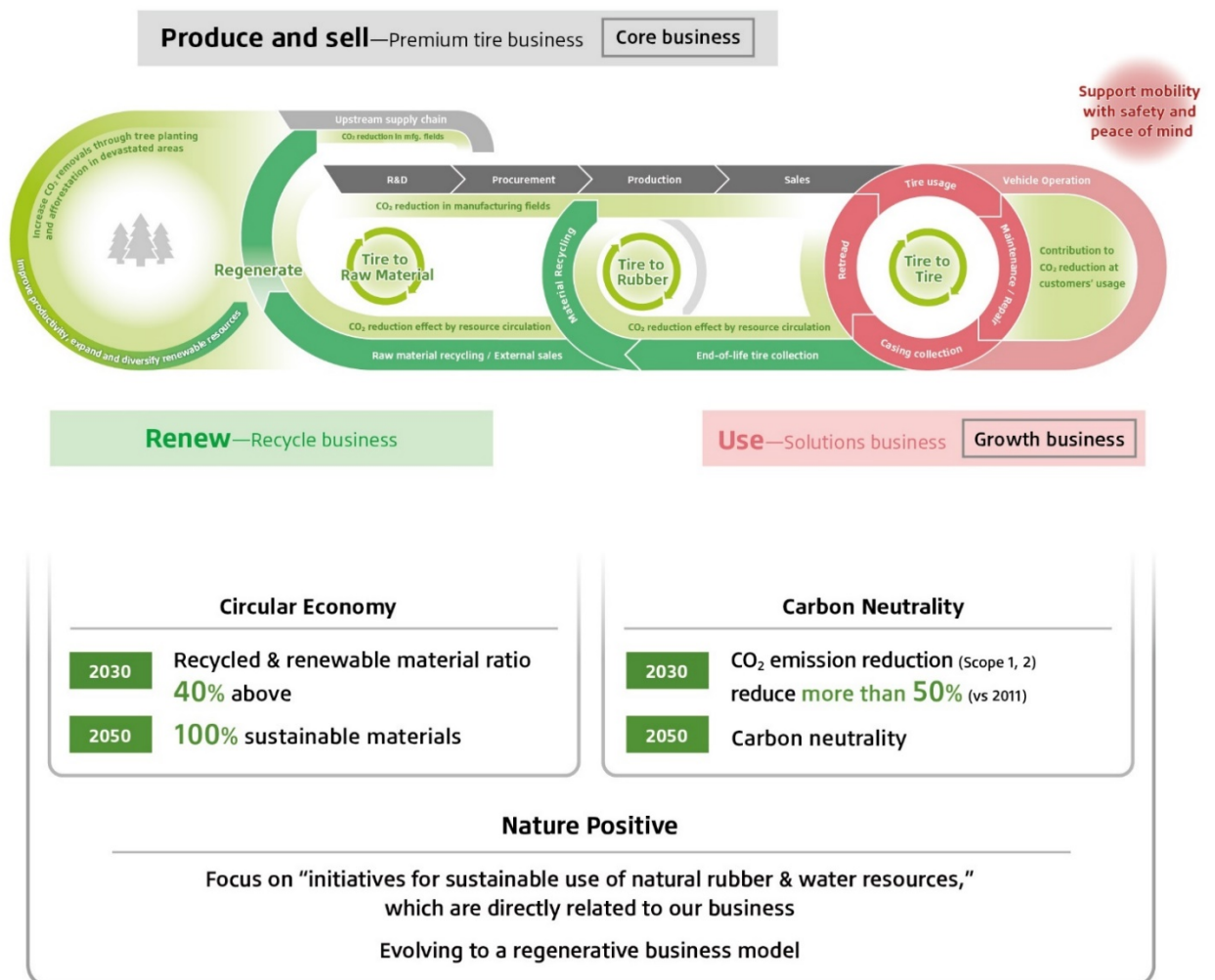
### Sustainability Business Model

The Mid-Long Term Business Strategy placing sustainability at the core of management was formulated to realize its vision “Toward 2050, Bridgestone continues to provide social value and customer value as a sustainable solutions company.” With the Mid Term Business Plan as its concrete execution plan, the Group drives the Mid-Long Term Business Strategy from framework to execution.

Regarding sustainability which we place at the core of management and business, we are working to establish Bridgestone’s unique Sustainability Business Model in which we link the realization of carbon neutrality and a circular economy, and promotion of a nature-positive world to our business across the entire value chain from the “produce and sell,” “use,” of products to their “renewal” to raw materials.

Over the years, the Group has shown a commitment to living in harmony with nature, based on its “Environmental Mission Statement,” which was refined in 2011. In order to exist “in harmony with nature,” the Group continues to develop and utilize technologies that “value natural resources” while addressing the urgent matter of global warming through efforts to “reduce CO2 emissions.” We set our long-term environmental vision toward 2050 and beyond in 2012, and disclosed “Milestone 2030,” the mid-term environmental targets for 2030, in 2020 to realize this vision. In terms of carbon neutrality, we have set clear targets for reducing its total CO2 emissions (Scope 1 and 2) by 50% compared with 2011 by 2030, and to realize carbon neutrality by 2050. Regarding circular economy, we aim to increase the ratio of recycled and renewable materials to 40% by 2030 and to achieve 100% sustainable materials by 2050.

In addition, the Group evolved its Sustainability Business Model and transform it to a more regenerative business model in line with the concepts of the SBTs (Note) for Nature Action Framework, which covers actions to “avoid” future impacts, “reduce” current impacts, “restore and regenerate” ecosystems, and “transform” underlying systems. This evolution helps to achieve a nature-positive world where the Group can help stop and reverse the loss of natural ecosystems. In the Mid Term Business Plan (2024-2026), we will focus on “initiatives for the sustainable use of natural rubber & water resources” that are directly linked to our business. By advancing sustainability initiatives across the entire value chain, the Group is committed to the “Bridgestone E8 Commitment” of “Energy: Committed to the realization of a carbon neutral mobility society” and “Ecology: Committed to advancing sustainable tire technologies and solutions that preserve the environment for future generations.”











Regarding risk management, please refer to control of global management risk described in “1. Management policy, management environment and issues to be addressed,” and “3. Business risks” in “II. Business Overview.”

(Note) Science-based targets

### 3) Metrics and targets

The Group has established metrics and targets in relation to priority items to be addressed in seeking to continue to create both social and customer value. We appropriately track progress of our activities for resolving issues under the Company’s corporate governance system of aiming to realize the Mid-Long Term Business Strategy based on these metrics and targets.

Progress made on initiatives toward establishing a unique Sustainability Business Model that links our business with achieving carbon neutrality across the entire value chain, realizing a circular economy, and promoting a nature-positive world is as follows.

Priority items to be addressed	Sub-categories	Targets	Progress (2025)	Contribution to the SDGs	Creation of value stated in the Bridgestone E8 Commitment
Establishment and evolution of the Sustainability Business Model	Develop readiness toward carbon neutrality	Reduce CO <sub>2</sub> emissions (Scopes 1 and 2): Reduce CO <sub>2</sub> emissions by 50% by 2030 (compared to 2011) Achieve carbon neutrality by 2050	Scopes 1 and 2: Approx. 64% reduction of CO <sub>2</sub> emissions (compared to 2011) (Note 1)  Ratio of renewable energy (electricity): Approx. 73% (Note 1)	       	<ul style="list-style-type: none"> <li>Energy: Committed to the realization of a carbon neutral mobility society</li> <li>Ecology: Committed to advancing sustainable tire technologies and solutions that preserve the environment for future generations</li> </ul>
		Contribute to CO <sub>2</sub> reduction (Scope 3): Contribute to reducing more than five times our CO <sub>2</sub> emissions by 2030			
	Expand circular economy business activities	Improve resource productivity and develop long life/resource-saving design  Contribute to a circular economy: Increase the ratio of recycled and renewable materials to 40% by 2030 (Note 2)  Use 100% sustainable materials by 2050	Ratio of recycled and renewable materials: Approx. 40% (Note 1)		
	Promote nature-positive world	Reinforce support for natural rubber smallholders: Support for a cumulative total of 30,000 smallholders by 2026 (Note 3)	Training and technical support provided to a cumulative total of approx. 24,400 smallholders (Note 1)		
Formulate and implement a water stewardship plan at production sites located in water stress areas: Implement at all targeted sites by 2030		Being implemented at all 16 targeted sites			

(Note 1) These constitute estimated values as of March 18, 2026, and may be revised upon confirmation through assurance review performed by third-party organizations.

(Note 2) Within total material weight for tire products including tire casing for retreading

(Note 3) Cumulative total from 2023

For other ESG-related data, please refer to the Company's website "Sustainability."

## (2) Initiatives related to climate change and natural capital loss

As the world becomes increasingly concerned about climate change and the loss of natural capital, there is a growing movement towards a decarbonized society, as exemplified by the Paris Agreement. Additionally, efforts to achieve a nature-positive world, as outlined in the Kunming-Montreal Global Biodiversity Framework, which aims to halt and reverse ecosystem and nature capital loss to put nature on a path to recovery, are gaining momentum. In this context, the Group is working to comprehensively recognize its risks and opportunities associated with climate change and the loss of natural capital, reflecting these in business strategy.

The main risks we identify in this category are “transition risks” associated with the transition to a decarbonized society and a society where nature can coexist, and “physical risks” due to climate change and natural capital loss. Transition risks in global markets in response to climate change and natural capital loss involve the introduction of systems and regulations related to carbon taxes, CO<sub>2</sub> emission reduction obligations and emissions trading systems, and systems and regulations related to low-fuel consumption performance of tires, recycling used tires, water withdrawal and sustainable natural rubber, etc. If the R&D expenses required to meet the changing needs of society and customers do not produce sufficient results, there is a risk that the Group’s operating results and financial position may be adversely affected in ways that include limitations on business activities and increased costs. Physical risks include the risk of stronger typhoons and increased frequency of flooding and drought, which pose the risk of interrupting business activities, risks related to the procurement of raw materials as a result of changing rainfall patterns leading to poor harvesting of natural rubber, and the risk of lower demand for winter tires due to reduced snowfalls. On the other hand, we also see these changes in society and customer needs as new opportunities for growth, and we are working to establish its unique Sustainability Business Model by incorporating sustainability into the corporate strategy and Mid Term Business Plan. Our Sustainability Business Model links our business with the realization of carbon neutrality and a circular economy, and promotion of a nature-positive world across the entire value chain.

Based on the Group’s awareness of the transition risks and opportunities, the Group has set targets for 2030 to reduce absolute CO<sub>2</sub> emissions (Scope 1 and 2) by 50% compared with 2011 levels, contribute to global CO<sub>2</sub> emissions reductions across the lifecycles and value chain (Scope 3) of the Group’s products and services that exceeds five times the amount of CO<sub>2</sub> emissions (Scope 1 and 2) generated by the Group’s operations compared with 2020 levels, increase the ratio of recycled and renewable material to 40%, and promote water stewardship plans to reduce water risks at production bases in water-stressed areas. The Group is working to meet these targets with efforts that include developing new technology that helps reduce CO<sub>2</sub> emissions, reducing emissions at production bases of the Group, reducing the impact on natural capital from water withdrawal in water-stressed areas, promoting the development and sales of fuel-efficient tires, expanding our retread tire business, and reducing CO<sub>2</sub> emissions across the supply chain and impact on natural capital through collaboration with suppliers.

The Group addresses transition risks associated with forests through initiatives that include deploying its Global Sustainable Procurement Policy encompassing a commitment to no deforestation, performing supplier assessments utilizing third-party sustainability investigation and evaluation organizations, and implementing comprehensive on-site audits and traceability improvement measures for the natural rubber supply chain. Furthermore, the Group enhances traceability by working collaboratively with its suppliers in visiting upstream farmers, and engages in responsible procurement activities at the farm level while confirming actual conditions at production sites, in part by assessing farming practice and facilitating improvements. In seeking to prevent deforestation, the Group is implementing its comprehensive framework established on a Group-wide basis for complying with European laws and regulations. Natural rubber production is concentrated in the tropical rain forests of Southeast Asia where it is largely supported by smallholders. As such, we believe that building a sustainable natural rubber supply chain is crucial to the Company’s sustainability. We are working with smallholders to improve productivity and achieve zero deforestation. Our goal is to engage a cumulative total of 30,000 smallholders in our capacity building activities by the end of 2026, each utilizing technology developed at our own farms and know-how effective in disease control. We actively promote collaboration with international NGOs possessing relevant knowledge, and design our support program strategically so that supported smallholder groups can become

lecturers themselves who can sustainably and autonomously pass on know-how and techniques to their communities. In addition to individual efforts as Bridgestone, we have been spearheading the establishment and promotion of the Global Platform for Sustainable Natural Rubber (GPSNR) and thereby strengthening initiatives for sustainable use of natural rubber, which includes advancing creation of standards for improving supply chain transparency and traceability through dialogue and collaboration with multiple stakeholders.

We evaluate the cost of CO<sub>2</sub> emission and the effect of reductions based on internal carbon pricing in order to assess transition risks and opportunities associated with an investment. We are also working to reduce CO<sub>2</sub> emissions across the value chain and the impact of various environmental burdens on natural capital through efforts to build a recycling business that converts used tires back into raw materials and to improve productivity in the natural rubber business.

Concerning physical risks and their associated opportunities, in line with our Business Continuity Plan (BCP), we continue to set up systems to ensure an appropriate response should a crisis occur, as well as support for resumption of business activities. We are also working to mitigate impact associated with the risk of poor natural rubber harvests caused by climate change by developing productivity-enhancing technologies for natural rubber and supporting the improved productivity of smallholders, among other measures.

The Group's response status in accordance with recommended disclosures on final recommendations of the Task Force on Climate-related Financial Disclosure (TCFD) and the Taskforce on Nature-related Financial Disclosure (TNFD) version 1.0, is as follows.

#### 1) Governance

Recommended disclosures	Status of the Group's Response	
	TCFD	TNFD
Board of Directors' oversight of dependencies, impacts, risks and opportunities	<ul style="list-style-type: none"> <li>The Board of Directors receive and review regular reports on the status of sustainability initiatives, including achieving carbon neutrality, realizing a circular economy and promoting a nature-positive world.</li> </ul>	
Management's role in assessing and managing dependencies, impacts, risks and opportunities	<ul style="list-style-type: none"> <li>The Global EXCO, the Group's highest level management and execution committee, approves and manages the progress of mid-long term strategies, targets and action plans, including achieving carbon neutrality, realizing a circular economy and promoting a nature-positive world.</li> <li>In 2025, discussions were held on matters including the next CO<sub>2</sub> emission reduction targets to be set for 2026.</li> </ul>	

<p>Human rights policies and engagement activities, and oversight by the Board of Directors and management, with respect to indigenous peoples, local communities, affected and other stakeholders (TNFD recommended disclosure)</p>	<p>–</p>	<ul style="list-style-type: none"> <li>· The Global Human Rights Policy and the Global Sustainable Procurement Policy of the Group articulate its strong commitment to respect and support internationally recognized human rights principles such as the UN Guiding Principles for Business and Human Rights. The Global Sustainable Procurement Policy contains minimum requirements for suppliers to acquire or use land only by legal means in accordance with UN Declaration on the Rights of Indigenous Peoples, and to follow Free, Prior, and Informed Consent (FPIC) principles when acquiring land and assessing any forest development or creating forest management plans. The Group promotes the implementation of these policies within the Group, with suppliers, and across the supply chain.</li> <li>· The Group collaborates with the World Wildlife Fund (WWF) and developed a due diligence process for ensuring the company’s supply chain is in compliance with the Global Sustainable Procurement Policy. On-site ESG inspections are conducted for natural rubber smallholders, using a self-assessment questionnaire developed in collaboration with WWF, and risks are assessed. This questionnaire includes checks on the FPIC. In 2025, the GPSNR formally adopted its Assurance System, which includes the obligation of respecting FPIC and the Group is committed to comply with the Assurance System.</li> <li>· The Group establishes a grievance mechanism for the natural rubber supply chain and publicly discloses the standard operating procedure and status of each grievance. We use the grievance mechanism, among others, to monitor any potential/actual adverse impacts related to indigenous peoples and local communities’ rights in our supply chain.</li> <li>· The Global EXCO, the Group’s highest level management and execution committee, approves and manages action plans and progress for sustainability, including respect for human rights, which are reviewed by the Board of Directors.</li> </ul>
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2) Strategy

Recommended disclosures	Status of the Group's Response	
	TCFD	TNFD
Dependencies, impacts, risks and opportunities over the short-, medium-, and long-term	<ul style="list-style-type: none"> <li>· The Group comprehensively assesses and manages its dependency and impact on the climate and natural capital, as well as the risks and opportunities associated with climate change and the loss of natural capital. Dependencies, impacts, risks and opportunities have been identified as follows.</li> <li>· Important risks and opportunities are incorporated into the management strategy and Mid Term Business Plan in working to establish a unique Sustainability Business Model that links our business with achieving carbon neutrality across the entire value chain, realizing a circular economy, and promoting a nature-positive world.</li> </ul> <p>Dependencies on climate and natural capital (Note)</p> <ul style="list-style-type: none"> <li>· Dependency on nature's provision of water and biomass in the raw material procurement stage as well as climate and healthy soil maintenance and regulating services provided by ecosystems.</li> <li>· Dependency on nature's provision of water in the tire production stage.</li> </ul> <p>Impacts on climate and natural capital (Note)</p>	

Recommended disclosures	Status of the Group's Response	
	TCFD	TNFD
Impact on business model, value chain, strategy, and financial planning	<ul style="list-style-type: none"> <li>· Impact of land use in the raw material procurement stage.</li> <li>· Impact of water resource usage and waste generation in the tire production stage.</li> <li>· Impact of greenhouse gas emissions, water resource usage, emissions to air, water and soil and waste generation throughout the value chain.</li> </ul> <p>Physical risks and opportunities related to climate change and loss of natural capital</p> <ul style="list-style-type: none"> <li>· Risks of stronger typhoons and increased frequency of flooding and drought, which pose the risk of interrupting business activities.</li> <li>· Risks related to the procurement of raw materials as a result of changing rainfall patterns leading to poor harvesting of natural rubber.</li> <li>· Risk of lower demand for winter tires due to reduced snowfalls.</li> <li>· Opportunities to improve supply stability amid increasing expectations for stable natural rubber production, through productivity-enhancing technologies, and initiatives to support for smallholders.</li> </ul> <p>Risks and opportunities related to the transition to a decarbonized society and a society in harmony with nature</p> <ul style="list-style-type: none"> <li>· Risk of adverse effects on operating results and financial position, such as limitations on business activities and increased costs, if R&amp;D expenses required to meet the rapidly changing needs of society and customers do not produce sufficient results when systems and regulations to combat climate change and loss of natural capital are introduced (for example, carbon taxes, CO<sub>2</sub> emission reduction obligations and emissions trading systems, and systems and regulations related to low-fuel consumption performance of tires, recycling used tires, water withdrawal and sustainable natural rubber, etc.).</li> <li>· Opportunities associated with changes in competitive factors due to changes in mobility needs (for example, increased demand for tires for electric vehicles, increased demand for tires and solutions that help customers reduce CO<sub>2</sub> emissions).</li> <li>· Opportunities to commercialize the recycling business resulting from increased regulation around the recycling of used tires.</li> </ul> <p>(Note) This refers to the main areas of dependency and impact throughout the value chain of the tire business that were evaluated as either “very high” or “high” in importance by the UN Environment Programme World Conservation Monitoring Centre (UNEP-WCMC) and industrial groups using ENCORE (Exploring Natural Capital Opportunities, Risks and Exposure).</p>	

Recommended disclosures	Status of the Group's Response	
	TCFD	TNFD
Resilience of the organization's strategy, taking into consideration different scenarios	<ul style="list-style-type: none"> <li>In 2023, the Group assessed risks and opportunities based on multiple climate- and nature-related scenarios, incorporated countermeasures into business plans, and is reviewing them annually (Note).</li> <li>It has already begun to address those important risks and opportunities identified.</li> </ul> <p>(Note) This refers to the consideration of areas with significant uncertainty, such as policy trends, technological innovations, and the physical impacts of climate change that could substantially affect the business.</p>	
Locations applicable to direct operations, upstream and downstream <ul style="list-style-type: none"> <li>Locations with high integrity ecosystems and/or areas of decline in integrity</li> <li>Areas where biodiversity is of high importance</li> <li>Water stress areas</li> <li>Areas where the organization is likely to have significant potential dependencies and/or impacts</li> </ul> (TNFD recommended disclosure)	<ul style="list-style-type: none"> <li>Expand CO<sub>2</sub> absorption and fixation through afforestation of degraded land</li> </ul>	<ul style="list-style-type: none"> <li>The Group regularly evaluates production sites located in water stress areas with a risk of declining water resources in terms of quantity and quality. A water stewardship plan based on the water situation in each location has been formulated and is being implemented at all 16 production sites located in water stress areas as of end of 2025.</li> </ul>

### 3) Management of risks and opportunities

Recommended disclosures	Status of the Group's Response	
	TCFD	TNFD
Process for identifying, assessing, and prioritizing dependencies, impacts, risks and opportunities in direct operations and upstream and downstream value chain Management process Integration into and informing the organization's overall risk management	<ul style="list-style-type: none"> <li>The Group strives to comprehensively and appropriately identify and address risks and opportunities across its operation while considering the business scale and characteristics of each Group company. The Group identifies risks and opportunities associated with climate and natural capital by considering dependency and impact throughout the value chain based on evaluations from ENCORE by UNEP-WCMC and others and the Business &amp; Biodiversity Interrelationship Map<sup>®</sup> released by Japan Business Initiative for Biodiversity (JBIB).</li> <li>In terms of business strategy risks and opportunities directly related to the execution of the Mid-Long Term Business Strategy, the Group established the Global Management Risk Committee (GMRC) in 2022 to strengthen its risk response. The GMRC is composed of representatives from each global committee and function, as well as members possessing relevant expertise within the organization. It regularly reports to the Global EXCO and Board of Directors and engages management to ensure that global risk management is integrated into Bridgestone's strategy formulation and decision-making.</li> <li>The GMRC evaluates various global risks from short-, medium-, and long-term perspectives to identify important global management risks requiring oversight. Under GMRC, the Group has established global working groups and task forces to address high-priority management risks, facilitating cross-organizational risk responses.</li> <li>Supply chain resilience and responses to regulations related to deforestation have been positioned as priority global management risks requiring oversight, and risk mitigation activities are being supervised.</li> </ul>	

4) Metrics and targets

Recommended disclosures	Status of the Group's Response	
	TCFD	TNFD
Metrics used in the assessment and management of risks and opportunities	<ul style="list-style-type: none"> <li>· Establishing targets and regularly monitoring CO<sub>2</sub> emissions (CO<sub>2</sub> emissions reduction in Scopes 1, 2, and 3, and the reduction contribution of CO<sub>2</sub> emissions throughout the lifecycle and value chain of the Group's products and services) as one of the metrics for assessing and managing climate-related risks, opportunities and impacts.</li> <li>· The Group evaluates the cost of CO<sub>2</sub> emission (US\$100/tCO<sub>2</sub>) and the effect of reductions based on internal carbon pricing in order to assess the risks and opportunities associated with an investment.</li> </ul>	<ul style="list-style-type: none"> <li>· The Group sets water withdrawal in water stress areas, environmental footprint (amount of hazardous/non-hazardous waste and landfill, VOC emissions, SOx/NOx emissions), size of habitat management area, and number of supported natural rubber smallholders as metrics in the assessment and management of nature-related risks, opportunities and impacts and regularly monitors status.</li> </ul>
Metrics used in the assessment and management of dependencies and impacts		

Targets and performance in metrics used in the management of dependencies, impacts, risks and opportunities

- Setting long term environmental vision (2050 and beyond) and mid- term target (2030) to achieve carbon neutrality, realize a circular economy and promote nature-positive world; evaluating and disclosing performance every year.
- Setting targets toward 2030 to reduce our absolute CO<sub>2</sub> emissions (Scope 1 and 2) by 50% compared with 2011 levels, contribute to global CO<sub>2</sub> emissions reductions across the lifecycles and value chain (Scope 3) of the Group’s products and services exceeding five times our operation’s CO<sub>2</sub> emissions (Scope 1 and 2) compared with 2020 levels, increase ratio of recycled and renewable materials to 40%, and promote water stewardship plans to reduce water risks at production bases in water-stressed areas.
- We set the target of supporting 12,000 natural rubber smallholders by the end of 2026 in order to curb deforestation. However, at the end of 2025, Bridgestone updated the target to supporting 30,000 natural rubber smallholders by the end of 2026, as our capacity building activities progressed smoothly.

· The main results for targets toward 2030 are as follows.

Priority items to be addressed		Metrics	2024 results	2025 results	2030 targets
Establishment and evolution of the Sustainability Business Model	Develop readiness toward carbon neutrality	Absolute CO <sub>2</sub> emissions (Scopes 1 and 2) (Note 1)	1,755 thousand t-CO <sub>2</sub>	Approx. 1,800 thousand t-CO <sub>2</sub> (Note 2)	–
		Ratio of absolute CO <sub>2</sub> emissions reduction (Scopes 1 and 2) compared with 2011 levels (Note 3)	64%	Approx. 64% (Note 2)	50%
	Expand circular economy business activities	Ratio of recycled and renewable materials (Note 4)	39.9%	Approx. 40% (Note 2)	40%
	Promote nature-positive world	Number of supported natural rubber smallholders (Note 5)	11,687	Approx. 24,400 (Note 2)	(2026) 30,000
Formulate and implement a water stewardship plan at production sites located in water stress areas		Being implemented at all 17 targeted sites	Being implemented at all 16 targeted sites	Implemented at all targeted sites	

(Note 1) Starting with the 2025 results, the scope of calculation is determined based on the organizational boundaries defined by the GHG Protocol’s control approach. In addition, the 2024 results do not include some non-production sites.

(Note 2) These constitute estimated values as of March 18, 2026, and may be revised upon confirmation through assurance review performed by third-party organizations.

(Note 3) This target covers emissions from production sites, excluding discontinued operations, and includes the Brisa Bridgestone Sabanci Lastik Sanayi ve Ticaret A.S. plant (accounted for using the equity method). The carbon black businesses in Thailand and Mexico, for which transfer contracts were signed in 2025, are excluded from the scope of calculation.

(Note 4) Within total material weight for tire products including tire casing for retreading

Recommended disclosures	Status of the Group's Response	
	TCFD	TNFD
	(Note 5) Cumulative total from 2023	

Transition plan (created with reference to the Transition Plan Taskforce Disclosure Framework and TNFD guidance on nature in transition plans)

Recommended disclosures		Status of the Bridgestone's response	
		Climate transition plan	Nature transition plan
Foundations	Strategic ambition	<ul style="list-style-type: none"> <li>· Bridgestone has formulated a Mid Long Term Business Strategy Framework to assist in realizing its vision of continuing to provide social value and customer value as a sustainable solutions company toward 2050.</li> <li>· In alignment with the Paris Agreement, regarding climate change, Bridgestone has established a long-term goal for 2050 and a medium-term goal for 2030.</li> </ul>	–
	Framing and scope	–	<ul style="list-style-type: none"> <li>· Bridgestone is promoting initiatives based on material issues it has identified in terms of both the impact its business activities have on the environment and the contribution they make to the environment throughout the product life cycle and entire value chain.</li> </ul>
	Business model, value chain, transition financing strategies	<ul style="list-style-type: none"> <li>· To create both social value and customer value through its business and achieve a win-win-win relationship for society, customers, and Bridgestone, Bridgestone is incorporating its unique Sustainability Business Model into its corporate strategy and Mid Term Business Plan (2024-2026). This model links the Company's business with the realization of carbon neutrality, a circular economy, and promoting a nature-positive world across the entire value chain, from the "produce and sell" and "use" stages of products through to their "renewal" to raw materials.</li> </ul>	
	Plan priorities	–	<ul style="list-style-type: none"> <li>· Bridgestone determines an order of priority based on assessment of its dependency and impact on natural capital, as well as the risks and opportunities associated with loss of natural capital.</li> <li>· To promote a nature-positive world, Bridgestone's Mid Term Business Plan (2024-2026) focus will be on "initiatives for sustainable use of natural rubber &amp; water resources," which are directly related to its business.</li> </ul>
	Key assumptions and external factors	<ul style="list-style-type: none"> <li>· Bridgestone will identify climate- and nature-related dependency and impact, transition risk, and physical risks and opportunities based on comprehensive assessment of multiple climate- and nature-related scenarios.</li> </ul>	

Recommended disclosures		Status of the Bridgestone's response	
		Climate transition plan	Nature transition plan
Implementation Strategy	Business planning and operations	<ul style="list-style-type: none"> <li>In terms of CO<sub>2</sub> emissions (Scope 1 and 2) reduction, Bridgestone aims to achieve stable procurement of its renewable energy through optimization of the portfolio, as well as improving productivity in conjunction with BCMA (Bridgestone Commonality Modularity Architecture) and steadily improving energy intensity. This approach is aimed to balance business growth and CO<sub>2</sub> emissions reduction at an even higher level. In parallel, Bridgestone pursues technology development and verification to enable further reductions, enhancing its ability to meet rising societal expectations and providing ongoing value to society and customers.</li> </ul>	<ul style="list-style-type: none"> <li>Bridgestone seeks to improve its environmental impact based on Milestone 2030.</li> <li>Based on its Water Stewardship Policy, by 2030 Bridgestone will create and implement specific water stewardship plans that are tailored to the local environment, focusing on production sites located in water stress areas.</li> <li>In order to support natural rubber smallholders in improving productivity and preventing deforestation, Bridgestone will support them with technologies and disease control know-how developed at its own farms.</li> </ul>
	Products and services	<ul style="list-style-type: none"> <li>Bridgestone strives to increase its contribution to reducing CO<sub>2</sub> emissions and reducing its environmental footprints on natural capital through the development and sale of fuel-efficient tires, growth of its retread tire business, use of recycled and renewable resources, and provision of mobility solutions, including expansion of its ENLITEN, base technology for product design.</li> </ul>	
	Policies and conditions	<ul style="list-style-type: none"> <li>Bridgestone established the Bridgestone Environmental Management Policy, which incorporates the commitments made in its Environmental Mission Statement (to exist in harmony with nature, value natural resources, and reduce CO<sub>2</sub> emissions), as well as its 2050 long-term environmental vision.</li> <li>To assist in reducing CO<sub>2</sub> emissions, Bridgestone introduced internal carbon pricing (ICP), which it uses to reflect the impact of CO<sub>2</sub> reductions/increases in its investment decision-making.</li> <li>Bridgestone is strengthening supplier engagement under its Global Sustainable Procurement Policy.</li> <li>Bridgestone's Global Human Rights Policy articulates its strong commitment to respect and support internationally recognized human rights principles such as the UN Guiding Principles for Business and Human Rights.</li> </ul>	
	Financial planning	<ul style="list-style-type: none"> <li>Bridgestone's Implementation Strategy is reflected in Mid Term Business Plan (2024-2026).</li> </ul>	

Recommended disclosures		Status of the Bridgestone's response	
		Climate transition plan	Nature transition plan
Engagement Strategy	Engagement with the landscape, river basin and seascape	—	<ul style="list-style-type: none"> <li>· For its production sites in water stress areas, Bridgestone is implementing Water Stewardship Plans tailored to local water conditions, based on its Water Stewardship Policy.</li> <li>· Bridgestone established a Capacity Building Task Force to provide training and technical support to natural rubber smallholders, in doing so strengthening efforts aimed at protecting forests and enhancing their productivity.</li> <li>· In collaboration with local communities and partners, Bridgestone established The Bridgestone In Harmony with Nature — Promoting Biodiversity Program to encourage all its manufacturing facilities across the globe to promote activities to conserve biodiversity.</li> <li>· As part of its collaboration with WWF Japan and the Deloitte Tohmatsu Group on a trial analysis of the Science Based Targets for Nature (SBTs for nature), Bridgestone participated in a sustainable natural rubber project in Indonesia and confirmed the alignment of the project's metrics, targets and countermeasures with the elements for landscape engagement targets indicated in the guidance by SBTs for nature.</li> </ul>
	Engagement with value chain	<ul style="list-style-type: none"> <li>· Under Bridgestone's Global Sustainable Procurement Policy, suppliers are required to reduce their energy usage and GHG emissions, formulate plans for these reductions, and report on emission volume.</li> <li>· Bridgestone holds workshops on CO<sub>2</sub> emissions reduction in order to support suppliers' efforts in this regard.</li> <li>· Bridgestone conducts monitoring by such means as conducting surveys on CO<sub>2</sub> emissions reduction targets and current levels of CO<sub>2</sub> emissions.</li> </ul>	<ul style="list-style-type: none"> <li>· Bridgestone addresses environmental stewardship practices, respect for human rights, support of fair labor practices, and increased transparency, as articulated in its Global Sustainable Procurement Policy.</li> <li>· Bridgestone's sourcing and production activities help protect and restore the High Conservation Value (HCV) and High Carbon Stock (HCS) areas and virgin forests that are critical to addressing climate change and preserving wildlife.</li> </ul>

Recommended disclosures		Status of the Bridgestone's response	
		Climate transition plan	Nature transition plan
	Engagement with industry	<ul style="list-style-type: none"> <li>· Bridgestone is participating in the World Business Council for Sustainable Development's (WBCSD) Tire Industry Project TIP), a global initiative bringing together 10 leading tire companies that represent more than 65% of the world's tire manufacturing capacity.</li> <li>· Bridgestone is participating in rubber and tire industry organizations in each region.</li> <li>· Through the Global Platform for Sustainable Natural Rubber (GPSNR), Bridgestone is working to harmonize standards to improve respect for human rights, prevent land-grabbing and deforestation, protect biodiversity and water resources, improve natural rubber yields, and increase supply chain transparency and traceability while also participating in the GPSNR's Smallholder Representation and Capacity Building Working Group.</li> </ul>	
	Engagement with government, public sector and civil society	<ul style="list-style-type: none"> <li>· Bridgestone supports the recommendations of the TCFD.</li> <li>· Bridgestone is a member of the Japan Climate Initiative (JCI) and the GX League, a framework led by Japan's Ministry of Economy, Trade and Industry.</li> </ul>	<ul style="list-style-type: none"> <li>· Bridgestone is a participant in the TNFD Forum.</li> <li>· Bridgestone participates in Business for Nature and the Japan Business Initiative for Biodiversity (JBIB).</li> </ul>
Metrics and Targets	Dependency and impact metrics and targets	–	<ul style="list-style-type: none"> <li>· Bridgestone sets a goal of supporting 30,000 natural rubber smallholders by 2026 in seeking to curb deforestation</li> <li>· To support sustainable use of water resources, Bridgestone regularly evaluates production sites located in water stress areas with a risk of declining water resources in terms of quantity and quality, including regular monitoring of water withdrawal.</li> <li>· Through its partnership with WWF Japan, Bridgestone is participating in a sustainable natural rubber project in Indonesia. It conducted a pilot study regarding a landscape engagement target of SBTs for nature, identifying metrics, confirming the baseline for each metric, setting targets and countermeasures.</li> </ul>
	Governance, business and operational, financial, and GHG metrics and targets	<ul style="list-style-type: none"> <li>· Bridgestone regularly monitors CO<sub>2</sub> emissions (Scope 1, 2, and 3), CO<sub>2</sub> reduction contributions, and its renewable energy (electricity) usage, obtaining third-party verification of the data to ensure its reliability.</li> <li>· Bridgestone has set long-term and mid-term environmental goals, obtaining SBT certification for its mid-term goals.</li> </ul>	–

Recommended disclosures		Status of the Bridgestone's response	
		Climate transition plan	Nature transition plan
	Carbon credits	· Bridgestone does not use carbon credit purchases in pursuing its CO <sub>2</sub> reduction targets.	–
Governance	Board of Directors' oversight and reporting	· The Board of Directors receives and reviews regular reports on the status of sustainability initiatives, including achieving carbon neutrality, contributing to a circular economy, and progress toward being in harmony with nature.	
	Management roles, responsibility and accountability	· The Global EXCO approves and manages the progress of mid-long term strategies, targets, and action plans, including achieving carbon neutrality, contributing to a circular economy, and progress toward being in harmony with nature.	
	Culture	· The “Bridgestone E8 Commitment” defines eight values to serve as the company’s axis and vectors for value creation in relation to carbon neutrality and promoting a nature-positive world. <ul style="list-style-type: none"> <li>○ Energy: Committed to the realization of a carbon neutral mobility society</li> <li>○ Ecology: Committed to advancing sustainable tire technologies and solutions that preserve the environment for future generations</li> </ul>	
	Incentives and remuneration	· As a mid- to long-term incentive, remuneration for Board of Directors and Executive Officers includes the allocation of restricted stock as compensation for sustainability and transformation initiatives undertaken each fiscal year.	
	Skills, competencies and training	· Bridgestone provides education through training and e-learning in each region. · In Japan, Bridgestone conducts sustainability training (e-learning and in-person training) once a year for all employees.	

### (3) Initiatives related to human capital and diversity

#### 1) Strategy

The Group strives to enhance corporate value by added value creation aligned with its business strategy. At the same time, we are promoting our talent strategy aligned with the business strategy, as the axis of our talent strategy, which aims to allow diverse talents to shine through spreading success and gaining confidence of individuals.

In order to achieve sustainable growth, we believe

- Bridgestone-like talent who embrace and embody the Bridgestone Essence Framework and the Bridgestone DNA — “Focus on quality,” “Respect for being on-site (Genbutsu-Genba),” “Being attentive and supportive of customer problems,” and a “Challenging spirit” — as our foundation
- Global management leaders who fully equipped with the resilience to face and overcome tough situations, a strong on-site (Genba) mindset, and the business acumen to build and implement business strategies
- Digital talent who evolves value creation by combining digital power with the strong real, such as operational excellence on-site, cultivated thus far by the Group
- Solution engineers who provide solutions to problems encountered by society and our customers with a deep understanding and create new value by combining the Group’s Dan-Totsu products

and other diverse talents are necessary.

We have been advancing various initiatives for enhancing productivity and creativity of each and every employee as the driving force for transformation with improving management, working & business quality as our top priority in seeking to accelerate our transformation through “focus more on value creation” as part of our “respect for being on-site (Genbutsu-Genba)” worldwide under the Mid Term Business Plan (2024-2026).

As a benchmark reflecting such initiatives, we introduced talent creativity as a global management KPI starting in 2024. We aim to reinforce talent investment to increase added value and create a virtuous cycle of value creation based on improving productivity and creativity. We set “Talent creativity KPI” as one standard as a global company and work on issues by region / by country while tracking global progress through its KPI (adjusted operating profit (value added) divided by talent investment (sum of labor expense, training and development expense, and welfare and benefit expense)).

Talent creativity KPI

$$\text{Talent creativity} \uparrow = \frac{\text{Adjusted OP} \uparrow}{\left[ \text{Labor expense} + \text{training and development expense} + \text{welfare \& benefit expense} \right] \uparrow}$$

Our fundamental philosophy is that Bridgestone grows through the growth of its people, and that individuals, in turn, grow alongside the continued development of Bridgestone. We believe that the company’s sustainable growth is best realized when each and every employee is able to lead a rich and fulfilling life. Accordingly, we place great importance on fostering a work environment in which diverse talent can truly thrive—one that encourages individuals to make the most of varied opportunities to challenge themselves and learn, while remaining committed to delivering results and creating value. To support these aspirations, we continuously strive to enhance management and working & business quality, and promote greater productivity and creativity among all employees. At the same time, we advance a talent strategy that is firmly aligned with and supportive of our overall business strategy.

Bridgestone-like human resources and organizational transformation (B-HRX)



a. Pursuit of management, working & business quality improvement

The Group has set “Create good business quality” as our top priority of the Mid Term Business Plan (2024-2026) as a foundation for value creation. The Group seeks to reinforce management, working & business quality worldwide in striving toward innovation and continuous improvement in alignment with Bridgestone’s unique Deming Plan, which was formulated in the 1960s toward receiving the Deming Application Prize, given to companies that demonstrate distinguished and comprehensive quality management. This Deming Plan reflects the Bridgestone DNA. The Group seeks to improve management, working & business quality by carrying out various initiatives, Deming Plan re-energizing initiative (management, working & business quality improvement) and training in place of founding (Kurume visit) for encouraging employees to embrace the Bridgestone DNA and promoting behavioral transformation, and also “Bridgestone NEXT 100” program for developing the next-generation global management leaders in serving as a crucial aspect of passing the Bridgestone DNA to the next generation as well.

Global initiatives

<p>Deming Plan re-energizing initiative (management, working &amp; business quality improvement)</p>	<p>Deming Plan re-energizing initiative (management, working &amp; business quality improvement) The Group implemented the following trainings to reaffirm and re-energize the “Bridgestone’s unique Deming Plan” globally as initiatives in the second year of the Mid Term Business Plan (2024-2026):</p> <ul style="list-style-type: none"> <li>- Development of the “Bridgestone’s unique Deming Plan” training system</li> <li>- Workshops where each functional department brings operational examples for PDCA and why-why analysis (WHY-WHY-WHY)</li> <li>- Promoting the Deming Plan through global assessment and monitoring the effectiveness of activities</li> </ul>
<p>Training in place of founding (Kurume visit)</p>	<p>This program instills participants with pride with respect to working for the Group and serves as an opportunity for them to develop a work-oriented mindset by having them visit Bridgestone’s place of founding in Kurume City (Kurume Plant, Ishibashi Cultural Center, etc.), where they further experience the founder’s thoughts, Bridgestone’s DNA, and the Bridgestone Essence (corporate philosophy), thereby enabling them to gain a more extensive understanding of the Group. Many overseas SBU employees also participate in this program, which utilizes opportunities provided by Global EXCO held in Japan and leadership development training.</p>
<p>Bridgestone NEXT 100</p>	<p>As the Group pushes forward with leadership development by region and country, we have also been developing this global program. The program nominates approximately 100 individuals globally each year (30 in Japan, 30 in the Americas, 20 in Europe, 20 in Asia / divided into three levels of Next, Advancing, and Developing Executive) to take part in this program and the individuals participate in town hall meetings with global / regional management leaders, and various management / executive meetings. Representative Executive Officer Global CEO, Yasuhiro Morita, who assumed the position in January 2026, has experience as a Next Executive; in addition, four individuals have been appointed to the position of Vice President and Senior Officer or higher.</p>

- b. Enhancing productivity and creativity of each and every employee (Policy for talent development and policy for internal workplace environment development)

The Group strives to create sustainable value while improving profitability and productivity in order to address a turbulent change in business environment.

To achieve these objectives, it is necessary to enhance productivity and creativity (Talent creativity) of each and every employee. Accordingly, we conduct Bridgestone-like talent development and establish workplace environments in seeking to strengthen the Bridgestone DNA while ensuring that growth of the Group and that of each and every employee go hand in hand. Specifically, we value the concept of “foundation” of respect for being on-site (Genbutsu-Genba) across Bridgestone’s broad business portfolio in ensuring that diverse talent takes initiative with respect to their own careers. As such, we are accelerating various initiatives by putting a focus on developing talent that proactively takes on challenges of value creation (support for taking on challenges and achieving growth), and on establishing workplace environments that promote both of engagement and better workplaces (developing opportunities for diverse talent to shine).

Furthermore, the Group has positioned the Tire Business that “produce and sell” Dan-Totsu products as core business, and expanded value creation by enhancing our solutions business, which is to amplify value during the customer “use” phase of our Dan-Totsu products, as a growth business. To implement that, we believe it is important to be attentive and supportive of problems encountered by society and our customers and providing solutions in that regard by combining the strong real such as the Group’s Dan-Totsu products and operational excellence at on-site with digital power. We will strive to develop digital talent and solution engineer talent that embodies Bridgestone’s unique approach in order to accelerate such “real x digital” capabilities, thereby facilitating new value creation.

Through such initiatives, we aim to build a foundation toward growth with quality.

The Group’s foundation for corporate management is the notion of “Safety First, Always,” as set forth in its Safety Mission Statement. Given that this is an expectation of our customers and other stakeholders, we are promoting activities for improving working environment also to ensure each and every employee is able to work in a safe workplace with peace of mind based on this Safety Mission Statement, which is furthermore essential in ensuring industrial safety and hygiene with respect to the Group’s employees and contractors through the application of stringent safety standards.

- Support of diverse talent in taking on challenges and achieving growth

#### Global initiatives

Supporting self-directed career development	<p>Across the Group’s operations, we encourage employees to have career and development plans, while also facilitating their self-directed career development efforts in enabling them to complete meaningful and rewarding work in collaboration with their supervisors and leadership teams.</p> <ul style="list-style-type: none"> <li>- Encourage a culture conducive to appropriate and open feedback</li> <li>- Introduce regular career development interviews as well as 360-degree evaluations and other such multi-faceted evaluations</li> </ul>
Providing learning opportunities for a wide range of employees	<p>We aim to create a learning-oriented organization in promoting a culture conducive to enabling employees to achieve continuous learning and growth in seeking for them to play active roles over the long term within the Group. We accordingly engage in ongoing efforts to fortify investment in talent development on a Group-wide basis, taking into account circumstances in respective regions and countries. We arrange region-specific learning activities that encourage employees to engage in self-directed learning and development.</p>
Supporting employees motivated to take on challenge and achieve growth	<p>We foster a culture conducive to encourage more employees to take on challenges who apply voluntarily take initiative to take on challenges through the “Genba (on-site) 100-Day Challenge Program,” which involves verifying, improving, and addressing on-site challenges and hypotheses established by participants at site either within or outside their country of them.</p> <ul style="list-style-type: none"> <li>- Further extend the reach of the program globally, which was launched in Japan in 2023 and subsequently expanded to BSAPIC (Asia-Pacific, India and China) in 2024</li> </ul>

### Initiatives in Japan

Providing early management opportunity for junior employees	In 2023, we introduced the “Management Challenge Program,” which offers junior employees who are motivated to take on challenges the opportunity to gain management experience early in their careers by serving in a pre-management position.
Supporting for strengthening management behavior in encouraging subordinates (team members) to take on challenges and achieve growth	We perform 360-degree evaluations to help all line managers (general managers and managers) review and improve the self management behavior by gaining the awareness of the factors that either promote or hinder their leadership. We also carry out a “Coaching program” for equipping such managers with coaching skills and practices necessary to encourage each team member to take initiative and challenge towards self growth through dialogue like One-on-One communication.

- Developing opportunities for diverse talent to shine

### Global initiatives

Activities to ensure that employees are able to work in a safe workplace with peace of mind	We continually update our safety standards to address increasing ergonomic risks associated with aging of the population, changing regulations, deterioration of machinery and equipment, and introduction of new technologies at sites. We also earnestly develop awareness of safety when it comes to new business initiatives undertaken by the Group. We also identify issues through safety maturity assessments and promote continuous improvement to create safe workplaces.
Activities for promoting culture change and enhancing engagement as a foundation	We conduct globally unified engagement surveys from 2023 upon having positioned improvement of employee engagement as one of our key issues in globally promoting culture changes in line with the “Bridgestone E8 Commitment” while implementing a PDCA cycle by conducting pulse surveys and other initiatives in each region. We deepen and make progress on initiatives in part by sharing good practices from each region upon having identified global common strengths and improvement items, while respecting regional differences in cultures and characteristics. <ul style="list-style-type: none"> <li>- Global common strength: Quality and customer-oriented spirit/Permeation of vision and strategy</li> <li>- Global common improvement items: Collaboration (overcome organizational silos)/Agile operation/DE&amp;I/Talent development</li> </ul>
Developing female leaders on a Group-wide basis worldwide	From the perspective of promoting diversity in decision-making as an organization as well as expecting all employees to support an inclusive workplace environment mutually, we are empowering women and developing female leaders, while considering the conditions in each individual region and country where it operates.

### Initiatives in Japan

Establishing workplace environments for facilitating evolution of manufacturing and culture change promotion at manufacturing sites (Genba)	We continuously implement quick-impact investments that reflect the voices of employees who work at “Genba (on-site)” and are working to enhance benefits, improve the workplace environment, and reduce the workload. <ul style="list-style-type: none"> <li>- Improve infrastructure to make it easier for diverse talent to engage in manufacturing, including by improving the environments in workplaces and break room</li> <li>- In addition to ongoing measures for heat stress prevention, assisting to carry heavy objects, we are creating work environments where everyone can work comfortably by leveraging digital technology, sensing technology, and robot technology to reduce the need for specialized skills.</li> </ul>
Developing a foundation for diverse talents to shine and promoting assignment of female leaders	We promote various initiatives for empowering diverse talent in seeking to address disparities relative to the Group’s overseas locations when it comes to the domain of diversity, equity and inclusion. <ul style="list-style-type: none"> <li>- DE&amp;I management workshops for all line managers (general managers and managers)</li> <li>- FemTech program to address women-specific health issues using technology and awareness-raising activities with the aim of creating workplaces where each and every employee can shine</li> <li>- Officer Mentor program where the Company’s officers and external specialists serve as mentors in supporting career development of female managers and candidates</li> </ul>
Initiatives to maximize talent performance through the promotion of health and productivity management	We promote health and productivity management initiatives, including measures to address lifestyle-related diseases, cancer, smoking, and mental health, with the aim of creating workplaces where employees can work with energy and enthusiasm both physically and mentally and maintain and promote their health. Under the new Health Management Policy revised in 2026, we aim to reduce declines in work performance caused by physical and mental health issues, minimize absenteeism and leave of absence due to illness or injury, and increase work engagement through the implementation of initiatives based on our Strategy Map for Health and Productivity Management. At the same time, we will continue to evolve our efforts to maximize talent performance.

Creating opportunities for talent with an entrepreneurial spirit to take on challenges	In 2023, we established the “Softrobotics Ventures” as a corporate venture in the exploratory business. We have accordingly brought together diverse talent with an entrepreneurial spirit to create new businesses from scratch to take on the “challenge” of early commercialization with respect to the notion of “Bridgestone’s new challenges utilizing our expertise in R&D of rubber materials—soft robot hand with ‘just the right’ grip supporting the lives of individuals through the power of rubber.”
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- Strengthening talent that accelerates adoption of strong real x digital capabilities

#### Global initiatives

Developing and acquiring digital talent	We promote development and acquisition of digital talent globally in order to broaden Bridgestone-like digital talent with a focus on respect for being on-site (Genbutsu-Genba), which is essential for creating social value and customer value, while also seeking to best integrate talent among Webfleet and Azuga, which operate digital fleet solution business, and the Group.
Development of solution engineers	We seek to amplify value during “use” of tires from “produce and sell” with Dan-Totsu products as its core that are fundamental to the Group’s strategy. To such ends, we will further strengthen globally our on-site field engineering activities that deeply understand customer’s pain points, which is our Group’s strength. With respect to talent underpinning such initiatives, we promote systematic development and acquisition of solution skills tailored to characteristics of market and needs of each region in looking toward developing engineers equipped with a deep understanding of both product value and customer needs.

#### Initiatives in Japan

Providing opportunities to take on challenges in strengthening digital skills covering a wide range of skill levels	In 2023, we introduced the “Digital 100-Day Training” program, which provides opportunities for taking on challenges of learning and strengthening digital skills by having individual employees, who recognize the need for digital skills and are eager to acquire such skills, select a program that matches individual skill level. The program provides opportunities to learn in depth digital technologies associated with the own responsibilities as well as classroom lectures. We have also established proficiency-based training courses for the intermediate (Solution Field Engineer) and advanced (AI/Algorithm Expert) levels.
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## 2) Metrics and targets

	2026 global targets	2025 global result
Talent creativity KPI (Note) Index trends with the index value set to 100 for the baseline year of 2019.	130 level	107 (a year-on-year increase of 5)

Talent creativity: Priority activity indicators	2026 global targets	2025 global result	Management, working & business quality improvement	Productivity and creativity enhancement		
				Support in taking on challenges and achieving growth	Development of a working environment	Strengthening of talent with real x digital capabilities
i. Activities on management, working & business quality improvement	Bridgestone-like Quality Management Training - Extend reach to a wider level and embark on global expansion from 2024	Accompanying the booklet on “Bridgestone’s unique Deming Plan,” trainings to reaffirm and re-energize the “Bridgestone’s unique Deming Plan” were developed worldwide. Assessment of checking the re-energizing of the Deming Plan and promotion of PDCA cycles in activities.	●			
ii. Number of digital talents	Expand to the level of 2,000 people	Approx. 2,200 people (a year-on-year increase of approx. 450 people)				●
iii. Number of Genba (On-site) 100-Day Challenge Program participants	Embark on global expansion from 2024 Expand to the level of 45 participants per year in 2026	Expanding to BSAPIC (Asia-Pacific, India and China) from 2024, a total of 39 persons participated over 2023-25 in Japan and BSAPIC.		●		
iv. Safety performance	1) Fatalities	0	1 (year-on-year change: ±0)			
	2) Lost-time injuries frequency rate (Note 1)	2.50	2.49 (a year-on-year decrease of 0.15)		●	
v. Percentage of female leaders (Note 2)	An increase of 3% in comparison with 2023 levels	17.1 (a year-on-year increase of 0.7%) (Note 3)			●	

(Note 1) This is calculated by the formula: (Number of lost-time injuries/Total working hours) x 1,000,000. The 2025 result shows the number as of March 18, 2026, and it may change depending on outcomes of work-related injury assessments.

(Note 2) It is based on those in managerial positions, including leaders who manage and oversee teams in production sites and other sites.

(Note 3) The percentage of female leaders by segment in the Group is as follows.

(As of December 31, 2025)

Segment	Category	Percentage of female leaders			
		Top managerial positions	Managerial positions	Junior managerial positions	Total
Japan		2.0%	8.4%	5.8%	6.6%
Asia-Pacific, India and China		10.1%	20.5%	17.7%	17.9%
Americas		33.3%	25.3%	21.8%	22.4%
Europe, Middle East and Africa		16.7%	23.7%	19.8%	21.2%
Consolidated		10.5%	17.7%	17.1%	17.1%

- The percentage is based on the number of active employees.
- “Japan” includes the “Others” and “Company-wide (common)” segments.
- The definitions of each category are as follows.
 

Top managerial positions:	Officer-equivalent (Executives & VPs)
Managerial positions:	Persons in charge of the management of an organization (Line Managers)
Junior managerial positions:	Persons who contribute to the organization with their individual knowledge and experience, or are in a position to guide the organization’s day-to-day management objectives.

### 3. Business risks

The following provides an overview of risks concerning the state of business and financial information described in this Annual Securities Report that may have a bearing on investors' decisions. The Group is aware of these risks, and systematic efforts are made to prevent or minimize the impact of related adverse events on operations.

Nonetheless, the potential exists for unforeseen or unpredictable risks other than those described below to negatively affect the operations, business results, and financial position of the Group.

All references to possible future developments in the text are as of March 18, 2026, the filing date of this Annual Securities Report.

(Processes for evaluating and managing risks)

Every year, the Group evaluates and identifies risks faced by various regions and the Group as a whole in terms of their potential impact and likelihood of occurrence. By allowing management to be conducted in an autonomous and continuous manner through clarifying who is responsible for managing the risk, not only for the Group as a whole, but also for every business, SBU, and division, our Group's risk evaluation and management system is able to deal with serious management risks under the direct supervision of the Global CEO.

#### (1) Risks related to demand and macroeconomic conditions

The Group conducts research and development (R&D), procurement, production, logistics, sales and other business activities on a global scale. Operating results and financial position are thus subject to trends in demand, interest rates, exchange rates, share prices, and other economic variables in the countries and regions where we operate. In the current fiscal year, the Group's revenue by region was 51% from operations in the Americas; 20% from Europe, Middle East and Africa; 15% from Asia-Pacific, India and China; and 14% from Japan. An economic downturn in any of these regions could exert a major adverse effect on the operating results and financial position of the Group.

The Group's business is closely tied to the automobile industry; therefore, the operating results and financial position of the Group are strongly affected by business conditions in the global automobile industry. Aside from trends in the automobile industry, the retail tire market is also affected by factors such as consumer trends in each country and fluctuations in fuel prices. In addition, there is a potential impact from tariffs on tires and tire raw materials. If these factors cause a decline in tire demand or slow down the anticipated increase in demand, this could have an adverse effect on the Group's operating results and financial position.

Furthermore, some of the Group's products, such as hydraulic hoses and large and ultra-large off-the-road radial tires for mining and construction vehicles, are affected by business conditions in the resources industry and the civil engineering and construction industries. If these factors reduce demand or slow its projected rise, the Group's operating results and financial position may be adversely affected.

Moreover, demand for winter tires (which make a sizable contribution to sales in regions such as Japan, Europe, and North America) is closely related to seasonal weather trends. A mild winter and a decline in demand in these regions could adversely affect, to some extent, the operating results and financial position of the Group.

#### (2) Legal, regulatory, and litigation risk

The Group's operations around the world are subject to diverse national (and, in Europe, supranational) laws and regulations, including trade, investment, foreign exchange transactions, taxation systems (including transfer pricing), anticompetitive practices, environmental protection, and protection of personal information. Laws and regulations that affect the Group's business activities have been established and introduced. These include labeling systems and regulations regarding tire performance and regulations regarding chemicals in Japan and overseas. Accordingly, new or revised laws and regulations could limit the scope of business

activities, raise operating costs, or otherwise adversely affect the operating results and financial position of the Group.

The Group could be subject to lawsuits or to investigations by governmental authorities with regard to its business activities in Japan or in overseas markets. In the event that an important lawsuit is filed or investigation by governmental authorities has commenced, the Group's operating results and financial position could be affected.

### (3) Risks related to operational disruption

- Natural disasters, wars, terrorist actions, civil strife, and social and political unrest

Globally dispersed operations expose the Group to a broad range of natural and man-made risks that could constitute force majeure, including natural disasters, such as earthquakes and floods, wars, terrorist actions, civil strife, boycotts, epidemics, energy supply problems, and general social or political unrest. Also, factors such as abrupt, substantial fluctuations in political or economic matters in Japan or overseas could hinder the continuation of the Group's business activities. Such events have the potential to affect the Group's operating results and financial position.

The risk of earthquakes is particularly high in Japan where the Group has numerous key facilities. Management systematically promotes the seismic reinforcement of the Group's facilities in Japan based on an order of priority determined from the results of site analyses using seismic diagnostics. In addition, a BCP has been created in order to facilitate a swift response in event of an earthquake and the quick restoration of operations. Operation of this BCP is subject to regular review and improvement. The Group has also formulated a BCP designed to prioritize the wellbeing and safety of employees, families, and all related parties while minimizing the Group's losses stemming from the spread of H1N1 influenza, COVID-19, and other diseases caused by unknown pathogens. The content of this BCP is continuously expanded based on feedback from its implementation. Despite the preventive measures, such serious risks could disrupt or reduce the scale of operations or cause damage to facilities, necessitating expensive repairs or restoration work. The costs involved could adversely affect the Group's operating results and financial position.

Operational disruptions at those plants where the production of certain products or materials is concentrated have the potential to cause greater problems due to the increased possibility of a supply interruption, which could result in claims for compensation based on breach of supply contracts, or in an erosion of customer confidence in the Group as a reliable source of supply. Any such developments could have a significantly adverse impact on the operating results and financial position of the Group.

- Information technology (IT) systems failures

With the drastic rise in the importance of information systems in the Group's business activities, the Group is striving to protect systems and data through advancing security and other measures. However, failure of such information systems due to external causes, such as natural disasters and cyberattacks, or through human error, could result in the halt of major operations and services and theft or leakage of confidential or personal information and data, with the possibility of hindering further business activities. Such incidents bear the potential to damage the Group's brand image and lower social trust, adversely affecting its operating results and financial position.

- Industrial action

Prolonged strikes or other industrial action due to unfruitful labor-management negotiation could cause operational disruptions, and thereby adversely affect the operating results and financial position of the Group. Management strives to minimize the risk of labor unrest by fostering good labor-management relations throughout global operations.

(4) Risks related to climate change and natural capital loss

The Group recognizes the risks and opportunities related to climate change and natural capital loss in an integrated manner and reflects them in its business strategy. The main risks we identify in this category are “transition risks” associated with the transition to a decarbonized society and a society where nature can coexist, and “physical risks” due to climate change and natural capital loss. On the other hand, we also see these changes in society and customer needs as new opportunities for growth. Details regarding risks and measures for addressing risks are presented in “II. Business Overview, 2. Approach to and initiatives for sustainability, (2) Initiatives related to climate change and natural capital loss.”

(5) Risks related to corporate and brand image

The Group strives to enhance its corporate and brand image consistently through global business activities. Systematic efforts are made to ensure compliance with all applicable laws and regulations and to promote the highest ethical standards. Programs are in place across the Group to prevent industrial incidents, particularly fires and any accidents that could cause occupational injuries, and to respond immediately to any accidents that occur. In addition, we strive to ensure more timely and appropriate disclosure of information to our stakeholders, underpinned by recognition regarding the growing importance of further heightening trust from the society surrounding the Group. Despite such efforts, serious ethical lapses or industrial accidents, which lose social trust, along with a situation where the Group fails to provide timely and appropriate information disclosure regarding those incidents, have the potential to adversely affect the operating results and financial position of the Group by damaging the image and reputation of the Group, diminishing the general public’s confidence in the Group, or leading to a drop in share price.

(6) Currency risk

The global distribution of the Group’s R&D, production, logistics, procurement of raw materials and sales activities requires business transactions in numerous currencies. The Group employs foreign currency forward contracts to hedge foreign currency-denominated trade receivables and payables, and currency swaps to hedge foreign currency-denominated loans and borrowings in an effort to minimize the effects of short-term exposure to exchange rate fluctuations. However, hedging cannot insulate the Group’s operations completely from foreign exchange market trends since these operations include extensive import and export activities worldwide. Fluctuations in exchange rates can thus have an adverse effect on the operating results and financial position of the Group. Exchange rate fluctuations also affect the consolidated performance of the Group because results are reported in yen. Changes in exchange rates affect the values recorded for revenue, expenses, assets, and liabilities in all countries outside Japan when translated into yen. In general terms, yen appreciation against other leading currencies tends to depress the operating results, while yen depreciation tends to have a favorable impact.

(7) Risks related to competition

The Group encounters numerous competitors in its respective markets and engages in business amid an intense competitive environment encompassing selling price competition. In addition, the Group may face negative effects on costs and expenses due to factors such as increases in raw material prices, energy costs and labor costs. Whereas the Group contends with this business environment through ongoing internal efforts such as those that involve improving productivity and enhancing cost management, while also striving to enhance competitiveness through initiatives that include proposing and providing new product value to customers and markets, a situation where the Group is unable to offset declining profits through such efforts could adversely affect the Group’s operating results.

The Group’s strategy emphasizes technology innovation, along with its product development capabilities and manufacturing capabilities cultivated thus far as a manufacturer. The Group targets the development and introduction of products equipped with new and advanced technologies, and then aims to persuade customers and society of the value inherent in such technical advances to secure prices sufficient to ensure that profits fully offset the costs of development. Fierce competition in various fields can sometimes prevent the Group

from recovering development costs through pricing, which can also have an adverse effect on operating results and financial position.

(8) Risks related to product defects

The Group holds customer safety as its highest priority. The Group invests considerable resources in establishing and maintaining high quality standards for all products manufactured and sold. Management is particularly sensitive to the importance of quality assurance in tires and other products closely associated with human safety. The Group has honed its quality assurance capabilities by upgrading information systems related to product performance, collecting pertinent market information, and establishing systems to provide early warning of any potential safety issues that may arise before they become problems. Nonetheless, such efforts cannot guarantee the complete prevention of product defects or eliminate the chance of an extensive product recall because product defects could occur due to unpredictable factors. Any such defects or recalls could result in customer claims for damages, as well as associated litigation costs, replacement costs, and damage to the Group's reputation, which could adversely affect the Group's operating results and financial position. Product liability claims, class-action lawsuits, and other litigation pose a particular risk in the U.S.

(9) Risks related to raw materials procurement

Disruption of supplies of raw materials has the potential to affect performance adversely. The Group uses large quantities of natural rubber in tires and other rubber products, most of which are supplied from Southeast Asia. The availability of natural rubber supplies in quantities sufficient for manufacturing purposes is subject to disruption due to natural disasters, wars, terrorist actions, civil strife, other social or political unrest, and strikes in addition to the threat of poor harvests.

Supply shortages due to tight supply of raw materials or capacity constraints are also potential problems with other basic raw materials, and could adversely affect the Group's operating results and financial position.

The Group relies on in-house upstream raw materials operations and on third-party suppliers for important raw materials. Any disruption of activity to those operations or suppliers and any other events that impede the Group's plants that use those raw materials could adversely affect the Group's operating results and financial position.

Increases in the costs of raw materials due to tight supply, trade for speculative purposes, and other reasons are also potentially detrimental to the operating results and financial position of the Group. Management cannot guarantee that price rises can always be passed on to customers or that ongoing efforts to raise productivity will be sufficient to compensate for any sharp increases in raw materials costs.

(10) Risks related to pension costs and obligations

Pension-related costs and obligations are reliant on actuarial assumptions concerning discount rates and a number of other variables. If these assumptions were to change significantly as a result of changes in interest rates or the fair value of plan assets (including pension assets), or other factors were to necessitate a change in the underlying assumptions, there could be an increase in pension-related costs and obligations, as well as a material impact on the operating results and financial position of the Group.

(11) Risks related to intellectual property

The Group treats intellectual property as an important business resource. Systematic efforts are made to employ intellectual property effectively in improving the competitive position of the Group, to protect intellectual property rights from infringement, and to avoid infringing the intellectual property rights of other parties. Despite such safeguards, any actual or alleged infringement of third-party intellectual property rights by the Group could have a negative impact on the use of certain materials or technologies by the Group, and could potentially also trigger the payment of compensatory damages. Any such outcome could have a negative effect on the operating results and financial position of the Group. Conversely, if claims by the Group of intellectual property rights infringement against third parties are not upheld, the Group could also

suffer direct or indirect losses through the diminished differentiation or competitiveness of its products in global markets.

#### 4. Management analysis of financial position, operating results and cash flows

The Group classified anti-vibration rubber business as discontinued operations, thereby deducting such discontinued operations from monetary amounts of the previous fiscal year, and the current fiscal year.

Details are described in “V. Financial Information, 1. Consolidated Financial Statements, etc., (1) Consolidated Financial Statements, Notes to Consolidated Financial Statements, 6. Operating Segments.”

All references to possible future developments in the text are as of the filing date of this Annual Securities Report.

##### (1) Overview of operating results, etc.

Overview of the financial position, operating results, and cash flows of the Group for the current fiscal year is as follows.

##### 1) Financial position and operating results

###### a. Sales and earnings

	2025	2024	Increase (Decrease)	
			Amount	Ratio
	Yen in billions	Yen in billions	Yen in billions	%
Revenue	4,429.5	4,430.1	(0.6)	(0)
Adjusted operating profit	493.7	483.3	+10.4	+2
Operating profit	381.2	443.3	(62.1)	(14)
Profit before tax	354.7	421.4	(66.8)	(16)
Profit attributable to owners of parent	327.3	285.0	+42.3	+15

In the current fiscal year, a year characterized by a highly volatile and increasingly uncertain business environment, we focused on strengthening business quality through restructuring and rebuilding, and through global business cost reduction activities.

In terms of the business environment, additional U.S. tariffs affected direct material costs within the Group and tire exports to the U.S., and there were also impacts such as the economic slowdown in the U.S. affecting our operating results. Tire demand in key markets in North America, due to the aforementioned tariff impacts and economic slowdown, led to a significant decrease in demand for new truck and bus tires from the previous fiscal year. In addition, for replacement tires for passenger cars and small trucks, there were structural changes such as an increase in last-minute demand for low-priced imported tires ahead of the raising of tariffs. On the other hand, demand in Japan and Asia remained generally strong, while in Europe, it was mostly unchanged from the previous fiscal year.

Regarding the Group’s revenue, in this business environment, the Group experienced firm sales of premium replacement tires (including high-rim diameter tires of 18 inches or more) and ultra-large tires for mining vehicles. On the other hand, the impact of lower unit sales of new vehicle tires and of lower revenue in the Latin America business and chemical and industrial products business led to a slight decline in revenue from the previous fiscal year, but revenue would have increased compared to the previous fiscal year had it not been for the effect of exchange rates.

Adjusted operating profit rose compared to the previous fiscal year, despite the headwind of the effect of exchange rates, due to our success in offsetting factors such as the negative impact of high raw material prices and unrealized profit in inventory with improved sales prices and mix, employing various measures

to absorb the impact of the U.S. tariffs, and reinforcing business quality through restructuring and rebuilding as well as global business cost reduction activities.

Operating profit declined compared to the previous fiscal year due to the recording of restructuring and rebuilding-related expenses, as well as the absence of the gain on sale of fixed assets that had been recorded in the previous fiscal year.

Profit increased compared to the previous fiscal year due to factors such as the reversal of uncertain tax treatments (uncertain income tax positions) recorded in prior years, which resulted in a refund of corporate income tax expense in the current fiscal year.

As a result, the Group's revenue in the current fiscal year was 4,429.5 billion yen, a year-on-year decrease of 0.01%; adjusted operating profit was 493.7 billion yen, a year-on-year increase of 2%; operating profit was 381.2 billion yen, a year-on-year decrease of 14%; profit before tax was 354.7 billion yen, a year-on-year decrease of 16%; and profit attributable to owners of parent was 327.3 billion yen, a year-on-year increase of 15%.

b. Segment information

		2025	2024	Increase (Decrease)	
				Amount	Ratio
		Yen in billions	Yen in billions	Yen in billions	%
Japan	Revenue	1,265.9	1,226.1	+39.8	+3
	Adjusted operating profit	198.1	187.3	+10.8	+6
Asia-Pacific, India and China	Revenue	517.8	529.7	(12.0)	(2)
	Adjusted operating profit	59.6	58.5	+1.2	+2
Americas	Revenue	2,130.5	2,180.0	(49.5)	(2)
	Adjusted operating profit	201.5	180.1	+21.4	+12
Europe, Middle East and Africa	Revenue	852.9	835.6	+17.3	+2
	Adjusted operating profit	42.4	29.8	+12.6	+42
Others	Revenue	80.2	84.0	(3.8)	(5)
	Adjusted operating profit	7.2	7.5	(0.3)	(4)
Consolidated Results	Revenue	4,429.5	4,430.1	(0.6)	(0)
	Adjusted operating profit	493.7	483.3	+10.4	+2

[Japan]

Revenue was 1,265.9 billion yen, a year-on-year increase of 3%, and adjusted operating profit was 198.1 billion yen, a year-on-year increase of 6%.

Unit sales of replacement tires for passenger cars and small trucks, as well as unit sales of tires for trucks and buses were steady, while unit sales of new vehicle tires for passenger cars and small trucks fell from the previous fiscal year. In addition to expanded sales of replacement tires, sales prices and sales mix improvements absorbed the effects of soaring raw material prices, inflation, and exchange rates, leading to year-on-year growth in revenue and profit.

[Asia-Pacific, India and China]

Revenue was 517.8 billion yen, a year-on-year decrease of 2%, and adjusted operating profit was 59.6 billion yen, a year-on-year increase of 2%.

While unit sales of tires for trucks and buses significantly fell from the previous fiscal year, sales of replacement tires for passenger cars and small trucks remained strong. Soaring raw materials costs and inflation were absorbed by sales prices and sales mix improvements in countries in the region, while the impact of business restructuring and rebuilding also contributed, leading to decreased revenue compared to the previous fiscal year but increased profit.

[Americas]

Revenue was 2,130.5 billion yen, a year-on-year decrease of 2%, and adjusted operating profit was 201.5 billion yen, a year-on-year increase of 12%.

In the North America tire business, unit sales of replacement tires for passenger cars and small trucks were mostly unchanged compared to the previous fiscal year, and those of replacement tires for trucks and buses were strong. However, unit sales of new vehicle tires were down from the previous fiscal year. Additionally, in the Latin America tire business, unit sales of replacement tires for passenger cars and small trucks, as well as unit sales of tires for trucks and buses fell significantly from the previous fiscal year. In the Americas business as a whole, notwithstanding inflation, U.S. tariffs, and a decline in profit due to the deterioration of the business environment in Latin America, profit rose despite lower revenue compared to the previous fiscal year, thanks to steady improvements in the sales prices and sales mix and also due in part to the restructuring and rebuilding of the business.

[Europe, Middle East and Africa]

Revenue was 852.9 billion yen, a year-on-year increase of 2%, and adjusted operating profit was 42.4 billion yen, a year-on-year increase of 42%.

In the Europe business, while unit sales of replacement tires for passenger cars and small trucks were steady, unit sales of new vehicle tires for passenger cars and small trucks, as well as for trucks and buses were down from the previous fiscal year. Despite the impact of reduced unit sales, in addition to the improvements from the previous fiscal year in the sales prices and sales mix, the effects of business restructuring and rebuilding began to contribute to improved profitability, and both revenue and profit increased from the previous fiscal year.

(Note) The amounts for segment results include inter-segment transactions that are eliminated in calculating the consolidated results.

#### c. Financial position

(Current assets)

Current assets were 2,863.2 billion yen, mostly unchanged from the end of the previous fiscal year, as cash and cash equivalents increased by 7.1 billion yen and trade and other receivables increased by 55.8 billion yen, while inventories decreased by 59.8 billion yen.

(Non-current assets)

Non-current assets were 2,884.5 billion yen, increasing by 24.6 billion yen, or 1%, from the end of the previous fiscal year, as right-of-use assets decreased by 15.8 billion yen, but property, plant and equipment increased by 17.9 billion yen and deferred tax assets increased by 18.5 billion yen.

(Current liabilities)

Current liabilities were 1,122.7 billion yen, decreasing by 53.6 billion yen, or 5%, from the end of the previous fiscal year, as lease liabilities increased by 2.4 billion yen and provisions increased by 13.7 billion yen, but bonds and borrowings decreased by 44.0 billion yen and income taxes payable decreased by 44.3 billion yen due to the reversal of uncertain tax treatments (uncertain income tax positions) recorded in prior years.

(Non-current liabilities)

Non-current liabilities were 905.2 billion yen, increasing by 144.4 billion yen, or 19%, from the end of the previous fiscal year, as lease liabilities decreased by 12.0 billion yen, but bonds and borrowings increased by 152.9 billion yen.

Furthermore, total interest-bearing debt(Note) recorded in both current liabilities and non-current liabilities increased by 99.3 billion yen, or 14%, from the end of the previous fiscal year, to 827.0 billion yen.

(Note) Interest-bearing debt includes bonds and borrowings and lease liabilities.

(Equity)

Total equity was 3,719.9 billion yen, decreasing by 66.6 billion yen, or 2%, from the end of the previous fiscal year, as we recorded a decrease of 148.6 billion yen due to dividends paid to owners of parent and a decrease of 300.0 billion yen due to purchase of treasury stock, although we recorded profit attributable to owners of parent of 327.3 billion yen and an increase in other components of equity of 43.7 billion yen.

As a result, total assets at the end of the current fiscal year was 5,747.7 billion yen, increasing by 24.2 billion yen, or 0.4%, from the end of the previous fiscal year. Furthermore, the ratio of equity attributable to owners of parent to total assets for the current fiscal year was 63.7%, decreasing by 1.5 percentage points from the end of the previous fiscal year.

2) Cash flows

	2025	2024	Increase (Decrease)
			Amount
	Yen in billions	Yen in billions	Yen in billions
Cash flows from operating activities	660.4	548.8	+111.6
Cash flows from investing activities	(225.0)	(255.1)	+30.1
Cash flows from financing activities	(429.9)	(343.3)	(86.6)
Effect of exchange rate changes on cash and cash equivalents	7.0	32.2	(25.2)
Net increase (decrease) in cash and cash equivalents	12.6	(17.3)	+29.8
Cash and cash equivalents at beginning of period	706.7	724.6	(17.9)
Net increase (decrease) in cash and cash equivalents included in assets held for sale	(5.5)	(0.6)	(4.9)
Cash and cash equivalents at end of period	713.8	706.7	+7.1

The Group's cash and cash equivalents (hereinafter "net cash") increased by 7.1 billion yen during the current fiscal year, to 713.8 billion yen, compared with a decrease of 17.9 billion yen during the previous fiscal year.

(Cash flows from operating activities)

Net cash provided by operating activities increased 111.6 billion yen compared with the previous fiscal year, to 660.4 billion yen. The principal contributors to cash provided included profit before tax of 354.7 billion yen, compared with 421.4 billion yen in the previous fiscal year, depreciation and amortization of 353.2 billion yen, compared with 348.1 billion yen in the previous fiscal year, and a decrease in inventories of 79.2 billion yen, compared with an increase in inventories of 16.3 billion yen in the previous fiscal year. These contributors offset an increase in trade and other receivables of 41.6 billion yen, compared with 29.5 billion yen in the previous fiscal year, and income taxes paid of 79.2 billion yen, compared with 117.3 billion yen in the previous fiscal year.

(Cash flows from investing activities)

Net cash used in investing activities decreased 30.1 billion yen compared with the previous fiscal year, to 225.0 billion yen. The principal contributors to cash used were payments for the purchase of property, plant and equipment of 251.1 billion yen, compared with 299.3 billion yen in the previous fiscal year, and payments for purchase of intangible assets of 36.1 billion yen, compared with 38.0 billion yen in the previous fiscal year. These contributors offset proceeds from sale of property, plant and equipment of 21.4 billion yen, compared with 80.6 billion in the previous fiscal year, and collection of loans receivable of 12.2 billion yen, compared with 11.0 billion yen in the previous fiscal year.

(Cash flows from financing activities)

Net cash used in financing activities increased 86.6 billion yen compared with the previous fiscal year, to 429.9 billion yen. The principal contributors to cash used were a decrease in short-term borrowings of 102.1 billion yen, compared with an increase in short-term borrowings of 14.1 billion yen in the previous fiscal year, repayments of lease liabilities of 73.1 billion yen, compared with 71.6 billion yen in the previous fiscal year, purchase of treasury stock of 300.0 billion yen, compared with 11 million yen in the previous fiscal year, and dividends paid to owners of parent of 148.6 billion yen, compared with 140.3 billion yen in the previous fiscal year. These contributors offset proceeds from long-term borrowings of 100.0 billion yen (no such proceeds in the previous fiscal year) and proceeds from issuance of bonds of 100.0 billion yen (no such proceeds in the previous fiscal year).

3) Production, orders received and sales

a. Production results

The production results by segment for the current fiscal year are as follows.

Name of segment	Amount (Yen in millions)	YoY Change (%)
Japan	832,352	+3.3
Asia-Pacific, India and China	437,831	+1.7
Americas	1,619,683	(1.2)
Europe, Middle East and Africa	661,710	(0.2)
Total	3,551,577	+0.4

(Note) The amounts are based on selling prices.

b. Orders received

Apart from undertaking made-to-order production for a small number of special products such as special hoses, all the Group's production is made to stock.

c. Sales results

The sales results by segment for the current fiscal year are as follows.

Name of segment	Amount (Yen in millions)	YoY Change (%)
Japan	993,635	+3.3
Asia-Pacific, India and China	478,733	+0.0
Americas	2,107,190	(2.3)
Europe, Middle East and Africa	831,840	+2.3
Others	18,045	(7.3)
Corporate or elimination	10	(2.1)
Total	4,429,452	(0.0)

(2) Management's analysis and discussion of the operating results, etc.

The following section describes management's understanding, analysis and discussion of the Group's operating results, etc.

All references to possible future developments in the text are as of March 18, 2026, the filing date of this Annual Securities Report.

1) Significant accounting estimates and assumptions used in such estimates

The consolidated financial statements of the Group have been prepared in accordance with IFRS accounting standards pursuant to the provisions of Article 312 of the Regulation on Terminology, Forms, and Preparation Methods of Consolidated Financial Statements (hereinafter the "Regulation on Consolidated Financial Statements"). Material accounting policies, accounting estimates, and assumptions used in such estimates for preparing the consolidated financial statements are described in "3. Material Accounting Policies" and "4. Significant Accounting Estimates and Judgements Involving Estimates" of "V. Financial Information, 1. Consolidated Financial Statements, etc. (1) Consolidated Financial Statements, Notes to Consolidated Financial Statements."

2) Understanding, analysis and discussion of the operating results, etc. for the current fiscal year

The Group's operating results, etc. for the current fiscal year are as follows.

Factors that have a material impact on the Group's operating results and measures taken to address such factors are described in "1. Management policy, management environment and issues to be addressed."

(Revenue, adjusted operating profit and operating profit)

Revenue, adjusted operating profit, operating profit and status by segment are described in "(1) Overview of operating results, etc."

As a result, the adjusted operating profit ratio was 11.1%, up 0.2 percentage points from fiscal year 2024.

(Profit attributable to owners of parent)

Profit attributable to owners of parent increased by 42.3 billion yen (up 15% year-on-year) to 327.3 billion yen. This was mainly due to a decrease of 62.1 billion yen in operating profit being offset by a decrease of 98.7 billion yen in income tax expenses resulting from the reversal of uncertain income tax treatments (uncertain income tax positions) recognized in previous fiscal years.

3) Capital financing and liquidity

Cash and cash equivalents increased by 7.1 billion yen to 713.8 billion yen compared to the end of fiscal year 2024. The status of cash flow by business activity is described in "(1) Overview of operating results, etc."

Regarding financing, in addition to borrowings from financial institutions, we will continue to diversify our funding sources to diversify risks and reduce interest costs with methods such as direct financing through domestic corporate bonds and commercial paper, securitization of trade receivable, or leasing.

Funds will primarily be used with priority assigned to achieving sustainable growth and enhancing corporate value by enlisting strategic growth investment to focus on strengthening earning power and creating value, while building a sustainable premium brand. We will do this while utilizing funds to maintain a strong financial position and to return an appropriate level of profit to our shareholders.

4) Objective indicators for assessing the status of achievement of the management policy, management strategy and management goals

The revenue in the current fiscal year was 4,429.5 billion yen, a year-on-year decrease of 0.6 billion yen; adjusted operating profit was 493.7 billion yen, a year-on-year increase of 10.4 billion yen; adjusted operating profit ratio was 11.1%, a year-on-year increase of 0.2 percentage points; ROIC was 8.3%, a year-on-year increase of 0.2 percentage points; and ROE was 8.6%, a year-on-year increase of 0.5 percentage points.

As stated in “1. Management policy, management environment and issues to be addressed,” under its mission of “Serving Society with Superior Quality,” the Group has set forth a vision that states, “Toward 2050, Bridgestone continues to provide social value and customer value as a sustainable solutions company.” In accordance with this mission and vision, the Group aims to enhance the sustainability of both corporations and society by achieving quality growth (Full-year consolidated financial results forecasts for fiscal year 2026: 4,500.0 billion yen of revenue, 515.0 billion yen of adjusted operating profit, 11.4% of adjusted operating profit ratio, and 340.0 billion yen of profit attributable to owners of parent).

(Note)ROE is calculated based on the amount of profit attributable to owners of parent from continuing operations.

5. Important contracts, etc.

No item to report.

## 6. Research and development activities

The Group promotes R&D activities focused on strengthening product competitiveness, as well as advancing sustainability and the development of next-generation technologies.

In our tire business, we are strengthening the development and launch of new products in response to the needs of customers and markets. As an example, in 2025, we launched new product across each product category of our passenger car tires in the U.S., such as “TURANZA PRESTIGE,” a flagship product of touring all-season tire, “TURANZA EVERDRIVE,” a basic tire and “ALENZA PRESTIGE,” an all-season tire for premium CUV/SUV/pick-up truck. Also in Japan, we have launched “BLIZZAK WZ-1,” a premium studless tire for passenger cars. We will continue to strengthen the development and launch of products that are attractive to each market and customer. In addition, we position our motorsports activities as a “mobile laboratory” and are strengthening our technology development through these activities. In August 2025, at the 2025 Bridgestone World Solar Challenge, the world’s premier solar car race held in Australia, we developed and supplied tires with a recycled and renewable material ratio of over 65%. These tires used recycled carbon black and recycled steel in tire materials for the first time at Bridgestone. In addition, we promoted initiatives to enhance sustainability across the entire value chain, such as low-carbon transportation, reduction in the number of tires used and the recycling of used tires into rubber flooring. These initiatives are being driven through co-creation with our partner companies.

To achieve resource circularity, we are advancing the development of chemical recycling technologies that renew used tires into raw materials. In January 2025, we decided on the construction of a pilot demonstration plant for the precision pyrolysis of used tires at our Seki Plant in Seki City, Gifu. In October, we held a groundbreaking ceremony. Operations are scheduled to commence in 2027. In the pilot demonstration plant, we continue our efforts to establish technology that can be used for the mass production of tire-derived oil and recycled carbon black. This project is supported by the “Green Innovation Fund” of the New Energy and Industrial Technology Development Organization (NEDO).

As for our environmental activities, we are promoting our response to TRWP (Tire and Road Wear Particles). We have developed a unique vehicle collection method that enables the efficient collection of TRWP by utilizing the B-Mobility proving ground at the Bridgestone Innovation Park in 2025. Through these activities, we are accelerating our efforts to identify the environmental impacts of TRWP. Furthermore, through the tire industry project under the WBCSD (World Business Council for Sustainable Development), we are engaged in research into the physical and chemical characteristics of TRWP and their environmental impact. We also actively participate in initiatives by regional industry associations and collaborate on the development of International Standards (ISO) for globally harmonized evaluation test methods. In addition, as part of the Group’s own initiatives, we will continuously strengthen our approach to reducing TRWP by expanding our lineup of long-life products and enhancing collaboration with our solutions business. Furthermore, regarding 6PPD (an antioxidant and antiozonant widely used in the tire industry), we are leading industry-wide efforts through the tire industry project and other initiatives, while also working on the development of alternatives through our own unique approach.

In the solutions business, we are promoting the development of commercial BtoB solutions (mining, aviation, and truck & buses). Particularly, in mining and aviation solutions, we are focusing on developing services that enhance operational safety and productivity by deploying digital tools for vehicle and tire monitoring, individual tire management, and by proposing safer and more efficient tire usage and maintenance operations.

We are also advancing the development of the next-generation tire “AirFree,” which does not need air-filling. In order to achieve the social implementation of “AirFree,” we are conducting demonstration experiments in collaboration with local communities such as Toyama City (Toyama Prefecture) and Kurume City (Fukuoka Prefecture). Additionally, we are progressing with the research and development of lunar rover tires, conducting ground testing and simulations.

Moving forward, we will continue to promote R&D activities in various fields, including product development, manufacturing, materials, and solutions, while strengthening co-creation with partners internally and externally such as industry, government, academia and the private sector, with the aim of creating innovative technologies and new value.

R&D expenses for the Group as a whole for fiscal year 2025 totaled 126.4 billion yen.

(Note) Since some of the Group's R&D activities are not tied to specific segments and the results of such activities may appear in multiple segments, the description of their status and amounts by segment has not been included.

### III. Facilities

#### 1. Overview of capital expenditures

When considering capital investment, the Group carries out strategic investment activities while exercising financial discipline with an eye towards maximizing return on capital investment. Based on this approach, for the current fiscal year we focused on laying the foundation for future growth even amid rising global uncertainty, including the impact of U.S. tariffs. We carried out investments to enhance product competitiveness and manufacturing capabilities in our tire business, expand value creation in our solutions business, and build IT infrastructure to improve productivity, etc. As a result, total capital investment was 365.9 billion yen.

On a per-segment basis, the Group's capital investment consisted of: Japan: 87.5 billion yen; Asia-Pacific, India and China: 41.1 billion yen; the Americas: 144.0 billion yen; Europe, the Middle East and Africa: 44.8 billion yen; Others: 48.5 billion yen.

## 2. Major facilities

### (1) The Company

(As of December 31, 2025)

Name of business location	Location	Name of segment	Description of facilities	Carrying amount (Yen in millions)						Number of employees
				Buildings and structures	Machinery and vehicles	Land (Area in thousands of m <sup>2</sup> )	Other	Right-of-use assets (Area in thousands of m <sup>2</sup> )	Total	
Kurume Plant	Kurume, Fukuoka	Japan	Production facilities	8,260	4,764	1,043 (457)	1,155	136 (11)	15,358	996
Tokyo AC Tire Plant	Kodaira, Tokyo	Japan	Production facilities	2,541	1,173	–	318	4 (0)	4,036	210
Yokohama Plant	Totsuka-ku, Yokohama	Japan	Production facilities	9,748	1,071	2,841 (227)	592	3,066 (1)	17,318	276
Nasu Plant	Nasushiobara, Tochigi	Japan	Production facilities	4,037	5,428	1,220 (195)	957	373 (40)	12,016	749
Hikone Plant	Hikone, Shiga	Japan	Production facilities	10,593	11,748	1,162 (654)	2,923	695 (–)	27,121	1,410
Shimonoseki Plant	Shimonoseki, Yamaguchi	Japan	Production facilities	13,386	4,271	3,930 (270)	1,977	51 (–)	23,615	784
Tosu Plant	Tosu, Saga	Japan	Production facilities	2,721	5,822	948 (182)	2,121	8 (2)	11,619	775
Tochigi Plant	Nasushiobara, Tochigi	Japan	Production facilities	4,926	7,299	1,372 (151)	1,628	3,950 (444)	19,175	868
Kumamoto Plant	Tamana, Kumamoto	Japan	Production facilities	2,434	2,885	1,653 (141)	572	351 (6)	7,895	592
Amagi Plant	Asakura, Fukuoka	Japan	Production facilities	4,743	6,161	1,104 (388)	966	10 (1)	12,984	930
Hofu Plant	Hofu, Yamaguchi	Japan	Production facilities	6,667	7,793	1,515 (482)	1,821	1,325 (–)	19,122	1,011
Seki Plant	Seki, Gifu	Japan	Production facilities	1,453	1,085	2,709 (150)	93	6 (–)	5,345	224
Saga Plant	Miyaki-gun, Saga	Japan	Production facilities	5,117	3,762	2,908 (236)	361	14 (–)	12,161	549
Kitakyushu Plant	Wakamatsu-Ku, Kitakyushu	Japan	Production facilities	11,885	4,364	4,703 (374)	1,309	17 (–)	22,278	573
Technical Center	Kodaira, Tokyo	Corporate	Other facilities	34,763	12,437	2,010 (3,008)	9,969	3,743 (630)	62,922	2,642
Chemical & Industrial Products Technology Center	Totsuka-ku, Yokohama	Japan	Other facilities	2,585	237	–	61	–	2,883	431
Headquarters and others	Chuo-ku, Tokyo and others	Corporate	Other facilities	9,911	237	23,048 (238)	827	3,829 (12)	37,852	914

### (2) Domestic subsidiaries

(As of December 31, 2025)

Company name	Location	Name of segment	Description of facilities	Carrying amount (Yen in millions)						Number of employees
				Buildings and structures	Machinery and vehicles	Land (Area in thousands of m <sup>2</sup> )	Other	Right-of-use assets (Area in thousands of m <sup>2</sup> )	Total	
Bridgestone Sports Co., Ltd.	Chuo-ku, Tokyo and others	Japan	Production facilities and others	475	726	1,839 (57)	208	540 (–)	3,788	327
Bridgestone Cycle Co., Ltd.	Ageo, Saitama and others	Japan	Production facilities and others	–	3	597 (122)	1	–	601	390

(3) Overseas subsidiaries  
(Asia-Pacific, India and China)

(As of December 31, 2025)

Company name (Name of business location)	Location	Name of segment	Description of facilities	Carrying amount (Yen in millions)						Number of employees
				Buildings and structures	Machinery and vehicles	Land (Area in thousands of m <sup>2</sup> )	Other	Right-of-use assets (Area in thousands of m <sup>2</sup> )	Total	
Bridgestone (Tianjin) Tire Co., Ltd. (Tianjin Plant)	China	Asia-Pacific, India and China	Production facilities	5,560	14,844	–	2,249	715 (249)	23,368	1,092
Bridgestone (Wuxi) Tire Co., Ltd. (Wuxi Plant)	China	Asia-Pacific, India and China	Production facilities	5,796	16,893	–	2,985	527 (286)	26,200	1,343
Bridgestone India Private Ltd. (Pune Plant)	India	Asia-Pacific, India and China	Production facilities	10,021	11,822	–	2,292	3,409 (759)	27,544	1,603
Thai Bridgestone Co., Ltd. (Nong Khae Plant)	Thailand	Asia-Pacific, India and China	Production facilities	6,387	10,525	3,836 (1,215)	3,238	–	23,986	2,441
Bridgestone Tire Manufacturing (Thailand) Co., Ltd. (Chonburi Plant)	Thailand	Asia-Pacific, India and China	Production facilities	8,063	2,328	4,184 (611)	5,160	114 (–)	19,850	1,966
Bridgestone Specialty Tire Manufacturing (Thailand) Co., Ltd.	Thailand	Japan	Production facilities and others	12,454	6,620	5,612 (822)	2,308	30 (–)	27,024	748

(Americas)

(As of December 31, 2025)

Company name (Name of business location)	Location	Name of segment	Description of facilities	Carrying amount (Yen in millions)						Number of employees
				Buildings and structures	Machinery and vehicles	Land (Area in thousands of m <sup>2</sup> )	Other	Right-of-use assets (Area in thousands of m <sup>2</sup> )	Total	
Bridgestone Americas Tire Operations, LLC (Wilson Plant)	U.S.	Americas	Production facilities	14,133	33,957	21 (1,803)	1,217	206 (-)	49,533	1,639
Bridgestone Americas Tire Operations, LLC (Warren Plant)	U.S.	Americas	Production facilities	11,043	12,667	628 (3,662)	445	1,506 (-)	26,289	1,101
Bridgestone Americas Tire Operations, LLC (Aiken Plant)	U.S.	Americas	Production facilities	20,595	16,921	1,193 (2,353)	636	119 (-)	39,464	1,642
Bridgestone Americas Tire Operations, LLC (Aiken Off Road Plant)	U.S.	Americas	Production facilities	37,650	6,522	1,636 (2,206)	241	100 (-)	46,149	526
Bridgestone Canada Inc. (Joliette Plant)	Canada	Americas	Production facilities	19,983	23,176	8 (552)	1,970	30 (-)	45,168	1,512
Bridgestone de Mexico, S.A. DE C.V. (Cuernavaca Plant)	Mexico	Americas	Production facilities	10,445	19,950	4 (368)	1,265	24 (-)	31,687	1,609
Bridgestone do Brasil Industria e Comercio LTDA. (Sao Paulo Plant)	Brazil	Americas	Production facilities	5,949	19,100	93 (291)	1,847	901 (-)	27,890	2,070
Bridgestone do Brasil Industria e Comercio LTDA. (Bahia Plant)	Brazil	Americas	Production facilities	14,898	18,851	15 (1,000)	1,499	62 (-)	35,325	1,026
Firestone Polymers, LLC (Lake Charles Plant)	U.S.	Americas	Production facilities	12,423	8,543	0 (324)	386	-	21,352	303
Bridgestone Americas Tire Operations, LLC (Technical Center)	U.S.	Americas	Other facilities	12,260	6,401	265 (25,145)	357	13 (-)	19,297	440

## (Europe, Middle East and Africa)

(As of December 31, 2025)

Company name (Name of business location)	Location	Name of segment	Description of facilities	Carrying amount (Yen in millions)						Number of employees
				Buildings and structures	Machinery and vehicles	Land (Area in thousands of m <sup>2</sup> )	Other	Right-of-use assets (Area in thousands of m <sup>2</sup> )	Total	
Bridgestone Poznan Sp. z o.o. (Poznan Plant)	Poland	Europe, Middle East and Africa	Production facilities	27,258	19,696	256 (35)	3,530	2,893 (303)	53,633	1,738
Bridgestone Stargard Sp. z o.o. (Stargard Plant)	Poland	Europe, Middle East and Africa	Production facilities	16,609	1,019	768 (1,000)	388	434 (-)	19,217	1,025
Bridgestone Tatabanya Kft. (Tatabanya Plant)	Hungary	Europe, Middle East and Africa	Production facilities	13,488	6,804	1,585 (659)	3,257	158 (-)	25,291	1,130
Bridgestone Hispania Manufacturing, S.L.U. (Bilbao Plant)	Spain	Europe, Middle East and Africa	Production facilities	3,771	568	11 (150)	157	610 (-)	5,117	565
Bridgestone Hispania Manufacturing, S.L.U. (Burgos Plant)	Spain	Europe, Middle East and Africa	Production facilities	8,153	25,668	- (301)	3,983	1,934 (-)	39,738	1,465
Bridgestone Europe NV/SA (Technical Center)	Italy	Europe, Middle East and Africa	Other facilities	11,337	10,250	1,393 (1,749)	491	512 (-)	23,981	600

(Notes) 1. The amounts are based on carrying amounts excluding construction in progress.

2. Land for the Company's Tokyo AC Tire Plant is presented as part of the Technical Center because their plots are not separated.
3. Land for the Company's Technical Center includes 2,497,000 m<sup>2</sup> of land, as well as 630,000 m<sup>2</sup> of land recorded as right-of-use assets, for test course sites under its management (located in Shibetsu, Hokkaido and Nasushiobara, Tochigi).
4. Land for the Company's Chemical & Industrial Products Technology Center is presented as part of the Yokohama Plant because their plots are not separated.
5. Land for Bridgestone Americas Tire Operations, LLC's Technical Center includes 24,281,000 m<sup>2</sup> of land for test course sites.
6. No major facilities are currently idle.

### 3. Plans for addition and retirement of facilities

Plans for addition and retirement of facilities in the next fiscal year (January 1, 2026 to December 31, 2026) are as follows.

#### (1) Additions

The breakdown by segment is as follows.

Name of segment	Amount of planned capital expenditures (Yen in millions)	Key descriptions and purposes of facilities, etc.
Japan	107,000	Investments to enhance product competitiveness and manufacturing capabilities in our tire business, expand value creation in our solutions business, and build IT infrastructure to improve productivity, etc.
Asia-Pacific, India and China	49,000	The same as above
Americas	159,000	The same as above
Europe, Middle East and Africa	42,000	The same as above
Other	53,000	The same as above
Total	410,000	—

(Notes) 1. The amount of planned capital expenditures in the Japan segment includes the amounts of planned capital expenditures at tire plants in Japan that produce tires for other segments.

2. Funds required for the planned capital expenditures are scheduled to be covered by funds on hand, borrowings, leases and bonds.

#### (2) Retirements

There are no plans for the retirement or sale of significant facilities, except for the retirement or sale of facilities for recurring upgrades.

#### IV. Status of the Company

##### 1. Shares of the Company

###### (1) Total number of shares authorized, etc.

###### 1) Total number of shares authorized

Class	Total number of shares authorized to be issued (Shares)
Common stock	1,450,000,000
Total	1,450,000,000

(Note) In accordance with a resolution made at the Board of Directors meeting held on November 12, 2025, the Company carried out a stock split and partial amendment to the Articles of Incorporation in conjunction with the stock split as of January 1, 2026. As a result, the total number of authorized shares of the Company increased by 1,450,000,000 to 2,900,000,000.

###### 2) Total number of shares issued

Class	Number of shares issued as of the end of the fiscal year (Shares) (December 31, 2025)	Number of shares issued as of the filing date (Shares) (March 18, 2026)	Stock exchange on which the Company is listed or authorized financial instruments business association to which the Company is registered	Details
Common Stock	713,698,221	1,334,037,042	Tokyo Stock Exchange (Prime Market) Fukuoka Stock Exchange	Number of shares per unit: 100 shares
Total	713,698,221	1,334,037,042	–	–

(Notes) 1. In accordance with a resolution made at the Board of Directors meeting held on November 12, 2025, the Company carried out a stock split of common shares at a 2-for-1 ratio on January 1, 2026. As a result, the total number of shares issued increased by 713,698,221 shares to 1,427,396,442 shares.

2. In accordance with a resolution made at the Board of Directors meeting held on February 17, 2025, the Company carried out the cancellation of treasury stock on January 23, 2026. As a result, the total number of shares issued decreased by 93,359,400 shares to 1,334,037,042 shares.

## (2) Stock acquisition rights

## 1) Stock option plans

Date of resolution	March 26, 2009	March 30, 2010	March 29, 2011
Classification and number of eligible individuals	Members of the Board of the Company: 9 Vice President-Officers not concurrently serving as members of the Board of the Company: 20	Members of the Board of the Company: 8 Vice President-Officers not concurrently serving as members of the Board of the Company: 25	Members of the Board of the Company: 9 Vice President-Officers not concurrently serving as members of the Board of the Company: 36
Number of stock acquisition rights (Notes 1 and 2)	57 units	60 units	280 units [270 units]
Type, details, and number of shares underlying the stock acquisition rights (Notes 1 and 3)	Common stock 5,700 shares [11,400 shares]	Common stock 6,000 shares [12,000 shares]	Common stock 28,000 shares [54,000 shares]
Exercise price (Note 1)	1 yen	Same as left	Same as left
Exercise period (Note 1)	From May 1, 2009 to April 30, 2029	From May 6, 2010 to April 30, 2030	From May 2, 2011 to April 30, 2031
Issue price and amount of common stock to be increased when shares are issued upon exercise of the stock acquisition rights (Note 1)	Issue price: 1,265 yen [633 yen] Amount of common stock to be increased: 633 yen [317 yen]	Issue price: 1,401 yen [701 yen] Amount of common stock to be increased: 701 yen [351 yen]	Issue price: 1,657 yen [829 yen] Amount of common stock to be increased: 829 yen [415 yen]
Exercise conditions (Note 1)	(Note 4)	Same as left	Same as left
Matters concerning transfer of stock acquisition rights (Note 1)	Any acquisition of the stock acquisition rights through transfer must be approved by the Company's Board of Directors. (Note 5)	Same as left	Same as left
Matters concerning granting of stock acquisition rights in the event of reorganization (Note 1)	-	-	-

Date of resolution	March 27, 2012	March 26, 2013	March 25, 2014
Classification and number of eligible individuals	Members of the Board of the Company: 9 Vice President-Officers not concurrently serving as members of the Board of the Company: 35	Members of the Board of the Company excluding outside directors: 4 Vice President-Officers not concurrently serving as members of the Board of the Company: 36	Members of the Board of the Company excluding outside directors: 4 Vice President-Officers not concurrently serving as members of the Board of the Company: 46
Number of stock acquisition rights (Notes 1 and 2)	497 units [493 units]	826 units [758 units]	647 units [624 units]
Type, details, and number of shares underlying the stock acquisition rights (Notes 1 and 3)	Common stock 49,700 shares [98,600 shares]	Common stock 82,600 shares [151,600 shares]	Common stock 64,700 shares [124,800 shares]
Exercise price (Note 1)	1 yen	Same as left	Same as left
Exercise period (Note 1)	From May 1, 2012 to April 30, 2032	From May 1, 2013 to April 30, 2033	From May 1, 2014 to April 30, 2034
Issue price and amount of common stock to be increased when shares are issued upon exercise of the stock acquisition rights (Note 1)	Issue price: 1,649 yen [825 yen] Amount of common stock to be increased: 825 yen [413 yen]	Issue price: 3,314 yen [1,657 yen] Amount of common stock to be increased: 1,657 yen [829 yen]	Issue price: 3,154 yen [1,577 yen] Amount of common stock to be increased: 1,577 yen [789 yen]
Exercise conditions (Note 1)	(Note 4)	Same as left	Same as left
Matters concerning transfer of stock acquisition rights (Note 1)	Any acquisition of the stock acquisition rights through transfer must be approved by the Company's Board of Directors. (Note 5)	Same as left	Same as left
Matters concerning granting of stock acquisition rights in the event of reorganization (Note 1)	-	-	-

Date of resolution	March 24, 2015	April 21, 2016	April 27, 2017
Classification and number of eligible individuals	Members of the Board of the Company excluding outside directors: 3 Vice President-Officers not concurrently serving as members of the Board of the Company: 48	Members of the Board of the Company excluding non-executive members of the Board: 2 Executive officers of the Company not concurrently serving as members of the Board: 8 Vice President-Officers of the Company not concurrently serving as executive officers: 41	Plan A Members of the Board of the Company excluding non-executive members of the Board: 2 Executive officers of the Company not concurrently serving as members of the Board: 5 Vice President-Officers of the Company not concurrently serving as executive officers: 45
Number of stock acquisition rights (Notes 1 and 2)	716 units [711 units]	1,257 units [1,227 units]	Plan A 1,573 units
Type, details, and number of shares underlying the stock acquisition rights (Notes 1 and 3)	Common stock 71,600 shares [142,200 shares]	Common stock 125,700 shares [245,400 shares]	Common Stock Plan A 157,300 shares [314,600 units]
Exercise price (Note 1)	1 yen	Same as left	Same as left
Exercise period (Note 1)	From May 1, 2015 to April 30, 2035	From May 7, 2016 to May 6, 2036	Plan A From May 13, 2017 to May 12, 2037
Issue price and amount of common stock to be increased when shares are issued upon exercise of the stock acquisition rights (Note 1)	Issue price: 4,100 yen [2,050 yen] Amount of common stock to be increased: 2,050 yen [1,025 yen]	Issue price: 2,885 yen [1,443 yen] Amount of common stock to be increased: 1,443 yen [722 yen]	Plan A Issue price: 3,578 yen [1,789 yen] Amount of common stock to be increased: 1,789 yen [895 yen]
Exercise conditions (Note 1)	(Note 4)	Same as left	Same as left
Matters concerning transfer of stock acquisition rights (Note 1)	Any acquisition of the stock acquisition rights through transfer must be approved by the Company's Board of Directors. (Note 5)	Same as left	Same as left
Matters concerning granting of stock acquisition rights in the event of reorganization (Note 1)	—	—	—

(Notes) 1. The information is as of the end of the current fiscal year (December 31, 2025). As for the information that has changed between the end of the current fiscal year and the last day of the month prior to the filing date (February 28, 2026), the information as of the last day of the month prior to the filing date is presented in brackets. For all other matters, there has been no change in the information since the end of the current fiscal year.

2. The number of shares underlying each stock acquisition right is 100.

3. In case of the following events subsequent to the day of allotment, the number of shares to be granted shall be adjusted accordingly.

(1) If the Company conducts a share split (including a gratis allotment of shares; hereinafter the same for share splits) or share consolidation, the number of shares to be granted shall be adjusted in accordance with the following formula, and the total number of shares underlying the stock acquisition rights shall be the number of shares to be granted after adjustment multiplied by the total number of stock acquisition rights yet to be exercised or acquired by the Company.

Number of shares to be granted after adjustment = Number of shares to be granted before adjustment × Ratio of share split or consolidation

(Any fractions less than one share shall be rounded down when calculating the number of shares to be granted.)

- (2) In case of a compelling event that requires an adjustment to the number of shares to be granted, such as the Company reducing its common stock or conducting a merger or company split, the number of shares to be granted shall be adjusted to a reasonable extent, taking account of the factors such as the conditions of the reduction in common stock, the merger or company split, and the total number of shares underlying the stock acquisition rights shall be the number of shares to be granted after adjustment multiplied by the total number of stock acquisition rights yet to be exercised or acquired by the Company. Any fractions less than one share shall be rounded down when calculating the number of shares to be granted.
4. (1) Even during the exercise period, a stock acquisition right holder may not exercise his/her stock acquisition rights while he/she is holding a position of member of the Board, executive officer, or vice president-officer (currently vice president and senior officer) of the Company (including the day on which he/she retires).
- (2) Stock acquisition rights may not be exercised in part.
- (3) Other exercise conditions are prescribed in the stock acquisition right allotment agreement executed between the Company and the stock acquisition right holder.
5. Other details are prescribed in the subscription requirements and the stock acquisition right allotment agreement executed between the Company and the stock acquisition right holder.
6. In accordance with a resolution made at the Board of Directors meeting held on November 12, 2025, the Company carried out a stock split of common shares at a 2-for-1 ratio on January 1, 2026. Consequently, the “type, details, and number of shares underlying the stock acquisition rights,” and the “issue price and amount of common stock to be increased when shares are issued upon exercise of the stock acquisition rights” have been adjusted.

## 2) Shareholder rights plans

No item to report.

## 3) Other stock acquisition rights

No item to report.

## (3) Exercises of moving strike convertible bonds

No item to report.

## (4) Changes in the total number of shares issued, common stock and legal capital surplus

Date	Increase (decrease) in the total number of shares issued (Thousands of shares)	Total number of shares issued (Thousands of shares)	Increase (decrease) in common stock (Yen in millions)	Balance of common stock (Yen in millions)	Increase (decrease) in legal capital surplus (Yen in millions)	Balance of legal capital surplus (Yen in millions)
January 21, 2020 (Note 1)	(47,838)	713,698	–	126,354	–	122,079

(Notes) 1. The decreases are due to retirements of treasury stock.

2. On January 1, 2026, the Company carried out a stock split of common shares at a 2-for-1 ratio and the total number of shares issued increased by 713,698 thousand shares.

3. On January 23, 2026, the Company carried out retirements of treasury stock and the total number of shares issued decreased by 93,359 thousand shares.

## (5) Distribution of shares by shareholder category

(As of December 31, 2025)

Category	Status of shares (Number of shares per unit: 100 shares)							Number of shares less than one unit (shares)	
	National and local governments	Financial institutions	Financial instruments business operators	Other corporations	Foreign shareholders		Individuals and others		Total
					Other than individuals	Individuals			
Number of shareholders	1	210	38	1,108	960	324	116,859	119,500	–
Number of share units held	8	1,883,336	343,316	1,017,266	2,059,042	1,647	1,822,847	7,127,462	952,021
Ratio to total shares (%)	0.00	26.42	4.82	14.27	28.89	0.02	25.57	100.00	–

(Notes) 1. Treasury stock (75,416,348 shares) is included in “Individuals and others” (754,163 units) and “Number of shares less than one unit” (48 shares). All 75,416,348 shares of treasury stock were the shares effectively held as of December 31, 2025.

2. “Other corporations” and “Number of shares less than one unit” include 16 units and 20 shares registered in the name of Japan Securities Depository Center, Inc., respectively.

## (6) Major shareholders

(As of December 31, 2025)

Name	Address	Number of shares held (Thousands of shares)	Ratio of the number of shares held to the total number of shares issued (excluding treasury stock) (%)
The Master Trust Bank of Japan, Ltd. (Trust account)	1-8-1 Akasaka, Minato-ku, Tokyo	98,864	15.49
Ishibashi Foundation	1-7-2 Kyobashi, Chuo-ku, Tokyo	76,693	12.02
Custody Bank of Japan, Ltd. (Trust account)	1-8-12 Harumi, Chuo-ku, Tokyo	34,796	5.45
Nagasaka Corporation	1-7-2 Kyobashi, Chuo-ku, Tokyo	16,325	2.56
Nippon Life Insurance Company	1-6-6 Marunouchi, Chiyoda-ku, Tokyo	13,218	2.07
STATE STREET BANK AND TRUST COMPANY 505001 (Standing proxy: Settlement & Clearing Services Department, Mizuho Bank, Ltd.)	ONE CONGRESS STREET, SUITE 1, BOSTON, MASSACHUSETTS (2-15-1 Konan, Minato-ku, Tokyo)	12,490	1.96
Barclays Securities Japan Limited BNYM	6-10-1 Roppongi, Minato-ku, Tokyo	11,000	1.72
JP MORGAN CHASE BANK 385781 (Standing proxy: Settlement & Clearing Services Department, Mizuho Bank, Ltd.)	25 BANK STREET, CANARY WHARF, LONDON, E14 5JP, UNITED KINGDOM (2-15-1 Konan, Minato-ku, Tokyo)	8,166	1.28
SMBC Nikko Securities Inc.	3-3-1 Marunouchi, Chiyoda-ku, Tokyo	7,676	1.20
National Mutual Insurance Federation of Agricultural Cooperatives	2-7-9, Hirakawacho, Chiyoda-ku, Tokyo	7,518	1.18
Total	—	286,747	44.92

- (Notes) 1. Ishibashi Foundation is a public interest incorporated foundation, established for the purpose of contributing to the sound development of society through business that popularizes and improves fine arts as well as through donation and grants program that support artistic, cultural and educational activities.
2. Shares held by trust banks include shares owned in the trustees' capacity.
3. The Company holds 75,416 thousand shares of treasury stock, which are not included in the table above.
4. On January 1, 2026, the Company carried out a stock split of common shares at a 2-for-1 ratio. The number of shares held listed above is based on the number of shares held prior to the stock split.

## (7) Voting rights

## 1) Total number of shares issued

(As of December 31, 2025)

Category	Number of shares	Number of voting rights (Units)	Details
Shares without voting rights	–	–	–
Shares with restricted voting rights (Treasury stock, etc.)	–	–	–
Shares with restricted voting rights (Other)	–	–	–
Shares with full voting rights (Treasury stock, etc.)	(Own holdings of treasury stock) Common stock 75,416,300	–	–
	(Cross-shareholdings) Common stock 10,000	–	
Shares with full voting rights (Other)	Common stock 637,319,900	6,373,199	–
Shares less than one unit	Common stock 952,021	–	–
Total number of shares issued	713,698,221	–	–
Total number of voting rights	–	6,373,199	–

(Note) The number of shares in the “Shares with full voting rights (Other)” field includes 1,600 shares registered in the name of Japan Securities Depository Center, Inc. The number of voting rights includes 16 units of voting rights relating to shares with full voting rights registered in the name of Japan Securities Depository Center, Inc.

## 2) Treasury stock

(As of December 31, 2025)

Name of shareholder	Address	Number of shares held under own name	Number of shares held under the names of others	Total number of shares held	Ratio of the number of shares held to the total number of shares issued (%)
Bridgestone Corporation	3-1-1 Kyobashi, Chuo-ku, Tokyo	75,416,300	–	75,416,300	10.57
Bridgestone Tire Nagano Sales Co., Ltd.	2-18-20 Koyaminami, Matsumoto City, Nagano	10,000	–	10,000	0.00
Total	–	75,426,300	–	75,426,300	10.57

## 2. Acquisition of treasury stock, etc.

[Class of stock] Acquisition of common stock pursuant to Article 155, items (iii), (vii) and (xiii) of the Companies Act

### (1) Acquisition by resolution of the Shareholders' Meeting

No item to report.

### (2) Acquisition by resolution of the Board of Directors

Acquisition of common stock pursuant to Article 155, item (iii) of the Companies Act

Category	Number of shares	Total amount (Yen)
Resolution at the Board of Directors (February 17, 2025) (Timing: February 20 to December 23, 2025)	Up to 75,000,000	Up to 300,000,000,000
Treasury stock acquired prior to the current fiscal year	–	–
Treasury stock acquired in the current fiscal year	46,679,700	299,999,676,900
Total number of shares and total amount of outstanding shares of resolution	28,320,300	323,100
Ratio of non-exercised portion at the end of the current fiscal year (%)	37.8	0.0
Treasury stock acquired during the period after the reporting period to the Filing Date	–	–
Ratio of non-exercised portion as of the Filing Date (%)	37.8	0.0

(Note) On January 1, 2026, the Company carried out a stock split of common shares at a 2-for-1 ratio. Treasury stock acquired in the current fiscal year is based on the number of shares prior to the stock split.

Category	Number of shares	Total amount (Yen)
Resolution at the Board of Directors (February 16, 2026) (Timing: February 17 to August 31, 2026)	Up to 60,000,000	Up to 150,000,000,000
Treasury stock acquired prior to the current fiscal year	–	–
Treasury stock acquired in the current fiscal year	–	–
Total number of shares and total amount of outstanding shares of resolution	–	–
Ratio of non-exercised portion at the end of the current fiscal year (%)	–	–
Treasury stock acquired during the period after the reporting period to the Filing Date	1,101,100	4,065,782,600
Ratio of non-exercised portion as of the Filing Date (%)	98.2	97.3

(Note) Treasury stock acquired during the period after the reporting period to the Filing Date does not include shares acquired through the purchase of treasury stock between March 1, 2026 and the Filing Date of the Annual Securities Report.

(3) Items not based on resolution of the Shareholders' Meeting or Board of Directors

Acquisition of common stock pursuant to Article 155, item (vii) of the Companies Act

Category	Number of shares	Total amount (Yen)
Treasury stock acquired in the current fiscal year	1,150	7,184,030
Treasury stock acquired during the period after the reporting period to the Filing Date	1,431	5,092,514

(Notes) 1. Treasury stock acquired during the period after the reporting period to the Filing Date does not include shares acquired through demand for purchase of shares from shareholders holding less than one unit of shares between March 1, 2026 and the Filing Date of the Annual Securities Report.

2. On January 1, 2026, the Company carried out a stock split of common shares at a 2-for-1 ratio. Treasury stock acquired in the current fiscal year is based on the number of shares prior to the stock split; treasury stock acquired during the period after the reporting period to the Filing Date is based on the number of shares after the stock split.

Acquisition of common stock pursuant to Article 155, item (xiii) of the Companies Act

Category	Number of shares	Total amount (Yen)
Treasury stock acquired in the current fiscal year	1,710	–
Treasury stock acquired during the period after the reporting period to the Filing Date	–	–

(Notes) 1. This was an acquisition without contribution of some common stock allocated to the executive directors, directors and general managers as restricted share-based remuneration.

Treasury stock acquired during the period after the reporting period to the Filing Date does not include shares acquired through acquisition without contribution between March 1, 2026 and the Filing Date of the Annual Securities Report.

2. On January 1, 2026, the Company carried out a stock split of common shares at a 2-for-1 ratio. Treasury stock acquired in the current fiscal year is based on the number of shares prior to the stock split; treasury stock acquired during the period after the reporting period to the Filing Date is based on the number of shares after the stock split.

(4) Status of disposal and ownership of acquired treasury stock

Category	Current fiscal year		The period after the reporting period to the Filing Date	
	Number of shares	Total disposal amount (Yen)	Number of shares	Total disposal amount (Yen)
Acquired treasury stock that was offered to subscribers	–	–	–	–
Acquired treasury stock that was cancelled	–	–	93,359,400	268,585,657,860
Acquired treasury stock that was transferred due to merger, share exchange, share issuance and company split	–	–	–	–
Other				
(Through exercise of stock option)	75,900	393,432,592	28,000	80,553,110
(Through granting of Performance Share Unit)	12,100	59,989,799	–	–
(Through granting of Restricted Stock Unit, etc.)	8,700	42,902,841	–	–
(Through granting of restricted share-based remuneration)	38,200	180,387,658	50,900	147,215,016
Number of treasury stock held	75,416,348	–	58,496,927	–

(Notes) 1. The status of disposal and ownership of acquired treasury stock in the period after the reporting period to the Filing Date does not include treasury stock caused by the exercise of stock options between March 1, 2026 and the Filing Date of the Annual Securities Report, and treasury stock from sales due to demand for sales of shares from shareholders holding less than one unit of shares.

2. On January 1, 2026, the Company carried out a stock split of common shares at a 2-for-1 ratio. Treasury stock acquired in the current fiscal year is based on the number of shares prior to the stock split; treasury stock acquired during the period after the reporting period to the Filing Date is based on the number of shares after the stock split.

### 3. Dividend policy

Regarding the interests of shareholders as an important management priority, the Company follows a basic policy of strengthening our management base in preparation for future business developments while working to improve business results. In regard to distributing profit to shareholders, the Company will prioritize the realization of sustainable growth and enhancement of corporate value mainly by strengthening earning power, focusing on creating value, and conducting strategic growth investments in order to build a sustainable premium brand, which will lead to maintaining an appropriate financial position and enhancing shareholder returns. In determining dividend payments, the Company comprehensively evaluates factors including business results, financial positions for the relevant fiscal period, medium-term earnings forecasts, investment plans, and cash flows. Based on these considerations, the Company strives to live up to the expectations of shareholders by striving to achieve stable and continuous increases of dividend payments targeting a consolidated payout ratio of 50% by sustainably enhancing our corporate value.

The Company pays dividends of surplus twice a year, comprising year-end and interim dividends. Year-end dividends are subject to a resolution of the Annual Shareholders' Meeting, while interim dividends are subject to a resolution of the Board of Directors. In addition, the Articles of Incorporation prescribe that the Company may, by resolution of the Board of Directors, distribute interim dividends with the date of record for such dividends being June 30 each year.

Based on the above policy, for the dividend for the 107th Fiscal Period, the Company plans to pay an interim dividend of 115 yen per share and a year-end dividend of 115 yen per share. The year-end dividend is planned to be implemented subject to a resolution of the 107th Annual Shareholders' Meeting scheduled to be held on March 24, 2026.

As a result, the annual dividend including the interim dividends is 230 yen per share. The appropriation of surplus through dividends relating to the current fiscal year is as follows.

Date of resolution	Total dividend amount (Yen in millions)	Dividend per share (Yen)
August 8, 2025: Resolution of the Board of Directors	76,704	115
March 24, 2026: Resolution of the Annual Shareholders' Meeting (scheduled)	73,402	115

(Note) On January 1, 2026, the Company carried out a stock split of common shares at a 2-for-1 ratio. The dividend per share is based on the actual amount of dividend paid before the stock split.

## 4. Status of corporate governance

### (1) Overview of corporate governance

#### 1) Basic approach to corporate governance and implementation of measures

##### a. Basic approach to corporate governance

The Company considers the enhancement of corporate governance to be one of its most important management priorities. The Company believes that working to improve management quality and enhance the transparency of decision-making is indispensable and, accordingly, continually strives to strengthen corporate governance. This ensures that the Group continues to fulfill its founding mission as stated in the Bridgestone Essence (corporate philosophy): “Serving Society with Superior Quality.”

Based on this approach, in accordance with the responsibility and authority delineated in the Administrative Authority Rules, and in line with the Policy Management Rules, the Company is committed to developing, communicating, and abiding by fair, transparent decision-making and management policies and governs the behavior of the entire executive organization.

##### b. Overview of the corporate governance system

In March 2016, the Company transitioned to the “Company with Nominating Committee, etc.” model of corporate governance, and has subsequently made continuous efforts to strengthen its corporate governance system. As part of these efforts, the Company amended its Articles of Incorporation at the Annual Shareholders’ Meeting held on March 26, 2021, abolishing the Chairman of the Board system in favor of a system in which the chairperson of the Shareholders’ Meeting and the chairperson of the Board of Directors are each appointed according to their respective roles.

These changes were made to continue enriching explanations on the Company’s management to its shareholders by selecting the chairperson of the Shareholders’ Meeting from among representative executive officers at a meeting of the Board of Directors, and to further enhance the function of overseeing execution by appointing the chairperson of the Board of Directors from among members of the Board (including outside directors) at a meeting of the Board of Directors.

These amendments also expressly state in the Articles of Incorporation that the Board of Directors will appoint the persons that convene the Shareholders’ Meeting and meetings of the Board of Directors.

At the Annual Shareholders’ Meeting scheduled to be held on March 24, 2026, the Company plans to elect 12 members of the Board (nine men and three women) were elected, including eight outside directors (five men and three women). In accordance with the aforementioned amendments to the Articles of Incorporation, the chairperson of the Shareholders’ Meeting, the chairperson of the Board of Directors, and the persons that convene Shareholders’ Meeting and meetings of the Board of Directors are planned to be appointed via resolution by the Board of Directors.

In addition, items related to decisions on basic management policies, important business execution matters, and other matters that must be determined by the Board of Directors are stipulated in the Articles of Incorporation, the Board of Directors’ Rules, and Administrative Authority Rules. These matters are determined after careful deliberations by the Board of Directors.

The Company has established and maintains a corporate governance system that functions through the appropriate, active performance of duties by the Nominating Committee, the Audit Committee, and the Compensation Committee, in conjunction with oversight of the executive officers and members of the Board by the Board of Directors. As of the filing date of this Annual Securities Report, the Nominating Committee has four members, all of whom are outside directors. This committee determines standards and policies for the fair and transparent appointment and dismissal of members of the Board and makes appropriate proposals to the Board of Directors for the appointment and dismissal of the representative executive officers under a fair and transparent succession plan. In addition, the Audit Committee has six members, consisting of four outside directors and two internal non-executive members of the Board (both of whom serve as full-time members of the Audit Committee). This committee conducts audits regarding the business execution of

executive officers and the execution of duties of members of the Board. Furthermore, the Compensation Committee has four members, all of whom are outside directors. This committee deliberates on such matters as the details of remuneration for members of the Board and executive officers.

In addition, to further increase the transparency of corporate governance, the Governance Committee and the Compliance Committee have been established as advisory committees to the Board of Directors. These advisory committees to the Board of Directors deliberate on the corporate governance system and related matters and on compliance activities as a whole and submit reports to the Board of Directors. As of the filing date of this Annual Securities Report, both advisory committees are each composed of all eight outside directors, and two internal non-executive members of the Board, who are full-time members of the Audit Committee, participate as observers.

The composition of the Board of Directors and each committee as of March 18, 2026 (the filing date of this Annual Securities Report) is as follows.

Name	Position	Board of Directors	Nominating Committee	Compensation Committee	Audit Committee	Governance Committee	Compliance Committee
Shuichi Ishibashi	Member of the Board (Non-executive Officer)	○	–	–	–	–	–
Masato Banno	Member of the Board (Executive Officer)	○	–	–	–	–	–
Scott Trevor Davis	Outside Director	◎	○	○	–	◎	○
Kenichi Masuda	Outside Director	○	◎	○	–	○	◎
Kenzo Yamamoto	Outside Director	○	○	◎	–	○	○
Yoko Suzuki	Outside Director	○	–	–	○	○	○
Yukari Kobayashi	Outside Director	○	–	–	○	○	○
Yasuhiro Nakajima	Outside Director	○	–	–	◎	○	○
Noriko Morikawa	Outside Director	○	–	–	○	○	○
Toshiaki Itagaki	Outside Director	○	○	○	–	○	○
Akira Matsuda	Member of the Board (Non-executive Officer)	○	–	–	○	–	–
Tsuyoshi Yoshimi	Member of the Board (Non-executive Officer)	○	–	–	○	–	–

(Note) ○ indicates a member, ◎ indicates the chairperson of the body (the chairperson of the Board of Directors or the chairperson of the committee).

Yasuhiro Morita, Global CEO and Representative Executive Officer, has been appointed as the chairperson of the Shareholders' Meeting.

The composition of the Board of Directors and each committee following the conclusion of the Annual Shareholders' Meeting scheduled for March 24, 2026, and the subsequent Board of Directors meeting is as follows.

Name	Position	Board of Directors	Nominating Committee	Compensation Committee	Audit Committee	Governance Committee	Compliance Committee
Yasuhiro Morita	Member of the Board (Executive Officer)*	○	–	–	–	–	–
Nobuyuki Tamura	Member of the Board (Executive Officer)	○	–	–	–	–	–
Scott Trevor Davis	Outside Director	◎	○	○	–	◎	○
Kenichi Masuda	Outside Director	○	◎	○	–	○	◎
Yoko Suzuki	Outside Director	○	–	–	○	○	○
Yukari Kobayashi	Outside Director	○	–	–	○	○	○
Yasuhiro Nakajima	Outside Director	○	–	–	◎	○	○
Noriko Morikawa	Outside Director	○	–	–	○	○	○
Toshiaki Itagaki	Outside Director	○	○	◎	–	○	○
Shigeki Mori	Outside Director	○	○	○	–	○	○
Akira Matsuda	Member of the Board (Non-executive Officer)	○	–	–	○	–	–
Tsuyoshi Yoshimi	Member of the Board (Non-executive Officer)	○	–	–	○	–	–

(Note) ○ indicates a member, ◎ indicates the chairperson of the body (the chairperson of the Board of Directors or the chairperson of the committee).

\* indicates the chairperson of the Shareholders' Meeting.

The following indicates attendance of members of the Board at meetings of the Board of Directors and statutory committees during the current fiscal year (January 1, 2025 to December 31, 2025) as of March 18, 2026 (the filing date of this Annual Securities Report).

Name	Board of Directors	Nominating Committee	Compensation Committee	Audit Committee
Shuichi Ishibashi	15 of 15 (100%)	–	–	–
Scott Trevor Davis	15 of 15 (100%)	12 of 13 (92%)	11 of 12 (92%)	–
Kenichi Masuda	15 of 15 (100%)	13 of 13 (100%)	12 of 12 (100%)	–
Kenzo Yamamoto	15 of 15 (100%)	13 of 13 (100%)	12 of 12 (100%)	–
Yoko Suzuki	15 of 15 (100%)	–	–	21 of 21 (100%)
Yukari Kobayashi	15 of 15 (100%)	–	–	21 of 21 (100%)
Yasuhiro Nakajima	15 of 15 (100%)	–	–	21 of 21 (100%)
Noriko Morikawa	11 of 11 (100%)	–	–	14 of 14 (100%)
Toshiaki Itagaki	11 of 11 (100%)	9 of 10 (90%)	9 of 9 (100%)	–
Akira Matsuda	15 of 15 (100%)	–	–	21 of 21 (100%)
Tsuyoshi Yoshimi	15 of 15 (100%)	–	–	21 of 21 (100%)

(Note) The attendance of Ms. Noriko Morikawa and Mr. Toshiaki Itagaki differs from other nominees as they were newly elected as Members of the Board at the 106th Annual Shareholders' Meeting on March 25, 2025, and Ms. Noriko Morikawa was appointed a member of the Audit Committee, and Mr. Toshiaki Itagaki was appointed a member of the Nominating Committee and a member of the Compensation Committee on the same date.

Matters considered at the Board of Directors and statutory and advisory committees are as follows:

<Board of Directors>

During the current fiscal year, the Board of Directors confirmed the progress of the Mid Term Business Plan (2024-2026), centered on reports from the Global CEO and Representative Executive Officer regarding discussions at the Global Executive Committee (hereinafter “Global EXCO”), which serves as the highest decision-making body for the business divisions, toward achieving the Mid-Long Term Business Strategy decided at the Board of Directors meeting in April 2020. At the same time, the Board of Directors received reports from the business divisions and engaged in intensive discussions regarding the current status and priority items of initiatives for realizing sustainability, status of IR activities, capital policy, and themes based on requests from outside directors (overview of IT infrastructure and solutions, summary of the cybersecurity incident involving a U.S. subsidiary). In addition, the Board of Directors supervises execution and makes necessary decisions particularly through deliberations on quarterly financial results and individual matters.

#### <Statutory Committees>

- Nominating Committee

While exchanging opinions on management strategies with executive officers in Japan and abroad, including the Global CEO, and with persons in charge of each business, the Committee carefully deliberated on the Board succession planning and proposals related to the election of representative executive officers (including the change of the Global CEO). The Committee then decided on proposals for the election of members of the Board to be submitted to the Annual Shareholders' Meeting, upon holding discussions on Board member composition including consideration of new nominees for members of the Board.

- Audit Committee

As described in “4 (3) 1) Audit by the Audit Committee.”

- Compensation Committee

As described in “4 (4) 1) d. Activities of the Compensation Committee.”

#### <Advisory Committees>

- Governance Committee

The Committee deliberates on the evaluation results of the effectiveness of the Board of Directors' functions and given matters, and makes recommendations to the Board of Directors, thereby leading to the continuous improvement of corporate governance. The Committee also evaluates the Company's efforts to improve its governance system and proposes to enhance its effectiveness. Specifically, it deliberates on the contents of the “Report on the Corporate Governance Code,” which explains the Company's initiatives and views on all the principles of the Corporate Governance Code, and reports its findings to the Board of Directors.

- Compliance Committee

The Committee oversees compliance-related systems and activities by receiving reports on, and discussing compliance activities in the Group, the penetration status of the Bridgestone Code of Conduct in the Group on a global basis, and the operation status of the BridgeLine, a whistleblowing system.

#### <Evaluation of the effectiveness of the Board of Directors>

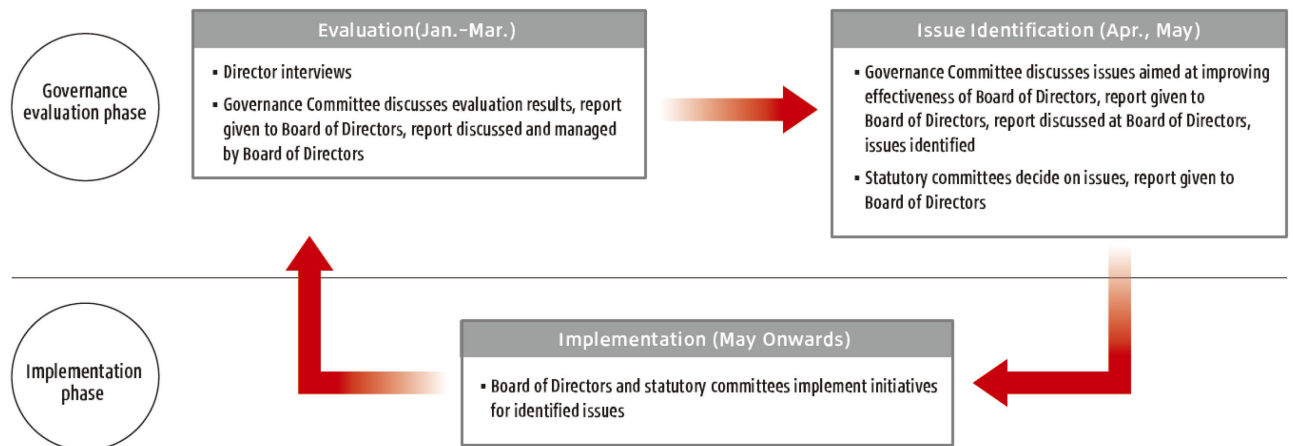
In evaluating the effectiveness of the Board of Directors, the Company recognizes that enhancement of governance is premised on the functioning of the Board of Directors as well as the statutory and advisory committees. Based on this understanding, the Company accordingly conducts functional assessment that comprehensively encompasses the Board of Directors as well as the statutory and advisory committees, taking into account deliberation outcomes of the Board of Directors and the respective committees, as well as self-evaluations of each member of the Board.

Board of Directors evaluations use a cyclical one-year PDCA process that entails issue identification for the current fiscal year based on evaluation of the previous fiscal year, implementation, evaluation of the current fiscal year, and issue identification for the subsequent fiscal year based on evaluation of the current fiscal year, leading to continuous improvement.

The evaluation for the fiscal year 2025 on each of the issues identified based on the effectiveness evaluation for the fiscal year 2024 confirmed that the following ongoing initiatives by the Board of Directors are being implemented: 1) active board deliberations through the appointment of an Outside Director as the Chairperson, 2) the Board of Directors receives reports in a timely manner from the business divisions, and 3) for timely and appropriate reporting and information sharing on important themes, specific themes requested by Independent Outside Directors added in 2025 (overview of IT infrastructure and solutions, summary of the cybersecurity incident involving a U.S. subsidiary) were reported to and discussed by the Board of Directors

based on reports from business divisions, and therefore the effectiveness of the Board of Directors has been ensured. In addition, for initiative 4) further invigorate the talent portfolio of the Board of Directors, which possesses diverse experience and skills, by fostering substantial information sharing and discussion among non-executive members of the Board, the Company is increasing opportunities for Members of the Board to exchange views outside of Board of Directors and committee meetings in order to further promote mutual understanding and strengthen collaboration among Members of the Board, thereby improving the overall functioning of the Board of Directors.

#### Effectiveness evaluation process



#### <Business Divisions>

As for the business divisions from January 2024, under the Global CEO, the Group's business has been divided into two regions, WEST (mainly in the U.S. and Europe) and EAST (mainly in Japan and Asia). Under the two regions, several SBUs have been established, which have been broken down into detailed business areas to allow management and execution to be more closely involved in Genba (on-site) and to go deeper into issues. There was a change in the Global CEO position in January 2026. Furthermore, under the new organizational structure effective from March 2026 onwards, to further strengthen corporate competitiveness and achieve more agile responses to change within a rapidly changing business environment, the Company will continue to maintain the clarification of responsibilities for business as well as cross-functional and global optimization that it has prioritized to date. Based on this, to further strengthen its technological foundation cultivated over many years as a rubber and tire manufacturer, the Company will appoint a Chief Innovation Officer, Chief Product Officer, and Chief Manufacturing Officer as Executive Officers to its global technology platform, which consists of three pillars: material development, product development, and manufacturing (production technology). In addition, to strengthen its global integrated capabilities in management strategy and business management, the Company will assign Vice President and Senior Officers to each function of its global management platform, further clarifying its decision-making structure optimized for the Group. Going forward, the Company will continue to focus on growth by balancing the development of appealing products and services with enhancing cost competitiveness. Through portfolio management of its businesses that are expanding around the world, the Company will strive to further strengthen its global optimization management.

The Global EXCO, which consists mainly of these members and is the highest-level management and execution committee within the Group, discusses and deliberates management strategies and issues (including sustainability) from a global perspective, thereby aiming to strengthen the Group's checks and balances function and improve the transparency of the decision-making process. (Global EXCO Members are described in the following table.)

In addition, each operating division involved in business execution maintains a system for reporting to the appropriate representative executive officers of said divisions regarding the status of execution of duties. This information is also regularly and promptly reported to the Board of Directors in order to aid in their deliberations, and these actions ensure that the Group maintains an effective supervisory function.

The Global EXCO Members as of March 18, 2026 (the filing date of this Annual Securities Report) are as follows.

Name	Position
Yasuhiro Morita	Representative Executive Officer Global CEO
Nobuyuki Tamura	Executive Vice President and Representative Executive Officer BRIDGESTONE EAST CEO
Scott Damon	Executive Vice President and Executive Officer BRIDGESTONE WEST CEO Concurrently Global CDXO BSAM Group President
Masato Banno	Executive Vice President and Executive Officer Global CTO
Emilio Tiberio	Senior Vice President and Executive Officer BRIDGESTONE WEST CTO
Tomohiro Kusano	Senior Vice President and Executive Officer Global CIO
Agustin Pedroni	Vice President and Senior Officer President of Bridgestone Americas Tire Operations, Latin America / Americas Tire
Mete Ekin	Vice President and Senior Officer BSEMEA Group President
Hiroshi Yoshizane	Vice President and Senior Officer BSAPIC Group President
Craig Schneider	Vice President and Senior Officer BRIDGESTONE WEST Retail Group President Concurrently BRIDGESTONE WEST CSO

(Note) Meanings of abbreviations are as follows.

CDXO: Chief Digital Transformation Officer

CTO: Chief Technology Officer

CIO: Chief Innovation Officer

CSO: Chief Strategy Officer

The Global EXCO Members following the conclusion of the Annual Shareholders' Meeting scheduled for March 24, 2026, and the subsequent Board of Directors meeting are as follows.

Name	Position
Yasuhiro Morita	Representative Executive Officer Global CEO
Nobuyuki Tamura	Representative Executive Officer EAST CEO
Scott Damon	Executive Officer WEST CEO Concurrently BSAM NA Group President
Tomohiro Kusano	Executive Officer CIO
Hiroshi Imai	Executive Officer CPO
Yukihiko Hosono	Executive Officer CMO
Emilio Tiberio	Executive Officer WEST CTO
Craig Schneider	Vice President and Senior Officer Group President of WEST Services and Retail Operations Concurrently WEST CSO
Mete Ekin	Vice President and Senior Officer BSEMEA Group President
Agustin Pedroni	Vice President and Senior Officer BSAM LA Group President
Hiroshi Yoshizane	Vice President and Senior Officer BSAPIC Group President
Naoki Hishinuma	Vice President and Senior Officer CFO
Sho Inoue	Vice President and Senior Officer CQO

(Note) Meanings of abbreviations are as follows.

CIO: Chief Innovation Officer

CPO: Chief Product Officer

CMO: Chief Manufacturing Officer

CTO: Chief Technology Officer

CSO: Chief Strategy Officer

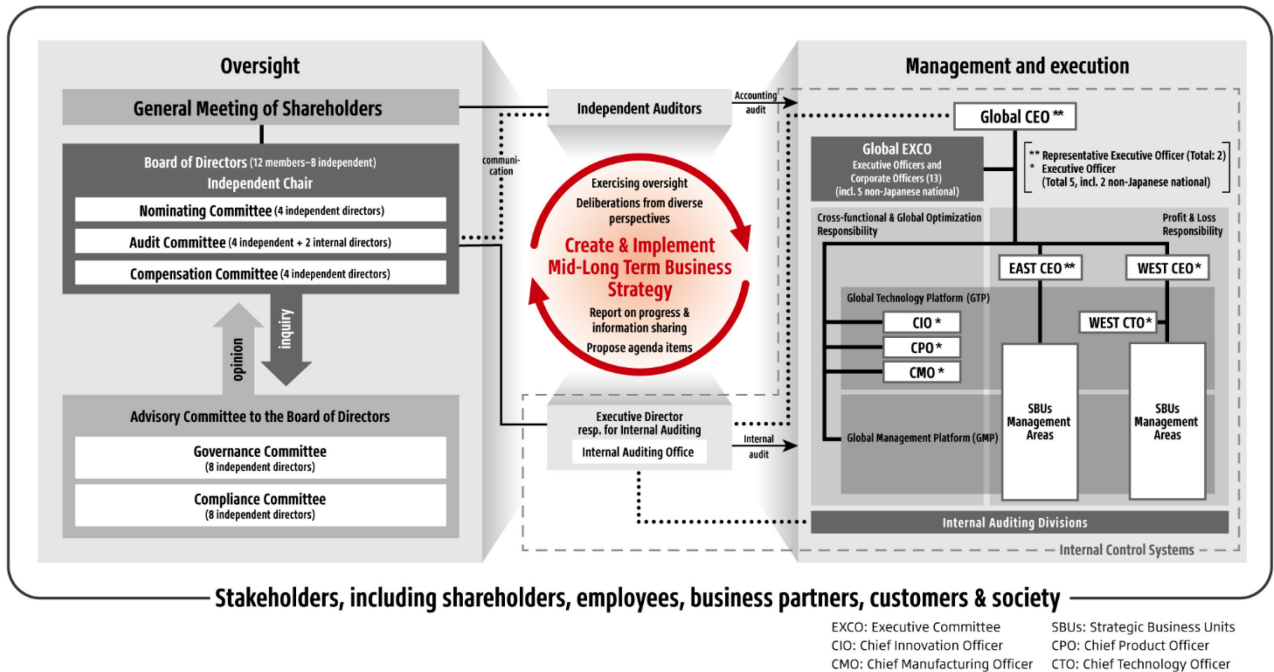
CFO: Chief Financial Officer

CQO: Chief Quality Officer

c. Reasons for adopting current corporate governance system

Under the corporate mission, the Group has set forth a vision that states, "Toward 2050, Bridgestone continues to provide social value and customer value as a sustainable solutions company." Thus, building an optimal corporate governance system is a top priority, and we believe that continually improving the quality of management and ensuring transparency in decision-making are absolutely essential. As part of this enhancement of the governance system, the Company has adopted the current system to both further strengthen internal controls and evolve into a sustainable solutions company capable of proactively addressing the changing business environment.

The following chart provides an overview of the Company’s corporate governance system following the conclusion of the Annual Shareholders’ Meeting scheduled for March 24, 2026, and the subsequent Board of Directors meeting.



d. Status of the development and implementation of internal control systems

At the Company’s Board of Directors’ meeting held on December 20, 2021, the following policies were resolved regarding the development of internal control systems required pursuant to the provisions of Article 416, paragraph (1), items (i) (b) and (e) of the Companies Act.

(a) Fundamental principles for the development of the Company’s internal control systems

Under the corporate mission of “Serving Society with Superior Quality,” the Company has set its vision in 2020 as: “Toward 2050, Bridgestone continues to provide social value and customer value as a sustainable solutions company,” and has been engaged in management to realize the vision since.

As part of the initiatives undertaken, segregation between oversight and execution of the duties, oversight by the Board of Directors, and appropriate and more efficient business operations are all regarded as the fundamental principles that the Company should consider in the refinement of its internal control systems.

With the understanding of the above, the Company’s Board of Directors determines policies for development and implementation of internal control systems.

In order to further strengthen internal controls, evolve into a sustainable solutions company to be able to proactively address the changing business environment, and continue to implement the ever more effective and efficient planning and execution of our business activities in accordance with the policies on the development of the internal control systems, the Company’s Board of Directors delegates the development and implementation of internal control systems that are in line with the set policies to the Representative Executive Officers and oversee the implementation work.

(b) Matters that are necessary in the execution of duties by the Audit Committee

A) In order to assist the work of the Audit Committee, the Company appoints an Executive Director dedicated to audit, and under the Executive Director, establishes a department dedicated to assist the Audit Committee with their duties.

Decisions on the selection and replacement of the Executive Director dedicated to audit are made based on prior consultations with and consent of the Audit Committee. The same applies when the Audit Committee requests replacement of the Executive Director.

The performance assessment of the Executive Director dedicated to audit takes the performance evaluations conducted by the Audit Committee into consideration.

- B) A person designated by the Audit Committee is required to report on matters predetermined by the Audit Committee periodically or without delay.

The Company prohibits unfavorable treatment of Members of the Board, Executive Officers, Vice President-and Senior Officers, and employees of the Company, and the Members of the Board, Corporate Auditors, Corporate Officers, and employees of subsidiaries for reporting matters to the Audit Committee.

- C) All the expenses associated with the execution of duties by the Audit Committee are fully compensated.
  - D) In order to ensure an effective audit by the Audit Committee, opportunities are created for Members of the Audit Committee to gain an understanding of the flow of important decision-making practices in the Company and the status of business operations.
- (c) Systems to ensure that the execution of duties by Executive Officers complies with relevant laws and regulations and the Articles of Incorporation, and matters that are necessary for the appropriate execution of business operations by the Company and the corporate group consisting of the Company and its subsidiaries.

- A) Information concerning execution of duties by Executive Officers is documented without delay and adequately retained. Any significant information related to the execution of business is reported to the Board of Directors without delay.

- B) A risk management system is developed and implemented to manage risks of incurring losses.

- C) In order to ensure the efficient execution of duties by Executive Officers, under the appropriate delegation of authority from the Board of Directors to the Representative Executive Officer, internal policies are maintained, and appropriate authorities required for the execution of duties are reallocated.

- D) In order to ensure that execution of duties by the Executive Officers, Vice President and Senior Officers, and employees complies with relevant laws and regulations and the Articles of Incorporation, systems are developed and implemented for compliance, reporting, and the prevention of relationships with antisocial forces, as well as for the J-SOX Act in accordance with “System for Ensuring Appropriateness of Statements on Finance and Accounting and Other Information,” set forth in Article 24-4-4 of the Financial Instruments and Exchange Act of Japan (the so-called “J-SOX Act”).

- E) In order to ensure proper execution of business operations at subsidiaries, policies are communicated across the Group; authorities are appropriately reallocated; a reporting framework for subsidiaries to report their execution of business to the Company is developed and implemented; and audits are conducted globally.

Risk management systems, compliance systems, systems against organized crime and other violent groups, and systems for J-SOX Act compliance are developed and implemented within each subsidiary.

## 2) Overview of agreement limiting damage compensation liability

The Company has entered into agreements with Members of the Board (excluding persons who are Executive Members of the Board, etc.) that limits his/her damage compensation liability of Article 423, paragraph (1) of the Companies Act, pursuant to Article 25, paragraph (2) of the Articles of Incorporation of the Company based on the provision in Article 427, paragraph (1) of the Companies Act. The maximum amount of his/her liability based on said agreement shall be the higher of either 10 million yen or the minimum liability amount prescribed in Article 425, paragraph (1) of the Companies Act.

3) Overview of directors and officers liability insurance agreement with directors and officers as insureds

The Company has entered into a directors and officers liability insurance agreement provided for in Article 430-3, paragraph (1) of the Companies Act with an insurance company, insuring Members of the Board, Executive Officers, and Vice President and Senior Officers to cover any liability or dispute resolution costs that may result from claims for damages related to the performance of their duties. However, certain exclusions apply, including for damages arising from actions taken with the knowledge that they violate laws or regulations. The insurance premiums are fully borne by the Company.

4) Number of Members of the Board

The Articles of Incorporation state that the number of Members of the Board of the Company shall be not more than 15.

5) Requirements for election of Members of the Board

The Articles of Incorporation state that the resolution for election of Members of the Board shall be made with shareholders present at a meeting who hold shares representing one-third (1/3) or more of the voting rights of shareholders who are entitled to exercise voting rights, by a majority of the voting rights of the attending shareholders.

6) Matters to be resolved at the Shareholders' Meeting that can be resolved by the Board of Directors

The Articles of Incorporation state that the following matters can be resolved by the Board of Directors without resolution of the Shareholders' Meeting.

- The ability to purchase treasury stock  
(To enable a flexible response)
- The ability to exempt Members of the Board from liability  
(To enable the full demonstration of capabilities expected in their roles)
- The ability to exempt Executive Officers from liability  
(To enable the full demonstration of capabilities expected in their roles)
- The ability to distribute interim dividends  
(To provide stable return of profits to shareholders)

The additional rule in the Articles of Incorporation states that the Company may exempt the liability of any person who served as a Corporate Auditor prior to the transition to a Company with Nominating Committee, etc.

7) Special resolution requirements for Shareholders' Meetings

For the smooth operation of the Shareholders' Meetings, the Articles of Incorporation state that with respect to special resolution requirements for Shareholders' Meetings set forth in Article 309, paragraph (2) of the Companies Act, resolutions may be adopted on the condition that shareholders holding at least one-third (1/3) of the voting rights granted to all shareholders are present at the meeting and that a majority of at least two-thirds (2/3) of those voting rights is obtained.

(2) Members of the Board and Executive Officers

1) List of Members of the Board and Executive Officers

- a. The Members of the Board and Executive Officers as of March 18, 2026 (the filing date of the Annual Securities Report) are as follows.

Members of the Board and Executive Officers include 14 males and 3 females. (Percentage of female Members of the Board and Executive Officers: 17.6%)

(a) Members of the Board

Position	Name	Date of birth	Personal history	Term of office	Number of shares held
Member of the Board	Shuichi Ishibashi	January 19, 1954	<p>April 1977 Joined Bridgestone Tire Co., Ltd. (currently Bridgestone Corporation)</p> <p>June 2003 Director, Consumer Tires Business</p> <p>January 2005 Vice President and Officer</p> <p>July 2012 Vice President and Senior Officer</p> <p>January 2014 Senior Vice President</p> <p>January 2016 Executive Vice President</p> <p>March 2016 Executive Vice President and Executive Officer</p> <p>January 2019 Vice Chair and Representative Executive Officer</p> <p>March 2020 Member of the Board, Global CEO and Representative Executive Officer</p> <p>January 2026 Member of the Board (present)</p>	(Note 2)	113,000
Member of the Board	Masato Banno	September 18, 1963	<p>April 1986 Joined Bridgestone Corporation</p> <p>March 2012 Director, Tire Research Division and General Manager, Advanced Tire Technology Development Department</p> <p>January 2017 Vice President and Officer</p> <p>January 2018 Vice President and Senior Officer</p> <p>January 2019 Senior Vice President and Executive Officer</p> <p>September 2019 Senior Vice President and Executive Officer, G-CTO</p> <p>January 2025 Executive Vice President and Executive Officer, Global CTO</p> <p>March 2025 Member of the Board, Executive Vice President and Executive Officer, Global CTO (present)</p>	(Note 2)	39,200
Member of the Board (Note 1)	Scott Trevor Davis	December 26, 1960	<p>April 1990 Researcher, The Japan Institute of Labour (currently The Japan Institute for Labour Policy and Training)</p> <p>April 2001 Professor, Department of International Economics, Reitaku University</p> <p>April 2006 Professor, Department of Global Business, College of Business, Rikkyo University (present)</p> <p>March 2011 Member of the Board as Outside Director, Bridgestone Corporation (present)</p>	(Note 2)	2,000
Member of the Board (Note 1)	Kenichi Masuda	January 11, 1963	<p>April 1988 Attorney-at-law (present)</p> <p>January 1997 Partner, Anderson Mori (Japanese law firm: currently Anderson Mori &amp; Tomotsune) (present)</p> <p>March 2011 Outside Corporate Auditor, Bridgestone Corporation</p> <p>March 2016 Member of the Board as Outside Director, Bridgestone Corporation (present)</p>	(Note 2)	–

Position	Name	Date of birth	Personal history	Term of office	Number of shares held
Member of the Board (Note) 1	Kenzo Yamamoto	January 21, 1954	<p>April 1976 December 2003</p> <p>July 2005</p> <p>July 2006</p> <p>May 2008</p> <p>June 2012</p> <p>March 2016</p> <p>June 2018</p> <p>Joined Bank of Japan General Manager for the Americas and Chief Representative in New York, Bank of Japan Director-General, Payment and Settlement Systems Department, Bank of Japan Director-General, Financial System and Bank Examination Department, Bank of Japan Executive Director, Bank of Japan Chairman, NTT Data Institute of Management Consulting, Inc. Member of the Board as Outside Director, Bridgestone Corporation (present) Representative, Office KY Initiative (present)</p>	(Note 2)	7,200
Member of the Board (Note) 1	Yoko Suzuki	September 21, 1970	<p>April 1998</p> <p>April 1998</p> <p>November 2002</p> <p>March 2018</p> <p>Attorney-at-law (present) Joined Takagi Godo Law Office Partner, Suzuki Sogo Law Office (present) Member of the Board as Outside Director, Bridgestone Corporation (present)</p>	(Note 2)	9,600
Member of the Board (Note) 1	Yukari Kobayashi	April 17, 1963	<p>April 1987</p> <p>July 2002</p> <p>January 2007</p> <p>January 2007</p> <p>March 2016</p> <p>January 2018</p> <p>February 2018</p> <p>September 2018</p> <p>March 2020</p> <p>March 2023</p> <p>June 2023</p> <p>Joined IBM Japan, Ltd. Senior Manager, Overall Management of System Products Marketing, IBM Japan, Ltd. Director in charge of Public Sector, Global Business Service, IBM Japan, Ltd. Executive Officer, IBM Business Consulting Services KK Growth Leader for Mercer Far East Zone; Chief of Staff, Mercer Japan Ltd. Director, Mercer Investment Solutions Ltd. Chief Operating Officer, Mercer Japan Ltd. Corporate Officer; Corporate Strategy Management Lead, Area Transformation Lead, and Chief of Staff, Microsoft Japan Co., Ltd. Representative Partner, Amanda Life Consulting LLC (present) Member of the Board as Outside Director, Bridgestone Corporation (present) Representative Member, JCI LLC. (present)</p>	(Note 2)	1,000

Position	Name	Date of birth	Personal history	Term of office	Number of shares held
Member of the Board (Note) 1	Yasuhiro Nakajima	October 13, 1961	<p>April 1984 Joined Hitachi, Ltd.</p> <p>March 1995 Certified Public Accountant (present)</p> <p>July 2007 Representative Partner, PricewaterhouseCoopers Aarata (currently PricewaterhouseCoopers Japan LLC)</p> <p>July 2012 Executive Officer (Leader of Quality Management), PricewaterhouseCoopers Aarata</p> <p>July 2014 General Manager, Nagoya Office, PricewaterhouseCoopers Aarata LLC</p> <p>July 2017 Oversight Board Member, PricewaterhouseCoopers Aarata LLC</p> <p>July 2022 Representative, Nakajima CPA Office (present)</p> <p>March 2023 Member of the Board as Outside Director, Bridgestone Corporation (present)</p>	(Note 2)	1,000
Member of the Board (Note) 1	Noriko Morikawa	October 18, 1958	<p>April 1981 Joined Chori Co., Ltd.</p> <p>August 1988 Joined Daiwa Securities America Inc.</p> <p>September 1991 Joined Arthur Anderson &amp; Co.</p> <p>March 1995 Joined Motorola Inc.</p> <p>March 2005 Director, Responsible for accounting and finance, General Manager, Accounting and Finance Headquarters in Japan, Motorola Inc.</p> <p>June 2009 Joined Bosch Corporation</p> <p>August 2010 Director, Vice President, Responsible for Administrative Headquarters, Bosch Corporation</p> <p>March 2025 Member of the Board as Outside Director, Bridgestone Corporation (present)</p>	(Note 2)	–
Member of the Board (Note) 1	Toshiaki Itagaki	November 23, 1960	<p>April 1983 Joined Chugai Pharmaceutical Co., Ltd.</p> <p>April 2012 General Manager of Marketing &amp; Sales Planning Department, Chugai Pharmaceutical Co., Ltd.</p> <p>January 2015 Vice President, General Manager of Finance &amp; Accounting Department, Chugai Pharmaceutical Co., Ltd.</p> <p>January 2017 Vice President, General Manager of IT Supervisory Division and General Manager of Finance &amp; Accounting Department, Chugai Pharmaceutical Co., Ltd.</p> <p>April 2018 Executive Vice President &amp; CFO, General Manager of Finance Supervisory Division, General Manager of IT Supervisory Division, Chugai Pharmaceutical Co., Ltd.</p> <p>March 2022 Director, Executive Vice President &amp; CFO, Chugai Pharmaceutical Co., Ltd.</p> <p>March 2024 Advisor, Chugai Pharmaceutical Co., Ltd. (present)</p> <p>March 2025 Member of the Board as Outside Director, Bridgestone Corporation (present)</p>	(Note 2)	800

Position	Name	Date of birth	Personal history	Term of office	Number of shares held
Member of the Board	Akira Matsuda	January 16, 1963	<p>April 1987    Joined Bridgestone Corporation</p> <p>September 1989    Seconded to Bridgestone/Firestone Inc. (currently Bridgestone Americas, Inc.) (The United States)</p> <p>January 2011    Director, eco-Activities Promotion Division, Bridgestone Corporation</p> <p>March 2014    Vice President and Officer, Environment</p> <p>January 2017    Vice President and Senior Officer, Responsible for Global Innovation</p> <p>January 2019    Vice President and Senior Officer; CQMO, Responsible for Quality Management</p> <p>January 2022    Lead Expert; CQMO; Assistant to Executive Vice President, Responsible for Quality Management</p> <p>March 2023    Member of the Board (present)</p>	(Note 2)	7,600
Member of the Board	Tsuyoshi Yoshimi	May 26, 1964	<p>April 1988    Joined Bridgestone Corporation</p> <p>January 2010    Seconded to Bridgestone Asia Pacific Pte. Ltd. (Singapore)</p> <p>September 2012    Seconded to Bridgestone (China) Investment Co., Ltd. (Shanghai)</p> <p>October 2013    Director, Finance Division, Bridgestone Corporation</p> <p>March 2017    Vice President and Officer, Auditing</p> <p>March 2019    Member of the Board (present)</p>	(Note 2)	7,800
Total					189,200

- (Notes) 1. Of the Members of the Board, Mr. Scott Trevor Davis, Mr. Kenichi Masuda, Mr. Kenzo Yamamoto, Ms. Yoko Suzuki, Ms. Yukari Kobayashi, Mr. Yasuhiro Nakajima, Ms. Noriko Morikawa and Mr. Toshiaki Itagaki are outside directors.
2. The terms of office of Members of the Board shall expire at the close of the Annual Shareholders' Meeting scheduled to be held on March 24, 2026.
3. The Company is a Company with Nominating Committee, etc. The structure of committees is described in "4 (1) Overview of corporate governance."
4. Meanings of abbreviations are as follows.  
CTO: Chief Technology Officer                      CQMO: Chief Quality Management Officer

(b) Executive Officers

Position	Name	Date of birth	Personal history	Term of office	Number of shares held
Representative Executive Officer Global CEO	Yasuhiro Morita	December 25, 1972	<p>April 1996    Joined Bridgestone Corporation</p> <p>September 2018    Director (seconded to Bridgestone (China) Investment Co., Ltd.)</p> <p>March 2022    Executive Director</p> <p>January 2024    Vice President and Senior Officer</p> <p>January 2025    Executive Vice President and Representative Executive Officer Global CAO·Global CSO</p> <p>January 2026    Global CEO and Representative Executive Officer (present)</p>	(Note 1)	15,000

Position	Name	Date of birth	Personal history	Term of office	Number of shares held
Executive Vice President and Representative Executive Officer BRIDGESTONE EAST CEO	Nobuyuki Tamura	April 16, 1963	April 1986 Joined Bridgestone Corporation July 2012 Director, Global OE Business Planning and Operations Division January 2017 Vice President and Officer October 2022 Vice President and Senior Officer January 2025 Executive Vice President and Representative Executive Officer, BRIDGESTONE EAST CEO (present)	(Note 1)	15,000
Executive Vice President and Executive Officer BRIDGESTONE WEST CEO Concurrently Global CDXO BSAM Group President	Scott Damon	August 28, 1970	February 1996 Joined Bandag, Inc. May 2007 Director, Marketing Strategic Brands & Channels, Bridgestone Bandag Tire Solutions, Bridgestone Americas Tire Operations, LLC March 2019 Vice President and Officer, Bridgestone Corporation January 2020 Vice President and Senior Officer January 2025 Executive Vice President and Executive Officer BRIDGESTONE WEST CEO Concurrently Global CDXO (present)	(Note 1)	12,400
Executive Vice President and Executive Officer Global CTO	Masato Banno	September 18, 1963	April 1986 Joined Bridgestone Corporation March 2012 Director, Tire Research Division and General Manager, Advanced Tire Technology Development Department January 2017 Vice President and Officer January 2018 Vice President and Senior Officer January 2019 Senior Vice President and Executive Officer September 2019 Senior Vice President and Executive Officer, G-CTO January 2025 Executive Vice President and Executive Officer, Global CTO March 2025 Member of the Board, Executive Vice President and Executive Officer, Global CTO (present)	(Note 1)	39,200
Senior Vice President and Executive Officer BRIDGESTONE WEST CTO	Emilio Tiberio	February 18, 1971	April 1999 Joined Bridgestone Technical Center Europe S.p.A. March 2019 Vice President and Officer, Bridgestone Corporation January 2022 Vice President and Senior Officer January 2025 Senior Vice President and Executive Officer BRIDGESTONE WEST CTO (present)	(Note 1)	9,400
Senior Vice President and Executive Officer Global CIO	Tomohiro Kusano	June 21, 1965	April 1990 Joined Bridgestone Corporation May 2014 Director, Tire Material Development Division I March 2017 Vice President and Officer January 2019 Vice President and Senior Officer January 2025 Senior Vice President and Executive Officer Global CIO (present)	(Note 1)	20,400
Total					111,400

(Notes) 1. The terms of office of Executive Officers shall expire at the close of the first meeting of the Board of Directors convened after the close of the Annual Shareholders' Meeting scheduled to be held on March 24, 2026.

2. Meanings of abbreviations are as follows.

CAO: Chief Administration Officer

CSO: Chief Strategy Officer

CDXO: Chief Digital Transformation Officer

CTO: Chief Technology Officer

CIO: Chief Innovation Officer

- b. The Company will present “Election of Twelve (12) Members of the Board” as a proposal (matter to be resolved) at the Annual Shareholders’ Meeting scheduled to be held on March 24, 2026. If this proposal is approved and adopted, the status of Members of the Board of the Company is scheduled to be as follows. The information shown below includes the content to be resolved at the meeting of the Board of Directors convened after the close of the aforementioned Annual Shareholders’ Meeting.

Furthermore, the appointments of Executive Officers will also be submitted to the same meeting of the Board of Directors as a matter to be resolved, and the status of Executive Officers is scheduled to be as follows if this resolution is approved and adopted at that meeting. The information shown below includes the content (positions, etc.) to be resolved at the same meeting of the Board of Directors.

Members of the Board and Executive Officers include 14 males and 3 females. (Percentage of female Members of the Board and Executive Officers: 17.6%)

(a) Members of the Board

Position	Name	Date of birth	Personal history	Term of office	Number of shares held
Member of the Board	Yasuhiro Morita	December 25, 1972	April 1996    Joined Bridgestone Corporation September 2018    Director (seconded to Bridgestone (China) Investment Co., Ltd.) March 2022    Executive Director January 2024    Vice President and Senior Officer January 2025    Executive Vice President and Representative Executive Officer Global CAO·Global CSO January 2026    Global CEO and Representative Executive Officer March 2026    Member of the Board, Global CEO and Representative Executive Officer (present)	(Note 1)	15,000
Member of the Board	Nobuyuki Tamura	April 16, 1963	April 1986    Joined Bridgestone Corporation July 2012    Director, Global OE Business Planning and Operations Division January 2017    Vice President and Officer October 2022    Vice President and Senior Officer January 2025    Executive Vice President and Representative Executive Officer, BRIDGESTONE EAST CEO March 2026    Member of the Board, Representative Executive Officer, EAST CEO (present)	(Note 1)	15,000
Member of the Board (Note) 1	Scott Trevor Davis	December 26, 1960	April 1990    Researcher, The Japan Institute of Labour (currently The Japan Institute for Labour Policy and Training) April 2001    Professor, Department of International Economics, Reitaku University April 2006    Professor, Department of Global Business, College of Business, Rikkyo University (present) March 2011    Member of the Board as Outside Director, Bridgestone Corporation (present)	(Note 2)	2,000
Member of the Board (Note) 1	Kenichi Masuda	January 11, 1963	April 1988    Attorney-at-law (present) January 1997    Partner, Anderson Mori (Japanese law firm: currently Anderson Mori & Tomotsune) (present) March 2011    Outside Corporate Auditor, Bridgestone Corporation March 2016    Member of the Board as Outside Director, Bridgestone Corporation (present)	(Note 2)	–

Position	Name	Date of birth	Personal history	Term of office	Number of shares held
Member of the Board (Note) 1	Yoko Suzuki	September 21, 1970	<p>April 1998 Attorney-at-law (present)</p> <p>April 1998 Joined Takagi Godo Law Office</p> <p>November 2002 Partner, Suzuki Sogo Law Office (present)</p> <p>March 2018 Member of the Board as Outside Director, Bridgestone Corporation (present)</p>	(Note 2)	9,600
Member of the Board (Note) 1	Yukari Kobayashi	April 17, 1963	<p>April 1987 Joined IBM Japan, Ltd.</p> <p>July 2002 Senior Manager, Overall Management of System Products Marketing, IBM Japan, Ltd.</p> <p>January 2007 Director in charge of Public Sector, Global Business Service, IBM Japan, Ltd.</p> <p>January 2007 Executive Officer, IBM Business Consulting Services KK</p> <p>March 2016 Growth Leader for Mercer Far East Zone; Chief of Staff, Mercer Japan Ltd.</p> <p>January 2018 Director, Mercer Investment Solutions Ltd.</p> <p>February 2018 Chief Operating Officer, Mercer Japan Ltd.</p> <p>September 2018 Corporate Officer; Corporate Strategy Management Lead, Area Transformation Lead, and Chief of Staff, Microsoft Japan Co., Ltd.</p> <p>March 2020 Representative Partner, Amanda Life Consulting LLC (present)</p> <p>March 2023 Member of the Board as Outside Director, Bridgestone Corporation (present)</p> <p>June 2023 Representative Member, JC1 LLC. (present)</p>	(Note 2)	1,000
Member of the Board (Note) 1	Yasuhiro Nakajima	October 13, 1961	<p>April 1984 Joined Hitachi, Ltd.</p> <p>March 1995 Certified Public Accountant (present)</p> <p>July 2007 Representative Partner, PricewaterhouseCoopers Aarata (currently PricewaterhouseCoopers Japan LLC)</p> <p>July 2012 Executive Officer (Leader of Quality Management), PricewaterhouseCoopers Aarata</p> <p>July 2014 General Manager, Nagoya Office, PricewaterhouseCoopers Aarata LLC</p> <p>July 2017 Oversight Board Member, PricewaterhouseCoopers Aarata LLC</p> <p>July 2022 Representative, Nakajima CPA Office (present)</p> <p>March 2023 Member of the Board as Outside Director, Bridgestone Corporation (present)</p>	(Note 2)	1,000
Member of the Board (Note) 1	Noriko Morikawa	October 18, 1958	<p>April 1981 Joined Chori Co., Ltd.</p> <p>August 1988 Joined Daiwa Securities America Inc.</p> <p>September 1991 Joined Arthur Anderson &amp; Co.</p> <p>March 1995 Joined Motorola Inc.</p> <p>March 2005 Director, Responsible for accounting and finance, General Manager, Accounting and Finance Headquarters in Japan, Motorola Inc.</p> <p>June 2009 Joined Bosch Corporation</p> <p>August 2010 Director, Vice President, Responsible for Administrative Headquarters, Bosch Corporation</p> <p>March 2025 Member of the Board as Outside Director, Bridgestone Corporation (present)</p>	(Note 2)	–

Position	Name	Date of birth	Personal history	Term of office	Number of shares held
Member of the Board (Note) 1	Toshiaki Itagaki	November 23, 1960	<p>April 1983    Joined Chugai Pharmaceutical Co., Ltd.</p> <p>April 2012    General Manager of Marketing &amp; Sales Planning Department, Chugai Pharmaceutical Co., Ltd.</p> <p>January 2015    Vice President, General Manager of Finance &amp; Accounting Department, Chugai Pharmaceutical Co., Ltd.</p> <p>January 2017    Vice President, General Manager of IT Supervisory Division and General Manager of Finance &amp; Accounting Department, Chugai Pharmaceutical Co., Ltd.</p> <p>April 2018    Executive Vice President &amp; CFO, General Manager of Finance Supervisory Division, General Manager of IT Supervisory Division, Chugai Pharmaceutical Co., Ltd.</p> <p>March 2022    Director, Executive Vice President &amp; CFO, Chugai Pharmaceutical Co., Ltd.</p> <p>March 2024    Advisor, Chugai Pharmaceutical Co., Ltd. (present)</p> <p>March 2025    Member of the Board as Outside Director, Bridgestone Corporation (present)</p>	(Note 2)	800
Member of the Board (Note) 1	Shigeki Mori	July 22, 1958	<p>April 1981    Joined Nippon Sheet Glass Co., Ltd.</p> <p>July 2010    Head of Production, Fabrication and Marketing, UK and South Europe, Architectural Glass (UK), Nippon Sheet Glass Co., Ltd.</p> <p>May 2012    Senior Corporate Officer, Head of Architectural Glass Japan, Nippon Sheet Glass Co., Ltd.</p> <p>June 2012    Senior Corporate Officer, Head of Technical Glass SBU, Nippon Sheet Glass Co., Ltd.</p> <p>April 2015    Representative Executive Officer, President and CEO, Nippon Sheet Glass Co., Ltd.</p> <p>June 2015    Director, Representative Executive Officer, President and CEO, Nippon Sheet Glass Co., Ltd.</p> <p>April 2023    Director, Representative Executive Officer and Chairperson, Nippon Sheet Glass Co., Ltd.</p> <p>June 2023    Executive Officer, Chairperson, Nippon Sheet Glass Co., Ltd. (present)</p> <p>March 2026    Member of the Board as Outside Director, Bridgestone Corporation (present)</p>	(Note 2)	–
Member of the Board	Akira Matsuda	January 16, 1963	<p>April 1987    Joined Bridgestone Corporation</p> <p>September 1989    Seconded to Bridgestone/Firestone Inc. (currently Bridgestone Americas, Inc.) (The United States)</p> <p>January 2011    Director, eco-Activities Promotion Division, Bridgestone Corporation</p> <p>March 2014    Vice President and Officer, Environment</p> <p>January 2017    Vice President and Senior Officer, Responsible for Global Innovation</p> <p>January 2019    Vice President and Senior Officer; CQMO, Responsible for Quality Management</p> <p>January 2022    Lead Expert; CQMO; Assistant to Executive Vice President, Responsible for Quality Management</p> <p>March 2023    Member of the Board (present)</p>	(Note 2)	7,600



Position	Name	Date of birth	Personal history	Term of office	Number of shares held
Executive Officer WEST CEO Concurrently BSAM NA Group President	Scott Damon	August 28, 1970	February 1996 Joined Bandag, Inc. May 2007 Director, Marketing Strategic Brands & Channels, Bridgestone Bandag Tire Solutions, Bridgestone Americas Tire Operations, LLC March 2019 Vice President and Officer, Bridgestone Corporation January 2020 Vice President and Senior Officer January 2025 Executive Vice President and Executive Officer BRIDGESTONE WEST CEO Concurrently Global CDXO March 2026 Executive Officer, WEST CEO (present)	(Note 1)	12,400
Executive Officer CIO	Tomohiro Kusano	June 21, 1965	April 1990 Joined Bridgestone Corporation May 2014 Director, Tire Material Development Division I March 2017 Vice President and Officer January 2019 Vice President and Senior Officer January 2025 Senior Vice President and Executive Officer Global CIO March 2026 Executive Officer CIO (present)	(Note 1)	20,400
Executive Officer CPO Responsible for Global Motorsports	Hiroshi Imai	June 19, 1965	April 1990 Joined Bridgestone Corporation June 2009 Joined McLaren Racing Ltd. Principal Engineer (Tires) January 2017 Chief Race Engineer January 2021 Director of Race Engineering February 2025 Joined Bridgestone Corporation March 2025 Vice President and Senior Officer March 2026 Executive Officer, CPO (present)	(Note 1)	–
Executive Officer CMO	Yukihiko Hosono	October 3, 1965	April 1990 Joined Bridgestone Corporation April 2012 Director, Japan Tire Production Division January 2016 Vice President and Officer March 2017 Vice President and Senior Officer January 2025 Vice President and Senior Officer March 2026 Executive Officer, CMO (present)	(Note 1)	20,220
Executive Officer WEST CTO	Emilio Tiberio	February 18, 1971	April 1999 Joined Bridgestone Technical Center Europe S.p.A. March 2019 Vice President and Officer, Bridgestone Corporation January 2022 Vice President and Senior Officer January 2025 Senior Vice President and Executive Officer BRIDGESTONE WEST CTO March 2026 Executive Office, WEST CTO (present)	(Note 1)	9,400
Total					92,420

(Notes) 1. The terms of office of Executive Officers shall expire at the close of the meeting of the Board of Directors convened after the close of the Annual Shareholders' Meeting relating to the last business year that ends within one year after their election at the Annual Shareholders' Meeting held on March 24, 2026.

2. Meanings of abbreviations are as follows.

CAO: Chief Administration Officer

CSO: Chief Strategy Officer

CDXO: Chief Digital Transformation Officer

CIO: Chief Innovation Officer

CPO: Chief Product Officer

CMO: Chief Manufacturing Officer

CTO: Chief Technology Officer

2) Outside Directors and Outside Corporate Auditors

a. Outside Directors as of the filing date of the Annual Securities Report (March 18, 2026)

The Company has elected eight outside directors.

The Company believes that outside directors contribute to strengthening corporate governance, including maintaining appropriate decision-making at meetings of the Board of Directors. To that end, the outside directors provide independent opinions concerning deliberations, etc., on proposals at the Board of Directors based on their high level of insight and wealth of experience derived from their diverse backgrounds and areas of expertise.

To ensure the appropriate composition of the Board of Directors, the nominees for the Company’s outside directors determined through strict appointment procedures at the Company’s Nominating Committee in accordance with the “Nominating Policy for Appointment to the Board” (described at the end) prescribed by the Company’s Nominating Committee, and subsequently appointed at Shareholders’ Meetings. The reasons for electing the eight outside directors listed in the “Election of Twelve (12) Members of the Board” proposal submitted as an agenda item (matter to be resolved) for the Annual Shareholders’ Meeting held on March 25, 2025, are as follows.

Name Main occupation	Reasons for appointment
<p>Scott Trevor Davis</p> <p>Professor, Department of Global Business, College of Business, Rikkyo University</p>	<p>Mr. Scott Trevor Davis has excellent academic knowledge in the field of sociology and international business administration, as well as abundant wisdom regarding sustainability and ESG in Japan and overseas.</p> <p>Since his appointment as Outside Director of the Company, he has been contributing to ensuring appropriate decision making of the Board of Directors, including from the perspectives of governance, compliance, and organizational and personnel strategy. In particular, based on his understanding of the Company’s business, the situation the Company is in, and shareholder expectations toward the Company, which he has cultivated over the course of his tenure, and a reasonable level of trust with the management team, he became the Company’s first Independent Outside Director serving as Chairperson of the Board of Directors in 2021 and has introduced a system to incorporate proposals from Independent Outside Directors into the agenda setting of the Board of Directors, and has evolved this system every year.</p> <p>He also maintains an appropriate level of tension in regular one-on-one discussions with the Global CEO, and has been playing a leading and extremely vital role in setting appropriate agenda and further enhancing deliberations at Board of Directors meetings, such as by making proposals and requests regarding agenda and proposals submitted by senior management and how to explain them. In addition, he participates in active deliberations as a member of the Nominating Committee and a member of the Compensation Committee, and plays a leading role as Chairperson of the Governance Committee in the discussion to further enhance the Company’s governance structure, including the improvement of the effectiveness evaluation process for the Board of Directors.</p> <p>He also contributes significantly as Chairperson of the Board of Directors to conduct more efficient and effective management of the Board of Directors that meets stakeholders’ expectations by actively and directly participating in dialogue with investors and analysts, and using the opinions and perspectives of shareholders gained there to deepen discussions at Board of Directors meetings. The Company has received an objective opinion from an external lawyer stating that, based on his performance of duties at the Company, stating that Mr. Scott Trevor Davis is “not considered to lack independence, and can be expected to act in the interest of general shareholders from an objective standpoint.”</p> <p>If Mr. Scott Trevor Davis is reappointed, he is scheduled to continue to be appointed as the Chairperson of the Board of Directors, and the Company expects him to contribute to the enhancement of its governance.</p>

Name Main occupation	Reasons for appointment
	<p>Furthermore, the Company plans to appoint Mr. Scott Trevor Davis to the Nominating Committee, and expects him to make significant contributions as a member of the Nominating Committee by utilizing the deep understanding of both the Company’s history and future vision he has cultivated to date, in carrying out management succession planning, one of the Nominating Committee’s key responsibilities.</p> <p>Based on the above, the Company has determined that Mr. Scott Trevor Davis would appropriately execute the duties as an Outside Director essential for ensuring and improving governance in order for the Company to achieve sustainable growth and increase its corporate value over the mid- to long-term.</p>

Name Main occupation	Reasons for appointment
<p>Kenichi Masuda Attorney-at-law (Partner of Anderson Mori &amp; Tomotsune)</p>	<p>Mr. Kenichi Masuda has abundant professional career and experience as an attorney-at-law at law firms in Japan and overseas, as well as high levels of expertise.</p> <p>Since his appointment as Outside Director of the Company, he has been contributing to ensuring appropriate decision making of the Board of Directors from a wide range of perspectives, not only legal and risk management, but also shareholder returns and organizational strategies.</p> <p>In particular, based on his understanding of the Company’s business, the situation the Company is in, and shareholder expectations toward the Company, which he has cultivated over the course of his tenure, and a reasonable level of trust with the management team, since his appointment as a Chairperson of the Nominating Committee in 2021, he has been playing an extremely vital role in strengthening the management execution structure and oversight thereof by taking the lead and actively engaging in the verification of the Board of Directors’ human resources portfolio and the succession planning of Directors and Executive Officers, etc.</p> <p>Specifically, as Chairperson of the Nominating Committee, he regularly holds one-on-one discussions with the Global CEO while maintaining an appropriate level of tension, takes the initiative in frequently holding one-on-one meetings with each Director, confirms the contents of the Directors’ mutual evaluations and shares them with the Nominating Committee. In addition, when considering nominees for Outside Director, independently from the senior management, he actively and proactively gathers information on whether a person is suitable for this role by directly listening to the opinions of external consultants and holding multiple meetings with potential nominees prior to Nominating Committee meetings, leading to effective and efficient nominee consideration by the Nominating Committee.</p> <p>In addition to participating in active deliberations as a member of the Compensation Committee, he has also been playing a leading role as Chairperson of the Compliance Committee in verifying and discussing further improvements to the Company’s compliance framework.</p> <p>Furthermore, the Company has received an objective opinion from an external lawyer stating that, based on his performance of duties at the Company, stating that Mr. Kenichi Masuda is “not considered to lack independence, and can be expected to act in the interest of general shareholders from an objective standpoint.”</p> <p>If Mr. Kenichi Masuda is reappointed, he is scheduled to continue to be appointed as Chairperson of the Nominating Committee, and the Company expects him to make significant contributions in spearheading review of management succession planning, one of the Nominating Committee’s key responsibilities, by utilizing the deep understanding of both the Company’s history and future vision he has cultivated to date.</p> <p>Based on the above, the Company has determined that Mr. Kenichi Masuda would appropriately execute the duties as an Outside Director essential for the establishment of succession plans that will enable the Company to achieve sustainable growth and increase its corporate value over the mid- to long-term.</p>
<p>Kenzo Yamamoto Representative, Office KY Initiative</p>	<p>Mr. Kenzo Yamamoto has abundant expertise on financial market and financial systems, as well as his deep insight regarding corporate management and risk management.</p> <p>Since his appointment as an Outside Director of the Company, he has been contributing to ensuring appropriate decision making by the Board of Directors from the perspective of corporate management and risk management in light of global conditions and human capital improvement.</p> <p>Since 2018, as a Chairperson of the Audit Committee, he has been strengthening our auditing system on a global scale, etc., and in 2023, he played a leading and extremely vital role in the change of our Independent Auditor, taking into consideration the rotation system used for auditing firms in other countries. Utilizing his deep and abundant experience as the Chairman of the Audit Committee, since 2024 he has participated in the active deliberations of the Nominating Committee and Compensation Committee as a member of both committees, and has greatly contributed to the establishment of more objective processes and the content of discussions.</p> <p>In view of these experiences, insights, and achievements, Mr. Kenzo Yamamoto is expected to contribute from a more diverse perspective, and the Company has determined that he qualifies as an Outside Director.</p>

Name Main occupation	Reasons for appointment
Yoko Suzuki Attorney-at-law (Partner of Suzuki Sogo Law Office)	<p>Ms. Yoko Suzuki has high expertise as an attorney-at-law, and abundant experience and deep insight as an outside auditor and auditor of other companies and various associations.</p> <p>Since her appointment as an Outside Director of the Company, she has been contributing to ensuring appropriate decision making of the Board of Directors, not only in risk management but also from the perspectives of enhancing talent creativity and quality management with an awareness of engagement and diversity, including the promotion of women’s participation in the workplace. In addition, as a member of the Audit Committee, she has been participating in active deliberations and on-site audits of subsidiaries, etc., to promote the strengthening of our auditing system and internal controls on a global scale, etc.</p> <p>In view of these experiences, insights and achievements, Ms. Yoko Suzuki is expected to continue to fulfill these roles, and the Company has determined that she would appropriately execute the duties as an Outside Director.</p>
Yukari Kobayashi Representative Partner, Amanda Life Consulting LLC Representative Member, JC1 LLC.	<p>Ms. Yukari Kobayashi has deep insight regarding the digital field and business strategy through her extensive practical and management experience in the IT and consulting industries.</p> <p>Since her appointment as an Outside Director of the Company, she has been contributing to ensuring appropriate decision making of the Board of Directors not only from the perspectives of global business strategies, such as digital fields and risk management from a global standpoint, but also of promoting women’s participation in the workplace. In addition, as a member of the Audit Committee, she has been participating in active deliberations and on-site audits of subsidiaries, etc., and promoting the strengthening of our auditing system and internal controls on a global scale, including IT governance.</p> <p>In view of these experiences, insights and achievements, Ms. Yukari Kobayashi is expected to continue to fulfill these roles, and the Company has determined that she qualifies as an Outside Director.</p>
Yasuhiro Nakajima Certified Public Accountant (Representative of Nakajima CPA Office)	<p>Mr. Yasuhiro Nakajima has abundant professional career and experience in accounting audit and advisory services as a Certified Public Accountant, and possesses expertise through teaching accounting and audit at a university.</p> <p>Since his appointment as an Outside Director of the Company, he has been contributing to ensuring appropriate decision making of the Board of Directors, not only in finance and accounting but also from the perspective of enhancing governance from a global standpoint. In addition, as a member of the Audit Committee, he has been participating in active deliberations and on-site audits of subsidiaries, etc., and working to promote the strengthening of our auditing system and internal controls on a global scale, including through cooperation with the Independent Auditor.</p> <p>In view of these experiences, insights and achievements, Mr. Yasuhiro Nakajima is expected to continue to fulfill these roles, and the Company has determined that he would appropriately execute the duties as an Outside Director.</p>
Noriko Morikawa –	<p>Ms. Noriko Morikawa has deep insight into capital, human resources, and organizational strategies through her extensive practical and managerial experience at overseas firms involved in the IT and telecommunications industry and automotive components industry.</p> <p>She also has global business experience and knowledge, having worked overseas for multiple companies and been responsible for overall operations at the headquarters.</p> <p>Through multiple meetings with the Chairperson of the Nominating Committee and the Nominating Committee, the Company was able to confirm that, in view of these experience and insights, she is expected to contribute to appropriate decision making of the Board of Directors. In light of this, and from the perspective of securing an appropriate human resources portfolio for the Board of Directors, the Company has determined that she qualifies for a new Outside Director.</p>

Name Main occupation	Reasons for appointment
Toshiaki Itagaki Advisor, Chugai Pharmaceutical Co., Ltd.	<p>Mr. Toshiaki Itagaki has deep insight into finance, IT, the digital field, and marketing through his extensive practical and managerial experience in the pharmaceutical industry. He also has global business experience and knowledge, including experience working overseas, involvement in cross-border M&amp;A negotiations, and dealing with overseas investors.</p> <p>Through multiple meetings with the Chairperson of the Nominating Committee and the Nominating Committee, the Company was able to confirm that, in view of these experience and insights, he is expected to contribute to appropriate decision making of the Board of Directors. In light of this, and from the perspective of securing an appropriate human resources portfolio for the Board of Directors, the Company has determined that he qualifies for a new Outside Director.</p>

Mr. Scott Trevor Davis, Mr. Kenichi Masuda, Mr. Kenzo Yamamoto, Ms. Yoko Suzuki, Ms. Yukari Kobayashi, Mr. Yasuhiro Nakajima, Ms. Noriko Morikawa, and Mr. Toshiaki Itagaki, who are outside directors with no special interest in the Company, are considered independent outside directors as they do not present a conflict of interest with general shareholders, according to the Company's Guidelines for Determining Whether Outside Directors Are Sufficiently Independent. The Company's Guidelines for Determining Whether Outside Directors Are Sufficiently Independent are described at the end.

In addition, outside directors' holdings of the Company's stock are described under "4 (2) 1) a. a. Members of the Board."

b. Status of Outside Directors after this Annual Shareholders' Meeting

Regarding the nominees for the Company's outside directors, to ensure the appropriate composition of the Board of Directors, they are determined through strict appointment procedures at the Company's Nominating Committee in accordance with the "Nominating Policy for Appointment to the Board" (described at the end) prescribed by the Company's Nominating Committee. The reasons for the appointment of the eight outside directors, as listed in the proposal (matter to be resolved) for the "Election of Twelve (12) Members of the Board" to be presented at the Annual Shareholders' Meeting scheduled to be held on March 24, 2026, are as follows.

Name Main occupation	Reasons for appointment
<p>Scott Trevor Davis</p> <p>Professor, Department of Global Business, College of Business, Rikkyo University</p>	<p>Mr. Scott Trevor Davis has excellent academic knowledge in the field of sociology and international business administration, as well as abundant wisdom regarding sustainability and ESG in Japan and overseas.</p> <p>Since his appointment as Outside Director of the Company, he has been contributing to ensuring appropriate decision making of the Board of Directors, including from the perspectives of governance, compliance, and organizational and personnel strategy.</p> <p>In particular, based on his understanding of the Company's business, the situation the Company is in, and shareholder expectations toward the Company, which he has cultivated over the course of his tenure, and a reasonable level of trust with the management team, he became the Company's first Independent Outside Director serving as Chairperson of the Board of Directors in 2021 and has introduced a system to incorporate proposals from Independent Outside Directors into the agenda setting of the Board of Directors, and has evolved this system every year.</p> <p>He also maintains an appropriate level of tension in regular one-on-one discussions with the Global CEO, and has been playing a leading and extremely vital role in setting appropriate agenda and further enhancing deliberations at Board of Directors meetings, such as by making proposals and requests regarding agenda and proposals submitted by senior management and how to explain them. In addition, he participates in active deliberations as a member of the Nominating Committee and a member of the Compensation Committee, and plays a leading role as Chairperson of the Governance Committee in the discussion to further enhance the Company's governance structure, including the improvement of the effectiveness evaluation process for the Board of Directors.</p> <p>He also contributes significantly as Chairperson of the Board of Directors to conduct more efficient and effective management of the Board of Directors that meets stakeholders' expectations by actively and directly participating in dialogue with investors and analysts, and using the opinions and perspectives of shareholders gained there to deepen discussions at Board of Directors meetings.</p> <p>If Mr. Scott Trevor Davis is reappointed, he is scheduled to continue to be appointed as Chairperson of the Board of Directors, a member of the Nominating Committee, a member of the Compensation Committee and Chairperson of the Governance Committee. In supervising the proper functioning of the new executive structure launched in January 2026, he is expected to make significant contributions to the enhancement of the Company's governance by utilizing the deep understanding of the Company's history and future vision he has cultivated to date.</p> <p>Based on the above, the Company has determined that Mr. Scott Trevor Davis would appropriately execute the duties as an Outside Director essential for ensuring and improving governance in order for the Company to achieve sustainable growth and increase its corporate value over the mid- to long-term.</p>

Name Main occupation	Reasons for appointment
Kenichi Masuda Attorney-at-law (Partner of Anderson Mori & Tomotsune)	<p>Mr. Kenichi Masuda has abundant professional career and experience as an attorney-at-law at law firms in Japan and overseas, as well as high levels of expertise.</p> <p>Since his appointment as Outside Director of the Company, he has been contributing to ensuring appropriate decision making of the Board of Directors from a wide range of perspectives, not only legal and risk management, but also shareholder returns and organizational strategies.</p> <p>In particular, based on his understanding of the Company's business, the situation the Company is in, and shareholder expectations toward the Company, which he has cultivated over the course of his tenure, and a reasonable level of trust with the management team, since his appointment as a Chairperson of the Nominating Committee in 2021, he has been playing an extremely vital role in strengthening the management execution structure and oversight thereof by taking the lead and actively engaging in the verification of the Board of Directors' human resources portfolio and the succession planning of Directors and Executive Officers, etc.</p> <p>In 2025, particularly in the succession planning of Global CEO, as Chairperson of the Nominating Committee, he significantly contributed to a smooth leadership transition by engaging in repeated dialogues with Global CEO at the time and multiple successor candidates. Also, he ensured a fair and transparent selection process, leading to the appointment of the right successor for the Company's sustainable growth.</p> <p>In considering nominees for Outside Director, he contributed to enhancing the quality of discussions within the committee by taking the initiative in holding one-on-one meetings with each current Director, confirming the contents of the Directors' mutual evaluations and sharing them with the Nominating Committee. In addition, when considering new nominees, he actively and proactively gathers information on whether a person is suitable for the role of Outside Director by holding multiple meetings with potential nominees prior to Nominating Committee meetings, leading to effective and efficient nominee consideration by the Nominating Committee.</p> <p>He also contributes as Chairperson of the Nominating Committee to conduct more efficient and effective management of the Nominating Committee by actively and directly participating in dialogue with investors and analysts, and using the opinions and perspectives of shareholders gained there to deepen discussions.</p> <p>Furthermore, participating in active deliberations as a member of the Compensation Committee, he has also been playing a leading role as Chairperson of the Compliance Committee in verifying and discussing further improvements to the Company's compliance framework.</p> <p>If Mr. Kenichi Masuda is reappointed, he is scheduled to continue to be appointed as Chairperson of the Nominating Committee, a member of the Compensation Committee and Chairperson of the Compliance Committee. In particular, as Chairperson of the Nominating Committee, he is expected to supervise the proper functioning of the new executive structure launched in January 2026. And also, in carrying out management succession planning, one of the Nominating Committee's key responsibilities, he is expected to make significant contributions by utilizing the deep understanding of the Company's history and future vision he has cultivated to date.</p> <p>Based on the above, the Company has determined that Mr. Kenichi Masuda would appropriately execute the duties as an Outside Director essential for the establishment of succession plans that will enable the Company to achieve sustainable growth and increase its corporate value over the mid- to long-term.</p>

Name Main occupation	Reasons for appointment
Yoko Suzuki Attorney-at-law (Partner of Suzuki Sogo Law Office)	<p>Ms. Yoko Suzuki has high expertise as an attorney-at-law, and abundant experience and deep insight as an outside auditor and auditor of other companies and various associations.</p> <p>Since her appointment as an Outside Director of the Company, she has been contributing to ensuring appropriate decision making of the Board of Directors, not only in risk management but also from the perspectives of enhancing talent creativity and quality management with an awareness of diversity, including the promotion of women’s participation in the workplace, and employee engagement, as well as nature-positive world and branding activities, etc. In addition, as a member of the Audit Committee, she has been participating in active deliberations and on-site audits of subsidiaries, etc., to promote the strengthening of our auditing system and internal controls on a global scale, etc.</p> <p>If Ms. Yoko Suzuki is reappointed, she is scheduled to continue to be appointed as a member of the Audit Committee. In view of these experiences, insights and achievements, Ms. Yoko Suzuki is expected to continue to fulfill these roles, and the Company has determined that she would appropriately execute the duties as an Outside Director.</p>
Yukari Kobayashi Representative Partner, Amanda Life Consulting LLC Representative Member, JC1 LLC.	<p>Ms. Yukari Kobayashi has deep insight regarding the digital field and business strategy through her extensive practical and management experience in the IT and consulting industries.</p> <p>Since her appointment as an Outside Director of the Company, she has been contributing to ensuring appropriate decision making of the Board of Directors not only from the perspectives of global business strategies, such as digital fields and risk management (including cybersecurity measures) from a global standpoint, but also of promoting women’s participation in the workplace and enhancing employee engagement. In addition, as a member of the Audit Committee, she has been participating in active deliberations and on-site audits of subsidiaries, etc., and promoting the strengthening of our auditing system and internal controls on a global scale, including IT governance.</p> <p>If Ms. Yukari Kobayashi is reappointed, she is scheduled to continue to be appointed as a member of the Audit Committee. In view of these experiences, insights and achievements, Ms. Yukari Kobayashi is expected to continue to fulfill these roles, and the Company has determined that she would appropriately execute the duties as an Outside Director.</p>
Yasuhiro Nakajima Certified Public Accountant (Representative of Nakajima CPA Office)	<p>Mr. Yasuhiro Nakajima has abundant professional career and experience in accounting audit and advisory services as a Certified Public Accountant, and possesses expertise through teaching audit and corporate governance at a university.</p> <p>Since his appointment as an Outside Director of the Company, he has been contributing to ensuring appropriate decision making of the Board of Directors, not only in finance and accounting but also from the perspective of enhancing governance from a global standpoint, verifying the effectiveness of proper business cost reduction and securing product competitive advantage, etc. In addition, since 2025, as a Chairperson of the Audit Committee, he has been working to promote the strengthening of our auditing system and internal controls on a global scale, including through cooperation with the Independent Auditor. Furthermore, he also contributes as Chairperson of the Audit Committee to conduct more efficient and effective management of the Audit Committee by actively and directly participating in dialogue with investors and analysts, and using the opinions and perspectives of shareholders gained there to deepen discussions.</p> <p>If Mr. Yasuhiro Nakajima is reappointed, he is scheduled to continue to be appointed as Chairperson of the Audit Committee. He is expected to make significant contributions in continuing to lead audits to ensure that internal controls and risk management frameworks function properly.</p> <p>In view of these experiences, insights and achievements, Mr. Yasuhiro Nakajima is expected to continue to fulfill these roles, and the Company has determined that he would appropriately execute the duties as an Outside Director.</p>

Name Main occupation	Reasons for appointment
Noriko Morikawa —	<p>Ms. Noriko Morikawa has deep insight into capital, human resources, and organizational strategies through her extensive practical and managerial experience at overseas firms involved in the IT and telecommunications industry and automotive components industry. She also has global business experience and knowledge, having worked overseas for multiple companies and been responsible for overall operations at the headquarters.</p> <p>Since her appointment as an Outside Director of the Company, she has been contributing to ensuring appropriate decision making of the Board of Directors, not only in capital, human resources, and organizational strategies but also from the perspective of sustainability, manufacturing productivity improvement and product strategy, etc. In addition, since her appointment as an Outside Director in March 2025, she has been working to promote the strengthening of our auditing system and internal controls on a global scale through actively participating in deliberations with a fresh perspective and engaging in on-site audits of subsidiaries, etc., as a member of the Audit Committee.</p> <p>If Ms. Noriko Morikawa is reappointed, she is scheduled to continue to be appointed as a member of the Audit Committee. In view of these experiences, insights and achievements, Ms. Noriko Morikawa is expected to continue to fulfill these roles, and the Company has determined that she would appropriately execute the duties as an Outside Director.</p>
Toshiaki Itagaki Advisor, Chugai Pharmaceutical Co., Ltd.	<p>Mr. Toshiaki Itagaki has deep insight into finance, IT, the digital field, and marketing through his extensive practical and managerial experience in the pharmaceutical industry. He also has global business experience and knowledge, including experience working overseas, involvement in cross-border M&amp;A negotiations, and dealing with overseas investors.</p> <p>Since his appointment as an Outside Director of the Company, he has been contributing to ensuring appropriate decision making of the Board of Directors, not only in finance and accounting but also from the perspective of IT security, nonfinancial targets and communication with stakeholders, etc. In addition, since his appointment as an Outside Director in March 2025, he has greatly contributed to the establishment of more objective processes and enriching discussion through actively participating in deliberations in both committees with a fresh perspective as a member of the Nominating Committee and Compensation Committee.</p> <p>If Mr. Toshiaki Itagaki is reappointed, he is scheduled to be appointed as a member of the Nominating Committee and newly appointed as Chairperson of the Compensation Committee. In particular, as Chairperson of the Compensation Committee, he is expected to make a significant contribution by leading the process of ensuring appropriate compensation decisions and reviewing the executive compensation system to further enhance the Company's corporate value.</p> <p>In view of these experiences, insights and achievements, Mr. Toshiaki Itagaki is expected to continue to fulfill these roles, and the Company has determined that he would appropriately execute the duties as an Outside Director.</p>
Shigeki Mori Executive Officer, Chairperson, Nippon Sheet Glass Co., Ltd.	<p>Mr. Shigeki Mori has deep insight into a broad range of areas including corporate management, risk management, talent development, and sustainability through his extensive experience as the chief executive officer at a global company, following his roles as head of overseas and Japanese operations in the manufacturing industry.</p> <p>Through multiple meetings with the Chairperson of the Nominating Committee and the Nominating Committee, the Company was able to confirm that, in view of these experience and insights, he is expected to contribute to appropriate decision making of the Board of Directors. In light of this, and from the perspective of securing an appropriate human resources portfolio for the Board of Directors, the Company has determined that he qualifies for a new Outside Director.</p> <p>If Mr. Shigeki Mori is elected, he is scheduled to be appointed as a member of the Nominating Committee and the Compensation Committee. In view of these experiences, insights and achievements, he is expected to contribute to the Nominating Committee and the Compensation Committee from a new perspective, and the Company has determined that he would appropriately execute the duties as an Outside Director.</p>

Mr. Scott Trevor Davis, Mr. Kenichi Masuda, Ms. Yoko Suzuki, Ms. Yukari Kobayashi, Mr. Yasuhiro Nakajima, Ms. Noriko Morikawa, Mr. Toshiaki Itagaki, and Mr. Shigeki Mori, who are outside directors with no special interest in the Company, are considered independent outside directors as they do not present a conflict of interest with general shareholders, according to the Company's Guidelines for Determining Whether Outside Directors Are Sufficiently Independent. The Company's Guidelines for Determining Whether Outside Directors Are Sufficiently Independent are described at the end.

In addition, outside directors' holdings of the Company's stock are described under "4 (2) 1) b. a. Members of the Board."

[Nominating Policy for Appointment to the Board]

The nominated candidates shall possess the character and insight required to be able to put the Bridgestone Essence (corporate philosophy) into practice, the experience necessary to supervise the execution of business as a member of the Board, and the tenacity needed to perform the duties expected of a member of the Board of the Company.

(Outside Directors)

The Company takes into account the following:

- (1) The candidate's expertise, experience and ability to make judgments from an independent perspective.
- (2) The candidate's absence of connections with the Group that would undermine their independence from the Group.\*

\*Specifically, the candidate's ability to meet the conditions for independence as set out in the Company's "Guidelines for Determining Whether Outside Directors Are Sufficiently Independent"

(Members of the Board other than Outside Directors)

The Company takes into account the following:

- (1) The candidate's scope of knowledge and experience regarding the business and its operations.
- (2) The candidate's managerial ability to delineate the Company's ideal direction while taking actions informed by the changing business environment.

[Guidelines for Determining Whether Outside Directors Are Sufficiently Independent]

To ensure that the Company achieves the objectivity and transparency necessary for appropriate corporate governance, it is best that outside directors be as independent as possible.

The Company has accordingly established these guidelines concerning the requisite independence of Outside Directors in the Company. If any of the following items applies to an Outside Director (or to a candidate for such position; the same applies hereafter), they shall be deemed to lack the required level of independence for the Company. A person who:

1. In the past was an Executing Person of the Company or a consolidated subsidiary of the Company (collectively, the "Group") (Note 1)
2. Is a major shareholder of the Company (Note 2)
3. Is an Executing Person of a company or entity to which one of the following is applicable:
  - (1) A major supplier or customer of the Group (Note 3)
  - (2) A major lender to the Group (Note 4)
  - (3) A company or entity of which the Group holds 10% or more of the voting shares
4. Is a certified public accountant belonging to an auditing firm that is an accounting auditor of the Group
5. Is a professional, such as a consultant, accountant, tax accountant, attorney-at-law, judicial scrivener, or patent attorney who has received a large amount (Note 5) of money or other assets from the Group
6. Is a person who has received a large amount of donation from the Group (Note 6)
7. Is an Executing Person of another company, which position constitutes an interlocking director or corporate auditor position (Note 7) for the Outside Director
8. Has a close relative (Note 8) to which any of the above items 1 through 7 applies (but other than with respect to item 4 or 5, limited to a significant person (Note 9))

9. Is a person to which any of the above items 2 through 8 has applied within the last five years
10. Notwithstanding the above, is a person with respect to which any other particular factors exist that could create a conflict of interest with the Company

(Notes) 1. This means one who is currently an executive member of the Board, executive officer, vice president-officer or other similar person or employee (each, for purpose of these Guidelines, an “Executing Person”) or who has been an Executing Person of the Group at any time in the past.

2. A “major shareholder” shall mean a shareholder holding 5% or more of the voting shares, either in their own name or a third party’s name, as of the end of the Company’s fiscal year. If the major shareholder is an organization such as a company (or other legal entity) or partnership, it shall mean an Executing Person of the organization.

3. A “major supplier or customer” means a supplier or customer of the Group’s products whose annual total transactions with the Group exceeds 2% of the Company’s consolidated aggregate sales or 2% of the consolidated aggregate sales of the other party. In addition, automobile manufacturers which are customers of the Group’s tire products, and synthetic rubber manufacturers and steel cord manufacturers which are suppliers to the Group are considered major suppliers or customers regardless of actual annual transaction amounts.

4. A “major lender” means a financial institution from which the Group receives loans where the outstanding loan amount as of the end of the Company’s fiscal year exceeds 2% of the Company’s consolidated gross assets or 2% of the financial institution’s consolidated gross assets.

5. “Large amount” means the occurrence of either of the following in response to the professional’s provision of services:

(1) In the event that the professional is providing services to the Group as an individual, the receipt by the professional from the Group of compensation (excluding remuneration for services as a member of the Board or executive officer) of an amount exceeding 10 million yen per year.

(2) In the event the professional services are provided to the Group by an organization such as a company (or other legal entity) or a partnership, the receipt by the organization from the Group of the total amount of compensation exceeding 2% of the annual aggregate income of the organization. Even if not more than 2%, if the organization receives more than 10 million yen per year as compensation for services in which the professional was directly involved, it is considered a “large amount.”

6. This means the recipient of a donation exceeding 10 million yen per year from the Group. If the recipient is an organization such as a company (or other legal entity) or a partnership, it means any member of the organization who is directly involved with the research, education or other activity related to the donation.

7. “Interlocking director or corporate auditor position” means an Executing Person of the Group who is an Outside Director or Corporate Auditor for another company, where an Executing Person of such other company is also an Outside Director of the Company.

8. A “close relative” means a spouse or a relative within two degrees of family relation.

9. A “significant person” means a member of the Board, executive officer, vice president-officer or an Executing Person who is a division manager or above, or an Executing Person with authority similar to any of the foregoing.

- 3) Mutual cooperation of oversight or audit performed by Outside Directors with internal audit, the Audit Committee audit and accounting audit, as well as relationship with the internal control department

Outside Directors consider financial statements and policies for development of internal control systems, and directly or indirectly receive reports from the internal control department, through deliberation of proposals at the Board of Directors such as information on operations based on such development policies, providing effective oversight of executive officers and members of the Board. Mutual cooperation of oversight or audit performed by Outside Directors with internal audit, and the Audit Committee audit and accounting audit are described in “4. (3) Status of audit.”

### (3) Status of audit

#### 1) Audit by the Audit Committee

##### a. Organization and personnel

The Company's Audit Committee in the current fiscal year consists of a total of six members, comprising four outside directors and two internal full-time members. Mr. Yasuhiro Nakajima, a member of the Audit Committee, has abundant professional experience in accounting audit and advisory work as a Certified Public Accountant, as well as considerable knowledge in finance and accounting. Mr. Tsuyoshi Yoshimi, a full-time member of the Audit Committee, was in charge of accounting operations of the Company for many years and has considerable knowledge in finance and accounting.

In order to assist with the duties of the Audit Committee, the Company has assigned an executive director dedicated to audit, and established a department led by such executive director that is dedicated to assist the Audit Committee with their duties. Decisions on the appointment and replacement of the executive director dedicated to audit are made with the consent of the Audit Committee, while the performance assessment of such executive director is determined by taking the performance evaluations conducted by the Audit Committee into consideration.

In accordance with a resolution made at the Board of Directors meeting following the conclusion of the 107th Annual Shareholders' Meeting scheduled for March 24, 2026, the Audit Committee is expected to continue to consist of six Members of the Board (four of whom are outside directors).

##### b. Activities of the Audit Committee

###### (a) Frequency of Audit Committee meetings

The Audit Committee convened a total of 21 meetings during the current fiscal year. This included regular meetings between Representative Executive Officers and the Audit Committee on six occasions, which involved exchanges of various opinions and advice from the Audit Committee.

The total time of the meetings came to 49 hours and 18 minutes, which works out to three hours and 17 minutes per meeting (excluding regular meetings with the Representative Executive Officers). The status of attendance by individual members of the Audit Committee is as follows.

Position	Name	Attendance at Audit Committee meetings
Chairperson of the Audit Committee (Note 1)	Yojiro Shiba	7 of 7 (100%)
Chairperson of the Audit Committee (Note 2)	Yasuhiro Nakajima	21 of 21 (100%)
Member of the Audit Committee	Yoko Suzuki	21 of 21 (100%)
Member of the Audit Committee	Yukari Kobayashi	21 of 21 (100%)
Member of the Audit Committee (Note 3)	Noriko Morikawa	14 of 14 (100%)
Full-time member of the Audit Committee	Akira Matsuda	21 of 21 (100%)
Full-time member of the Audit Committee	Tsuyoshi Yoshimi	21 of 21 (100%)

(Note 1) Retired as a Chairperson of the Audit Committee on March 25, 2025.

(Note 2) Appointed as a Chairperson of the Audit Committee on March 25, 2025.

(Note 3) Appointed as a member of the Audit Committee on March 25, 2025.

(b) Activities of the Audit Committee and members of the Audit Committee

A. Resolutions and reports by the Audit Committee

There were 12 resolutions passed by the Audit Committee during the current fiscal year. The main content of these resolutions was related to audit report, audit policies and planning, assignment of duties of committee members, agreement on audit fees of the accounting auditor, and reappointment of the accounting auditor. There were also 118 reports. These reports included the audit report from the accounting auditor, reports from the Internal Auditing Department on internal audits and Group internal audit activities, risk management activity reports from operating divisions involved in business execution, and reports on the activities of the full-time members of the Audit Committee.

B. Activities of the members of the Audit Committee

In addition to the resolutions and reports above, members of the Audit Committee directly exchange opinions and provide advice in regular meetings with Representative Executive Officers. Moreover, they confirm management issues and the state of business through their attendance at Global EXCO and other important meetings. During the current fiscal year, they also make on-site visits to major Group companies and business locations in Japan and overseas, consisting of 11 business locations in Japan and 16 business locations overseas, to conduct audits regarding the status of execution of duties and the implementation status of internal control systems at such locations. In addition, the Chairperson of the Audit Committee holds web meetings to strengthen coordination between the Company and the Audit Committees of overseas SBUs. At these meetings, in addition to sharing priority audit findings, issues encountered during audit activities are discussed to strengthen governance across the entire Group. As for the accounting audit, the Audit Committee receives reports and explanations on audit plans, audit methods, and results from the accounting auditor, and then verifies the appropriateness of the results. Furthermore, the Committee has exchanged opinions on key audit matters (KAM) upon receiving explanations on a quarterly basis from the accounting auditor regarding audit response and status of review. The members of the Audit Committee also hold meetings with accounting auditors in charge of major overseas Group companies when making on-site visits to such Group companies to receive explanations regarding the status of audits.

In addition to the duties above, the full-time members of the Audit Committee strive to improve audit effectiveness by attending regular monthly executive committee meetings and other important meetings, engaging in daily information gathering efforts in cooperation with the internal audit divisions, and reporting to the Audit Committee.

C. Priority audit matters for the current fiscal year

Having identified the following three issues warranting focus for the current fiscal year, the Audit Committee conducted audit activities in cooperation with the Internal Auditing Department and the accounting auditor.

(A) Execution status of the Mid Term Business Plan (2024-2026)

The Audit Committee has designated the following as priority items for the current fiscal year: reviewing the status of initiatives related to sustainability, talent creativity, and WEST/EAST Integration in the Mid Term Business Plan (2024-2026) to be executed under the new global management structure from March 2025; initiatives for 2025, which has been designated as “the year of emergency and crisis management”; and initiatives to improve business quality. The Audit Committee has confirmed such matters through reporting to the Board of Directors, reports from relevant divisions at Audit Committee meetings, and on-site visits to business locations in Japan and abroad.

(B) Status of risk management system

The Audit Committee has confirmed the status of improvements made to the Group’s risk management systems, response to business risks such as TRWP (tire and road wear particles), 6PPD (an antioxidant and antiozonant commonly used in the tire industry), cyberattacks, and geopolitical risks, and initiatives to prevent fraud, misconduct, and other incidents. In addition to receiving reports from the divisions in charge of each risk at Audit Committee meetings, the Committee does this through attendance at various

internal meetings and through consultations with the Internal Auditing Department and the Group's internal audit divisions.

(C) Status of the internal control monitoring system

The Audit Committee has confirmed and furnished advice on the status of improvements made to the system for monitoring internal controls based on the "Three Lines Model" approach, through collaboration with the Internal Auditing Department and the audit committees of overseas SBUs, and through attendance at various internal meetings and on-site audits.

D. Evaluation of the effectiveness of the Audit Committee

Every year, the Company evaluates the effectiveness of the Board of Directors. As part of this process, the Audit Committee also conducted interviews with each member and held discussions based on the results.

As a summary for the fiscal year 2025, it was evaluated that the Audit Committee received sufficient information and reports from meetings with the Representative Executive Officer, as well as from the executive and internal audit divisions of the Company and its Group companies and the accounting auditors; confirmed the status of initiatives and improvements to issues at the Company and its Group companies through on-site audits; and was able to make appropriate recommendations as necessary. Based on the above, the Company believes that the effectiveness of the Audit Committee is sufficiently ensured, and it will continue to strive to further enhance its effectiveness.

2) Status of internal audits

a. Organization, personnel and procedures

The Group's internal auditing organization is comprised of the Internal Auditing Department and the internal audit divisions established at each SBU. In striving to operate in accordance with "Global Internal Audit Standards" of The Institute of Internal Auditors (IIA) among others, the Internal Auditing Department formulates an annual audit plan which is approved by the Audit Committee, and, based on that, conducts internal audits primarily of the effectiveness of Group governance and internal control on each function, operating division, and Group companies in Japan and overseas. In addition, the Internal Auditing Department supervises activities of the Group's internal audit system and works with the internal audit divisions at each SBU and the internal audit function of domestic subsidiaries on activities aimed at establishing an optimal internal audit system for the Group. The Internal Auditing Department collects audit reports and activity reports from the internal audit divisions of overseas SBUs in monthly meetings, and regularly reports them to the Audit Committee.

Among the internal audit divisions of overseas SBUs, the internal audit divisions of BSAM and BSEMEA affiliated with BRIDGESTONE WEST underwent organizational integration in 2024 in seeking to consolidate and streamline functions, while further enhancing internal audit capabilities.

As of December 31 2025, the Internal Auditing Department had 31 employees, and internal audit divisions of overseas SBUs had approximately 60 employees.

b. Mutual cooperation of internal audit, the Audit Committee audit and accounting audit

The Internal Auditing Department exchanges information and opinions with the Audit Committee, the Group's internal auditing organization and the accounting auditor as necessary, and generally maintains close contact, thereby working to further increase audit efficiency and effectiveness.

In addition, the Internal Auditing Department and the Audit Committee hold annual meetings in Japan with the local accounting auditors responsible for overseas SBUs, thereby strengthening their collaboration with these overseas accounting auditors.

c. Internal audits, Audit Committee audits, and accounting audits, and relationship with internal control department

With the cooperation of the Group's internal audit divisions, the Internal Auditing Department strives to improve and strengthen internal controls by auditing the development and operational status of internal

controls at locations in Japan and overseas and then reporting the findings to the Audit Committee, while simultaneously working with respective departments in charge of internal controls (internal control department). Regarding internal controls related to financial reporting, the Internal Auditing Department works with the accounting auditor and internal control department in striving to confirm and improve the status of controls, and in reporting the evaluation results to the Audit Committee and the Board of Directors. Furthermore, the Internal Auditing Department attends meetings where the Audit Committee confirms the development and operational status of internal controls upon receiving reports directly from the respective departments in charge of internal controls, as previously noted in “1) Audit by the Audit Committee,” and simultaneously exchanges opinions as necessary.

d. Initiatives to secure the effectiveness of internal audits

The Internal Auditing Department ensures independence from operating divisions from the perspective of ensuring effective audits by receiving instructions from and regularly reporting directly to the Audit Committee, the Board of Directors, and the Global CEO. An external professional institution assessed the Internal Auditing Department in 2022 and the internal audit division of BSAM in 2023 as generally conforming to the IIA’s Global Internal Audit Standards at the respective times of the assessments, and assessments will continue to be carried out by external professional institutions every five years. The Internal Auditing Department works to elevate the level of audits across all the internal audit divisions within the Group by performing self-reviews of audit quality every year and otherwise striving to improve audit quality through efforts that include enhancing skills of auditors in part through their acquisition of international qualifications and training, and exchanging information with internal audit divisions of other companies that embrace sophisticated audit practices. In addition, the Internal Auditing Department encourages and supports its members in obtaining international certifications to enhance their knowledge and skills as internal audit specialists. As of the end of December 2025, the primary certification holders(\*) included seven Certified Internal Auditors (CIA), seven Certified Fraud Examiners (CFE), and two Certified Information Systems Auditors (CISA).

\* Individuals holding multiple certifications are counted multiple times.

3) Status of accounting audits

a. Auditing firm

KPMG AZSA LLC

b. Consecutive audit period

Three years

c. Certified public accountants who performed the audit

Mr. Hirotaka Tanaka

Mr. Kentaro Maruta

Mr. Ayumu Nakajima

d. Composition of assistants involved in auditing operations

43 certified public accountants, 14 associate members of the Japanese Institute of Certified Public Accountants, and 87 other staff members are involved in the accounting auditing operations.

e. Policy and reasons for appointment of accounting auditor

To ensure the appropriate performance of duties by the accounting auditor, the Audit Committee appoints an appropriate accounting auditor from perspectives such as the quality control system, auditing systems, audit plans and audit fee levels.

The Audit Committee dismisses the accounting auditor with a unanimous resolution in the event where it determines the accounting auditor falls under any items of Article 340, paragraph (1) of the Companies Act. In this case, the members of the Audit Committee appointed by the Audit Committee must report its

decision and the reason for dismissal to the first Shareholders' Meeting after the dismissal. In addition to the above, in the circumstances where the Audit Committee deems it necessary for securing an appropriate auditing system or for its improvement, the Audit Committee determines details of the proposal for non-reappointment of the accounting auditor, based on which the Board of Directors submits the proposal to the Shareholders' Meeting.

According to the above policy, as a result of receiving the necessary reports and evaluation based on predetermined evaluation criteria concerning the auditing systems, independence, audit plans, and status of performance of duties of KPMG AZSA LLC, the current accounting auditor, the Audit Committee has reappointed the same firm as the accounting auditor for the 108th Fiscal Period (fiscal year 2026).

f. Evaluation of the accounting auditor

The Audit Committee prescribes evaluation criteria that conforms with the practical guidelines prescribed by the Japan Audit & Supervisory Board Members Association, and evaluates the accounting auditor annually in light of such criteria. When conducting such evaluation, the Audit Committee deliberates on reports mainly on matters, including the auditing systems, independence, specialization, audit plans, and status of performance of duties that are received from the accounting auditors and relevant internal departments.

From the standpoint of independence of the accounting auditor, the Audit Committee has established a new policy unique to the Company to limit non-audit fees provided by the accounting auditor and its group and receives regular reports from the accounting auditor to verify the status thereof.

4) Audit fees

a. Fees to auditing certified public accountants, etc.

Category	Previous fiscal year		Current fiscal year	
	Fees for audit services (Yen in millions)	Fees for non-audit services (Yen in millions)	Fees for audit services (Yen in millions)	Fees for non-audit services (Yen in millions)
The Company	231	6	253	9
Consolidated subsidiaries	205	–	186	–
Total	436	6	439	9

(Notes) 1. The audit agreement entered into by the accounting auditors and the Company does not separately stipulate the fee amounts for the audit under the Companies Act and the audit under the Financial Instruments and Exchange Act. Furthermore, those two amounts cannot be practically distinguished from one another, so this report lists the total amount that should be paid to the accounting auditors.

2. The details of non-auditing services provided to the Company by auditing certified public accountants, etc. are as follows.

(Previous fiscal year)

Services (non-auditing services) other than those set forth in Article 2, paragraph (1) of the Certified Public Accountants Act for which the Company has paid fees to the accounting auditors are the English translation services, etc. for annual securities report and other documents.

(Current fiscal year)

Services (non-auditing services) other than those set forth in Article 2, paragraph (1) of the Certified Public Accountants Act for which the Company has paid fees to the accounting auditors are the English translation services, etc. for annual securities report and other documents.

3. Fees for audit certification services for the previous fiscal year other than the above include 5 million yen in additional fees related to the Company and 9 million yen in additional fees related to the audit of consolidated subsidiaries.

b. Fees to companies in the same network as the auditing certified public accountants, etc. (excluding a.)

Category	Previous fiscal year		Current fiscal year	
	Fees for audit services (Yen in millions)	Fees for non-audit services (Yen in millions)	Fees for audit services (Yen in millions)	Fees for non-audit services (Yen in millions)
The Company	–	27	–	10
Consolidated subsidiaries	2,176	122	2,290	88
Total	2,176	149	2,290	98

(Note) The details of non-auditing services provided by companies in the same network as the auditing certified public accountants, etc. are as follows.

(Previous fiscal year)

Non-auditing services provided to the Company and consolidated subsidiaries are advisory services concerning tax, etc.

(Current fiscal year)

Non-auditing services provided to the Company and consolidated subsidiaries are advisory services concerning tax, etc.

c. Details of fees for other important audit services

No item to report.

d. Policy for determining audit fees

The Company determines audit fees paid to its accounting auditors based on verification of the number of required man-hours and the appropriateness of the amounts according to the audit plans. The consent of the Audit Committee is obtained for such determination.

e. Reasons for the Audit Committee's consent to the audit fees

As a result of confirmation and consideration of the details of the accounting auditors' audit plans, the basis of calculation for the fee quotation and non-audit fees, the Audit Committee deems the fees for services set forth in Article 2, paragraph (1) of the Certified Public Accountants Act to be reasonable and provides the consent pursuant to Article 399, paragraph (1) of the Companies Act.

(4) Remuneration for Members of the Board and Executive Officers

1) Board Members' and Executive Officers' remuneration for the current fiscal year

a. Total amount of remuneration, amount of each type of remuneration, and the number of recipients by the categories of Members of the Board and Executive Officers

Position category	Amount of each type of remuneration (Yen in millions)					Number of recipients (in persons)
	Fixed remuneration	Performance-based remuneration			Total	
		Annual bonuses	Stock compensation (PSU)	Stock compensation (RSU, etc.)		
Members of the Board (Internal)	126	–	–	–	126	5
Members of the Board (Outside)	211	–	–	–	211	10
Executive Officers	319	247	268	233	1,067	7
Total	655	247	268	233	1,404	22

- (Notes)
1. Allowance for Executive Officers who hold concurrent positions as Members of the Board (additional allowance for Members of the Board with concurrent duties) is included in the total amount of remuneration for Members of the Board.
  2. The amount of fixed remuneration in the above table (total amount of base remuneration, additional allowance for Members of the Board with concurrent duties, additional allowance for the chairpersons, and additional allowance for committee chairs) is the total amount of remuneration paid during fiscal year 2025 (fully paid in cash). (Including remuneration for Members of the Board and Executive Officers who retired during the current fiscal year.)
  3. Of the annual bonuses in the above table, Group-wide performance-based bonus is the amount expected to be paid in March 2026 based on the results of business performance, etc. of fiscal year 2025 (fully paid in cash), and performance-based bonus (area of responsibility) is the total standard amount expected to be paid in March 2026 (fully paid in cash).
  4. The stock compensation of the performance-based remuneration in the above table represents the total amount expensed up to fiscal year 2025. (excluding the portion disclosed in prior years).
    - The Performance Share Unit (PSU) is awarded in the form of shares of the Company's common stock or other securities according to Group-wide performance over a three-year period. (50% is paid in cash equivalent to the market value; however, those retiring before the relevant period ends are paid fully in cash equivalent to the market value.)
    - The Restricted Stock Unit, etc. (RSU, etc.) is a system under which RSU and Restricted Stock (RS) are granted according to the evaluation of initiatives related to sustainability, including ESG, and transformation in each fiscal year. Transfer restriction for RS will be lifted at the time of retirement, and for RSU, cash is paid equivalent to the market value of the number of stock units at the time of the lifting of the RS transfer restriction. The ratio of emphasis on RS and RSU is set at 50:50.
  5. Two Executive Officers who hold concurrent positions as Members of the Board are included in the numbers of Members of the Board (Internal) and Executive Officers, respectively.
  6. One Member of the Board (Internal) and two outside directors who retired during the current fiscal year are included in the numbers of Members of the Board (Internal) and outside directors, respectively.

b. Total amount of consolidated remuneration for persons received consolidated remuneration of 100 million yen or more.

Names and principal positions related to the current fiscal year	Company category	Position category	Total amount of consolidated remuneration (Yen in millions)				Total
			Fixed remuneration	Performance-based remuneration		Total	
				Annual bonuses	Stock compensation (PSU)		
Shuichi Ishibashi, Global CEO and Representative Executive Officer (Note 1)	The Company	Member of the Board	12	–	–	–	317
		Executive Officer	92	79	52 (Note 2)	83	
Nobuyuki Tamura, Executive Vice President and Representative Executive Officer	The Company	Executive Officer	60	51	40	29	179
Scott Damon, Executive Vice President and Executive Officer	The Company	Executive Officer	–	–	40	29	730
	BSAM (Note 3)	Member of the Board WEST CEO Concurrently BSAM Group President	176	374 (Note 4)	112	–	
Yasuhiro Morita, Executive Vice President and Representative Executive Officer	The Company	Executive Officer	60	43	62	25	191
Masato Banno, Executive Vice President and Executive Officer	The Company	Member of the Board	9	–	–	–	172
		Executive Officer	60	43	27	33	
Emilio Tiberio, Senior Vice President and Executive Officer	The Company	Executive Officer	–	–	24	17	363
	BSEMEA (Note 3)	Chair of the Supervisory Board WEST CTO	102	168 (Note 4)	52	–	
Tomohiro Kusano, Senior Vice President and Executive Officer	The Company	Executive Officer	47	31	24	17	119

- (Notes) 1. Mr. Shuichi Ishibashi retired as Executive Officer of the Company effective December 31, 2025.
2. The amount is the actual amount paid in relation to retirement of the officer referred to in Note 1, above.
3. The remuneration of executives at BSAM and BSEMEA is determined taking into account business performance, etc. of BSAM and BSEMEA, following investigation, analysis and consideration of matters such as market levels for remuneration of directors and executive officers in the incumbent's location of the United States and Italy when determining remuneration. Fixed remuneration includes an amount equivalent to fringe benefits.
4. Annual bonuses in the above table include annual bonuses, confirmed payout amounts for the long-term incentive plans covering fiscal years 2023 through 2025, expenses recognized for fiscal years 2024 and 2025 under the long-term incentive plans covering fiscal years 2024 through 2026, and expenses recognized for fiscal year 2025 under the long-term incentive plans covering fiscal years 2025 through 2027. (excluding the portion disclosed in prior years).

c. Calculation method and evaluation results of performance-based remuneration

(a) Short-term incentives (annual bonuses)

<Group-wide performance-based bonus>

- The Group-wide performance-based bonus for fiscal year 2025 was paid at 94.4% of the standard amount, in accordance with the evaluation of the performance indicators as follows.

(Recipients: Global CEO and Representative Executive Officer, Executive Vice Presidents and Representative Executive Officers, Executive Vice Presidents and Executive Officers, Senior Vice Presidents and Executive Officers)

Performance indicator	Fluctuation range of payment rate	Target for fiscal year 2025* (Yen in billions)	Results for fiscal year 2025 (Yen in billions)	Payment rate	
Amount of consolidated adjusted operating profit	0-150%	Maximum:	606.0	493.72	94.4%
		Target:	505.0		
		Threshold:	404.0		

\* In its Mid Term Business Plan and other initiatives, the Company aims to become a more resilient and highly profitable company, and accordingly, has positioned adjusted operating profit as one of its key management indices and selected it as an appropriate indicator for the annual evaluation of executive remuneration.

$$\text{Bonus payment by individual} = \text{Standard amount by position (Group-wide performance-based bonus)} \times \text{Payment rate (94.4\%)}$$

<Performance-based bonus (area of responsibility)>

- The amount of bonus payment for Executive Vice Presidents and Representative Executive Officers for fiscal year 2025 has been determined by the Compensation Committee at a meeting held in March 2026, based on the achievement of the performance in the area of responsibility as the person in charge of the business, while comprehensively taking into consideration important initiatives, etc., being carried out in light of the business environment in the area of responsibility.

- The amount of bonus payment for Executive Vice Presidents and Representative Executive Officers, Executive Vice Presidents and Executive Officers, and Senior Vice Presidents and Executive Officers for fiscal year 2025 has been determined by the Compensation Committee at a meeting held in March 2026, based on the individual performance evaluation for the functions for which they are responsible.

(Recipients: Executive Vice Presidents and Representative Executive Officers, Executive Vice Presidents and Executive Officers, Senior Vice Presidents and Executive Officers)

$$\text{Bonus payment by individual} = \text{Standard amount by position (Performance-based bonus (area of responsibility))} \times \text{Payment rate (Individual performance evaluation) (0-150\%)}$$

- Since Executive Vice Presidents and Representative Executive Officers, Executive Vice Presidents and Executive Officers, and Senior Vice Presidents and Executive Officers have important roles and responsibilities not only for improving consolidated financial performance but also for improving their area of responsibility and functions over the medium to long term, the ratio of emphasis on Group-wide performance bonus (based on evaluation of consolidated financial performance) and performance-based bonus for area of responsibility (based on individual performance evaluation) is set at 60:40 on a standard amount basis.

(b) Mid- to long-term incentives (stock compensation)

<Performance Share Unit (PSU)>

- The 2023 Plan (evaluation period: 2023 to 2025), for which the evaluation was finalized in fiscal year 2025, resulted in a payment of 74.5% of the standard number of shares, based on the evaluation of performance indicators as follows. 50% is delivered in the form of the Company’s common stock, and the remaining 50% is paid in cash equivalent to the market value.

(Recipients: Global CEO and Representative Executive Officer, Executive Vice Presidents and Representative Executive Officers, Executive Vice Presidents and Executive Officers, Senior Vice Presidents and Executive Officers)

Performance indicator	Evaluation ratio	Fluctuation range of payment rate	Target for fiscal year 2025	Results	Payment rate	
Consolidated ROIC	80%	0-200%	Maximum:	14%	8.3%	78.8%
			Target:	10%		
			Threshold:	6%		
Consolidated ROE	20%	0-200%	Maximum:	16%	8.6%	57.5%
			Target:	12%		
			Threshold:	8%		
Payment rate (weighted-average)					74.5%	

$$\text{Number of shares by individual} = \text{Standard number of shares by position*} \times \text{Payment rate } 74.5\%$$

\* The “standard number of shares by position” above is calculated by dividing the standard amount by position by the Company’s stock price at the beginning of the performance evaluation period.

<Restricted Stock Unit, etc. (RSU, etc.)>

- The payment of RSU, etc. for fiscal year 2025 was 110% of the standard amount, in overall consideration of achievement status of the sustainability targets ((1) Internal and external communication and tangible value creation driven by the “Bridgestone E8 Commitment,” (2) investment in and development of human resources to increase added value and job satisfaction, (3) carbon neutrality, including reduction of CO<sub>2</sub> emissions, (4) achievement of a circular economy, including increasing the ratio of recycled and renewable materials, (5) activities for achieving a nature-positive world focused on natural rubber and water resources, and (6) response to TRWP and 6PPD (Note) as an industry leader). The Compensation Committee mainly evaluated the fact that support for smallholders and water risk reduction activities have been steadily advanced beyond the plan, particularly regarding a nature-positive world, and that steady progress is also being made in the areas of carbon neutrality, TRWP, and 6PPD. The number of individual stock units to be provided as RSU and the number of individual shares to be delivered as RS are calculated by dividing the “Amount of RSU, etc. payments by individual” stated below by the Company’s stock price at the time of the share unit provision and share delivery.

(Recipients: Global CEO and Representative Executive Officer, Executive Vice Presidents and Representative Executive Officers, Executive Vice Presidents and Executive Officers, Senior Vice Presidents and Executive Officers)

$$\text{Amount of RSU, etc. payments by individual} = \text{Standard amount by position} \times \text{Payment rate } 110\%$$

(Note) For details on TRWP, 6PPD and our response, please see “1. Management policy, management environment and issues to be addressed” in “II. Business Overview.”

d. Activities of the Compensation Committee

(a) The number of meetings of the Compensation Committee

In fiscal year 2025, the Compensation Committee held 12 meetings mainly regarding the amount of executive compensation. In addition, a third-party human resources and remuneration consultant provided objective and specialized input necessary for deliberations, as necessary.

(b) Specific matters resolved, deliberated and considered at the Compensation Committee

The Compensation Committee mainly deliberated, decided, or confirmed the following during fiscal year 2025.

- Discussed the evaluation of performance-based remuneration for the previous fiscal year (consolidated financial performance evaluation for Group-wide performance-based bonus, individual performance evaluation for performance-based bonus (area of responsibility), consolidated financial performance evaluation for PSU, and evaluation of initiatives related to sustainability and transformation pertaining to RSU, etc.) and determined the amount to be paid to each individual and the number of shares to be delivered.
- Discussed and decided on the performance-based remuneration targets for fiscal year 2025 (consolidated financial performance targets related to Group-wide performance-based bonus and PSU, and sustainability-related initiative targets related to RSU, etc.).
- Deliberated on the appropriateness of remuneration, etc. paid by overseas Group companies to the Company's Executive Officers and its Vice Presidents and Senior Officers assigned to overseas Group companies, based on reports received on such remuneration, etc.
- Made decisions on the remuneration system for the subsequent fiscal year with respect to the level and composition of remuneration for Members of the Board and Executive Officers. This involved comparing the level and composition of such remuneration with that of major companies in Japan operating globally to verify the appropriateness and then discussing the matter of appropriate remuneration level and composition in alignment with the Company's principles of remuneration.

(c) Adequacy and appropriateness of individual remuneration for Members of the Board and Executive Officers

Individual remunerations for Members of the Board and Executive Officers for the current fiscal year are set by the Compensation Committee, composed solely of Independent Outside Directors, by carrying out multifaceted discussions including consistency of remunerations with the policy for setting remunerations based on objective and specialized information necessary for deliberations, as described in paragraphs (a) and (b) above. Therefore, the Committee has determined that the individual remunerations for Members of the Board and Executive Officers are in line with the policy and are adequate.

2) Policy for setting Board Members' and Executive Officers' remuneration for the subsequent fiscal year

The positions described in the "2) Policy for setting Board Members' and Executive Officers' remuneration for the subsequent fiscal year" are subject to approval at the Annual Shareholders' Meeting scheduled to be held on March 24, 2026, and the subsequent Board of Directors meeting.

a. Method for deciding the policy for setting Board Members' and Executive Officers' remuneration and key points for the subsequent fiscal year

(a) Method for deciding the policy for setting Board Members' and Executive Officers' remuneration

The policy for setting remuneration by position and individual remunerations to the Company's Board Members and Executive Officers is determined by the Compensation Committee, composed solely of Independent Outside Directors, by taking into account changes in the business environment and opinions of our shareholders and investors, upon obtaining the information necessary for deliberations from third-party human resources and remuneration consultants who possess abundant global experience and insight.

(b) Key points for the policy for setting Board Members' and Executive Officers' remuneration

The Company reached a decision that, in discussing the structure of incentives for the subsequent fiscal year regarding the compensation of the Global CEO and Representative Executive Officer, a portion of the annual bonuses will be reflected in the performance-based bonus (area of responsibility), as with other Executive Officers. There are no other particular matters that require mentioning regarding the policy for setting Board Members' and Executive Officers' remuneration for the subsequent fiscal year.

b. Policy for setting Board Members' and Executive Officers' remuneration

(a) Principles of remuneration

- The Company designs the remuneration system for Board Members and Executive Officers based on the following remuneration principles.

Principles of remuneration	<ul style="list-style-type: none"> <li>• Attract and cultivate superior talent</li> <li>• Support a competitive remuneration level</li> <li>• Provide motivation for the execution of business strategies</li> <li>• Provide motivation for enhancing shareholder value</li> </ul>
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(b) Remuneration system

<Executive Officers>

- Remuneration of Executive Officers consists of the following.

Type of remuneration		Overview	
Fixed		Base remuneration	<ul style="list-style-type: none"> <li>• Monthly cash remuneration determined based on role and responsibilities (position, etc.) of each Executive Officer</li> </ul>
Variable	Short-term incentives	Performance-based bonus (Group-wide)	<ul style="list-style-type: none"> <li>• Cash remuneration paid based on the evaluation of Group-wide performance (amount of consolidated adjusted operating profit) for each fiscal year</li> </ul>
		Performance-based bonus (area of responsibility)	<ul style="list-style-type: none"> <li>• Cash remuneration paid based on the individual performance evaluation for each fiscal year (Recipients: Global CEO and Representative Executive Officer, EAST CEO and Representative Executive Officer, CIO and Executive Officer, CPO and Executive Officer, and CMO and Executive Officer)</li> </ul>
	Mid- to long-term incentives	Performance Share Unit (PSU)	<ul style="list-style-type: none"> <li>• Remuneration provided for sharing value with shareholders and raising motivation to contribute to achievement of mid-term performance targets and the improvement of corporate value</li> <li>• Shares, etc. delivered according to Group-wide performance (ROIC and ROE) over a three-year period (50% is paid in cash equivalent to the market value)</li> </ul>
		Restricted Stock Unit, etc. (RSU, etc.)	<ul style="list-style-type: none"> <li>• Remuneration provided for sharing value with shareholders and encouraging executive officers to realize the Mid-Long Term Business Strategy with sustainability at the core</li> <li>• RSU, etc. are provided according to the evaluation of sustainability and transformation initiatives in each fiscal year, and vest at time of retirement. (50% is provided as stock units, and cash equivalent to the market value is paid at time of retirement. The remaining 50% is provided as restricted stock, and the transfer restriction is lifted upon retirement.)</li> </ul>

<Members of the Board>

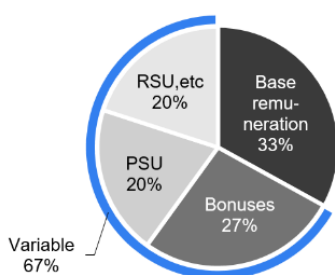
- Remuneration for Members of the Board who do not concurrently serve as Executive Officers consists of a fixed “base remuneration,” “additional allowance for the chairpersons” when an Outside Director assumes the position of Chairperson of the Board of Directors, and “additional allowance for committee chairs” when an Outside Director assumes the position of chairperson of statutory or voluntary committees. This is in view of their role to contribute to the improvement of corporate performance and value over the medium- to long-term by supervising overall execution from an independent and objective perspective.
- If an Executive Officer concurrently serves as a Member of the Board, he/she will receive, in addition to his/her remuneration as an Executive Officer, “additional allowance for Members of the Board with concurrent duties” for his/her role and responsibilities as a Member of the Board.

(c) Method of setting remuneration levels and composition ratio of remuneration

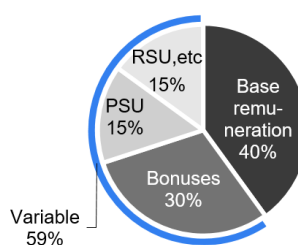
<Executive Officers>

- The Company sets remuneration for Executive Officers at an appropriate amount according to each Executive Officer’s role and position by referring to remuneration levels, etc. of other major companies in Japan, which are equal or greater in size (net sales and market capitalization) and profitability (operating profit ratio) than the Company and operate globally in the same manner as the Company (hereinafter the “Peer Companies”).
- While base remuneration is set at a middle level of the Peer Companies, the ratio of variable remuneration is, in principle, set higher for higher positions with greater responsibility for business performance and corporate value, by referring to European companies. The Company aims to set the total remuneration at a level that ensures a certain level of competitiveness among the Peer Companies.
- The following charts show the composition ratio of remuneration for Executive Officers by position if the variable remuneration is the standard amount.

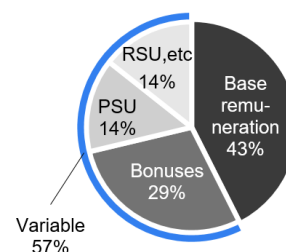
<Global CEO and Representative Executive Officer>



<EAST CEO and Representative Executive Officer>



<Executive Officer CIO/CPO/CMO>



<Members of the Board>

- Remuneration for Members of the Board who do not concurrently serve as Executive Officers is set in consideration of factors such as remuneration levels at the Peer Companies and companies with Nominating Committee, etc., the roles and functions expected of each Member of the Board, and the workload involved in executing their duties.

(d) Performance indicators of performance-based remuneration and reasons for the selection

- The Company selects the following as performance indicators of performance-based remuneration based on the Mid-Long Term Business Strategy and the Mid Term Business Plan.

Short-term incentives <sup>(*)</sup>		
Performance-based bonus (Group-wide)		Performance-based bonus (area of responsibility)
<Enhancement of earning power and profitability> Consolidated adjusted operating profit		<Achievement in area of responsibility/strategic targets> Individual performance evaluation
100%		100%
Mid- to long-term incentives <sup>(*)</sup>		
PSU		RSU, etc.
<Review of business portfolio> <Improvement of profitability over mid-term>		<Realization of transformation/sustainability business framework>
ROIC	ROE	Evaluation of sustainability
80%	20%	100%

\*1. The ratio of emphasis on Group-wide performance-based bonus and performance-based bonus (area of responsibility) is set at 60:40 in view of the roles and responsibilities Executive Officers bear.

\*2. The ratio of emphasis on PSU (financial evaluation) and RSU, etc. (non-financial evaluation) is set at 50:50 uniformly for all Executive Officers.

(e) Short-term incentives (annual bonuses)

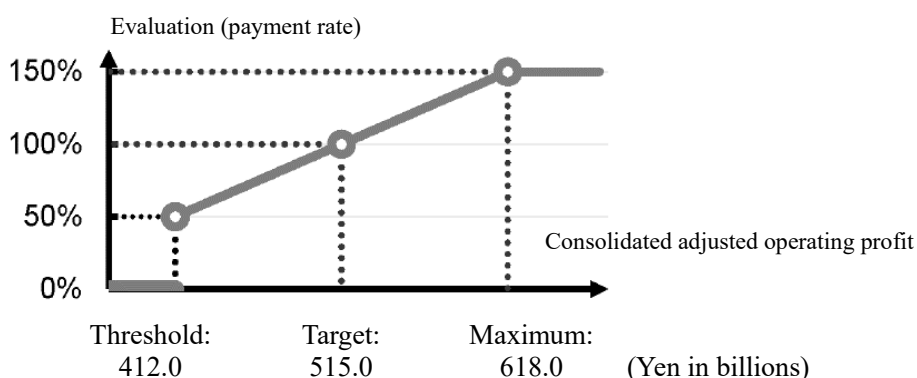
<Group-wide performance-based bonus>

- The amount of individual Group-wide performance-based bonus is determined within a range of 0% to 150% of the standard amount, according to the degree to which targets of consolidated adjusted operating profit are achieved.

(Recipients: Global CEO and Representative Executive Officer, EAST CEO and Representative Executive Officer, CIO and Executive Officer, CPO and Executive Officer, and CMO and Executive Officer)

Bonus payment by individual	=	Standard amount by position (Group-wide performance-based bonus)	×	Evaluation of consolidated adjusted operating profit (0-150%)
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<Target for fiscal year 2026>



- Target: Full-year forecast amount publicly-announced in February 2026
- Maximum: Target + 20% (the payment rate is 150% if the actual profit exceeds the forecast amount)
- Threshold: Target - 20% (the payment rate is 0% if the actual profit falls below the forecast amount)
- The Compensation Committee may adjust (increase or decrease) the payment rate of the Group-wide performance-based bonus if it determines that performance, corporate value or brand value have been or could potentially be significantly impacted by an event (including changes in the external environment) that was not anticipated at the beginning of the period.

<Performance-based bonus (area of responsibility)>

- The amount of individual bonuses for Global CEO and Representative Executive Officer, EAST CEO and Representative Executive Officer, CIO and Executive Officer, CPO and Executive Officer, and CMO and Executive Officer is Group-wide performance-based bonus plus performance-based bonus (area of responsibility), which is variable within a range of 0% to 150% of the standard amount, determined according to the individual performance evaluation related to their area of responsibility and functions. The ratio of emphasis on Group-wide performance-based bonus and performance-based bonus (area of responsibility) is set at 60:40.

(Recipients: Global CEO and Representative Executive Officer, EAST CEO and Representative Executive Officer, CIO and Executive Officer, CPO and Executive Officer, and CMO and Executive Officer)

Bonus payment by individual	=	Standard amount by position (Performance-based bonus (area of responsibility))	×	Individual performance evaluation (0-150%)
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- The individual performance evaluation of Global CEO and Representative Executive Officer, CIO and Executive Officer, CPO and Executive Officer, and CMO and Executive Officer is designed for the Compensation Committee to evaluate the efforts and results of each individual, as they play an important role and responsibility in improving Group-wide functions over the medium to long term as functional managers.
- The individual performance evaluation of EAST CEO and Representative Executive Officer is based on the achievement of performance in the area of responsibility as the person in charge of the business. The Compensation Committee determines the final evaluation by comprehensively considering important initiatives in light of the business environment in the area of responsibility.

(f) Mid- to long-term incentives (stock compensation)

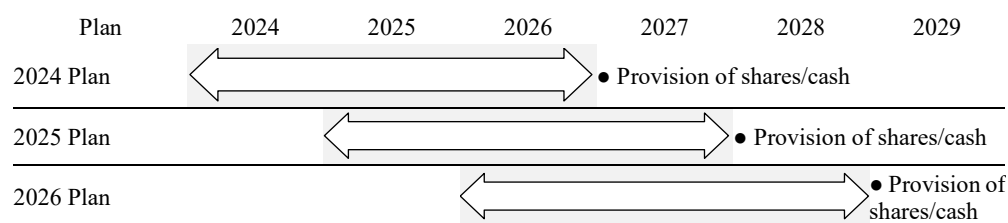
<Performance Share Unit (PSU)>

- The Company's PSU is a plan in which the Company's common stock, etc. are delivered in a number calculated based on its consolidated results (ROIC and ROE) at the end of the performance measuring period (a three-year period). The number of shares, etc. to be delivered to each Executive Officer is determined within a range of 0% to 200% of the preset standard number of shares by position. 50% of the number of shares calculated is paid in cash equivalent to the market value (Recipients: Global CEO and Representative Executive Officer, EAST CEO and Representative Executive Officer, WEST CEO and Executive Officer, WEST CTO and Executive Officer, CIO and Executive Officer, CPO and Executive Officer, and CMO and Executive Officer)

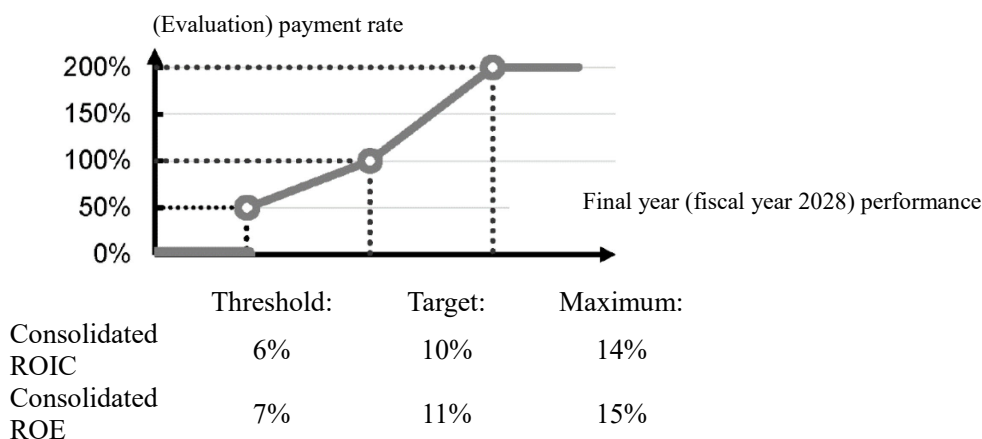
$$\text{Number of shares by individual} = \text{Standard number of shares by position}^* \times \left[ \text{Evaluation of consolidated ROIC (0-200\%)} \times 80\% + \text{Evaluation of consolidated ROE (0-200\%)} \times 20\% \right]$$

\* The "standard number of shares by position" above is calculated by dividing the standard amount by position by the Company's stock price at the beginning of the performance evaluation period.

<Image of the performance measuring period of the PSU plan by year>



<Target for 2026 Plan>



- Target: Figure set as a medium- to long-term target

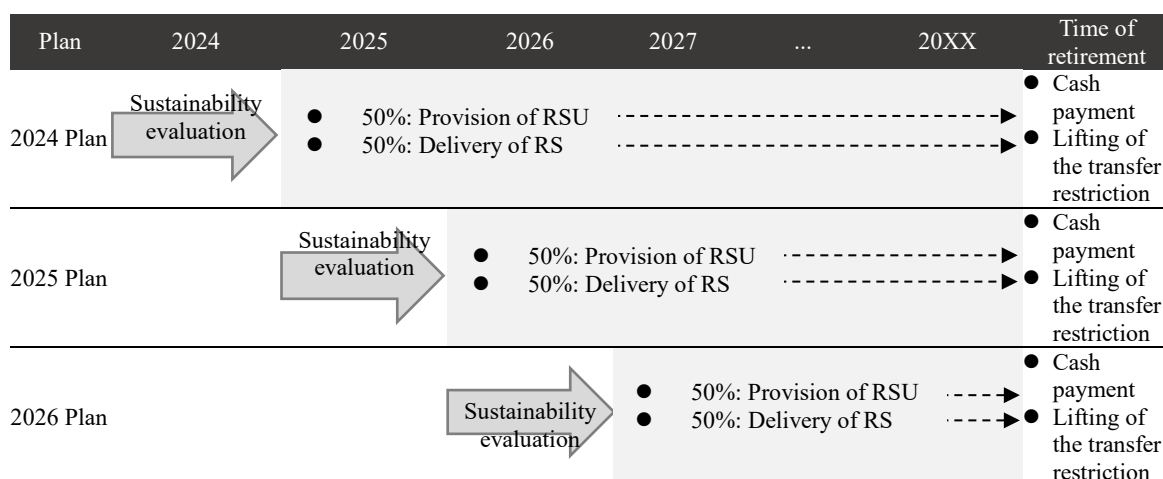
- Maximum: Target + 4 points (the payment rate is 200% if the actual performance exceeds the target figure)
- Threshold: Target - 4 points (the payment rate is 0% if the actual performance falls below the target figure)
- \* If the targets for fiscal year 2028 are revised in the Mid Term Business Plan (2027-2029), the decision on whether to revise the targets accordingly will be reviewed and deliberated.

<Restricted Stock Unit, etc. (RSU, etc.)>

- The number of RSU, etc. of the Company to be granted is determined within a range of 0% to 120% of the standard amount, according to the evaluation of the efforts related to transformations and sustainability, including ESG, in each fiscal year. Since achievements in those initiatives are reflected in the corporate value (the Company's stock price) over the medium- to long-term, vesting of RSU, etc. shall be at the time of retirement. 50% of the amount to be paid shall be delivered as RSU, and cash equivalent to the market value of the number of stock units shall be paid at the time of retirement. The remaining 50% shall be delivered in the form of the Company's stock (RS), on which transfer restriction shall be lifted at the time of retirement. In order to ensure objectivity, fairness, and effectiveness as an incentive, the Compensation Committee, composed of Outside Directors, will make the final evaluation after verifying the appropriateness of self-evaluation of executive side. The number of individual stock units to be provided as RSU and the number of individual shares to be delivered as RS are calculated by dividing the "Amount of RSU, etc. payments by individual" stated below by the Company's stock price at the time of the share unit provision and share delivery.  
(Recipients: Global CEO and Representative Executive Officer, EAST CEO and Representative Executive Officer, WEST CEO and Executive Officer, WEST CTO and Executive Officer, CIO and Executive Officer, CPO and Executive Officer, and CMO and Executive Officer)

Amount of RSU, etc. payments by individual	=	Standard amount by position	×	Sustainability evaluation (0-120%)
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<Image of the sustainability evaluation period and transfer restriction period of the RSU, etc. plan by year>



(g) Other important matters

<Remuneration of foreign Executive Officers>

- Notwithstanding the provisions set forth in (b) through (e) above, the remuneration, etc. of foreign Executive Officers shall be determined individually, based on "(a) Principles of remuneration," taking into consideration the remuneration levels and practices in the human resources market that are assumed in light of their place of residence. However, in light of their responsibilities for the entire Group as an

Executive Officer of the Company, the same structure as other Executive Officers will be applied to them with respect to “(f) Mid- to long-term incentives (stock compensation).”

<Process for deciding individual remuneration>

- The details of individual remunerations to the Company’s Members of the Board and Executive Officers are determined by the Compensation Committee, composed solely of Independent Outside Directors, in accordance with the policy for setting Board Members’ and Executive Officers’ remuneration. If any Members of the Board or Executive Officers of the Company hold concurrent positions as executives for any subsidiaries, the Compensation Committee also deliberates on the remuneration to be paid by those subsidiaries. The main roles and powers of the Compensation Committee are as follows.

<Main roles and powers of the Compensation Committee>

Matters for resolution	Matters for deliberation
<ul style="list-style-type: none"> <li>• Policy for setting Board Members’ and Executive Officers’ remuneration</li> <li>• Details of remuneration for individual Members of the Board and Executive Officers based on the aforementioned policy</li> </ul>	<ul style="list-style-type: none"> <li>• In the event that Member of the Board or Executive Officer is concurrently an executive of a Group company, the remuneration paid by such Group company</li> <li>• Remuneration paid by Group companies for the Chair, CEO and COO of key overseas Group companies</li> <li>• Report on the status of execution of duties by the Compensation Committee reported to Members of the Board</li> </ul>

(h) Reference: Statement pertaining to performance-related remuneration as prescribed in Article 34, paragraph (1), item (iii) of the Corporation Tax Act

Group-wide performance-based bonus and Performance Share Unit (PSU) for the Company’s Executive Officers are designed as performance-related remuneration as prescribed in Article 34, paragraph (1), item (iii) of the Corporation Tax Act in order to allow the full amount to be treated as a deductible expense. The calculation method for these is determined by a resolution of the Compensation Committee, composed solely of Independent Outside Directors. The details of the calculation method are as follows.

A. Group-wide performance-based bonus for fiscal year 2026

The individual amount of Group-wide performance-based bonus is to be calculated by position and determined in accordance with the following calculation method at the first meeting of the Compensation Committee following the finalization of the consolidated financial statements for the fiscal year ending December 31, 2026. The performance indicator used as the basis for calculating the pay amount is consolidated adjusted operating profit, and the performance measuring period for this indicator is from January 1, 2026 to December 31, 2026.

(A) Calculation method

Amount of payment by individual = Standard amount by position<sup>(\*1)</sup> × Payment rate<sup>(\*2)</sup>

\*1 Standard amounts by position are as follows:

Position	Global CEO and Representative Executive Officer	EAST CEO and Representative Executive Officer	Executive Officer CIO/CPO/CMO
Standard amount by position (per person)	51.84 million yen	32.76 million yen	19.82 million yen

\*2 The payment rate is calculated by the following formula, and any fraction after the decimal point resulting from the calculation is rounded off to the first decimal place.

Consolidated adjusted operating profit (fiscal year 2026 results)	Less than 412.0 billion yen	Between 412.0 billion yen and 618.0 billion yen	618.0 billion yen or more
Payment rate	0%	50% + {100% × (Consolidated adjusted operating profit - 412.0 billion yen) ÷ 206.0 billion yen}	150%

(B) Upper limit for payment by individual

Position	Global CEO and Representative Executive Officer	Representative Executive Officer EAST CEO	Executive Officer CIO/CPO/CMO
Upper limit for payment by individual <sup>(*3)</sup>	77.76 million yen	49.14 million yen	29.73 million yen

\*3 The upper limit for payment by individual is the “defined amount” prescribed in Article 34, paragraph (1), item (iii) (a) 1. of the Corporation Tax Act.

(C) Timing of payment

Payments will be made in a lump sum in March following the end of the performance measuring period, based on the payment amounts by individual calculated using the above calculation method. Any fraction of less than 10,000 yen in the amount of upper limit for payment by individual shall be rounded up.

Treatment if an Executive Officer changes roles during the performance measuring period

(D) If a person becomes an Executive Officer or is promoted or demoted, or otherwise subject to a change in position during the performance measuring period, the standard amount by position for such person shall be the amount calculated with the following formula.

- Standard amount by position of the person who changes roles = Standard amount by position prior to the change of roles(\*4) + (Standard amount by position after the change of roles - Standard amount by position prior to the change of roles(\*4)) × Number of months after the change of roles in performance measuring period(\*5) ÷ 12

\*4 In the event of assuming office as a new Executive Officer, calculated with the “Standard amount by position prior to the change of roles” set at 0.

\*5 Fractions of less than one month are to be rounded up to one full month.

Similarly, the upper limit for payment by individual will be proportionally divided according to the position prior to and after the change of roles and the number of months after the change of roles.

(E) If an Executive Officer retires during the performance measuring period and all mandate or employment relationship with the Company is terminated, the standard amount by position for such person shall be the amount calculated with the following formula.

- Standard amount by position of the person who retires = Standard amount by position during tenure(\*6) × Number of months in office during the performance measuring period(\*7) ÷ 12

\*6 In the event of promotion, demotion, or change in position during the term of office of an Executive Officer, the standard amount by position shall be calculated in accordance with the treatment in (D) above.

\*7 Fractions of less than one month are to be rounded up to one full month.

Similarly, regarding the upper limit for payment by individual, if an Executive Officer retires during the performance measuring period, the upper limit for payment by individual for such person shall be the amount calculated with the following formula.

- Upper limit for payment by individual of the person who retires = Standard amount by position during tenure(\*8) × 150% × Number of months in office during the performance measuring period(\*9) ÷ 12

\*8 In the event of promotion, demotion, or change in position during the term of office of an Executive Officer, the standard amount by position shall be calculated in accordance with the treatment in (D) above.

\*9 Fractions of less than one month are to be rounded up to one full month.

If an Executive Officer retires during the performance measuring period and continues to hold a position other than Executive Officer until the end of the performance measuring period, the calculation method for the individual amount of the Group-wide performance-based bonus and the timing of payment shall be in accordance with the provisions of (A) through (E) above, as with other incumbent Executive Officers.

#### B. PSU 2026 Plan (performance measuring period: 2026 to 2028)

The number of shares of the Company's common stock to be delivered as PSU ("Number of PSU Shares to Be Delivered") and the amount of money to be paid ("Amount of PSU Cash to Be Paid") to each individual will be calculated and determined in accordance with the following calculation method at the first meeting of the Compensation Committee following the finalization of the consolidated financial statements for the fiscal year ending December 31, 2028.

##### (A) Overview of the Company's PSU

The Company determines the Number of PSU Shares to Be Delivered and the Amount of PSU Cash to Be Paid to each Executive Officer according to the results of performance indicators (actual results) during a predetermined performance measuring period. The performance indicators used as the basis for calculating the Number of PSU Shares to Be Delivered and the Amount of PSU Cash to Be Paid under the 2026 Plan are consolidated ROIC and consolidated ROE, and the performance measuring period for these indicators is from January 1, 2026 to December 31, 2028.

The Company shall pay "monetary compensation claims to provide in-kind contributions" to each Executive Officer in order to deliver shares of the Company's common stock to each Executive Officer. The amount of such monetary compensation claims is determined by the Compensation Committee to the extent that is not particularly favorable to each Executive Officer subscribing to the Company's common stock.

The Company will deliver shares of common stock of the Company to each Executive Officer by issuing new shares or disposing of treasury stock. Each Executive Officer shall be granted the Company's common stock by making in-kind contribution to the Company of the aforementioned monetary compensation claims to provide in-kind contributions.

(B) Calculation method

The Number of PSU Shares to Be Delivered and the Amount of PSU Cash to Be Paid by individual are calculated and determined by position as follows. Any fraction of less than 100 shares in the Number of PSU Shares to Be Delivered and any fraction of less than 10,000 yen in the Amount of PSU Cash to Be Paid shall be rounded up to 100 shares and 10,000 yen, respectively.

- Number of PSU Shares to Be Delivered = Standard number of shares by position<sup>(\*1)</sup> × 50% × Payment rate<sup>(\*2)</sup>
- Amount of PSU Cash to Be Paid = Standard number of shares by position<sup>(\*1)</sup> × 50% × Payment rate<sup>(\*2)</sup> × the Company's stock price<sup>(\*3)</sup>

\*1 Standard number of shares by position is as follows: In the period between the determination of this calculation method by the Compensation Committee and the determination by the Compensation Committee of the Number of PSU Shares to Be Delivered and the Amount of PSU Cash to Be Paid to each Executive Officer according to the results of the performance indicators, if the total number of shares issued by the Company changes due to consolidation of stock or stock split (including a free distribution of the Company's stock; the same definition applies to stock splits described below), the below standard number of shares by position shall be adjusted by multiplying the ratio of such consolidation of stock or stock split, and the number of shares after the adjustment will be used in the calculation.

Position	Global CEO and Representative Executive Officer	Representative Executive Officer EAST CEO/ WEST CTO and Executive Officer	Executive Officer WEST CTO/CIO/CPO/CMO
Standard number of shares by position (per person)	17,700 shares	7,500 shares	4,500 shares

\*2 The payment rate is calculated by the following formula, and any fraction after the decimal point resulting from the calculation is rounded off to the first decimal place.

- Payment rate = Payment rate A<sup>(\*a)</sup> × 0.8 + Payment rate B<sup>(\*b)</sup> × 0.2

\*a The payment rate A is calculated by the following formula based on consolidated ROIC results (%) for fiscal year 2028, and any fraction after the decimal point resulting from the calculation is rounded off to the first decimal place.

Consolidated ROIC results (% , fiscal year 2028)	Less than 6%	From 6% to 10%	From 10% to 14%	14% or more
Payment rate A	0%	$50\% + \{50\% \times (\text{Consolidated ROIC results}(\%) - 6\%) \div 4\%$	$100\% + \{100\% \times (\text{Consolidated ROIC results}(\%) - 10\%) \div 4\%$	200%

\*b The payment rate B is calculated by the following formula based on consolidated ROE results (%) for fiscal year 2028, and any fraction after the decimal point resulting from the calculation is rounded off to the first decimal place.

Consolidated ROE results (% , fiscal year 2028)	Less than 7%	From 7% to 11%	From 11% to 15%	15% or more
Payment rate B	0%	$50\% + \{50\% \times (\text{Consolidated ROE results}(\%) - 7\%) \div 4\%$	$100\% + \{100\% \times (\text{Consolidated ROE results}(\%) - 11\%) \div 4\%$	200%

\*3 The Company's stock price uses the daily average closing price of the Company's stock on the Tokyo Stock Exchange for the month preceding the day of the resolution made by the Company's Board of Directors concerning the new issuance of common stock of the Company or disposal of treasury stock for delivery according to this plan, following the performance measuring period.

(C) Maximum Number of PSU Shares to Be Delivered and maximum Amount of PSU Cash to Be Paid to each individual

Position <sup>(*4)</sup>	Global CEO and Representative Executive Officer	Representative Executive Officer EAST CEO/ WEST CTO and Executive Officer	Executive Officer WEST CTO/CIO/CPO/CMO
Maximum Number of PSU Shares to Be Delivered <sup>(*5)</sup>	17,700 shares	7,500 shares	4,500 shares
Maximum Amount of PSU Cash to Be Paid <sup>(*5)</sup>	80.85 million yen	34.26 million yen	20.56 million yen

\*4 Positions are based on the position held by each Executive Officer immediately following the conclusion of the Annual Shareholders' Meeting for the fiscal year preceding the beginning of the performance measuring period (fiscal year 2025).

\*5 The "maximum Number of PSU Shares to Be Delivered" and "maximum Amount of PSU Cash to Be Paid" are respectively the "defined number" and "defined amount" as prescribed in Article 34, paragraph (1), item (iii) (a) 1. of the Corporation Tax Act.

(D) Conditions for delivery and payment

The Company shall deliver and pay in May 2029 to each Executive Officer who meets the following three conditions, shares of the Company's stock and cash equivalent to the Number of PSU Shares to Be Delivered and the Amount of PSU Cash to Be Paid to each individual calculated based on the above calculation method.

- Hold a position of Executive Officer of the Company during the period from the day of the Annual Shareholders' Meeting convened on March 24, 2026 until the day of the Annual Shareholders' Meeting scheduled to be convened in March 2029 (hereafter "Relevant Period"), and during the performance measuring period corresponding to the Relevant Period.
- No engagement in illegal acts (criminal conduct related to professional duties, breach of trust against the Company, and acts that incur serious disciplinary measures or require censure).
- Other matters that the Company's Compensation Committee and its Board for Directors deems as necessary to be achieved for the stock compensation plan

Treatment if an Executive Officer changes roles during the Relevant Period

(E) If a person becomes an Executive Officer or is promoted or demoted, or otherwise subject to a change in position during the Relevant Period, the standard number of shares by position for such person shall be the number calculated with the following formula.

- Standard number of shares by position of the person who changes roles = Standard number of shares by position prior to the change of roles<sup>(\*6)</sup> + (Standard number of shares by position after the change of roles - Standard number of shares by position prior to the change of roles<sup>(\*6)</sup>) × Number of months after the change of roles in Relevant Period<sup>(\*7)</sup> ÷ 36

\*6 In the event of assuming office as a new Executive Officer, calculated with the "Standard number of shares by position prior to the change of roles" set at 0.

\*7 Fractions of less than one month are to be rounded up to one full month.

Similarly, the maximum Number of PSU Shares to Be Delivered and the maximum Amount of PSU Cash to Be Paid will be proportionally divided according to the position prior to and after the change of roles and the number of months after the change of roles.

- If a person retires as an Executive Officer during the Relevant Period, the standard number of shares by position for such person shall be the number calculated with the following formula.
- Standard number of shares by position of the person who retires = Standard number of shares by position during tenure<sup>(\*8)</sup> × Number of months in office in Relevant Period<sup>(\*9)</sup> ÷ 36

\*8 In the event of promotion, demotion, or change in position during the term of office of an Executive Officer, the standard number of shares by position shall be calculated in accordance with the treatment in (E) above.

\*9 Fractions of less than one month are to be rounded up to one full month.

(F) If an Executive Officer retires during the Relevant Period and all mandate or employment relationship with the Company is terminated, the Company will provide a cash payment equivalent to the Amount of PSU Cash to Be Paid in lieu of the delivery of shares of the Company's stock equivalent to the Number of PSU Shares to Be Delivered. That is, regardless of the calculation method stated in (B) above, the total amount of cash to be paid in PSU will be calculated based on the following calculation method and will be paid upon retirement if the conditions for delivery and payment set forth in (D) above are met. The maximum amount of cash to be paid in PSU shall be an amount equal to twice the "maximum Amount of PSU Cash to Be Paid" set forth in (C) above. Any fraction of less than 10,000 yen in the Amount of PSU Cash to Be Paid shall be rounded up.

· Amount of PSU Cash to Be Paid = Standard number of shares by position of the retiring officer  
× Payment rate<sup>(\*10)</sup> × Price of Company shares<sup>(\*11)</sup>

\*10 The payment rate is determined on a case-by-case basis by the Compensation Committee.

\*11 The Company's share price shall be the average closing price of the Company's stock on the Tokyo Stock Exchange for the month preceding the month of the date of retirement.

If an Executive Officer retires during the Relevant Period and continues to hold a position other than Executive Officer until the end of the Relevant Period, the calculation method for the Number of PSU Shares to Be Delivered and the Amount of PSU Cash to Be Paid, and the timing of delivery of shares of the Company's stock and cash equivalent thereto shall be in accordance with the provisions of (A) through (F) above, as with other incumbent Executive Officers.

Treatment if there is a restructuring of the organization or abolition of the PSU during the Relevant Period

(G) If, during the Relevant Period, a resolution concerning a merger with the Company being the non-surviving company, a company split with compensation for the split granted to the Company's shareholders, a share exchange or share transfer whereby the Company becomes a wholly-owned subsidiary, the consolidation of stock for only the fractions held by Eligible Executive Officers, the acquisition of shares or sale of shares pursuant to whole acquisition clause is approved at the Shareholders' Meeting (or at the Board of Directors, if not convened) and becomes effective or if the abolition of the PSU is approved by the Company's Compensation Committee and becomes effective, regardless of the calculation method stated in (B) above, the Company shall pay cash in the amount obtained by multiplying the number of months from the first month of the Relevant Period to the month in which such approval was made divided by 36 by the standard number of shares by position<sup>(\*12)</sup> for each Executive Officer on the day of such approval, the payment rate<sup>(\*13)</sup> calculated at the time of such approval, and the daily average closing price of the Company's stock on the Tokyo Stock Exchange for the month preceding the day of such approval, as long as the conditions for delivery and payment prescribed in (D) above are reached. The maximum amount of cash to be paid in PSU shall be an amount equal to twice the "maximum Amount of PSU Cash to Be Paid" set forth in (C) above. Any fraction of less than 10,000 yen in the amount of cash paid shall be rounded up.

\*12 If (E) or (F) above applies to an Executive Officer (in the case of a retired Executive Officer, only if he/she continues to hold a position other than Executive Officer at the Company after retirement until the date of approval), the result based on the calculation method described in (E) or (F) above shall be applied as the standard number of shares by position of such Executive Officer.

\*13 The payment rate is calculated according to the method described in (B)\*2 above, but the consolidated ROIC results (%) and consolidated ROE results (%), which are the basis for the calculation, shall be the results for the most recent fiscal year listed in the Annual Securities Report filed by the date of such approval instead of the results for fiscal year 2028.

(5) Stock holdings

1) Standards and approach for classification of investment stocks

The Company distinguishes between investment stocks for pure investment purposes—shares held for gaining profit through changes in share value and dividends—and strategic shareholdings, which are all other shares held in accordance with the Company shareholding policy. The Company does not hold any investment stocks for pure investment purposes.

2) Investment stocks held for purposes other than pure investment

a. Shareholding policy and method for verifying appropriateness for holding as well as details regarding verification of the appropriateness of holding shares for each individual security performed by the Board of Directors and other parties

(a) Shareholding policy for strategic shareholdings

The Company defines strategic shareholdings as holdings that contribute toward increased corporate value of the Company and are held out of necessity from the Company's business strategy perspective or with the goal of maintaining or strengthening relationships with businesses or collaborative industries. The Company will not hold strategic shareholdings for reasons outside of this definition.

(b) Verifying appropriateness of strategic shareholdings

The Company confirms the appropriateness of its holdings on an annual basis, including an assessment of securities for which there are holdings, number of shares held, holding ratios, and other factors. These assessments are then verified by the Board of Directors. Appropriateness of holding is comprehensively determined by operating divisions involved in business execution in accordance with the shareholding policy of the Company, taking into account a quantitative evaluation of the economic rationale corresponding to the cost of capital and other relevant factors for each individual stock holding. Shareholdings that are not judged as appropriate based on the results of this verification process are being reduced at the appropriate time. As a result, the number of strategic shareholdings has decreased year on year.

b. Number of securities and balance sheet amounts

	Number of securities	Balance sheet amounts (Yen in millions)
Unlisted shares	29	1,178
Shares other than unlisted shares	17	41,286

(Securities for which the number of shares increased during the current fiscal year)

	Number of securities	Total acquisition cost for the increase in the number of shares (Yen in millions)	Reason for increasing number of shares
Unlisted shares	—	—	—
Shares other than unlisted shares	—	—	—

(Securities for which the number of shares decreased during the current fiscal year)

	Number of securities	Total sale value related to the decrease in the number of shares (Yen in millions)
Unlisted shares	7	16
Shares other than unlisted shares	8	9,248

(Note) Decrease or increase in the number of shares of the above securities does not include changes due to consolidation of stock, stock splits, stock transfers, stock exchanges, mergers, and others.

c. Information on the number of specific investment stocks and deemed shareholdings by security, and the amount recorded on the balance sheet

(a) Specific Investments Stocks

Name	Current fiscal year	Previous fiscal year	Purpose of holding, overview of business alliances, etc., quantitative effect of holding (Note 1) and reasons for the increase in the number of shares	Ownership of the Company's shares
	Number of shares	Number of shares		
	Balance sheet amount (Yen in millions)	Balance sheet amount (Yen in millions)		
TOYOTA MOTOR CORPORATION	9,799,450	9,799,450	Maintain/strengthen business relationships in the tire business, and also increase corporate value by maintaining and strengthening collaborative/co-creation relationships as a strategic co-creation partner in areas that include development of technology in the premium tire domain, creation of a sustainable premium brand by being equipped on premium vehicles, fostering of a car culture and strengthening of premium brands through motorsports activities, development of technologies and strengthening of brands through the aerospace business, and talent development	Yes
	32,887	30,829		
Otsuka Holdings Co., Ltd.	200,000	200,000	Maintain/strengthen business and collaborative relationships in the solutions business	No
	1,775	1,720		
YELLOW HAT LTD. (Note 2)	1,054,152	527,076	Maintain/strengthen business and collaborative relationships in the tire business	Yes
	1,729	1,416		
Fukuyama Transporting Co., Ltd.	200,162	200,162	Maintain/strengthen business and collaborative relationships in the solutions business	No
	885	741		
SENKO Group Holdings Co., Ltd.	366,888	366,888	Maintain/strengthen business and collaborative relationships in the solutions business	No
	717	547		
Nishi-Nippon Railroad Co., Ltd.	212,237	212,237	Maintain/strengthen business and collaborative relationships in the solutions business	No
	593	481		
AUTOBACS SEVEN CO., LTD.	313,632	313,632	Maintain/strengthen business and collaborative relationships in the tire business	No
	517	460		
FUJI KYUKO CO., LTD.	244,510	244,510	Maintain/strengthen business and collaborative relationships in the solutions business	No
	507	547		
ISEKI&CO., LTD.	270,970	270,970	Maintain/strengthen business and collaborative relationships in the tire business	Yes
	504	253		
Niigata kotsu Co., Ltd.	163,870	163,870	Maintain/strengthen business and collaborative relationships in the solutions business	No
	354	341		
SAN-AI OBBLI CO.,LTD.	153,550	153,550	Maintain/strengthen business and collaborative relationships in the tire business	No
	324	291		

Name	Current fiscal year	Previous fiscal year	Purpose of holding, overview of business alliances, etc., quantitative effect of holding (Note 1) and reasons for the increase in the number of shares	Ownership of the Company's shares
	Number of shares	Number of shares		
	Balance sheet amount (Yen in millions)	Balance sheet amount (Yen in millions)		
ITOCHU ENEX CO.,LTD.	101,386	101,386	Maintain/strengthen business and collaborative relationships in the tire business	No
	192	166		
Central Japan Railway Company	25,000	25,000	Maintain/strengthen business and collaborative relationships in the solutions business	No
	108	74		
Hiroshima Electric Railway Co.,Ltd.	120,000	120,000	Maintain/strengthen business and collaborative relationships in the solutions business	No
	73	76		
NISSIN SHOJI CO.,LTD.	50,000	50,000	Maintain/strengthen business and collaborative relationships in the tire business	No
	61	44		
KAMEI CORPORATION	12,100	12,100	Maintain/strengthen business and collaborative relationships in the tire business	No
	37	23		
AIR WATER INC.	10,000	10,000	Maintain/strengthen business and collaborative relationships in the solutions business	No
	23	19		
Toyo Tire Corporation (Note 3)	–	2,500,000	–	No
	–	6,114		
Sumitomo Mitsui Financial Group, Inc. (Note 3)	–	421,836	–	No
	–	1,588		
Idemitsu Kosan Co., Ltd. (Note 3)	–	856,000	–	No
	–	886		
Kintetsu Group Holdings Co.,Ltd. (Note 3)	–	124,281	–	No
	–	411		
Hankyu Hanshin Holdings, Inc. (Note 3)	–	57,983	–	No
	–	239		
Mie Kotsu Group Holdings, Inc. (Note 3)	–	121,536	–	No
	–	60		
Daiwa Motor Transportation Co., Ltd. (Note 3)	–	42,000	–	No
	–	30		
SAKAI HEAVY INDUSTRIES, LTD. (Note 3)	–	11,616	–	No
	–	28		

- (Notes)
1. Although the quantitative effect of holding shares for each security is not published for the purpose of business confidentiality, the appropriateness of each individual holding is comprehensively determined by operating divisions involved in business execution in accordance with the shareholding policy of the Company, taking into account a quantitative evaluation of the economic rationale corresponding to the cost of capital and other relevant factors, and is then verified by the Board of Directors.
  2. On April 1, 2025, YELLOW HAT LTD. carried out a stock split of common shares at a 2-for-1 ratio.
  3. A dash (“-”) signifies that there are no holdings for the security in question.

(b) Deemed Shareholdings

No item to report.

3) Investment stocks for pure investment purposes

No item to report.

4) Investment stocks for which the purpose of holding was changed from pure investment purposes to purposes other than pure investment during the current fiscal year

No item to report.

5) Investment stocks for which the purpose of holding was changed from a purpose other than pure investment to pure investment during the current fiscal year and the four preceding fiscal years.

No item to report.

## V. Financial Information

### 1. Method for preparation of the consolidated financial statements and the non-consolidated financial statements

- (1) The consolidated financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (“IFRS accounting standards”) pursuant to the provisions of Article 312 of the Regulation on Terminology, Forms, and Preparation Methods of Consolidated Financial Statements (Ministry of Finance Order No. 28 of 1976; the “Regulation on Consolidated Financial Statements”).
- (2) The non-consolidated financial statements of the Company have been prepared in accordance with the Regulation on Terminology, Forms, and Preparation Methods of Financial Statements (Ministry of Finance Order No. 59 of 1963; the “Regulation on Financial Statements”).

The Company is allowed to file specified financial statements under the Financial Instruments and Exchange Act and prepares non-consolidated financial statements pursuant to Article 127 of the Regulation on Financial Statements.

### 2. Audit certification

The consolidated financial statements and the non-consolidated financial statements for the fiscal year from January 1, 2025 to December 31, 2025 were audited by KPMG AZSA LLC in accordance with Article 193-2, paragraph (1) of the Financial Instruments and Exchange Act.

### 3. Special effort to ensure the appropriateness of consolidated financial statements, etc., and development of a system for preparing consolidated financial statements, etc. appropriately in accordance with IFRS accounting standards

The Company makes special effort to ensure the appropriateness of the consolidated financial statements, etc., and develop a system for preparing consolidated financial statements, etc. appropriately in accordance with IFRS accounting standards. The details are as follows:

- (1) In order to develop a system that ensures a proper understanding of the contents of accounting standards, etc. and apply them to the consolidated financial statements, etc., the Company joins the Financial Accounting Standards Foundation to gather information, and attends various seminars hosted by said Foundation.
- (2) In addition, the Company develops the Group’s accounting policy in accordance with IFRS accounting standards and practices accounting procedures based on the policy to appropriately prepare the consolidated financial statements in accordance with IFRS accounting standards. The Company obtains press releases and standards published by the International Accounting Standards Board as needed, understands the latest standards and weighs their implications to the Company, and updates the Group’s accounting policy in a timely manner.

## 1. Consolidated Financial Statements, etc.

### (1) Consolidated Financial Statements

#### 1) Consolidated Statement of Financial Position

(Yen in millions)

	Note	Previous fiscal year (As of December 31, 2024)	Current fiscal year (As of December 31, 2025)
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	8,20	706,732	713,810
Trade and other receivables	9,35	1,037,345	1,093,109
Inventories	10	945,285	885,458
Other financial assets	11,35	11,427	13,510
Other current assets	12,26	146,726	128,574
Subtotal		2,847,515	2,834,462
Assets held for sale	13	16,117	28,719
<b>Total current assets</b>		<b>2,863,632</b>	<b>2,863,182</b>
<b>Non-current assets</b>			
Property, plant and equipment	14,16, 20	1,840,317	1,858,259
Right-of-use assets	17	328,553	312,761
Goodwill	15,16	159,037	166,454
Intangible assets	15,16	204,878	202,901
Investments accounted for using the equity method		48,526	49,951
Other financial assets	11,35	112,019	107,720
Deferred tax assets	18	96,002	114,532
Other non-current assets	12,23, 26	70,554	71,944
<b>Total non-current assets</b>		<b>2,859,885</b>	<b>2,884,523</b>
<b>Total assets</b>		<b>5,723,517</b>	<b>5,747,705</b>

(Yen in millions)

	Note	Previous fiscal year (As of December 31, 2024)	Current fiscal year (As of December 31, 2025)
<b>Liabilities and equity</b>			
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	19,35	610,704	600,647
Bonds and borrowings	20,35	138,940	94,958
Lease liabilities	20,35	66,513	68,871
Income taxes payable	18	98,416	54,079
Other financial liabilities	20,35	38,787	43,735
Provisions	21	42,748	56,434
Other current liabilities	22,26	178,595	198,290
Subtotal		1,174,703	1,117,014
Liabilities directly associated with assets held for sale	13	1,541	5,640
<b>Total current liabilities</b>		1,176,243	1,122,654
<b>Non-current liabilities</b>			
Bonds and borrowings	20,35	239,441	392,312
Lease liabilities	20,35	282,827	270,874
Other financial liabilities	20,35	11,609	21,692
Retirement benefit liabilities	23	146,433	129,758
Provisions	21	37,942	40,908
Deferred tax liabilities	18	31,683	37,873
Other non-current liabilities	26	10,852	11,746
<b>Total non-current liabilities</b>		760,785	905,162
<b>Total liabilities</b>		1,937,029	2,027,817
<b>Equity</b>			
Common stock	24	126,354	126,354
Capital surplus	24	120,655	121,366
Treasury stock	24	(134,592)	(433,930)
Other components of equity	24	750,372	794,058
Retained earnings	24	2,868,817	3,053,945
<b>Total equity attributable to owners   of parent</b>		3,731,606	3,661,793
Non-controlling interests		54,882	58,095
<b>Total equity</b>		3,786,488	3,719,888
<b>Total liabilities and equity</b>		5,723,517	5,747,705

2) Consolidated Statement of Profit or Loss and Consolidated Statement of Comprehensive Income

Consolidated Statement of Profit or Loss

(Yen in millions)

	Note	Previous fiscal year (Year ended December 31, 2024)	Current fiscal year (Year ended December 31, 2025)
Continuing operations			
Revenue	6,26	4,430,096	4,429,452
Cost of sales	10,14, 15,17, 23	2,704,093	2,722,789
Gross profit		1,726,003	1,706,663
Selling, general and administrative expenses	14,15, 17,23, 27,34	1,252,132	1,219,078
Other income	6,28	82,078	21,779
Other expenses	6,16, 23,28	112,630	128,127
Operating profit		443,319	381,237
Finance income	29	27,290	18,165
Finance costs	23,29	49,802	44,019
Share of profit (loss) of investments accounted for using the equity method		630	(722)
Profit before tax	6	421,437	354,661
Income tax expense	18	129,224	30,519
Profit from continuing operations		292,213	324,141
Discontinued operations			
Profit (loss) from discontinued operations	14,15, 16, 23,31	(33)	10,158
Profit		292,181	334,299
Profit attributable to			
Owners of parent		284,989	327,264
Non-controlling interests		7,192	7,035
Profit		292,181	334,299
Earnings (loss) per share			
Basic earnings (loss) per share (Yen)			
Continuing operations	32	208.12	238.37
Discontinued operations	32	(0.02)	7.64
Total	32	208.10	246.00
Diluted earnings (loss) per share (Yen)			
Continuing operations	32	207.90	238.14
Discontinued operations	32	(0.02)	7.63
Total	32	207.88	245.77

## Consolidated Statement of Comprehensive Income

(Yen in millions)

	Note	Previous fiscal year (Year ended December 31, 2024)	Current fiscal year (Year ended December 31, 2025)
Profit		292,181	334,299
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Net change in fair value of financial assets measured through other comprehensive income	30,35	(2,074)	2,153
Remeasurements of defined benefit plans	23,30	8,587	1,534
Share of other comprehensive income of investments accounted for using the equity method	30	(7)	(2)
Total of items that will not be reclassified to profit or loss		6,506	3,685
Items that may be reclassified to profit or loss			
Exchange differences on translation of foreign operations	30	226,642	45,634
Effective portion of change in fair value of cash flow hedges	30	(4,418)	(106)
Share of other comprehensive income of investments accounted for using the equity method	30	9,321	2,146
Total of items that may be reclassified to profit or loss		231,545	47,674
Other comprehensive income, net of tax		238,051	51,359
Comprehensive income		530,232	385,658
Comprehensive income attributable to			
Owners of parent		517,490	378,058
Non-controlling interests		12,742	7,600
Comprehensive income		530,232	385,658

3) Consolidated Statement of Changes in Equity  
Previous fiscal year (Year ended December 31, 2024)

(Yen in millions)

	Note	Equity attributable to owners of parent						
		Common stock	Capital surplus	Treasury stock	Other components of equity			
					Stock acquisition rights	Exchange differences on translation of foreign operations	Effective portion of change in fair value of cash flow hedges	Net change in fair value of financial assets measured through other comprehensive income
Balance as of January 1, 2024		126,354	120,300	(135,409)	2,308	493,489	1,094	34,236
Profit		–	–	–	–	–	–	–
Other comprehensive income		–	–	–	–	231,372	(4,194)	(2,081)
Total comprehensive income		–	–	–	–	231,372	(4,194)	(2,081)
Purchase of treasury stock	24	–	–	(33)	–	–	–	–
Disposal of treasury stock	24	–	–	850	(253)	–	–	–
Dividends	25	–	–	–	–	–	–	–
Changes in ownership interests of owners in subsidiaries under control		–	354	–	–	–	–	–
Transfer from other components of equity to retained earnings		–	–	–	–	–	–	(5,599)
Other changes		–	–	–	–	–	–	–
Total transactions with owners, etc.		–	354	817	(253)	–	–	(5,599)
Balance as of December 31, 2024		126,354	120,655	(134,592)	2,055	724,861	(3,100)	26,555

	Note	Equity attributable to owners of parent				Non-controlling interests	Total
		Other components of equity		Retained earnings	Total		
		Remeasurements of defined benefit plans	Total				
Balance as of January 1, 2024		–	531,127	2,711,220	3,353,592	51,803	3,405,394
Profit		–	–	284,989	284,989	7,192	292,181
Other comprehensive income		7,405	232,502	–	232,502	5,549	238,051
Total comprehensive income		7,405	232,502	284,989	517,490	12,742	530,232
Purchase of treasury stock	24	–	–	(4)	(37)	–	(37)
Disposal of treasury stock	24	–	(253)	(22)	575	–	575
Dividends	25	–	–	(140,369)	(140,369)	(9,565)	(149,933)
Changes in ownership interests of owners in subsidiaries under control		–	–	–	354	(221)	133
Transfer from other components of equity to retained earnings		(7,405)	(13,004)	13,004	–	–	–
Other changes		–	–	–	–	124	124
Total transactions with owners, etc.		(7,405)	(13,257)	(127,391)	(139,476)	(9,662)	(149,138)
Balance as of December 31, 2024		–	750,372	2,868,817	3,731,606	54,882	3,786,488

Current fiscal year (Year ended December 31, 2025)

(Yen in millions)

	Note	Equity attributable to owners of parent						
		Common stock	Capital surplus	Treasury stock	Other components of equity			
					Stock acquisition rights	Exchange differences on translation of foreign operations	Effective portion of change in fair value of cash flow hedges	Net change in fair value of financial assets measured through other comprehensive income
Balance as of January 1, 2025		126,354	120,655	(134,592)	2,055	724,861	(3,100)	26,555
Profit		–	–	–	–	–	–	–
Other comprehensive income		–	–	–	–	46,821	266	2,151
Total comprehensive income		–	–	–	–	46,821	266	2,151
Purchase of treasury stock	24	–	–	(300,015)	–	–	–	–
Disposal of treasury stock	24	–	(131)	677	(215)	–	–	–
Share-based remuneration transactions		–	843	–	–	–	–	–
Dividends	25	–	–	–	–	–	–	–
Transfer from other components of equity to retained earnings		–	–	–	–	–	–	(5,337)
Total transactions with owners, etc.		–	712	(299,338)	(215)	–	–	(5,337)
Balance as of December 31, 2025		126,354	121,366	(433,930)	1,840	771,682	(2,834)	23,369

	Note	Equity attributable to owners of parent				Non-controlling interests	Total
		Other components of equity		Retained earnings	Total		
		Remeasurements of defined benefit plans	Total				
Balance as of January 1, 2025		–	750,372	2,868,817	3,731,606	54,882	3,786,488
Profit		–	–	327,264	327,264	7,035	334,299
Other comprehensive income		1,556	50,794	–	50,794	565	51,359
Total comprehensive income		1,556	50,794	327,264	378,058	7,600	385,658
Purchase of treasury stock	24	–	–	(1)	(300,016)	–	(300,016)
Disposal of treasury stock	24	–	(215)	(417)	(86)	–	(86)
Share-based remuneration transactions		–	–	–	843	–	843
Dividends	25	–	–	(148,611)	(148,611)	(4,388)	(152,999)
Transfer from other components of equity to retained earnings		(1,556)	(6,893)	6,893	–	–	–
Total transactions with owners, etc.		(1,556)	(7,108)	(142,136)	(447,871)	(4,388)	(452,258)
Balance as of December 31, 2025		–	794,058	3,053,945	3,661,793	58,095	3,719,888

#### 4) Consolidated Statement of Cash Flows

(Yen in millions)

	Note	Previous fiscal year (Year ended December 31, 2024)	Current fiscal year (Year ended December 31, 2025)
<b>Cash flows from operating activities</b>			
Profit before tax		421,437	354,661
Profit before tax from discontinued operations	31	63	702
Depreciation and amortization		348,058	353,229
Impairment losses		61,184	23,836
Gain on reversal of impairment losses		(1,215)	(2,873)
Increase (decrease) in accounts payable - bonuses		(1,399)	10,661
Increase (decrease) in retirement benefit liabilities		(8,949)	(14,945)
Interest and dividend income		(16,982)	(16,650)
Interest expenses		25,105	21,302
Foreign currency exchange loss (gain)		(9,511)	9,390
Share of loss (profit) of investments accounted for using the equity method		(630)	722
Loss (gain) on sale of fixed assets		(74,688)	(9,894)
Business and plant restructuring income		(1,407)	(4,851)
Business and plant restructuring expenses		43,260	94,138
Decrease (increase) in trade and other receivables		(29,491)	(41,625)
Decrease (increase) in inventories		(16,311)	79,225
Increase (decrease) in trade and other payables		(2,214)	(21,657)
Increase (decrease) in allowance for doubtful accounts		(2,242)	9,876
Other	2	(64,668)	(99,534)
Subtotal		669,402	745,714
<b>Interest and dividends received</b>			
Interest and dividends received		20,740	18,236
<b>Interest paid</b>			
Interest paid		(24,046)	(24,337)
<b>Income taxes paid</b>			
Income taxes paid		(117,252)	(79,171)
<b>Net cash provided by (used in) operating activities</b>			
		548,844	660,442
<b>Cash flows from investing activities</b>			
Payments for purchase of property, plant and equipment		(299,292)	(251,091)
Proceeds from sale of property, plant and equipment		80,558	21,355
Payments for purchase of intangible assets		(38,001)	(36,064)
Proceeds from sale of intangible assets		1,182	2,440
Proceeds from sale of investment securities		9,559	10,242
Payments of long-term loans receivable		(13,810)	(7,080)
Collection of loans receivable		10,972	12,154
Other	2	(6,228)	23,076
<b>Net cash provided by (used in) investing activities</b>			
		(255,061)	(224,968)

(Yen in millions)

	Note	Previous fiscal year (Year ended December 31, 2024)	Current fiscal year (Year ended December 31, 2025)
<b>Cash flows from financing activities</b>			
Increase (decrease) in short-term borrowings	33	14,103	(102,081)
Proceeds from long-term borrowings	33	–	100,000
Repayments of long-term borrowings	33	(35,691)	(1,733)
Proceeds from issuance of bonds	33	–	100,000
Redemption of bonds	33	(100,000)	–
Repayments of lease liabilities	33	(71,552)	(73,148)
Purchase of treasury stock		(11)	(300,007)
Dividends paid to owners of parent		(140,344)	(148,573)
Dividends paid to non-controlling interests		(9,565)	(4,388)
Other	2	(199)	27
Net cash provided by (used in) financing activities		(343,258)	(429,902)
Effect of exchange rate changes on cash and cash equivalents		32,215	7,010
Net increase (decrease) in cash and cash equivalents		(17,260)	12,583
Cash and cash equivalents at beginning of period		724,601	706,732
Net increase (decrease) in cash and cash equivalents included in assets held for sale	13	(610)	(5,504)
Cash and cash equivalents at end of period	8	706,732	713,810

## Notes to Consolidated Financial Statements

### 1. Reporting Entity

Bridgestone Corporation (the “Company”) is a stock company located in Japan. The Company’s consolidated financial statements, which were prepared for the reporting period ended December 31, represent the Company and its subsidiaries (the “Group”) as well as the Company’s interests in its associates and joint ventures.

The detail of the Group’s business is stated in Note “6. Operating Segments.”

### 2. Basis of Preparation

#### (1) Statement of compliance with IFRS accounting standards

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (“IFRS accounting standards”) pursuant to the provisions of Article 312 of the Regulation on Terminology, Forms, and Preparation Methods of Consolidated Financial Statements (Ministry of Finance Order No. 28 of 1976), as the Group satisfies the requirements for “specified company complying with designated international accounting standards” set forth in Article 1-2 of the same regulation.

The consolidated financial statements were approved on March 18, 2026 by Yasuhiro Morita, Representative Executive Officer and Global CEO of the Company, and Naoki Hishinuma, Vice President and Senior Officer Global CFO (Chief Financial Officer), G Finance of the Company.

#### (2) Basis of measurement

The consolidated financial statements of the Group have been prepared based on historical cost, except for items such as financial instruments that are measured at fair value as stated in Note “3. Material Accounting Policies.”

#### (3) Functional currency and presentation currency

The consolidated financial statements of the Group are presented in Japanese yen, which is the functional currency adopted by the Company, and figures less than one million yen are rounded off to the nearest million yen.

#### (4) Changes in presentations

(Consolidated statement of cash flows)

“Loss on retirement of fixed assets” that was stated as a separate line item under “Cash flows from operating activities” for the previous fiscal year is included in “Other” under “Cash flows from operating activities” from the current fiscal year, as its amount has become immaterial. “Gain on reversal of impairment losses,” “Increase (decrease) in accounts payable - bonuses” and “Increase (decrease) in allowance for doubtful accounts” that were stated in “Other” under “Cash flows from operating activities” for the previous fiscal year are stated as separate line items beginning from the current fiscal year, as their monetary importance has increased. In order to apply this change in presentation, the consolidated financial statements for the previous fiscal year have been reclassified.

As a result, 3,016 million yen stated in “Loss on retirement of fixed assets” and (72,540) million yen stated in “Other” under “Cash flows from operating activities” in the previous fiscal year have been reclassified as (1,215) million yen in “Gain on reversal of impairment losses,” (1,399) million yen in “Increase (decrease) in accounts payable - bonuses,” (2,242) million yen in “Increase (decrease) in allowance for doubtful accounts” and (64,668) million yen in “Other.”

“Proceeds from sale of intangible assets” that was stated in “Other” under “Cash flows from investing activities” for the previous fiscal year is stated as a separate line item beginning from the current fiscal year, as its monetary importance has increased. In order to apply this change in presentation, the consolidated financial statements for the previous fiscal year have been reclassified.

As a result, (5,046) million yen that was stated in “Other” under “Cash flows from investing activities” in the previous fiscal year has been reclassified as 1,182 million yen in “Proceeds from sale of intangible assets” and (6,228) million yen in “Other.”

“Purchase of treasury stock” that was stated in “Other” under “Cash flows from financing activities” for the previous fiscal year is stated as a separate line item beginning from the current fiscal year, as its monetary importance has increased. In order to apply this change in presentation, the consolidated financial statements for the previous fiscal year have been reclassified.

As a result, (209) million yen that was stated in “Other” under “Cash flows from financing activities” in the previous fiscal year has been reclassified as (11) million yen in “Purchase of treasury stock” and (199) million yen in “Other.”

### 3. Material Accounting Policies

#### (1) Basis of consolidation

##### 1) Subsidiaries

A subsidiary is an entity under the control of the Group. The Group controls an entity when it is exposed to or has rights to variable returns arising from its involvement in the entity and has an ability to affect those returns through its power over the entity.

The financial statements of subsidiaries are included in the consolidated financial statements from the date the Group gains control until the date that control is lost. If any accounting policies applied by a subsidiary differ from those of the Group, adjustments are made to the subsidiary’s financial statements where needed to bring them in line with the Group’s accounting policies. The balances of payables and receivables and transactions within the Group, as well as unrealized gains or losses arising from internal transactions within the Group, are eliminated when preparing the consolidated financial statements.

Comprehensive income of subsidiaries is attributed to owners of parent and non-controlling interests, even if this results in a negative balance in non-controlling interests.

Changes in the Group’s ownership interest in subsidiaries that do not result in a loss of control are accounted for as equity transactions, and the difference between the amount by which non-controlling interests are adjusted and the fair value of the consideration is directly recognized in equity as interests attributable to the shareholders of the Company.

If the Group loses control over a subsidiary, gains and losses derived from the loss of control are recognized in profit or loss.

##### 2) Associates

An associate is an entity which the Group does not control, but exerts significant influence on financial and operating policies thereof. The equity method is applied to associates from the date that the Group has significant influence to the date that it loses the significant influence.

##### 3) Joint ventures

A joint venture is an entity jointly controlled by two or more parties, including the Group under the contractually agreed sharing of control over economic activities of the joint venture, which exists only when strategic financial and operating decisions related to the relevant activities require unanimous consent of the parties sharing control.

The equity method is applied to joint ventures held by the Group.

#### (2) Business combinations

Business combinations are accounted for by the acquisition method. The Group measures consideration for acquisition as the sum of the acquisition-date fair values of the assets transferred, liabilities assumed, and equity instruments issued by the Group in exchange for control over the acquired company. If consideration for acquisition exceeds the fair value of identifiable assets and liabilities, such excess is recorded as goodwill in the consolidated statement of financial position. Conversely, if the consideration is less than the fair value, the difference is immediately recognized in profit or loss in the consolidated statement of profit or loss. Acquisition-related costs attributable to a business combination are expensed as incurred.

If the initial accounting for a business combination is incomplete by the end of the fiscal year in which the business combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. The provisional values recognized at the acquisition date are retrospectively adjusted to reflect new information obtained during a certain designated period (the “measurement

period”) on facts and circumstances that existed at the acquisition date and, if known at the acquisition date, would have affected the measurement of the amounts recognized. Additional assets or liabilities are recognized if this new information is known to have resulted in the additional recognition of assets or liabilities. The measurement period may not exceed one year.

The acquisition of additional non-controlling interests is accounted for as an equity transaction, and accordingly, it does not recognize goodwill attributable to such transactions.

Business combinations under common control (i.e., transactions in which all of the combining entities and/or businesses are ultimately controlled by the same party or parties both before and after the business combination and the common control is not transitory) are accounted for at carrying amount.

### (3) Foreign currency translation

#### 1) Foreign currency transactions

Foreign currency transactions are translated into the functional currency of each entity of the Group by using the exchange rate at the date of the transaction or a rate that approximates such rate.

At the end of each reporting period, monetary items denominated in foreign currencies are translated into functional currency using the exchange rate at the end of each reporting period. Non-monetary items at fair value denominated in foreign currencies are translated at an exchange rate of the date when their fair values are measured.

Exchange differences arising from translation or settlement of monetary items denominated in foreign currencies are recognized in profit or loss. However, those translation differences arising from financial assets measured through other comprehensive income as well as from cash flow hedges are recognized in other comprehensive income.

#### 2) Financial statements of foreign operations

Assets and liabilities of foreign operations, including any goodwill arising on the acquisition of a foreign operation and any fair value adjustments, are translated into presentation currency using the exchange rate at the end of the reporting period. Additionally, income and expenses of foreign operations are translated into presentation currency using average exchange rates during the period, except where the exchange rates fluctuate significantly. Financial statements of foreign operations under a hyperinflationary economy reflect the effect of inflation, and revenue and expenses are calculated in the presentation currency using the exchange rate at the end of the reporting period.

Exchange differences arising from translation of the financial statements of foreign operations are recognized in other comprehensive income. For disposals of entire interests in foreign operations and partial disposals of interests resulting in loss of control or loss of significant influence, translation differences are recognized in profit or loss as part of the gain or loss on disposal.

### (4) Financial instruments

#### 1) Financial assets other than derivatives

##### a. Initial recognition and measurement

Trade and other receivables are initially recognized on the date when they are incurred. All other financial assets are initially recognized on the date when the Group becomes a party to the contract on such financial instruments.

At initial recognition, financial assets other than derivatives, which meet both of the following requirements, are classified as financial assets measured at amortized cost, while the rest are classified as financial assets measured at fair value.

- The assets are held based on the business model whose objective is to hold the assets in order to collect contractual cash flows.
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets measured at fair value are classified as either financial assets whose changes in fair value after acquisition are recognized in profit or loss (“financial assets measured at fair value through profit or loss”) or financial assets whose changes in fair value after acquisition are recognized in other comprehensive income (“financial assets measured at fair value through other comprehensive income”).

At initial recognition, equity instruments that are not designated as financial assets measured at fair value through other comprehensive income and debt instruments that do not meet the requirements for the amortized cost measurement are classified as financial assets measured at fair value through profit or loss.

Equity instruments that are not held for trading are, in principle, designated as financial assets measured at fair value through other comprehensive income at initial recognition.

All the financial assets, except for those classified as financial assets measured at fair value through profit or loss, are measured at fair value plus transaction costs directly attributable to the acquisition of the assets.

However, trade receivables that do not include a significant financial component are initially recognized at their transaction price.

b. Subsequent measurement

Financial assets after the initial recognition are measured as follows, depending on respective classifications:

(a) Financial assets measured at amortized cost

After initial recognition, financial assets measured at amortized cost are measured at amortized cost by using the effective interest method.

(b) Financial assets measured at fair value through profit or loss

After initial recognition, financial assets measured at fair value through profit or loss are remeasured at fair value as of each closing date, and changes in fair value and dividends are recognized in profit or loss.

(c) Financial assets measured at fair value through other comprehensive income

Changes in fair value measured after initial recognition are recognized in other comprehensive income. Such amounts are reclassified as retained earnings in case of derecognition or a significant decline in the fair value. Dividends from such financial assets are recognized in profit or loss as finance income in the period when the Group's right to receive payment of the dividends is established.

c. Derecognition

Financial assets are derecognized when the contractual rights to the cash flows from the financial assets expire, or when almost all the risks and rewards of ownership have been transferred through a transfer of the financial assets.

2) Impairment of financial assets measured at amortized cost

To account for impairment of items such as financial assets measured at amortized cost, the Group recognizes an allowance for doubtful accounts against expected credit losses on such financial assets.

At each reporting date, financial assets are assessed whether there has been a significant increase in credit risk on financial instruments since initial recognition.

If credit risk on a financial instrument has not increased significantly since initial recognition, the allowance for doubtful accounts associated with the relevant financial instrument is measured at an amount equal to 12-month expected credit losses. In contrast, if credit risk on a financial instrument has increased significantly since initial recognition, the allowance for doubtful accounts associated with the relevant financial instrument is measured at an amount equal to lifetime expected credit losses.

However, the allowance for doubtful accounts for trade receivables and the like are always measured at an amount equal to lifetime expected credit losses.

Expected credit losses of financial instruments are estimated in a way that reflects the following items:

- Unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- Time value of money
- Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The amounts of these measurements are recognized in profit or loss.

The carrying amount of these financial assets is directly reduced for the impairment when they are expected to become non-recoverable in the future, offsetting the carrying amount by the allowance for doubtful accounts.

3) Financial liabilities other than derivatives

a. Initial recognition and measurement

Debt securities issued by the Group are initially recognized at the date of issuance. All other financial liabilities are recognized on the date when the Group becomes a party to the contract on such financial instruments.

Financial liabilities other than derivatives are classified as either financial liabilities measured at amortized cost or financial liabilities measured at fair value through profit or loss at initial recognition.

All the financial liabilities are initially measured at fair value, while financial liabilities measured at amortized cost are measured at fair value less directly attributable transaction costs.

b. Subsequent measurement

Financial liabilities after the initial recognition are measured as follows, depending on respective classifications:

(a) Financial liabilities measured at amortized cost

After initial recognition, financial liabilities measured at amortized cost are measured at amortized cost by using the effective interest method.

(b) Financial liabilities measured at fair value through profit or loss

After initial recognition, financial liabilities measured at fair value through profit or loss are remeasured at fair value as of each closing date with any changes in fair value being recognized in profit or loss.

c. Derecognition

The Group derecognizes a financial liability when said financial liability is extinguished, i.e., when the obligations specified in the contract are discharged, cancelled or expired.

4) Derivatives and hedge accounting

The Group uses derivatives, including forward exchange contracts and interest rate swap transactions, for the purpose of hedging foreign currency risk and interest rate risk.

At the inception of the hedge, the Group designates and documents the hedging relationship between a hedging instrument and a hedged item as well as the Group's risk management objective and strategy concerning the hedge. That documentation includes the hedging relationship, the risk management objective and strategy for undertaking the hedge, as well as the assessment of the hedge effectiveness.

These hedges are expected to be highly effective in offsetting changes in the fair value or the cash flows; however, the Group assesses whether the hedging relationship meets the requirements for hedge effectiveness, at the inception of the hedging relationship and on an ongoing basis.

Derivatives are initially recognized at fair value. After initial recognition, derivatives are measured at fair value and the subsequent changes in fair value are accounted for as follows:

a. Fair value hedges

Fair value changes on derivatives are recognized in profit or loss.

Fair value changes on hedged items attributable to hedged risks are recognized in profit or loss with the carrying amounts of the hedged items being adjusted.

b. Cash flow hedges

For the portion of the gain or loss on the hedging instrument that is determined to be an effective hedge, changes in fair value are recognized in other comprehensive income. When cash flows of the hedged item affect profit or loss, they, together with the hedged item, are immediately recognized in profit or loss.

For the ineffective portion of hedge, the changes in fair value are recognized in profit or loss.

The Group discontinues hedging accounting prospectively when the hedging instrument is expired, sold, terminated or exercised, or when the hedge no longer qualifies for hedge accounting.

c. Derivatives not designated as hedging instruments

Fair value changes on derivatives are recognized in profit or loss.

5) Offsetting financial instruments

A financial asset and a financial liability are offset and the net amount presented only when the Group currently has a legally enforceable right to set off the recognized amounts; and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

(5) Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, demand deposits, and short-term investments with maturities not exceeding three months from the acquisition date, that are readily convertible into cash and subject to insignificant risk of changes in value.

(6) Inventories

Inventories are measured at the lower of cost and net realizable value. The cost of inventories includes costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. The cost of inventories is calculated by primarily using the moving-average method. Net realizable value is determined at the estimated selling price in the ordinary course of business less estimated costs of completion and the estimated costs necessary to make the sale.

(7) Property, plant and equipment

Property, plant and equipment are measured by using the cost model, and stated at cost less any accumulated depreciation and any accumulated impairment losses. The cost of an item of property, plant and equipment includes any costs directly associated with its acquisition, and the costs of dismantling and removing the item and restoring the site on which it is located, as well as the borrowing costs eligible for capitalization.

The depreciation of property, plant and equipment other than land and construction in progress is calculated using the straight-line method over the following estimated useful lives. The estimated useful life of each main asset item is as follows.

Buildings and structures:	10 to 50 years
Machinery and vehicles:	3 to 17 years
Tools, furniture and fixtures:	2 to 20 years

The depreciation method for property, plant and equipment is reviewed at the end of each reporting period, and any change thereof is accounted for as a change in accounting estimate.

(8) Goodwill and intangible assets

1) Goodwill

The Group recognizes goodwill arising from business combinations as an asset as of the date when control is obtained (the acquisition date). The measurement of goodwill at initial recognition is presented in “(2) Business combinations.”

Goodwill is stated at cost less accumulated impairment losses. The Group does not amortize goodwill, but tests for impairment annually or whenever there is any indication of impairment. For the purpose of impairment test, goodwill obtained in business combinations is allocated to a cash-generating unit or groups of cash-generating units that are expected to benefit from the synergies of the combination on and after the acquisition date.

Impairment losses of goodwill are recognized in profit or loss and not reversed subsequently.

2) Intangible assets

The Group measures intangible assets using the cost model and states them at cost less any accumulated amortization and any accumulated impairment losses.

Separately acquired intangible assets are initially measured at cost, while the cost of intangible assets acquired in a business combination is measured at fair value as of the acquisition date. Expenditures for internally generated intangible assets are recognized as an expense incurred during the period, except for development costs eligible for capitalization.

Intangible assets with finite useful lives are amortized by using the straight-line method over their respective estimated useful lives. If there is an indication of impairment, they are tested for impairment. The estimated useful life of each main asset item is as follows.

Software: 1 to 10 years

Trademarks: 1 to 10 years

The amortization method for intangible assets with finite useful lives is reviewed at the end of each reporting period, and any change thereof is accounted for as a change in accounting estimate.

Intangible assets with indefinite useful lives are not amortized but subject to impairment test, and stated at cost less any accumulated impairment losses. Intangible assets are tested for impairment individually or at the cash-generating unit level annually or whenever there is any indication of impairment.

## (9) Leases

When engaged in lease transactions as a lessee, at inception of a contract, the Group recognizes a right-of-use asset and a lease liability for lease components other than short-term leases and leases for which the underlying asset is of low value. At the commencement date, the Group measures the right-of-use asset at cost and the lease liability at the present value of the lease payments that are not paid at that date.

The lease term is determined as the non-cancellable period of a lease, together with both: periods covered by an option to extend the lease (if the Group is reasonably certain to exercise that option); and periods covered by an option to terminate the lease (if the Group is reasonably certain not to exercise that option).

After the commencement date, the right-of-use asset is measured at cost less any accumulated depreciation and any accumulated impairment losses. The Group applies the depreciation requirements in International Accounting Standards (IAS) 16 "Property, Plant and Equipment" in depreciating the right-of-use asset. The Group also applies IAS 36 "Impairment of Assets" to determine whether the right-of-use asset is impaired and to account for any impairment loss identified.

If the lease transfers ownership of the underlying asset to the Group by the end of the lease term, the Group depreciates the right-of-use asset from the commencement date to the end of the useful life of the underlying asset. Otherwise, the Group depreciates the right-of-use asset from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

After the commencement date, the Group measures the lease liability by:

- increasing the carrying amount to reflect interest on the lease liability;
- reducing the carrying amount to reflect the lease payments made; and
- remeasuring the carrying amount to reflect changes to the lease payments or a lease modification, or to reflect revised in-substance fixed lease payments.

As a lessor, there are no material lease transactions.

## (10) Impairment of non-financial assets

The Group assesses, for each fiscal year, whether there is any indication that an asset may be impaired. If any such indication exists (or if the impairment test is required annually), the Group estimates the recoverable amount of the asset. If it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. The recoverable amount of an asset or a cash-generating unit is measured at the higher of its fair value less costs of disposal and its value in use. When the carrying amount of the asset or the cash-generating unit exceeds the recoverable amount, the Group recognizes an impairment loss for the asset and reduces the carrying amount of the asset to its recoverable amount. In calculating the asset's value in use, the estimated future cash flows are discounted to the present value by using a pre-tax discount rate that reflects current market assessments of the time value of money and other factors such as the risks specific to the asset. The fair value less costs of disposal is calculated by using an appropriate valuation model supported by indications of fair value available to the Group.

The Group assesses whether there is any indication that an impairment loss recognized in prior years for asset other than goodwill may have decreased or may no longer exist due to a change in assumptions used to determine the recoverable amount or other reasons. If any such indication exists, the Group estimates the recoverable amount of the asset or the cash-generating unit. Then if such recoverable amount exceeds the carrying amount of the asset or the cash-generating unit, the Group reverses an impairment loss to the

extent not exceeding the lower of the estimated recoverable amount and the carrying amount that would have been determined (net of amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

#### (11) Assets held for sale and discontinued operations

An asset or asset group that is expected to be recovered through a sale transaction rather than through continuing use is classified as an asset or disposal group held for sale if it is highly probable that the asset or asset group will be sold within one year from the end of the reporting period; the asset or asset group is available for immediate sale in its present condition; and the management of the Group is committed to such sale. An asset held for sale is not depreciated or amortized and measured at the lower of its carrying amount and fair value less costs to sell. A discontinued operation is recognized if the operation includes a component of an entity that either has been disposed of or is classified as held for sale, represents a separate line of business of the Group or geographical area, and is part of a plan to dispose of a separate line of business of the Group or geographical area.

#### (12) Employee benefits

##### 1) Short-term employee benefits

The undiscounted amount of short-term employee benefits is recognized as an expense in the period in which the employees render related services. The bonuses and paid absences are recognized as a liability and an expense when the Group has a present legal or constructive obligation to pay the benefits in return for the past services rendered by employees, and the Group can make a reliable estimate of the amount.

##### 2) Post-employment benefits

The Group has adopted a defined benefit plan (such as a corporate pension plan and a lump-sum retirement benefit plan) and a defined contribution plan as the post-employment benefit plans for its employees.

The Group determines the present value of defined benefit obligation as well as the related current service cost and past service cost by using the projected unit credit method. The discount rate is determined by first setting the discount period based on the periods until the dates on which the benefits for each period will be paid, and then by reference to market yields on high-grade corporate bonds and the like at the end of the reporting period corresponding to the discount period. The defined benefit plan liability or asset is determined by subtracting the fair value of the plan assets from the present value of the defined benefit obligation. Remeasurements of defined benefit plans are recognized in a lump sum in other comprehensive income when they arise, and reclassified to retained earnings immediately. Past service cost is recognized in profit or loss for the period in which it is incurred.

The Group accounts for the defined contribution plan by recognizing an expense when the Group makes contribution to the plan.

Certain consolidated subsidiaries primarily in the United States have adopted a defined benefit retirement plan and a post-employment medical benefit plan to prepare for the retirement benefits to the employees. A post-employment medical benefit plan in the United States is included in the net defined benefit liability due to the nature similar to the retirement benefits.

#### (13) Share-based payment

The Group has adopted the stock option plan as an equity-settled share-based payment plan, the restricted share-based remuneration plan as an equity-settled and cash-settled share-based payment plan, and the PSU plan and RSU plan, etc. as a cash-settled share-based payment plan.

Stock options are estimated at fair value at the date of grant, taking into account the estimated number of options to be vested, and recognized as expenses over the vesting periods in the consolidated statement of profit or loss while corresponding increases to equity are recognized in the consolidated statement of financial position. Fair value of stock options granted is calculated, in accordance with various terms of such options, using the Black-Scholes model.

Within restricted share-based remuneration, equity-settled share-based payment is measured at fair value on the grant date and recognized in the consolidated statement of profit or loss as expenses over the vesting

period starting from the grant date, and the same amount is recognized as an increase in equity in the consolidated statement of financial position. Cash-settled share-based payment is recognized in the consolidated statement of profit or loss as expenses over the vesting period starting from the grant date, and the same amount is recognized as an increase in liabilities in the consolidated statement of financial position. As of the reporting date and the date of the lifting of transfer restrictions, the Group remeasures the fair value of the liability and recognizes any changes in fair value in profit or loss. The fair value of restricted share-based remuneration is measured by reference to the fair value of the Company's shares granted.

For the PSU plan, the Group recognizes awards as an expense over the vesting period, recording the same amount as an increase in a liability. As of the reporting date and the settlement date, the Group remeasures the fair value of the liability and recognizes any changes in fair value in profit or loss.

The RSU plan, etc. are measured at the standard amount of compensation by position and recognized in the consolidated statement of profit or loss as expenses over the vesting period, and the same amount is recognized as an increase in liabilities in the consolidated statement of financial position. As of the date of allotment and the date of the lifting of transfer restrictions of the Company's shares, the Group remeasures the fair value of the liability and recognizes any changes in fair value in profit or loss.

#### (14) Provisions

The Group recognizes provisions when it has a present obligation (legal or constructive) as a result of a past event; when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and when a reliable estimate can be made of the amount of the obligation.

Where the effect of the time value of money is material, the amount of a provision is measured at the present value of the expenditures expected to be required to settle the obligation. The present value of the expenditures is calculated by using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the liability with uncertainty of the occurrence of obligating events being reflected in the estimated future cash flows.

#### (15) Revenue

The Group recognizes revenue at an amount reflecting the amount of consideration to which the Group expects to be entitled in exchange for transferring the goods and services to the customer based on the following five-step approach, except for interest and dividend income, etc. received under IFRS 9 "Financial Instruments":

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognize revenue when (or as) the entity satisfies a performance obligation.

The Group engages in the tire business, solutions business, chemical and industrial products and diversified products business, and other businesses.

In these businesses, because customers mainly obtain control over the product at the time of delivery of the product, the performance obligations are considered to be satisfied at that time, and revenue is recognized at the time of delivery of the product.

In addition, consideration for performance obligations is mainly received within one year from satisfaction of the performance obligations, and contains no significant financing component.

Revenue is measured at an amount of consideration promised in a contract with a customer less estimated future returns, discounts and rebates. The amount of returns is estimated and calculated based on an expected return rate derived from the past data and the like. As for discounts and rebates, the amount of future payments is mainly estimated and calculated based on contracts and the like until actual results are confirmed.

## (16) Government grants

Government grants are recognized at fair value when conditions for the receipt of grants have been met and reasonable assurance for the receipt could be obtained.

When government grants are related to the items of expense, government grants are recognized in profit or loss on a systematic basis over the periods in which the Group recognizes as expenses the related costs for which the grant is intended to compensate. For grants related to assets, the amount of the grant is deducted from the cost of the asset.

## (17) Income taxes

Income taxes consist of current tax and deferred tax. These are recognized in profit or loss, excluding tax arising from the items recognized in other comprehensive income or directly in equity, and tax arising from business combinations.

Current taxes are measured at an expected amount of taxes to be paid to or of refund from the taxation authorities. The amount of tax is calculated based on the tax rates and the tax laws that have been enacted, or substantially enacted by the reporting date.

Deferred taxes are recognized for the temporary differences between the carrying amount of assets and liabilities for accounting purposes and their tax bases, unused tax losses carryforward and unused tax credits carryforward as of the reporting date.

Deferred tax assets and liabilities are not recognized for following temporary differences:

- Temporary differences arising from the initial recognition of goodwill
- Temporary differences arising from initial recognition of assets and liabilities from transactions that are not business combinations, affect neither accounting profit nor taxable income (loss), and do not give rise to equal taxable and deductible temporary differences at the time of the transaction
- Deductible temporary differences arising from investments in subsidiaries and associates, and interests in joint arrangements when it is probable that the temporary difference will not reverse in the foreseeable future or when it is not probable that taxable profit will be available against which the temporary difference can be utilized.
- Taxable temporary differences arising from investments in subsidiaries and associates, and interests in joint arrangements when the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred tax liability is recognized for all taxable temporary differences in principle, and a deferred tax asset is recognized for all deductible temporary differences to the extent that it is probable that taxable income will be available against which deductible temporary differences can be utilized.

Carrying amount of deferred tax assets is reviewed each period and reduced to the extent that it is no longer probable that sufficient taxable income will be available to use all or part of the benefit of the deferred tax assets. Unrecognized deferred tax assets are reviewed each period and are recognized to the extent that it has become probable that future taxable income will allow the deferred tax assets to be recovered.

Deferred tax assets and liabilities are measured at the tax rates and by the tax laws that are expected to apply to the period when the assets are realized or the liabilities are settled based on the tax rates and tax laws enacted or substantively enacted at the end of the reporting period.

For uncertain income tax positions, the Group recognizes an asset or a liability at a reasonably estimated amount if the tax position has a high probability of being accepted based on a tax law interpretation.

Deferred tax assets and liabilities are offset against each other if the Group has a legally enforceable right to offset current tax assets against current tax liabilities and when either of the following are met: income taxes are levied by the same taxation authority on the same taxable entity; or income taxes are levied by the same taxation authority on different taxable entities, but they either have the intention to settle current tax liabilities and current tax assets on a net basis or plan to realize assets and settle liabilities simultaneously.

Due to the application of IAS 12, "Income Taxes" (amended in May 2023), the Group has applied a temporary exception to the requirement to recognize and disclose deferred tax assets and deferred tax

liabilities pertaining to income taxes arising from the tax system related to the Pillar Two model rules announced by the Organisation for Economic Co-operation and Development (OECD). Deferred tax assets and deferred tax liabilities pertaining to income taxes arising from the tax system related to the Pillar Two model rules have not been recognized or disclosed.

Within the global minimum tax rules, an income inclusion rule (“IIR”) has been introduced in Japan. Applicable from the fiscal year beginning on or after April 1, 2024, an additional tax is imposed on parent companies located in Japan up to the minimum tax rate (15%) of the taxes borne by the subsidiaries, etc. of those parent companies located in Japan. This rule has already been applied to EU countries, etc. outside of Japan, and the impact of this tax on the Group’s consolidated financial statements is insignificant.

#### (18) Treasury stock

Treasury stock is measured at cost and presented as a deduction from equity. No gain or loss is recognized on the purchase, sale or retirement of treasury stock. The difference between the carrying amount and the consideration thereof at the time of sale is recognized as equity.

#### (19) Dividends

Of the dividend distributions to the shareholders of the Company, the year-end dividend is recognized as a liability for the period that includes the date of resolution by the Company’s shareholders’ meeting, while the interim dividend is recognized as a liability for the period that includes the date of resolution by the Board of Directors.

#### (20) Earnings per share

Basic earnings per share are calculated by dividing profit or loss attributable to owners of parent by the weighted-average number of ordinary shares outstanding, adjusted for treasury shares. Diluted earnings per share are calculated taking into consideration the effect of all potential shares with dilutive effect.

#### (21) Adjusted operating profit

Adjusted operating profit is determined by adding or subtracting certain adjustment items to or from pre-adjusted metrics.

Reconciliations: Business and plant restructuring income and expenses, impairment losses, gain on reversal of impairment losses, loss on disaster, insurance claim income, and other gains and losses with large amounts related to one time event

Management of the Group determines the adjustment items based on whether they can help provide effective comparative information on the Group performance and appropriately reflect how the businesses are managed. The adjusted operating profit is presented in Note “6. Operating Segments.”

Adjusted operating profit is not defined by IFRS accounting standards and not necessarily comparable to metrics similarly named by other companies.

### 4. Significant Accounting Estimates and Judgements Involving Estimates

In preparing the consolidated financial statements in accordance with IFRS accounting standards, the Group is required to establish judgments, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, revenues and expenses. Actual results may differ from those estimates.

The estimates and their underlying assumptions are reviewed on an ongoing basis. The effect of any changes in accounting estimates is recognized in the reporting period in which the change was made and in future periods.

The items involving estimates and judgments that significantly affect the amounts in the consolidated financial statements are listed as follows:

- Impairment of non-financial assets (Note “16. Impairment of Non-financial Assets”)
- Recoverability of deferred tax assets (Note “18. Income Taxes”)

- Provisions (Note “21. Provisions”)
- Measurements of defined benefit obligations (Note “23. Employee Benefits”)
- Fair value measurement of financial instruments (Note “35. Financial Instruments”)
- Uncertain income tax positions (Note “18. Income Taxes”)
- Measurement of disposal groups classified as held for sale (Note “13. Assets Held for Sale”)

## 5. New Standards and Interpretations Not Yet Adopted

The primary newly issued or revised standards and interpretations that were issued on or before the date of approval of the consolidated financial statements, but have not yet been early adopted by the Group, are described below.

The effects on the Group resulting from the application are currently under review.

Standard	Standard name	Timing of mandatory application (starting fiscal year)	Timing of application by the Group	Contents of new standards and amendments
IFRS 18	Presentation and Disclosure in Financial Statements	January 1, 2027	Fiscal year ending December 31, 2027	A new standard that replaces IAS 1, which is the current accounting standard on presentation and disclosure in financial statements

## 6. Operating Segments

### (1) Overview of reporting segments

The Group’s reporting segments are components of the Group for which discrete financial information is available, and that the Board of Directors and the Management Committee regularly review in order to decide the allocation of business resources and assess operating performance.

The Group has four reportable segments consisting of the “Japan,” “Asia-Pacific, India and China,” “Americas,” and “Europe, Middle East and Africa” segments, structured as such to disclose business results more appropriately based on SBU—classification of the Group’s businesses for management control purposes. Within the above segments, the Group runs its tire business, solutions business, chemical and industrial products and diversified products business, and other businesses.

The Group classified anti-vibration rubber business as discontinued operations, thereby deducting such discontinued operations from monetary amounts for the previous fiscal year, and the current fiscal year. Details on discontinued operations are presented in Note “31. Discontinued Operations.”

### (2) Segment revenue and business results

Revenue and business results of the continuing operations by reportable segment of the Group are as follows. The Board of Directors assesses the segment performance and determines resource allocation after reviewing revenues and adjusted operating profit. Internal sales or transfers between segments are determined primarily at selling prices based on arm’s length transaction prices or total cost.

Previous fiscal year (Year ended December 31, 2024)

(Yen in millions)

	Reportable segments					Other (Note)	Corporate or elimination	Consoli- dated total
	Japan	Asia- Pacific, India and China	Americas	Europe, Middle East and Africa	Total			
Revenue								
External revenue	961,777	478,690	2,157,097	813,048	4,410,612	19,475	10	4,430,096
Inter-segment revenue	264,298	51,055	22,871	22,549	360,773	64,536	(425,309)	–
Total revenue	1,226,074	529,745	2,179,968	835,597	4,771,385	84,011	(425,299)	4,430,096
Segment profit (loss)								
Adjusted operating profit	187,281	58,477	180,143	29,766	455,667	7,516	20,120	483,303
Other items								
Depreciation and amortization	87,619	39,139	141,474	52,394	320,627	8,777	18,655	348,058
Impairment losses	4,722	704	116	55,642	61,184	–	–	61,184
Gain on reversal of impairment losses	1,215	–	–	–	1,215	–	–	1,215

(Note) Service and other businesses not included in reportable segments are presented under “Other.”

Current fiscal year (Year ended December 31, 2025)

(Yen in millions)

	Reportable segments					Other (Note)	Corporate or elimination	Consoli- dated total
	Japan	Asia- Pacific, India and China	Americas	Europe, Middle East and Africa	Total			
Revenue								
External revenue	993,635	478,733	2,107,190	831,840	4,411,398	18,045	10	4,429,452
Inter-segment revenue	272,216	39,045	23,329	21,030	355,620	62,171	(417,791)	–
Total revenue	1,265,852	517,778	2,130,518	852,870	4,767,018	80,215	(417,781)	4,429,452
Segment profit (loss)								
Adjusted operating profit	198,126	59,630	201,507	42,415	501,678	7,192	(15,153)	493,717
Other items								
Depreciation and amortization	92,181	38,013	145,888	48,191	324,273	8,727	20,230	353,229
Impairment losses	5,186	1,257	11,452	5,941	23,836	–	–	23,836
Gain on reversal of impairment losses	2,209	9	–	655	2,873	–	–	2,873

(Note) Service and other businesses not included in reportable segments are presented under “Other.”

Reconciliation from adjusted operating profit to profit before tax

(Yen in millions)

	Previous fiscal year (Year ended December 31, 2024)	Current fiscal year (Year ended December 31, 2025)
Adjusted operating profit (Note 1)	483,303	493,717
Adjustment items (income) (Note 2)	66,016	8,249
Adjustment items (expenses) (Note 5)	105,999	120,729
Operating profit	443,319	381,237
Finance income	27,290	18,165
Finance costs	49,802	44,019
Share of profit (loss) of investments accounted for using the equity method	630	(722)
Profit before tax	421,437	354,661

(Note 1) For adjusted operating profit, adjustment items (income and expenses) are excluded from operating profit.

(Note 2) The major breakdown of adjustment items (income) is as follows:

(Yen in millions)

	Previous fiscal year (Year ended December 31, 2024)	Current fiscal year (Year ended December 31, 2025)
Insurance claim income	57	525
Business and plant restructuring income	1,407	(Note 3) 4,851
Gain on reversal of impairment losses	1,215	2,873
Other income with large amounts related to one time event	(Note 4) 63,336	–
Adjustment items (income)	66,016	8,249

(Note 3) This was primarily the recording of gains related to the sale of shares of consolidated subsidiaries.

(Note 4) This was primarily the recording of gains on the sale of land.

(Note 5) The major breakdown of adjustment items (expenses) is as follows:

(Yen in millions)

	Previous fiscal year (Year ended December 31, 2024)	Current fiscal year (Year ended December 31, 2025)
Impairment losses (Note 6)	61,184	23,836
Cost of sales (loss on disaster)	1,747	1,815
Other expenses (loss on disaster)	304	53
Business and plant restructuring expenses	(Note 7) 43,578	(Note 8) 94,440
Other expense with large amounts related to one time event	(814)	586
Adjustment items (expenses)	105,999	120,729

(Note 6) The major breakdown of impairment losses is presented in Note “16. Impairment of Non-financial Assets.”

(Note 7) This was primarily the recording of expenses relating to the restructuring of overseas tire plants (China, Europe etc.).

(Note 8) This was primarily the recording of expenses relating to the restructuring of overseas tire plants (Americas, Europe etc.).

### (3) Information about geographical areas

The breakdown of revenue from external customers and non-current assets by geographical area is as follows:

#### Revenue from external customers

(Yen in millions)

	Previous fiscal year (Year ended December 31, 2024)	Current fiscal year (Year ended December 31, 2025)
Japan	596,346	620,385
Asia-Pacific, India and China	677,329	667,905
Americas	2,284,216	2,242,988
[of which, the U.S.]	[1,857,570]	[1,843,920]
Europe, Middle East and Africa	872,206	898,173
Total	4,430,096	4,429,452

(Note) Revenues are broken down by location of sales destination.

## Non-current assets

(Yen in millions)

	Previous fiscal year (As of December 31, 2024)	Current fiscal year (As of December 31, 2025)
Japan	557,867	573,099
Asia-Pacific, India and China	360,923	348,796
Americas	1,267,572	1,235,957
Europe, Middle East and Africa	410,290	448,787
Total	2,596,652	2,606,639

(Note) Non-current assets are broken down by location of each asset and do not include financial instruments, deferred tax assets, assets associated with employee benefits and similar assets.

### (4) Information about major customers

Disclosures are omitted because there are no external customers for which sales account for 10% or more of revenue in the consolidated statement of profit or loss.

## 7. Business Combinations

Previous fiscal year (Year ended December 31, 2024)

No item to report.

Current fiscal year (Year ended December 31, 2025)

No item to report.

## 8. Cash and Cash Equivalents

The breakdown of “Cash and cash equivalents” is as follows:

(Yen in millions)

	Previous fiscal year (As of December 31, 2024)	Current fiscal year (As of December 31, 2025)
Cash and deposits	695,782	699,657
Short-term investments	10,950	14,153
Total	706,732	713,810

## 9. Trade and Other Receivables

The breakdown of “Trade and other receivables” is as follows:

(Yen in millions)

	Previous fiscal year (As of December 31, 2024)	Current fiscal year (As of December 31, 2025)
Notes and accounts receivable	1,027,581	1,080,490
Other	55,923	64,450
Allowance for doubtful accounts	(46,160)	(51,831)
Total	1,037,345	1,093,109

Trade and other receivables are presented net of allowance for doubtful accounts in the consolidated statement of financial position.

Trade and other receivables are classified as financial assets measured at amortized cost.

The changes in allowance for doubtful accounts are presented in Note “35. Financial Instruments (3) Credit risk management 2) Changes in allowance for doubtful accounts.”

## 10. Inventories

The breakdown of “Inventories” is as follows:

(Yen in millions)

	Previous fiscal year (As of December 31, 2024)	Current fiscal year (As of December 31, 2025)
Finished products	595,641	560,929
Work in process	50,631	49,619
Raw materials and supplies	294,864	271,159
Other	4,150	3,751
Total	945,285	885,458

The amounts of inventories recognized as expenses during the previous fiscal year and the current fiscal year are 2,619,636 million yen and 2,653,781 million yen, respectively.

## 11. Other Financial Assets

### (1) Breakdown of other financial assets

The breakdown of “Other financial assets” is as follows:

(Yen in millions)

	Previous fiscal year (As of December 31, 2024)	Current fiscal year (As of December 31, 2025)
Equity instruments	59,591	60,140
Long-term loans receivable	22,667	18,684
Other	41,188	42,406
Total	123,446	121,230
Current assets	11,427	13,510
Non-current assets	112,019	107,720
Total	123,446	121,230

Equity instruments are classified as financial assets measured at fair value through other comprehensive income, and long-term loans receivable are classified as financial assets measured at amortized cost.

### (2) Financial assets measured at fair value through other comprehensive income

Major issuers of financial assets measured at fair value through other comprehensive income and their fair value are as follows:

(Yen in millions)

Issue	Previous fiscal year (As of December 31, 2024)	Current fiscal year (As of December 31, 2025)
Toyota Motor Corporation	30,829	32,887
Otsuka Holdings Co., Ltd.	1,720	1,775
Yellow Hat Ltd.	1,416	1,729
Fukuyama Transporting Co., Ltd.	741	885
Senko Co., Ltd.	547	717
Nishi-Nippon Railroad Co., Ltd.	481	593

These stocks are designated as financial assets measured at fair value through other comprehensive income as they are held for the following main reasons: out of necessity from the Company’s business strategy perspective, and for the purpose of maintaining and strengthening the business and collaborative relationships.

(3) Derecognition of financial assets measured at fair value through other comprehensive income

To improve its asset efficiency and for other purposes, the Group derecognizes the financial assets measured at fair value through other comprehensive income by selling a portion of those assets.

The fair values at the time of sale and cumulative gains (losses) recognized in other comprehensive income are as follows:

(Yen in millions)

Previous fiscal year (Year ended December 31, 2024)		Current fiscal year (Year ended December 31, 2025)	
Fair value	Cumulative gains (losses)	Fair value	Cumulative gains (losses)
9,397	7,741	9,937	7,631

When financial assets measured at fair value through other comprehensive income are derecognized or the fair value declines significantly, cumulative gains (losses) recognized in other comprehensive income are reclassified to retained earnings. The amounts of cumulative gains (losses), net of tax, which were recognized in other comprehensive income and subsequently reclassified into retained earnings, are 5,599 million yen and 5,337 million yen for the previous fiscal year and the current fiscal year, respectively.

12. Other Assets

The breakdown of “Other current assets” and “Other non-current assets” is as follows:

(1) Other current assets

(Yen in millions)

	Previous fiscal year (As of December 31, 2024)	Current fiscal year (As of December 31, 2025)
Prepaid expenses	57,660	47,745
Consumption tax receivables	50,199	45,684
Other	38,867	35,145
Total	146,726	128,574

(2) Other non-current assets

(Yen in millions)

	Previous fiscal year (As of December 31, 2024)	Current fiscal year (As of December 31, 2025)
Retirement benefit assets (Note 1)	6,687	5,681
Other (Note 2)	63,867	66,263
Total	70,554	71,944

(Note 1) The details of retirement benefit assets are presented in Note “23. Employee Benefits (1) Post-employment benefits 3) Reconciliation of defined benefit obligations and plan assets.”

(Note 2) “Other” consists primarily of spare parts.

### 13. Assets Held for Sale

The breakdown of assets held for sale and liabilities directly associated with assets held for sale is as follows.

#### (1) Assets held for sale

(Yen in millions)

	Previous fiscal year (As of December 31, 2024)	Current fiscal year (As of December 31, 2025)
Cash and cash equivalents	5,886	11,390
Trade and other receivables	1,135	1,339
Inventories	463	6,821
Property, plant and equipment	9,776	16,683
Other	6,719	4,655
Accumulated loss recognized upon having measured the disposal group consisting of discontinued operations at fair value less costs to sell	(7,862)	(12,168)
<b>Total</b>	<b>16,117</b>	<b>28,719</b>

#### (2) Liabilities directly associated with assets held for sale

(Yen in millions)

	Previous fiscal year (As of December 31, 2024)	Current fiscal year (As of December 31, 2025)
Trade and other payables	1,531	3,739
Lease liabilities	–	1,075
Other	10	826
<b>Total</b>	<b>1,541</b>	<b>5,640</b>

Assets held for sale and directly associated liabilities for the previous fiscal year were mainly property, plant and equipment at Bridgestone (Shenyang) Tire Co., Ltd., classified as assets held for sale due to the very high probability of their being sold following the termination of production there, and assets related to the anti-vibration rubber business, classified as held for sale as the Group made a decision to sell those operations.

Assets held for sale and directly associated liabilities for the current fiscal year were mainly overseas subsidiaries engaged in the manufacture and sale of carbon black and overseas subsidiaries engaged in the manufacture and sale of steel cord as well as assets related to the anti-vibration rubber business, classified as held for sale as the Group made a decision to sell those operations. Details for the anti-vibration rubber business are provided in Note “31. Discontinued Operations.”

The disposal groups classified as held for sale, overseas subsidiaries engaged in the manufacture and sale of carbon black and overseas subsidiaries engaged in the manufacture and sale of steel cord, are measured at fair value less costs to sell because the fair value less costs to sell has fallen below the carrying amount. As a result, a recognized loss of 3,635 million yen was recorded in “other expenses.” The fair value has been classified as Level 3 in the hierarchy because it was assessed based on the selling price.

The anti-vibration rubber business is measured at fair value less costs to sell as the fair value less costs to sell is less than the carrying amount. As a result, a recognized loss of 145 million yen was recorded in “profit (loss) from discontinued operations.” The fair value has been classified as Level 3 in the hierarchy because it was assessed based on the selling price.

#### 14. Property, Plant and Equipment

The changes in the carrying amount of “Property, plant and equipment,” as well as cost, accumulated depreciation and accumulated impairment losses are as follows:

(Yen in millions)

Carrying amounts	Buildings and structures	Machinery and equipment	Tools, furniture and fixtures	Land	Construction in progress	Other	Total
Balance as of January 1, 2024	631,567	513,207	95,382	174,164	312,032	12,154	1,738,506
Acquisition	–	–	–	–	282,886	–	282,886
Depreciation (Note)	(48,379)	(121,317)	(62,825)	–	51	(4,076)	(236,546)
Impairment losses	(10,292)	(32,105)	(3,989)	(1,216)	(12,665)	(1,111)	(61,378)
Sale or disposal	(1,190)	(1,825)	(885)	(705)	(1,727)	(181)	(6,513)
Transfer from construction in progress	69,122	130,534	59,624	663	(265,141)	5,198	–
Exchange differences	42,325	30,293	6,374	8,453	22,811	647	110,903
Other changes	(5,776)	710	19,988	(684)	(2,169)	391	12,459
Balance as of December 31, 2024	677,377	519,497	113,669	180,675	336,078	13,022	1,840,317
Acquisition	–	–	–	–	256,037	–	256,037
Depreciation (Note)	(49,533)	(121,803)	(68,406)	–	14	(4,138)	(243,866)
Impairment losses	(5,520)	(6,797)	(784)	(614)	(6,257)	(45)	(20,017)
Sale or disposal	(2,517)	(3,279)	(1,230)	(1,999)	(7,306)	(243)	(16,574)
Transfer from construction in progress	59,569	134,304	50,759	671	(249,184)	3,881	–
Exchange differences	14,831	17,602	3,933	1,030	4,410	213	42,019
Other changes	1,129	(7,863)	17,562	(2,612)	(6,749)	(1,125)	343
Balance as of December 31, 2025	695,336	531,661	115,503	177,151	327,043	11,565	1,858,259

(Note) Depreciation of property, plant and equipment is included in “Cost of sales,” “Selling, general and administrative expenses” and “Profit (loss) from discontinued operations” in the consolidated statement of profit or loss.

(Yen in millions)

Cost	Buildings and structures	Machinery and equipment	Tools, furniture and fixtures	Land	Construction in progress	Other	Total
Balance as of January 1, 2024	1,417,621	2,644,086	677,923	179,757	325,232	65,028	5,309,648
Balance as of December 31, 2024	1,552,064	2,875,238	750,802	187,436	360,123	69,292	5,794,955
Balance as of December 31, 2025	1,613,704	2,880,615	762,781	184,251	358,323	66,663	5,866,336

(Yen in millions)

Accumulated depreciation and accumulated impairment loss	Buildings and structures	Machinery and equipment	Tools, furniture and fixtures	Land	Construction in progress	Other	Total
Balance as of January 1, 2024	786,054	2,130,879	582,541	5,592	13,200	52,875	3,571,141
Balance as of December 31, 2024	874,687	2,355,741	637,133	6,761	24,045	56,270	3,954,637
Balance as of December 31, 2025	918,368	2,348,954	647,278	7,100	31,280	55,098	4,008,076

## 15. Goodwill and Intangible Assets

### (1) Changes during the period

The changes in the carrying amount of “Goodwill” and “Intangible assets” as well as cost, accumulated amortization and accumulated impairment losses are as follows:

Carrying amounts	Goodwill	Trademarks	Software	Other (Note 2)	Total
Balance as of January 1, 2024	149,990	14,568	105,619	80,670	350,847
Acquisition	636	8	–	37,357	38,001
Amortization (Note 1)	–	(456)	(31,040)	(8,671)	(40,167)
Sale and retirement	–	–	(5,074)	(210)	(5,284)
Impairment losses	(3,394)	(212)	(979)	(459)	(5,044)
Exchange differences	11,797	1,393	5,300	4,435	22,925
Transfer of accounts	–	–	29,913	(29,913)	–
Other	8	(1)	3,295	(665)	2,637
Balance as of December 31, 2024	159,037	15,300	107,034	82,544	363,915
Acquisition	–	–	–	36,064	36,064
Amortization (Note 1)	–	(432)	(32,021)	(7,593)	(40,046)
Sale and retirement	–	–	(2,154)	(702)	(2,856)
Impairment losses	(1,584)	–	(194)	–	(1,778)
Exchange differences	9,001	98	2,862	3,457	15,418
Transfer of accounts	–	–	24,973	(24,973)	–
Other	–	–	79	(1,441)	(1,362)
Balance as of December 31, 2025	166,454	14,966	100,579	87,356	369,355

(Note 1) Amortization of intangible assets is included in “Cost of sales,” “Selling, general and administrative expenses” and “Profit (loss) from discontinued operations” in the consolidated statement of profit or loss.

(Note 2) “Software in progress” is included in “Other.”

Cost	Goodwill	Trademarks	Software	Other	Total
Balance as of January 1, 2024	156,363	17,610	188,741	131,127	493,841
Balance as of December 31, 2024	169,016	19,169	220,694	146,138	555,017
Balance as of December 31, 2025	179,076	19,737	243,695	161,493	604,001

Accumulated amortization and impairment losses	Goodwill	Trademarks	Software	Other	Total
Balance as of January 1, 2024	6,373	3,042	83,122	50,457	142,994
Balance as of December 31, 2024	9,979	3,869	113,660	63,594	191,102
Balance as of December 31, 2025	12,622	4,771	143,116	74,137	234,646

### (2) Material goodwill and intangible assets

The material goodwill and intangible assets recorded in the consolidated statement of financial position primarily represent the goodwill recognized through the acquisition of Bridgestone Mobility Solutions B.V. and the carrying amounts of the goodwill are 72,987 million yen and 81,577 million yen as of the previous fiscal year-end and the current fiscal year-end, respectively. In addition, the goodwill recognized by this acquisition was allocated to cash generating units which were expected to benefit from the synergies and belongs to Webfleet Solutions cash-generating unit and Bridgestone Europe cash-generating unit group.

## 16. Impairment of Non-financial Assets

### (1) Impairment losses

For measuring impairment losses, the Group categorizes assets for business based on the categories, which are adopted for internal management purposes, while grouping assets to be disposed of (assets planned to be disposed of by retirement, sale, etc.) and idle assets individually.

Impairment losses recognized in the previous fiscal year of 69,892 million yen (of which, “business and plant restructuring expenses” were 8,709 million yen) are recorded under “other expenses.” The components of the impairment losses of 69,892 million yen by item are 61,378 million yen for property, plant and equipment, 3,394 million yen for goodwill, 1,650 million yen for intangible assets, and 3,470 million yen for others. The breakdown by segment (excluding the amount recorded in “business and plant restructuring expenses”) is as follows:

(Yen in millions)

Cash-generating unit	Segment					Other	Consolidated total
	Japan	Asia-Pacific, India and China	Americas	Europe, Middle East and Africa	Total		
Truck and bus tire business in Europe	–	–	–	31,722	31,722	–	31,722
Agricultural machinery tire business in Europe	–	–	–	7,683	7,683	–	7,683
Retail businesses in Europe (Note)	–	–	–	15,870	15,870	–	15,870
Other	4,722	704	116	367	5,908	–	5,908
Total	4,722	704	116	55,642	61,184	–	61,184

(Note) Composed of multiple independent cash-generating units.

The major reasons for the impairment losses are as follows:

Starting in the previous fiscal year, the Group has positioned the Europe business as a business unit under focused management, working on business restructuring and rebuilding. Accordingly, effective from the previous fiscal year, the cash-generating units have been changed: the tire business for passenger cars, trucks, buses, agricultural machinery, and several retail businesses have been separated from the Bridgestone Europe cash-generating unit as independent cash-generating units.

Related to the truck and bus tire business in Europe, the carrying amounts of certain idle assets have been reduced by 5,491 million yen to the recoverable amount, as there is no expectation for them to be used for business purposes. The recoverable amount of these assets has been measured using the fair value after the deduction of disposal costs, and as the sale of these assets is challenging, the fair value after the deduction of disposal costs has been assessed at zero. The fair value has been classified as Level 3 in the hierarchy. As for other assets, the carrying amount of these assets was reduced by 26,231 million yen to the recoverable amount because the intended revenue is no longer expected as a result of changes in the business environment. The recoverable amount of these assets was measured mainly by their value in use, which was calculated by discounting future cash flows at an after-tax discount rate of 10.0%.

Related to the agricultural machinery tire business in Europe, the carrying amount of these assets was reduced by 7,683 million yen to the recoverable amount because the intended revenue is no longer expected as a result of changes in the business environment. The recoverable amount of these assets was measured mainly by their value in use, which was calculated by discounting future cash flows at an after-tax discount rate of 10.0%.

Related to the several retail businesses in Europe, the carrying amount of these assets was reduced by 15,870 million yen to the recoverable amount because the intended revenue is no longer expected as a result of changes in the business environment. The recoverable amount of these assets was measured

mainly by their value in use, which was calculated by discounting future cash flows at an after-tax discount rate of 8.0 to 10.0%.

The breakdown of these impairment losses is as follows:

(Yen in millions)			
Cash-generating unit	Segment	Type of assets	Amount
Truck and bus tire business in Europe	Europe, Middle East and Africa	Machinery and equipment	20,974
		Construction in progress	7,694
		Other	3,054
		Subtotal	31,722
Agricultural machinery tire business in Europe		Machinery and equipment	3,381
		Construction in progress	3,440
		Other	862
		Subtotal	7,683
Retail businesses in Europe (Note)		Buildings and structures	3,246
		Machinery and equipment	4,911
		Goodwill	3,385
		Other	4,328
	Subtotal	15,870	
Total			55,275

(Note) Composed of multiple independent cash-generating units.

Impairment losses of 27,725 million yen recognized in the current fiscal year consist of 27,581 million yen recorded as “other expenses” (of which, 3,745 million yen are for business and plant restructuring expenses) and 145 million yen as “profit (loss) from discontinued operations.”

The components of the impairment losses of 27,725 million yen by item are 20,017 million yen for property, plant and equipment, 3,635 million yen for assets held for sale, 2,152 million yen for right-of-use assets, 1,584 million yen for goodwill and 337 million yen for others. The breakdown by segment (excluding the amounts recorded in “business and plant restructuring expenses” and “profit (loss) from discontinued operations”) is as follows:

Cash-generating unit	Segment					Other	Consolidated total
	Japan	Asia-Pacific, India and China	Americas	Europe, Middle East and Africa	Total		
Air springs business in the Americas	-	-	10,971	-	10,971	-	10,971
Other	5,186	1,257	481	5,941	12,865	-	12,865
Total	5,186	1,257	11,452	5,941	23,836	-	23,836

The major reasons for the impairment losses are as follows:

Related to the air springs business in the Americas, the carrying amount of these assets was reduced by 10,971 million yen to the recoverable amount because the assumed revenue is no longer expected as a result of changes in the business environment. The recoverable amount of these assets was measured mainly by their value in use, which was calculated by discounting future cash flows at an after-tax discount rate of 13.7%.

The breakdown of these impairment losses is as follows:

(Yen in millions)

Cash-generating unit	Segment	Type of assets	Amount
Air springs business in the Americas	Americas	Buildings and structures	4,266
		Machinery and equipment	3,726
		Other	2,979
Total			10,971

(2) Impairment test of cash-generating units or cash-generating unit groups containing goodwill

The Group conducts an impairment test on cash-generating units or cash-generating unit groups containing goodwill annually or whenever there is any indication of impairment.

Among goodwill allocated to each cash-generating unit or cash-generating unit group in the current fiscal year, the principal goodwill is recognized in Webfleet Solutions cash-generating unit. In addition, out of the cash-generating units or cash-generating unit groups to which goodwill has been allocated, the one with a carrying amount of materiality is Bridgestone Europe cash-generating unit group. The impairment test conducted on each cash-generating unit or cash-generating unit group was done as follows.

1) Webfleet Solutions cash-generating unit

The recoverable amount of goodwill in the impairment test is calculated based on value in use. The value in use in the previous fiscal year reflects past experience and external sources of information and is based on the Group's business plan for the next two years as approved by the management. After the two-year plan, the Company discounts the future cash flows including the continuous growth rate, etc. to the present value using an after-tax discount rate of 9.6% of the cash-generating unit, using the future revenue growth rate reduced from 8.9% in the third year to 3.0% in the tenth year and the same 3.0% in and after the eleventh year as the continuous growth rate considering inflation.

The value in use in the current fiscal year reflects past experience and external sources of information and is based on the Group's business plan for the following fiscal year as approved by the management. After the plan for the following fiscal year, although a revenue growth rate is expected to rise to 6.7% through the third year, but then reduced to 3.0% through the tenth year. The Company discounts the future cash flows, including the EBITDA margin increase rate and continuous growth rate, using an after-tax discount rate of 9.6% for the cash-generating unit. For the eleventh and subsequent years, the same continuous revenue growth rate of 3.0% as in the tenth year, including inflation, is applied.

No impairment loss is recorded because the value in use is higher than the carrying amount; however, if the discount rate increases by 0.4%, there is a possibility of incurring an impairment loss.

In addition, out of the total goodwill related to the acquisition of Bridgestone Mobility Solutions B.V. of 81,577 million yen (as of the previous fiscal year-end: 72,987 million yen), the carrying amount allocated to Webfleet Solutions cash-generating unit as of the current fiscal year-end is 73,051 million yen (as of the previous fiscal year-end: 65,358 million yen). The Group determines that the amount of the goodwill allocated to cash-generating units other than Webfleet Solutions is not material compared to the amount recorded in the consolidated financial statements.

2) Bridgestone Europe cash-generating unit group

Starting in the previous fiscal year, the Group has positioned the Europe business as a business unit under focused management, working on business restructuring and rebuilding. Accordingly, effective from the previous fiscal year, the cash-generating units have been changed: the tire business for passenger cars, trucks, buses, agricultural machinery, and several retail businesses have been separated from the Bridgestone Europe cash-generating unit as independent cash-generating units. Following the changes to cash-generating units, the goodwill which had been allocated to the previous Bridgestone Europe cash-generating unit is now allocated to the Bridgestone Europe cash-generating unit group including the passenger car tire business, truck and bus tire business, and agricultural machinery tire business. In addition, the Group assesses whether there is any indication that the passenger car tire business, truck and bus tire business, and agricultural machinery tire business may be impaired. If any such indication exists, then the impairment test is conducted. Based on the results of the impairment test, the impairment test of the Bridgestone Europe cash-generating unit group, which contains goodwill, is conducted. The recoverable amount at the impairment test of the Bridgestone Europe cash-generating

unit group to which goodwill was allocated in the previous fiscal year is calculated based on the value in use. The value in use reflects past experience and external sources of information and is based on the Group's business plan for the next two years as approved by the management. After the two-year plan, the Company discounts the future cash flows including the continuous growth rate, etc. to the present value using an after-tax discount rate of 10.0% of the cash-generating unit, using the future revenue growth rate reduced from 5.0% in the third year to 2.2% in the sixth year and the same 2.2% in and after the seventh year as the continuous revenue growth rate considering inflation.

The recoverable amount at the impairment test of the Bridgestone Europe cash-generating unit group to which goodwill was allocated in the current fiscal year is calculated based on the value in use. The value in use reflects past experience and external sources of information and is based on the Group's business plan for the following fiscal year as approved by the management. After the plan for the following fiscal year, the Company discounts the future cash flows including the EBITDA margin increase rate, continuous growth rate, etc. to the present value using an after-tax discount rate of 10.0% for the cash-generating unit, and applying the future revenue growth rate reduced from 3.0% in the second year to 2.2% in the sixth year and the same 2.2% in and after the seventh year as the continuous revenue growth rate considering inflation.

There is a risk of impairment when key assumptions used for the impairment test change. However, as the value in use sufficiently exceeds the carrying amount of the cash-generating unit, the Group determines that it is highly unlikely that the value in use would fall below the carrying amount even if key assumptions used in the impairment test fluctuated by a reasonably foreseeable extent.

The Bridgestone Europe cash-generating unit group recorded 280,243 million yen of non-financial assets including 16,780 million yen of goodwill when Bridgestone Europe acquired control of multiple companies.

## 17. Lease Transactions

The Group enters into lease contracts as the lessee for buildings and structures, etc.

### (1) Items related to right-of-use assets

The carrying amount, depreciation and additions to “Right-of-use assets” are as follows:

(Yen in millions)

Carrying amounts	Buildings and structures	Other	Total
Balance as of December 31, 2024	263,667	64,886	328,553
Balance as of December 31, 2025	248,550	64,211	312,761

(Yen in millions)

Depreciation (Note)	Buildings and structures	Other	Total
Previous fiscal year (Year ended December 31, 2024)	56,934	14,586	71,520
Current fiscal year (Year ended December 31, 2025)	56,214	14,167	70,381

(Note) Depreciation of right-of-use assets is included in “Cost of sales” and “Selling, general and administrative expenses” in the consolidated statement of profit or loss.

(Yen in millions)

	Previous fiscal year (Year ended December 31, 2024)	Current fiscal year (Year ended December 31, 2025)
Additions to right-of-use assets	69,984	73,656

### (2) Expenses and cash outflows for leases

The lease expenses are as follows:

(Yen in millions)

	Previous fiscal year (Year ended December 31, 2024)	Current fiscal year (Year ended December 31, 2025)
Interest expense on lease liabilities	10,373	11,237
Recognition exemptions: expenses for short-term leases	1,432	1,425
Recognition exemptions: expenses for leases of low-value assets	370	259
Expense relating to variable lease payments not included in the measurement of lease liabilities	4,208	4,225

Total cash outflows for leases are as follows:

(Yen in millions)

	Previous fiscal year (Year ended December 31, 2024)	Current fiscal year (Year ended December 31, 2025)
Total cash outflows for leases	77,553	79,056

### (3) Maturity analysis for lease liabilities

The details are presented in Note “35. Financial Instruments (4) Liquidity risk management.”

## 18. Income Taxes

### (1) Deferred tax assets and deferred tax liabilities

The breakdown of items giving rise to “Deferred tax assets” and “Deferred tax liabilities” and the changes thereof are as follows:

Previous fiscal year (Year ended December 31, 2024)

(Yen in millions)

	As of January 1, 2024	Recognized in net profit or loss	Recognized in other comprehensive income	Other	As of December 31, 2024
Deferred tax assets					
Lease liabilities	76,078	(1,019)	–	5,399	80,457
Retirement benefit liabilities	37,985	(2,802)	(779)	1,687	36,091
Unused tax losses carryforward	7,481	649	–	(55)	8,075
Other (Note 1) (Note 2)	114,350	(7,610)	2,745	5,807	115,293
Total deferred tax assets	235,894	(10,782)	1,966	12,838	239,916
Deferred tax liabilities					
Property, plant and equipment, and intangible assets	70,668	(9,377)	–	6,069	67,360
Right-of-use assets	72,309	(1,110)	–	4,971	76,170
Financial assets	15,091	–	(332)	–	14,759
Other	20,632	(2,857)	(521)	54	17,308
Total deferred tax liabilities	178,700	(13,344)	(853)	11,094	175,597
Net deferred tax assets	57,195	2,562	2,819	1,744	64,319

(Note 1) “Unrealized gains” in the previous fiscal year are included in “Other” under deferred tax assets.

(Note 2) “Other” includes deferred tax assets related to amortization of research and experimental expenditures in the United States.

Current fiscal year (Year ended December 31, 2025)

(Yen in millions)

	As of January 1, 2025	Recognized in net profit or loss	Recognized in other comprehensive income	Other	As of December 31, 2025
Deferred tax assets					
Lease liabilities	80,457	1,161	–	(2,771)	78,847
Retirement benefit liabilities	36,091	1,370	(2,359)	(627)	34,475
Unrealized gains	23,429	9,507	–	–	32,936
Unused tax losses carryforward	8,075	(1,519)	–	369	6,925
Other (Note)	91,864	4,721	10	843	97,438
Total deferred tax assets	239,916	15,240	(2,349)	(2,186)	250,621
Deferred tax liabilities					
Property, plant and equipment, and intangible assets	67,360	(1,979)	–	(895)	64,486
Right-of-use assets	76,170	(126)	–	(2,856)	73,188
Financial assets	14,759	–	(1,047)	–	13,712
Other	17,308	2,747	2,428	94	22,577
Total deferred tax liabilities	175,597	642	1,381	(3,657)	173,963
Net deferred tax assets	64,319	14,598	(3,730)	1,471	76,658

(Note) “Other” includes deferred tax assets related to amortization of research and experimental expenditures in the United States.

The breakdown of deferred tax assets and liabilities in the consolidated statement of financial position is as follows:

(Yen in millions)

	Previous fiscal year (As of December 31, 2024)	Current fiscal year (As of December 31, 2025)
Deferred tax assets	96,002	114,532
Deferred tax liabilities	31,683	37,873
Net deferred tax assets	64,319	76,658

During the current fiscal year, the Company and some domestic subsidiaries decided to apply for approval to adopt Japanese Group Relief System, which will be applied from the following fiscal year. As a result, tax effect accounting assuming the application of Japanese Group Relief System will be applied beginning from the end of the current fiscal year.

Deferred tax assets recognized by taxable entities that have suffered a loss in either the previous fiscal year or the current fiscal year are 19,645 million yen and 22,687 million yen as of the previous fiscal year-end and the current fiscal year-end, respectively. For recognizing these deferred tax assets, the Group considers if deductible temporary differences and a part or all of unused tax losses carryforward can be used for future taxable income. For an assessment of the recoverability of deferred tax assets, the Group considers deferred tax liabilities planned to be reversed and expected future taxable income and tax planning. As for recognition of deferred tax assets, the Group determines it is highly probable that these tax benefits will be realized based on the taxable income level in the past and the prediction of future taxable income in the period during which deferred tax assets can be recognized.

The deductible temporary differences and unused tax losses carryforward for which deferred tax assets were not recognized are as follows:

(Yen in millions)

	Previous fiscal year (As of December 31, 2024)	Current fiscal year (As of December 31, 2025)
Deductible temporary differences	111,505	83,988
Unused tax losses carryforward	254,299	282,977
Total	365,803	366,965

The unused tax losses carryforward and unused tax credits carryforward for which deferred tax assets were not recognized will expire as follows:

(Yen in millions)

	Previous fiscal year (As of December 31, 2024)	Current fiscal year (As of December 31, 2025)
Unused tax losses carryforward		
Within five years	85,396	40,901
After five years	168,903	242,076
Total unused tax losses carryforward	254,299	282,977
Unused tax credits carryforward		
Within five years	2,876	624
After five years	6,299	5,278
Total unused tax credits carryforward	9,176	5,902

Total temporary differences arising from the investments in subsidiaries and associates or interests in joint arrangements, which are not recognized as deferred tax liabilities as of the previous fiscal year-end and the current fiscal year-end amount to 647,563 million yen and 650,969 million yen, respectively.

Deferred tax liabilities related to the above temporary differences are not recognized as the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not make such a reversal in the foreseeable future.

(2) Income tax expense

The breakdown of “Income tax expense” is as follows.

(Yen in millions)

	Previous fiscal year (Year ended December 31, 2024)	Current fiscal year (Year ended December 31, 2025)
Current income tax expense	142,233	45,636
Deferred income tax expense	(13,010)	(15,116)
Total income tax expense	129,224	30,519

Income taxes recognized on sale of the financial assets measured at fair value through other comprehensive income are as follows:

(Yen in millions)

	Previous fiscal year (Year ended December 31, 2024)	Current fiscal year (Year ended December 31, 2025)
Income tax expense	2,011	2,156

(3) Reconciliation of effective tax rate

The breakdown of the primary factors contributing to differences between the statutory effective tax rates and the tax burden ratio of income tax after adjustments for tax effect accounting is as follows:

The Company is subject to corporation tax, inhabitant tax and business tax. The statutory effective tax rates calculated based on these taxes are 30.6% and 30.6% for the previous fiscal year and the current fiscal year, respectively. However, overseas consolidated subsidiaries are subject to local corporate and other taxes.

In Japan, the Act for Partial Revision of the Income Tax Act, etc. (Act No. 13 of 2025) was published on March 31, 2025, and the Special Defense Corporation Tax will be levied starting from the fiscal year beginning on or after April 1, 2026.

As a result, the statutory effective tax rate used in calculations of deferred tax assets and deferred tax liabilities will change from the previous rate of 30.6% to 31.5% starting from the fiscal year beginning on or after April 1, 2026.

The impact of this change in the tax rate on the consolidated financial statements is immaterial.

(%)

	Previous fiscal year (Year ended December 31, 2024)	Current fiscal year (Year ended December 31, 2025)
Statutory effective tax rate	30.6	30.6
(Adjustments)		
Effects from reassessment of the recoverability of deferred tax assets	6.1	2.7
Tax credits for experiment and research expenses at companies in Japan	(1.1)	(1.3)
Differences in applicable tax rates of consolidated subsidiaries	(2.8)	(3.7)
Tax adjustments for overseas subsidiaries	(1.5)	(2.3)
Reversal of uncertain income tax treatments (related to repayment of capital from consolidated subsidiaries)	–	(16.9)
Other	(0.6)	(0.5)
Tax burden ratio of income tax after adjustments for tax effect accounting	30.7	8.6

The tax burden ratio of income tax after adjustments for tax effect accounting that includes discontinued operations was 30.7% during the previous fiscal year, and was 5.9% during the current fiscal year.

#### (4) Uncertain income tax positions

As for the repayment of capital received from Bridgestone Americas, Inc., a consolidated subsidiary, in fiscal year 2021, the Company accounted for the transaction by recognizing deductible expenses as a loss on transfer of shares for tax purposes. In fiscal year 2021, the Company excluded some deductible expenses to calculate its taxable income, for accounting purposes, with respect to this matter which gives rise to some uncertain tax treatments under Japan's tax law. The Company had engaged third-party legal, tax professionals, etc. to consider plausible tax treatments and estimated its taxable income using either the expected value method or the most likely amount method for the effect of uncertainties considering various scenarios and assumptions. As a result, although an effect of 91,100 million yen in total would have been imposed on a decrease in income taxes payable and an increase in deferred tax assets if all the deductible expenses were included in calculating taxable income, the Company reduced its deferred tax assets by 6,413 million yen and increased its income taxes payable by 53,587 million yen at the end of the previous fiscal year, relative to amounts under the aforementioned accounting treatment. The Company reviews the degree regarding such uncertain tax treatments each reporting period. Based on the review performed in the current fiscal year, after considering the elapsed time since the transaction, the Company has determined that the uncertainty decreased as to whether all of the loss on transfer of shares would be recognized as deductible expenses. Accordingly, the Company has fully reversed the entire amount of the uncertain tax treatment. As a result, income tax expense for the current fiscal year decreased by 60,000 million yen.

#### 19. Trade and Other Payables

The breakdown of "Trade and other payables" is as follows:

(Yen in millions)

	Previous fiscal year (As of December 31, 2024)	Current fiscal year (As of December 31, 2025)
Notes and accounts payable	282,691	270,846
Accounts payable - other	202,217	195,403
Accrued expenses	125,795	134,398
Total	610,704	600,647

Trade and other payables (excluding accrued expenses) are classified as financial liabilities measured at amortized cost.

## 20. Bonds and Borrowings (Including Other Financial Liabilities)

### (1) Breakdown of financial liabilities

The breakdown of “Bonds and borrowings,” “Lease liabilities” and “Other financial liabilities” is as follows:

(Yen in millions)

	Previous fiscal year (As of December 31, 2024)	Current fiscal year (As of December 31, 2025)	Average interest rate (%) (Note 1)	Repayment deadline
Short-term borrowings	137,234	43,419	4.2	–
Current portion of long-term borrowings	1,706	1,545	4.6	–
Current portion of bonds	–	49,994	0.2	–
Long-term borrowings	29,616	132,637	1.6	November 2027 – September 2041
Bonds	209,824	259,675	0.8	April 2027 – April 2035
Short-term lease liabilities	66,513	68,871	3.6	–
Long-term lease liabilities	282,827	270,874	3.5	January 2027 – October 2105
Other	50,395	65,427	–	–
Total	778,116	892,442	–	–
Current liabilities:	244,240	207,564	–	–
Non-current liabilities:	533,876	684,877	–	–
Total	778,116	892,442	–	–

(Note 1) “Average interest rate” represents the weighted average interest rates for the interest rates and balances as of the end of the current fiscal year.

(Note 2) Bonds and borrowings are categorized as financial liabilities measured at amortized cost.

The terms for the different bonds that have been issued are summarized below:

(Yen in millions)

Company name	Issue	Issuance date	Previous fiscal year (As of December 31, 2024)	Current fiscal year (As of December 31, 2025)	Interest rate (%)	Collateral	Maturity date
Bridgestone Corporation	The 11th unsecured bonds	April 21, 2017	59,962	59,978	0.3	None	April 21, 2027
Bridgestone Corporation	The 13th unsecured bonds	April 19, 2019	49,976	49,994	0.2	None	April 17, 2026
Bridgestone Corporation	The 14th unsecured bonds	April 19, 2019	99,886	99,912	0.4	None	April 19, 2029
Bridgestone Corporation	The 15th unsecured bonds	April 30, 2025	–	64,885	1.2	None	April 30, 2030
Bridgestone Corporation	The 16th unsecured bonds	April 30, 2025	–	34,899	1.8	None	April 27, 2035
Total		–	209,824	309,669	–	–	–

(2) Assets pledged as collateral for liabilities

Assets pledged as collateral are as follows:

(Yen in millions)

Assets pledged as collateral	Previous fiscal year (As of December 31, 2024)	Current fiscal year (As of December 31, 2025)
Cash and cash equivalents	244	253
Property, plant and equipment	491	490
Total	735	743

21. Provisions

“Provisions” is recorded as current liabilities and non-current liabilities in the consolidated statement of financial position.

The breakdown of “Provisions” and the changes are as follows:

Previous fiscal year (Year ended December 31, 2024)

(Yen in millions)

	Provision for compensation for industrial accidents	Provision for loss on litigation	Provision for product warranties	Business and plant restructuring provisions	Asset retirement obligation	Other	Total
Balance as of January 1, 2024	12,130	15,503	15,473	1,979	8,122	22,537	75,744
Increase during period	10,623	13,558	4,201	6,537	251	14,550	49,720
Decrease (used)	(9,584)	(14,134)	(6,311)	(1,010)	(79)	(5,814)	(36,932)
Decrease (reversed)	(310)	(485)	(2,431)	(328)	–	(7,479)	(11,033)
Exchange differences	1,414	(1,435)	1,954	618	366	171	3,088
Other	–	332	–	–	23	(252)	103
Balance as of December 31, 2024	14,273	13,339	12,886	7,796	8,684	23,712	80,690

Current fiscal year (Year ended December 31, 2025)

(Yen in millions)

	Provision for compensation for industrial accidents	Provision for loss on litigation	Provision for product warranties	Business and plant restructuring provisions	Asset retirement obligation	Other	Total
Balance as of January 1, 2025	14,273	13,339	12,886	7,796	8,684	23,712	80,690
Increase during period	10,212	15,598	10,445	28,323	2,635	8,983	76,196
Decrease (used)	(10,181)	(12,525)	(5,218)	(19,958)	(91)	(10,078)	(58,051)
Decrease (reversed)	–	(554)	(512)	(133)	–	(3,448)	(4,647)
Exchange differences	(135)	727	646	716	72	889	2,915
Other	–	(221)	–	129	54	277	239
Balance as of December 31, 2025	14,169	16,364	18,247	16,872	11,353	20,336	97,342

(1) Provision for compensation for industrial accidents

The Group estimates and records an amount based on past and current experience to prepare for the payment of the medical expenses, the absence from work compensation, etc. incurred as a result of industrial accidents. The outflow of the economic benefits is supposed to occur mainly during the period one year after the end of the current fiscal year.

(2) Provision for loss on litigation

To prepare for the expenditures of litigation-related expenses, the Group estimates and records an amount of compensation for damages, settlement package, etc. that is currently expected to be incurred in the future. The outflow of the economic benefits is supposed to occur mainly within one year from the end of the current fiscal year.

(3) Provision for product warranties

To prepare for the expenditures for after-sales and other services for products sold, the Group estimates and records an amount to be incurred based on past experience. The outflow of the economic benefits is supposed to occur mainly within one year from the end of the current fiscal year.

(4) Business and plant restructuring provisions

To prepare for the expenditures of business and plant restructuring, the Group estimates and records an amount that is currently expected to be incurred in the future. The outflow of the economic benefits is supposed to occur mainly within one year from the end of the current fiscal year.

(5) Asset retirement obligation

To prepare for the expenditures related to the removal of property, plant and equipment, the Group estimates and records an amount that is currently expected to be incurred in the future. The outflow of the economic benefits is supposed to occur mainly during the period one year after the end of the current fiscal year.

(6) Other

“Other” includes provision for environmental expenses, etc.

## 22. Other Current Liabilities

The breakdown of “Other current liabilities” is as follows:

(Yen in millions)

	Previous fiscal year (As of December 31, 2024)	Current fiscal year (As of December 31, 2025)
Bonuses to officers and employees	42,992	55,053
Refund liabilities	43,489	44,176
Provision for unused paid absences	28,480	28,914
Contract liabilities	23,606	21,918
Other	40,028	48,230
Total	178,595	198,290

The details of contract liabilities are presented in Note “26. Revenue.”

## 23. Employee Benefits

### (1) Post-employment benefits

The Group has adopted both funded and unfunded defined benefit plans and defined contribution plans as retirement benefits for its employees. The funded defined benefit plans are managed by pension funds that are legally segregated from the Group. The board of directors of pension funds and pension trustees are required by law to act in the best interests of the participants and are responsible for managing the plan assets in accordance with the prescribed policies.

The Group’s defined benefit plans are exposed to the following risks:

#### a. Investment risk

The Group calculates the present value of the defined benefit obligations based on a discount rate that is determined by reference to market yields on high-grade corporate bonds at the end of the fiscal year. In the event that the investment yields for the plan assets fall below the discount rate, there is a risk of reduction in equity because of the worsened funded status.

#### b. Interest rate risk

In the event that the discount rate is reduced due to a decline in market yields on high-grade corporate bonds, the present value of the defined benefit obligations increases, resulting in a risk of reduction in equity because of the worsened funded status.

1) Reconciliation of defined benefit obligations

The changes in the defined benefit obligations are as follows:

(Yen in millions)

	Previous fiscal year (Year ended December 31, 2024)	Current fiscal year (Year ended December 31, 2025)
Present value of defined benefit obligations at beginning of period (Note)	638,935	638,135
Service cost	13,480	13,618
Interest expense	25,117	24,154
Remeasurements		
Actuarial gains and losses arising from changes in demographic assumptions	1,571	7,421
Actuarial gains and losses arising from changes in financial assumptions	(31,065)	(14,429)
Actuarial gains and losses arising from experience adjustments	(2,768)	1,236
Past service cost and settlement of plan	(1,986)	(7,061)
Benefits paid	(50,069)	(60,023)
Exchange differences on translation of foreign operations	43,072	(364)
Other	1,848	743
Present value of defined benefit obligations at end of period (Note)	638,135	603,430

(Note) The weighted-average durations of the defined benefit obligations of the Group are 10.3 years and 9.6 years as of the previous fiscal year-end and the current fiscal year-end, respectively.

2) Reconciliation of plan assets

The changes in the plan assets are as follows:

(Yen in millions)

	Previous fiscal year (Year ended December 31, 2024)	Current fiscal year (Year ended December 31, 2025)
Fair value of the plan assets at beginning of period	518,131	534,025
Interest revenue	20,692	20,571
Remeasurements		
Return on plan assets	(10,430)	16,658
Contribution from employers (Note 1) (Note 2)	15,642	13,059
Benefits paid	(45,024)	(51,944)
Settlement of plan	(541)	–
Exchange differences on translation of foreign operations	36,204	(976)
Other	(649)	1,423
Fair value of the plan assets at end of period	534,025	532,816

(Note 1) The Group and its pension funds, in accordance with the laws and regulations, periodically conduct financial verifications and recalculate the amount of contributions for the purpose of appropriating funds for future benefit accruals and maintaining a balanced pension fund in case of a deficit.

(Note 2) The Group plans to make a contribution of 14,220 million yen in the subsequent fiscal year.

### 3) Reconciliation of defined benefit obligations and plan assets

The relationship between the defined benefit obligations, the plan assets and the defined benefit liabilities (assets) in the consolidated statement of financial position is as follows:

(Yen in millions)

	Previous fiscal year (As of December 31, 2024)	Current fiscal year (As of December 31, 2025)
Present value of the funded defined benefit obligations	570,089	481,146
Fair value of the plan assets	(534,025)	(532,816)
Subtotal	36,064	(51,670)
Present value of the unfunded defined benefit obligations	68,046	122,284
Effect of asset ceiling	35,635	53,464
Defined benefit liabilities (assets)	139,745	124,077
Amounts on the consolidated statement of financial position		
Retirement benefit liabilities	146,433	129,758
Retirement benefit assets	(6,687)	(5,681)
Defined benefit liabilities (assets) in the consolidated statement of financial position	139,745	124,077

### 4) Major components of plan assets

The major components of plan assets by category are as follows:

(Yen in millions)

	Previous fiscal year (As of December 31, 2024)			Current fiscal year (As of December 31, 2025)		
	Quoted price in active markets		Total	Quoted price in active markets		Total
	Quoted	Unquoted		Quoted	Unquoted	
Debt instruments	251,587	11,929	263,516	246,837	13,305	260,142
Japan	8,356	1,079	9,435	8,509	–	8,509
Overseas	243,231	10,850	254,081	238,328	13,305	251,633
Equity instruments	33,496	11,832	45,328	34,177	11,246	45,423
Japan	1,522	–	1,522	1,176	–	1,176
Overseas	31,974	11,832	43,806	33,001	11,246	44,247
Cash and cash equivalents	23,636	10,998	34,634	32,695	17,807	50,502
Alternative investments (Note)	54,175	80,120	134,295	51,743	69,515	121,258
Other	64	56,188	56,252	1,638	53,853	55,491
Total	362,958	171,067	534,025	367,090	165,726	532,816

(Note) Alternative investments include investments, such as trustee pension assets, real estate fund, and hedge fund, etc.

The investment management policy of the Group for the major plans is as follows:

(Japan)

The Company's policy aims for managing plan assets to secure stable returns over the medium to long term so that it can ensure payment of defined benefit obligations in the future, in accordance with internal regulations. More specifically, the Group sets a target return and asset allocation that is within the range of tolerable risk defined for each period, and manages its plan assets by maintaining this allocation. When assessing the asset allocation, the Group examines whether to introduce the type of plan assets that is closely linked to changes in defined benefit obligations.

Furthermore, in the event of an unexpected event in the market environment, the Group is able to temporarily adjust the weighting of risk assets in accordance with the internal regulations.

(Overseas)

The policies for managing plan assets of these foreign subsidiaries are established by pension trustees and the managements of these foreign subsidiaries in accordance with the laws of each country. The objective of such policies is to secure investment income that exceeds the changes in the value of liabilities while managing the risks arising from defined benefit obligations.

The core part of the plan assets is invested in bonds linked to the defined benefit obligations. The remaining part of the plan assets is invested mainly in the stocks to earn long-term income.

5) Reconciliation of the effect of the asset ceiling

The changes in the effect of the asset ceiling are as follows:

(Yen in millions)

	Previous fiscal year (Year ended December 31, 2024)	Current fiscal year (Year ended December 31, 2025)
Effect of asset ceiling at beginning of period	24,433	35,635
Remeasurements		
Change in the effect of asset ceiling	11,065	17,780
Effects off business combination and divestiture	–	(23)
Exchange differences on translation of foreign operations	137	72
Effect of asset ceiling at end of period	35,635	53,464

6) Items related to actuarial assumptions

Significant actuarial assumptions for each fiscal year are as follows:

(%)

	Previous fiscal year (As of December 31, 2024)	Current fiscal year (As of December 31, 2025)
Discount rate	4.4	4.5

(Note) Valuation of the defined benefit obligations includes a judgment of future uncertain events. Sensitivity of the defined benefit obligation to changes in the major base rate as of the end of the current fiscal year is as follows: Although the sensitivity assumes that all the other variables remain constant, practically they do not always change independently. Negative figures represent a decrease in the defined benefit obligations and positive figures an increase in them.

(Yen in millions)

	Changes in base rate	Previous fiscal year (As of December 31, 2024)	Current fiscal year (As of December 31, 2025)
Discount rate	0.5% increase	(28,640)	(25,593)
	0.5% decrease	31,077	27,707

7) Defined contribution plan

The amounts of contributions paid to the defined contribution plan are 21,927 million yen and 21,323 million yen for the previous fiscal year and the current fiscal year, respectively.

(2) Employee benefit expenses

Employee benefit expenses that are included in “Cost of sales,” “Selling, general and administrative expenses,” “Other expenses,” “Finance costs” and “Profit (loss) from discontinued operations” in the consolidated statement of profit or loss are as follows:

(Yen in millions)

	Previous fiscal year (Year ended December 31, 2024)	Current fiscal year (Year ended December 31, 2025)
Employee benefit expenses	16,836	15,778

## 24. Equity and Other Components of Equity

### (1) Common stock and capital surplus

The Companies Act provides that at least half of the paid-in capital shall be appropriated as common stock, and the remaining amount may be appropriated as capital reserve within capital surplus. The Companies Act also provides that capital reserve may be appropriated as common stock pursuant to a resolution at the shareholders' meeting.

#### 1) Number of shares authorized

The numbers of authorized shares are 1,450,000,000 shares and 1,450,000,000 shares as of the previous fiscal year-end and the current fiscal year-end, respectively.

#### 2) Number of shares issued and fully paid

The changes in the number of shares issued and the balances of common stock and capital surplus are as follows:

	Number of issued shares of common stock (Shares)	Common stock (Yen in millions)	Capital surplus (Yen in millions)
Beginning of the previous fiscal year (As of January 1, 2024)	713,698,221	126,354	120,300
Increase (Decrease)	–	–	354
Previous fiscal year (As of December 31, 2024)	713,698,221	126,354	120,655
Increase (Decrease)	–	–	712
Current fiscal year (As of December 31, 2025)	713,698,221	126,354	121,366

(Note 1) The shares issued by the Company are shares of common stock with no par value and have no restrictions on any rights.

(Note 2) On January 1, 2026, the Company carried out a stock split of common shares at a 2-for-1 ratio. However, the above information is based on the number of shares prior to the stock split.

### (2) Treasury stock

The changes in the number of shares and balance of treasury stock are as follows:

	Number of shares (Shares)	Amount (Yen in millions)
Beginning of the previous fiscal year (As of January 1, 2024)	29,047,171	135,409
Increase (decrease) (Note 2)	(175,483)	(817)
Previous fiscal year (As of December 31, 2024)	28,871,688	134,592
Increase (decrease) (Note 3)	46,547,660	299,338
Current fiscal year (As of December 31, 2025)	75,419,348	433,930

(Note 1) The Company has adopted the stock option and appropriated shares of treasury stock for the delivery of shares upon exercise of these options. The terms of the contract and the amounts, etc. are presented in Note "34. Share-based Payment."

(Note 2) The main factors of the increase (decrease) in treasury stock during the previous fiscal year were an increase due to acquisition without compensation of restricted share-based remuneration, a decrease due to exercise of stock options, and a decrease due to the disposal of restricted share-based remuneration, PSUs, RSUs, etc.

(Note 3) The main factors of the increase (decrease) in treasury stock during the current fiscal year were an increase due to acquisition of treasury stock by resolution of the Board of Directors, a decrease due

to exercise of stock options, and a decrease due to the disposal of restricted share-based remuneration, PSUs, RSUs, etc.

(Note 4) On January 1, 2026, the Company carried out a stock split of common shares at a 2-for-1 ratio. However, the above information is based on the number of shares prior to the stock split.

(3) Other components of equity

1) Stock acquisition rights

The Company has adopted the stock option plan and issued stock acquisition rights in accordance with the Companies Act. The terms of the contract and the amounts, etc. are presented in Note “34. Share-based Payment.”

2) Exchange differences on translation of foreign operations

The exchange differences on translation of foreign operations occur when the financial statements of the foreign operations prepared using foreign currencies are consolidated.

3) Effective portion of change in fair value of cash flow hedges

The Company hedges the fluctuation risk of variability in future cash flows through hedges, and this is the portion of the changes in fair value of the derivative instruments designated as cash flow hedges, which are deemed to be effective.

4) Net change in fair value of financial assets measured through other comprehensive income

This is the valuation difference of the fair values of financial assets measured through other comprehensive income.

5) Remeasurements of defined benefit plans

Remeasurements of defined benefit plans include actuarial gains and losses that arise from the present value of defined benefit obligations, the return on plan assets (except for amounts included in net interest), and changes in the effect of the asset ceiling (except for amounts included in net interest). They are recognized in other comprehensive income when they arise, and reclassified from other components of equity to retained earnings immediately.

(4) Retained earnings

The Companies Act provides that an amount equal to 10% of the dividends paid from surplus shall be transferred to capital reserve and legal retained earnings until the aggregate amount of capital reserve and legal retained earnings equals 25% of the nominal value of common stock. The amount accumulated in legal retained earnings may be used to offset deficit. Furthermore, such legal retained earnings may be reversed pursuant to a resolution at the shareholders' meeting.

## 25. Dividends

### (1) The amount of dividends paid

Previous fiscal year (Year ended December 31, 2024)

(Resolution)	Type	Total dividends (Yen in millions)	Dividend per share (Yen)	Record date	Effective date
Annual Shareholders' Meeting, March 26, 2024	Common Stock	68,465	100	December 31, 2023	March 27, 2024
Board of Directors' Meeting, August 9, 2024	Common Stock	71,903	105	June 30, 2024	September 2, 2024

Current fiscal year (Year ended December 31, 2025)

(Resolution)	Type	Total dividends (Yen in millions)	Dividend per share (Yen)	Record date	Effective date
Annual Shareholders' Meeting, March 25, 2025	Common Stock	71,907	105	December 31, 2024	March 26, 2025
Board of Directors' Meeting, August 8, 2025	Common Stock	76,704	115	June 30, 2025	September 1, 2025

### (2) Dividends that will be effective in the subsequent fiscal year of the record date

Previous fiscal year (Year ended December 31, 2024)

(Resolution)	Type	Total dividends (Yen in millions)	Dividend per share (Yen)	Record date	Effective date
Annual Shareholders' Meeting, March 25, 2025	Common Stock	71,907	105	December 31, 2024	March 26, 2025

Current fiscal year (Year ended December 31, 2025)

(Scheduled resolution)	Type	Total dividends (Yen in millions)	Dividend per share (Yen)	Record date	Effective date
Annual Shareholders' Meeting, March 24, 2026	Common Stock	73,402	115	December 31, 2025	March 25, 2026

(Note) On January 1, 2026, the Company carried out a stock split of common shares at a 2-for-1 ratio. The dividend per share is based on the actual amount of dividend paid before the stock split.

## 26. Revenue

### (1) Disaggregation of revenue

The breakdown of revenue from continuing operations is as follows.

Previous fiscal year (Year ended December 31, 2024)

(Yen in millions)

	Reportable segments					Other	Corporate or elimination	Consolidated total
	Japan	Asia-Pacific, India and China	Americas	Europe, Middle East and Africa	Total			
Tires (Note 1)	741,903	478,690	2,085,467	813,048	4,119,108	18,115	10	4,137,233
Other (Note 2)	219,874	–	71,630	–	291,504	1,360	–	292,863
Total external revenue	961,777	478,690	2,157,097	813,048	4,410,612	19,475	10	4,430,096
Revenue recognized from contracts with customers	924,475	478,690	2,147,971	799,014	4,350,150	19,475	10	4,369,634
Revenue recognized from other sources (Note 3)	37,302	–	9,126	14,035	60,462	–	–	60,462

(Note 1) “Tires” includes the tire business and solutions business that the Group operates in.

(Note 2) “Other” includes chemical and industrial products and diversified products business and other businesses that the Group operates in.

(Note 3) Revenue recognized from other sources includes lease income based on IFRS 16.

Current fiscal year (Year ended December 31, 2025)

(Yen in millions)

	Reportable segments					Other	Corporate or elimination	Consolidated total
	Japan	Asia-Pacific, India and China	Americas	Europe, Middle East and Africa	Total			
Tires (Note 1)	775,891	478,733	2,043,364	831,840	4,129,827	16,500	10	4,146,337
Other (Note 2)	217,744	–	63,826	–	281,571	1,544	–	283,115
Total external revenue	993,635	478,733	2,107,190	831,840	4,411,398	18,045	10	4,429,452
Revenue recognized from contracts with customers	952,677	478,733	2,097,234	816,853	4,345,496	18,045	10	4,363,550
Revenue recognized from other sources (Note 3)	40,959	–	9,956	14,987	65,901	–	–	65,901

(Note 1) “Tires” includes the tire business and solutions business that the Group operates in.

(Note 2) “Other” includes chemical and industrial products and diversified products business and other businesses that the Group operates in.

(Note 3) Revenue recognized from other sources includes lease income based on IFRS 16.

## (2) Contract balances

Contract balances of the Group consist of receivables, contract assets and contract liabilities arising from contracts with customers. In the consolidated statement of financial position, receivables arising from contracts with customers are presented as “Trade and other receivables,” while the contract assets and contract liabilities are as follows:

	Beginning of the previous fiscal year (As of January 1, 2024)	Previous fiscal year (As of December 31, 2024)	Current fiscal year (As of December 31, 2025)
Contract assets	9,291	9,992	13,157
Contract liabilities	27,377	27,534	27,041

(Yen in millions)

Of the amount of revenue recognized in the previous fiscal year and current fiscal year, the amounts included in the balance of contract liabilities at the beginning of the fiscal year were 21,556 million yen and 23,606 million yen, respectively. The amount of revenue recognized in the current fiscal year from performance obligations satisfied in the previous periods is not material.

The contract assets are presented as “Other current assets” and “Other non-current assets” in the consolidated statement of financial position.

The contract assets primarily relate to unbilled accounts receivable on product design and development for customers.

Generally, contract assets increase when the Company transfers goods or services to customers before the customers pay consideration or the payment is due (excluding receivables for which the right to consideration is unconditional), and decrease when the Company bills customers.

The contract liabilities are presented as “Other current liabilities” and “Other non-current liabilities” in the consolidated statement of financial position.

The contract liabilities primarily relate to advances received from customers in association with maintenance services for automobiles.

Generally, contract liabilities increase when the Company receives consideration from customers before the Company transfers goods or services to the customers, and decrease when the Company satisfies its performance obligations.

## (3) Transaction price allocated to the remaining performance obligations

The amounts of revenue from continuing operations related to the unsatisfied (or partially unsatisfied) performance obligations that are expected to be recognized in the future at the end of the fiscal year are as follows:

	Previous fiscal year (As of December 31, 2024)	Current fiscal year (As of December 31, 2025)
Within one year	33,409	38,761
Over one year	26,230	27,490

(Yen in millions)

As the Group has applied the practical expedient provided in paragraph 121 of IFRS 15, it does not disclose information about the remaining performance obligation that has an original expected duration of one year or less. Among consideration from contracts with customers, there is no significant amount that is not included in transaction price.

## 27. Selling, General and Administrative Expenses

The breakdown of “Selling, general and administrative expenses” is as follows:

(Yen in millions)

	Previous fiscal year (Year ended December 31, 2024)	Current fiscal year (Year ended December 31, 2025)
Freight	212,680	207,006
Advertising and sales promotional expenses	98,918	89,511
Employee benefit expenses	365,262	362,774
Depreciation and amortization	127,386	127,811
Research and development expenses (Note)	126,156	126,424
Other	321,729	305,552
Total	1,252,132	1,219,078

(Note) All research and development expenses recognized as expenses are included in selling, general and administrative expenses.

## 28. Other Income and Other Expenses

The breakdown of “Other income” and “Other expenses” is as follows:

### (1) Other income

(Yen in millions)

	Previous fiscal year (Year ended December 31, 2024)	Current fiscal year (Year ended December 31, 2025)
Gain on sale of fixed assets (Note 1)	74,688	9,894
Business and plant restructuring income	1,407	(Note 2) 4,851
Gain on reversal of impairment losses	1,215	2,873
Other	4,767	4,161
Total	82,078	21,779

(Note 1) Mainly relates to gains on the sale of land.

(Note 2) The breakdown of “Business and plant restructuring income” is presented in Note “6. Operating Segments.”

### (2) Other expenses

(Yen in millions)

	Previous fiscal year (Year ended December 31, 2024)	Current fiscal year (Year ended December 31, 2025)
Business and plant restructuring expenses (Note 1)	43,578	94,440
Impairment losses (Note 2)	61,184	23,836
Other	7,868	9,851
Total	112,630	128,127

(Note 1) The breakdown of “Business and plant restructuring expenses” is presented in Note “6. Operating Segments.”

(Note 2) The breakdown of “Impairment losses” is presented in Note “16. Impairment of Non-financial Assets.”

## 29. Finance Income and Finance Costs

The breakdown of “Finance income” and “Finance costs” is as follows:

### (1) Finance income

(Yen in millions)

	Previous fiscal year (Year ended December 31, 2024)	Current fiscal year (Year ended December 31, 2025)
Interest income (Note)	15,012	15,083
Gain on short-term investments	10,198	1,397
Other	2,080	1,685
Total	27,290	18,165

### (2) Finance costs

(Yen in millions)

	Previous fiscal year (Year ended December 31, 2024)	Current fiscal year (Year ended December 31, 2025)
Interest expenses (Note)	25,105	21,302
Foreign currency exchange loss	8,608	8,829
Provision of allowance for doubtful accounts	–	5,390
Other	16,089	8,498
Total	49,802	44,019

(Note) Interest income and interest expenses are in relation to financial assets, financial liabilities, and lease liabilities measured at amortized cost.

### 30. Other Comprehensive Income

The analysis of “Other comprehensive income” by item in terms of the amount that occurred during each fiscal year, the amount reclassified to profit or loss and the impact of tax effects are as follows:

Previous fiscal year (Year ended December 31, 2024)

(Yen in millions)

	Amount that occurred during the period	Reclassification adjustment	Before tax effect	Tax effect	After tax effect
Items that will not be reclassified to profit or loss					
Net change in fair value of financial assets measured through other comprehensive income	(4,581)	–	(4,581)	2,507	(2,074)
Remeasurements of defined benefit plans	9,366	–	9,366	(779)	8,587
Share of other comprehensive income of investments accounted for using the equity method	(7)	–	(7)	–	(7)
Total of items that will not be reclassified to profit or loss	4,778	–	4,778	1,728	6,506
Items that may be reclassified to profit or loss					
Exchange differences on translation of foreign operations	228,121	(1,479)	226,642	–	226,642
Effective portion of change in fair value of cash flow hedges	(15,255)	8,963	(6,292)	1,874	(4,418)
Share of other comprehensive income of investments accounted for using the equity method	9,148	172	9,321	–	9,321
Total of items that may be reclassified to profit or loss	222,015	7,656	229,671	1,874	231,545
Total	226,792	7,656	234,449	3,603	238,051

Current fiscal year (Year ended December 31, 2025)

(Yen in millions)

	Amount that occurred during the period	Reclassification adjustment	Before tax effect	Tax effect	After tax effect
Items that will not be reclassified to profit or loss					
Net change in fair value of financial assets measured through other comprehensive income	1,272	–	1,272	880	2,153
Remeasurements of defined benefit plans	3,893	–	3,893	(2,359)	1,534
Share of other comprehensive income of investments accounted for using the equity method	(2)	–	(2)	–	(2)
Total of items that will not be reclassified to profit or loss	5,163	–	5,163	(1,479)	3,685
Items that may be reclassified to profit or loss					
Exchange differences on translation of foreign operations	50,187	(2,330)	47,857	(2,223)	45,634
Effective portion of change in fair value of cash flow hedges	95	(259)	(164)	58	(106)
Share of other comprehensive income of investments accounted for using the equity method	746	1,401	2,146	–	2,146
Total of items that may be reclassified to profit or loss	51,028	(1,188)	49,839	(2,165)	47,674
Total	56,191	(1,188)	55,002	(3,644)	51,359

### 31. Discontinued Operations

#### Anti-vibration rubber business

On December 10, 2021, the Company made the decision to transfer its anti-vibration rubber business (the “Business Operations”) to Anhui Zhongding Holding (Group) Co., Ltd. (AZ). This entails the Company establishing a new wholly-owned subsidiary (Prospira Corporation) to which it transfers the Business Operations by carrying out an absorption-type demerger (the “Corporate Demerger”), then integrating the Business Operations of the Group into Prospira Corporation, and subsequently transferring all shares of Prospira Corporation to AZ (the “Share Transfer,” with the Corporate Demerger and the Share Transfer hereinafter referred to as the “Business Transaction”). The Company completed the Business Transaction on September 1, 2022. The Company plans to conduct separate transfer targeting a company at a later time.

The Group has accordingly classified the Business Operations of the Company, Bridgestone APM Company, and Bridgestone Industrial Products (Thailand) Co., Ltd. as discontinued operations as well as Prospira Corporation, Prospira Manufacturing Japan Co., Ltd, Prospira Ntec Japan Co., Ltd, Prospira India Automotive Products Private Limited, Prospira (Thailand) Co., Ltd., Prospira America Corporation and Prospira China Co., Ltd.

#### 1) Profit or loss from discontinued operations

(Yen in millions)

	Previous fiscal year (Year ended December 31, 2024)	Current fiscal year (Year ended December 31, 2025)
Profit or loss from discontinued operations		
Income	6,008	6,029
Expenses (Note 1)	(5,903)	(5,326)
Profit before tax from discontinued operations	105	702
Income tax expense (Note 2)	(110)	9,455
Profit (loss) from discontinued operations	(5)	10,158

(Note 1) Expenses for the previous fiscal year include a reversal of expenses of 339 million yen recognized upon having measured the disposal group consisting of discontinued operations at fair value less costs to sell.

Expenses for the current fiscal year include a loss of 145 million yen recognized upon having measured the disposal group consisting of discontinued operations at fair value less costs to sell.

(Note 2) Regarding the uncertain tax treatment relating to the sale of the anti-vibration rubber business conducted in prior years, the Company recorded income taxes payable of 9,748 million yen. The Company reviews the degree of uncertainty regarding such uncertain tax treatments. Based on a reassessment in the current fiscal year, the Company determined that the uncertainty has diminished. Accordingly, the Company has fully reversed the uncertain tax treatment. As a result, income tax expense for the current fiscal year decreased by 9,748 million yen.

#### 2) Cash flow from discontinued operations

(Yen in millions)

	Previous fiscal year (Year ended December 31, 2024)	Current fiscal year (Year ended December 31, 2025)
Cash flow from discontinued operations		
Net cash provided by (used in) operating activities	692	436
Net cash provided by (used in) investing activities	(337)	(683)
Net cash provided by (used in) financing activities	–	–
Total	355	(247)

## 32. Earnings per Share

### (1) Basic earnings (loss) per share

Basic earnings (loss) per share and its basis for the calculation are as follows:

	Previous fiscal year (Year ended December 31, 2024)	Current fiscal year (Year ended December 31, 2025)
Profit attributable to owners of parent (Yen in millions)	284,989	327,264
Profit not attributable to common shareholders of parent (Yen in millions)	–	–
Profit used for calculating basic earnings per share (Yen in millions)	284,989	327,264
Profit from continuing operations used for calculating basic earnings per share (Yen in millions)	285,021	317,106
Profit (loss) from discontinued operations used for calculating basic earnings per share (Yen in millions)	(33)	10,158
Weighted-average number of shares of common stock (Thousands of shares)	1,369,507	1,330,316
Basic earnings (loss) per share		
Continuing operations (Yen)	208.12	238.37
Discontinued operations (Yen)	(0.02)	7.64
Basic earnings (loss) per share (Yen)	208.10	246.00

(2) Diluted earnings (loss) per share

Diluted earnings (loss) per share and its basis for the calculation are as follows:

	Previous fiscal year (Year ended December 31, 2024)	Current fiscal year (Year ended December 31, 2025)
Profit used for calculating basic earnings per share (Yen in millions)	284,989	327,264
Adjustment to profit (Yen in millions)	–	–
Profit used to calculate diluted earnings per share (Yen in millions)	284,989	327,264
Profit from continuing operations used to calculate diluted earnings per share (Yen in millions)	285,021	317,106
Profit (loss) from discontinued operations used to calculate diluted earnings per share (Yen in millions)	(33)	10,158
Weighted-average number of shares of common stock (Thousands of shares)	1,369,507	1,330,316
Increase in common stock		
Increase from stock options (Thousands of shares)	1,430	1,269
Weighted-average number of shares of common stock after dilution (Thousands of shares)	1,370,936	1,331,585
Diluted earnings (loss) per share		
Continuing operations (Yen)	207.90	238.14
Discontinued operations (Yen)	(0.02)	7.63
Diluted earnings (loss) per share (Yen)	207.88	245.77

(Note) On January 1, 2026, the Company carried out a stock split of common shares at a 2-for-1 ratio. Earnings per share is calculated assuming that the stock split was conducted at the beginning of the previous fiscal year.

33. Cash Flow Information

Changes in liabilities arising from financing activities

The changes in liabilities arising from financing activities are as follows:

Previous fiscal year (Year ended December 31, 2024)

(Yen in millions)

	As of January 1, 2024	Changes with cash flows	Changes without cash flows			As of December 31, 2024
			Acquisition	Exchange differences on translation of foreign operations	Other	
Long-term borrowings	64,038	(35,691)	–	2,975	–	31,322
Short-term borrowings	124,073	14,103	–	(941)	–	137,234
Bonds	309,752	(100,000)	–	–	72	209,824
Lease liabilities	332,297	(71,552)	72,386	16,209	–	349,340
Total liabilities related to financing activities	830,160	(193,139)	72,386	18,243	72	727,721

Current fiscal year (Year ended December 31, 2025)

(Yen in millions)

	As of January 1, 2025	Changes with cash flows	Changes without cash flows			As of December 31, 2025
			Acquisition	Exchange differences on translation of foreign operations	Other	
Long-term borrowings	31,322	98,267	–	4,593	–	134,182
Short-term borrowings	137,234	(102,081)	–	8,266	–	43,419
Bonds	209,824	100,000	–	–	(156)	309,669
Lease liabilities	349,340	(73,148)	78,070	(14,518)	–	339,744
Total liabilities related to financing activities	727,721	23,038	78,070	(1,660)	(156)	827,015

### 34. Share-based Payment

The Group has adopted the stock option plan, the PSU plan, the RSU, etc. plan and restricted share-based remuneration plan. The details of the stock option plan are presented in “1. Information on Stock, etc.” of “IV. Information about Reporting Company,” and those of the PSU, the RSU, etc. in “4. Corporate Governance, etc.” of “IV. Information about Reporting Company.”

#### (1) Stock option plan

The Group has not granted any new stock options since July 5, 2017.

##### 1) Terms of the contracts, etc.

	Resolution at Annual Shareholders' Meeting and Board of Directors' Meeting held on March 26, 2009	Resolution at Annual Shareholders' Meeting and Board of Directors' Meeting held on March 30, 2010	Resolution at Annual Shareholders' Meeting and Board of Directors' Meeting held on March 29, 2011	Resolution at Annual Shareholders' Meeting and Board of Directors' Meeting held on March 27, 2012
Persons granted	Nine directors of the Company and 20 corporate officers not concurrently serving as directors of the Company	Eight directors of the Company and 25 corporate officers not concurrently serving as directors of the Company	Nine directors of the Company and 36 corporate officers not concurrently serving as directors of the Company	Nine directors of the Company and 35 corporate officers not concurrently serving as directors of the Company
Class and number of shares granted	Common stock: 110,000 shares	Common stock: 118,500 shares	Common stock: 154,500 shares	Common stock: 202,000 shares
Date of grant	May 1, 2009	May 6, 2010	May 2, 2011	May 1, 2012
Vesting conditions	No vesting condition	No vesting condition	No vesting condition	No vesting condition
Target service period	No specified service period	No specified service period	No specified service period	No specified service period
Exercise period	From May 1, 2009 to April 30, 2029	From May 6, 2010 to April 30, 2030	From May 2, 2011 to April 30, 2031	From May 1, 2012 to April 30, 2032

	Resolution at Annual Shareholders' Meeting and Board of Directors' Meeting held on March 26, 2013	Resolution at Annual Shareholders' Meeting and Board of Directors' Meeting held on March 25, 2014	Resolution at Annual Shareholders' Meeting and Board of Directors' Meeting held on March 24, 2015	Resolution at Board of Directors' Meeting held on April 21, 2016
Persons granted	Four directors of the Company and 36 corporate officers not concurrently serving as directors of the Company	Four directors of the Company and 46 corporate officers not concurrently serving as directors of the Company	Three directors of the Company and 48 corporate officers not concurrently serving as directors of the Company	Two directors of the Company excluding non-executive directors, eight executive officers not concurrently serving as directors and 41 corporate officers
Class and number of shares granted	Common stock: 196,000 shares	Common stock: 131,900 shares	Common stock: 142,500 shares	Common stock: 208,800 shares
Date of grant	May 1, 2013	May 1, 2014	May 1, 2015	May 6, 2016
Vesting conditions	No vesting condition	No vesting condition	No vesting condition	No vesting condition
Target service period	No specified service period	No specified service period	No specified service period	No specified service period
Exercise period	From May 1, 2013 to April 30, 2033	From May 1, 2014 to April 30, 2034	From May 1, 2015 to April 30, 2035	From May 7, 2016 to May 6, 2036

	Resolution at Board of Directors' Meeting held on April 27, 2017 Plan A	Resolution at Board of Directors' Meeting held on April 27, 2017 Plan B
Persons granted	Two directors of the Company excluding non-executive directors, five executive officers not concurrently serving as directors and 45 corporate officers	One executive officer not concurrently serving as director and two corporate officers
Class and number of shares granted	Common stock: 206,500 shares	Common stock: 14,300 shares
Date of grant	May 12, 2017	July 5, 2017
Vesting conditions	No vesting condition	No vesting condition
Target service period	No specified service period	No specified service period
Exercise period	From May 13, 2017 to May 12, 2037	From July 6, 2017 to July 5, 2037

(Note) On January 1, 2026, the Company carried out a stock split of common shares at a 2-for-1 ratio. However, the above information does not include the effects of the stock split.

2) Changes in the number of stock options

	Previous fiscal year (Year ended December 31, 2024)		Current fiscal year (Year ended December 31, 2025)	
	Number of shares (Shares)	Weighted-average exercise price (Yen)	Number of shares (Shares)	Weighted-average exercise price (Yen)
Balance as of beginning of period	757,000	1	667,200	1
Effect of share split	–	–	–	–
Granted	–	–	–	–
Exercised	89,800	1	75,900	1
Forfeited	–	–	–	–
Ending balance	667,200	1	591,300	1
Exercisable balance as of end of period	667,200	1	591,300	1

(Note 1) The number of stock options is presented by converting it into the number of shares.

(Note 2) All the stock options have been granted at an exercise price of 1 yen per share.

(Note 3) The weighted-average stock price of the exercised stock options at exercise during the period is 6,343 yen for the current fiscal year. As for the previous fiscal year, it was 6,243 yen.

(Note 4) The weighted-average remaining contractual lives of the outstanding stock options as of the previous fiscal year-end and the current fiscal year-end were 10.1 years and 9.1 years, respectively.

(Note 5) On January 1, 2026, the Company carried out a stock split of common shares at a 2-for-1 ratio. However, the above information does not include the effects of the stock split.

(2) PSU

As previously mentioned, the Group has introduced the PSU.

	Previous fiscal year (Year ended December 31, 2024)	Current fiscal year (Year ended December 31, 2025)
Number of shares granted (Shares)	38,000	12,100
Fair value at grant date (Yen) (Note 1)	6,375	5,725

(Note 1) Fair value is measured based on the average of the daily closing prices of the Company's common stock on the Tokyo Stock Exchange for the one month immediately preceding the resolution date of the Board of Directors.

(Note 2) The carrying amounts of liabilities arising from share-based remuneration transactions are 1,155 million yen and 783 million yen as of the previous fiscal year-end and the current fiscal year-end, respectively.

(Note 3) On January 1, 2026, the Company carried out a stock split of common shares at a 2-for-1 ratio. However, the above information does not include the effects of the stock split.

(3) RSU, etc.

As previously mentioned, the Company has introduced the RSU, etc.

	Previous fiscal year (Year ended December 31, 2024)	Current fiscal year (Year ended December 31, 2025)
Number of shares granted (Shares)	16,600	8,700
Fair value at grant date (Yen) (Note 1)	6,375	5,725
Transfer Restriction Period	From May 16, 2024 to date of retirement	From May 16, 2025 to date of retirement

- (Note 1) Fair value is measured based on the average of the daily closing prices of the Company's common stock on the Tokyo Stock Exchange for the one month immediately preceding the resolution date of the Board of Directors.
- (Note 2) The carrying amounts of liabilities arising from share-based remuneration transactions are 332 million yen and 285 million yen as of the previous fiscal year-end and the current fiscal year-end, respectively.
- (Note 3) On January 1, 2026, the Company carried out a stock split of common shares at a 2-for-1 ratio. However, the above information does not include the effects of the stock split.

(4) Restricted share-based remuneration plan

The Company has introduced a share-based remuneration plan to grant restricted shares to executive directors, directors, and department general managers from January 2021 with the aim of sharing values with shareholders regarding stock price fluctuation, thereby incentivizing them to make a contribution toward an increase in the stock price and corporate values of the Company.

This plan is a remuneration plan that allocates the Company's common stock, or provides financial payments, to those eligible for the allotment by providing monetary remuneration claims, and those eligible persons pay all of said monetary remuneration claims in the form of contribution in kind. The Company concludes a restricted share allotment agreement with those eligible for the allotment whereby they are restricted to transfer the allotted common stock of the Company to a third party, pledge them as collateral and dispose of them for a certain period prescribed in the allotment agreement (hereinafter, the "Transfer Restriction Period") (such restrictions are hereinafter referred to as the "Transfer Restriction").

The Transfer Restriction shall be lifted for all of the restricted shares as of the expiry of the Transfer Restriction Period on the condition that those eligible for the allotment continued to assume the positions of executive director, director, and department general manager (hereinafter, the "Positions Eligible for Allotment") during the target service period. The monetary remuneration shall be paid promptly upon the expiry of the Transfer Restriction Period for the restricted shares. However, when those eligible for the allotment lose the status of Positions Eligible for Allotment of the Company before the expiry of the Transfer Restriction Period with a reason deemed valid by the Global CEO following the deliberations of Officer Nomination and Compensation Meeting of the Company, the Transfer Restriction shall be lifted at a point in time immediately following the said loss of the positions. Meanwhile, when there are shares for which the Transfer Restriction is not lifted as of the expiry of the Transfer Restriction Period, the Company will acquire such restricted shares without consideration per its scheme.

	Previous fiscal year (Year ended December 31, 2024)	Current fiscal year (Year ended December 31, 2025)
Number of shares granted (Shares)	37,730	38,200
Fair value at grant date (Yen) (Note 1)	5,990	5,309
Transfer Restriction Period	From March 1, 2024 to December 31, 2026	From March 3, 2025 to December 31, 2027

- (Note 1) Fair value is measured based on the average of the daily closing prices of the Company's common stock on the Tokyo Stock Exchange for the one month immediately preceding the resolution date of the Board of Directors.
- (Note 2) The carrying amounts of liabilities arising from share-based remuneration transactions are 103 million yen and 279 million yen as of the previous fiscal year-end and the current fiscal year-end, respectively.
- (Note 3) On January 1, 2026, the Company carried out a stock split of common shares at a 2-for-1 ratio. However, the above information does not include the effects of the stock split.

### (5) Share-based remuneration expenses

Share-based remuneration expenses for each plan and each settlement method included in the “Selling, general and administrative expenses” in the consolidated statement of profit or loss are as follows:

(Yen in millions)

	Previous fiscal year (Year ended December 31, 2024)	Current fiscal year (Year ended December 31, 2025)
Stock option	–	–
PSU	367	803
RSU, etc.	142	207
Restricted share-based remuneration	309	379

	Previous fiscal year (Year ended December 31, 2024)	Current fiscal year (Year ended December 31, 2025)
Equity-settled	200	725
Cash-settled	618	664

## 35. Financial Instruments

### (1) Capital management

The Group believes that expanding the spread of ROIC-WACC (weighted average cost of capital) and ROE-cost of equity will contribute to improving the corporate value, and has adopted a policy of improving its capital structure to balance financial soundness and capital efficiency.

As items to be managed for measuring capital efficiency, the Group utilizes ROE and ROIC as management indicators. In capital management, the ratio of owners' equity to gross assets is used as an important indicator, and is continually monitored. Working to sustainably enhance corporate value, we will carry out and promote “Financial strategy” in addition to “Profitability improvement” and “Growth investments.”

### (2) Matters related to risk management

The Group is exposed to financial risks (e.g., credit risk, liquidity risk, foreign exchange risk, interest rate risk and market price risk) in the process of its management activities and it manages risks based on a specific policy in order to avoid said risks.

### (3) Credit risk management

The Group is exposed to credit risk such as a counterparty's default on contractual obligations resulting in financial losses to the Group. The Group regularly monitors the financial position of significant customers and manages the due dates and the receivables balance of each customer to detect early and minimize the risk of defaults resulting from deterioration of a customer's financial position, and when full or partial collection of the receivables is considered impossible, or extremely difficult, it is deemed to be a default. The Group enters into derivative transactions only with highly rated financial institutions in order to minimize counterparty risk.

The carrying amounts after impairment presented in the consolidated statement of financial position represent the Group's maximum exposure to credit risk of financial assets.

The Group's credit risk exposure related to notes and accounts receivable, etc. is as follows: The Group measures the future expected credit losses to record allowance for doubtful accounts on notes and accounts

receivable, etc., taking into account probability of recoverability and if there has been a significant increase in credit risk, etc. The determination of whether credit risk has significantly increased is made with consideration for matters such as information on past-due events and debtor financial difficulties (problems in debt collection have occurred or are highly likely to occur although the organization has not entered bankruptcy). However, when the situation can be justified based on the reason for exceeding the due date, past performance, or other matter, it is concluded that there is no significant increase in credit risk. Allowance for doubtful accounts on trade receivables is always measured at an amount equal to lifetime expected credit losses, which may be measured either on an individual or collective basis, depending on the nature and size of the transaction, and on the credit risk characteristics. If one or several of the following events that can affect the estimated future cash flows of the trade receivables adversely occur, the Group assesses expected credit losses on an individual receivable basis as credit-impaired trade receivables. The Group does not expose itself to significant concentrations of credit risk from specific supplier or customer.

- A breach of contract such as a default or substantial overdue payments
- Significant financial difficulty of the debtor
- The probability that the debtor will enter bankruptcy or other financial reorganization

1) Credit risk exposure related to trade and other receivables, etc.

Notes and accounts receivable, etc.

(Yen in millions)

	Financial assets for which allowance for doubtful accounts is always measured at an amount equal to lifetime expected credit losses		Total
	Financial assets without credit impairment	Financial assets with credit impairment	
Previous fiscal year (As of December 31, 2024)	1,029,999	15,819	1,045,819
Current fiscal year (As of December 31, 2025)	1,085,913	18,214	1,104,127

Other financial assets

(Yen in millions)

	Financial assets for which allowance for doubtful accounts is measured at an amount equal to 12-month expected credit losses	Financial assets for which allowance for doubtful accounts is measured at an amount equal to lifetime expected credit losses		Total
		Financial assets for which credit risk has increased significantly since initial recognition	Financial assets with credit impairment	
Previous fiscal year (As of December 31, 2024)	101,380	99	890	102,370
Current fiscal year (As of December 31, 2025)	110,751	105	1,119	111,975

2) Changes in allowance for doubtful accounts

Allowance for doubtful accounts against notes and accounts receivable, etc.

(Yen in millions)

	Financial assets for which allowance for doubtful accounts is always measured at an amount equal to lifetime expected credit losses		Total
	Financial assets without credit impairment	Financial assets with credit impairment	
Balance as of January 1, 2024	25,250	18,926	44,177
Increase during period	8,440	1,111	9,551
Decrease during period (utilized)	(2,771)	(5,696)	(8,466)
Decrease during period (reversed)	(2,438)	(573)	(3,011)
Other	2,993	972	3,965
Balance as of December 31, 2024	31,475	14,740	46,215
Increase during period	7,394	2,211	9,605
Decrease during period (utilized)	(331)	(1,102)	(1,433)
Decrease during period (reversed)	(2,258)	(1,032)	(3,290)
Other	722	635	1,358
Balance as of December 31, 2025	37,002	15,453	52,454

Allowance for doubtful accounts against other financial assets

(Yen in millions)

	Financial assets for which allowance for doubtful accounts is measured at an amount equal to 12-month expected credit losses	Financial assets for which allowance for doubtful accounts is measured at an amount equal to lifetime expected credit losses		Total
		Financial assets for which credit risk has increased significantly since initial recognition	Financial assets with credit impairment	
Balance as of January 1, 2024	65	118	874	1,057
Increase during period	12	57	164	233
Decrease during period (utilized)	–	–	–	–
Decrease during period (reversed)	(1)	(76)	–	(77)
Other	0	–	(147)	(147)
Balance as of December 31, 2024	75	99	891	1,066
Increase during period	4,490	63	267	4,819
Decrease during period (utilized)	(1)	–	–	(1)
Decrease during period (reversed)	(1)	(57)	–	(58)
Other	208	–	(37)	171
Balance as of December 31, 2025	4,772	105	1,120	5,996

(4) Liquidity risk management

The Group is exposed to liquidity risk when it is not able to repay liabilities on the due date due to deterioration of the financing environment. Payment terms of payables, such as notes and accounts payable, and other payables are approximately less than one year.

Based on a cash flow plan that incorporates estimated cash inflows and outflows arising from business activities, the Group practices fund management effectively by recognizing the future fund position in advance based on cash flow projections. The Group also strives to diversify sources of financing such as borrowings or bonds in order to reduce liquidity risk. In addition, the Group keeps necessary credit facilities to manage liquidity risk by having commitment lines with several financial institutions.

Balances of financial liabilities (including derivative financial instruments) by due date as of the end of each fiscal year are as follows:

Previous fiscal year (As of December 31, 2024)

(Yen in millions)

	Carrying amounts	Contractual cash flows	Within one year	Due after one year through two years	Due after two years through three years	Due after three years through four years	Due after four years through five years	Due after five years
Non-derivative financial liabilities								
Trade and other payables	610,704	610,704	610,704	–	–	–	–	–
Bonds and borrowings	378,381	378,557	138,941	50,000	61,345	20	100,090	28,161
Lease liabilities	349,340	394,941	75,055	65,003	53,662	41,604	29,377	130,240
Subtotal	1,338,425	1,384,202	824,700	115,003	115,007	41,624	129,467	158,401
Derivative financial liabilities (Note)								
Forward exchange contracts	8,103	8,103	8,103	–	–	–	–	–
Currency swap contracts	2,966	2,966	1,254	206	1,515	(9)	–	–
Commodity swap contracts	(248)	(248)	(248)	–	–	–	–	–
Subtotal	10,820	10,820	9,108	206	1,515	(9)	–	–
Total	1,349,245	1,395,022	833,808	115,209	116,522	41,615	129,467	158,401

Current fiscal year (As of December 31, 2025)

(Yen in millions)

	Carrying amounts	Contractual cash flows	Within one year	Due after one year through two years	Due after two years through three years	Due after three years through four years	Due after four years through five years	Due after five years
Non-derivative financial liabilities								
Trade and other payables	600,647	600,647	600,647	–	–	–	–	–
Bonds and borrowings	487,270	487,601	94,964	60,758	15	100,083	93,200	138,581
Lease liabilities	339,745	387,242	81,428	68,389	52,807	38,698	28,695	117,225
Subtotal	1,427,662	1,475,490	777,039	129,147	52,822	138,781	121,895	255,806
Derivative financial liabilities (Note)								
Forward exchange contracts	10,210	10,210	10,210	–	–	–	–	–
Currency swap contracts	13,633	13,633	4,311	9,357	–	(35)	–	–
Commodity swap contracts	(97)	(97)	(97)	–	–	–	–	–
Subtotal	23,746	23,746	14,424	9,357	–	(35)	–	–
Total	1,451,408	1,499,236	791,463	138,504	52,822	138,746	121,895	255,806

(Note) Receivables and payables incurred by derivative transactions are presented in net amount.

Total amount of committed line and the amount undrawn are as follows:

(Yen in millions)

	Previous fiscal year (As of December 31, 2024)	Current fiscal year (As of December 31, 2025)
Total amount of committed line	173,998	172,216
The amount drawn	–	–
The amount undrawn	173,998	172,216

#### (5) Foreign exchange risk management

The Group engages in business, such as development, purchase, production, distribution and sales, globally and conducts international transactions in regions around the world, and therefore, the fluctuation of foreign currency rates has an impact on the Group's performance.

The Company and certain subsidiaries use principally forward exchange contracts to hedge foreign currency exchange risk identified by currency on a monthly basis for receivables and payables in foreign currencies. When receivables and payables in foreign currencies are expected from forecasted transactions related to exports and imports, forward exchange contracts and currency option contracts may be used, depending on exchange rate conditions. In addition, currency swap contracts are used to hedge foreign currency exchange fluctuation risk associated with loans and borrowings denominated in foreign currencies.

The Group limits derivative transactions to actual exposure under internal regulations and does not enter into derivative transactions for speculative purposes.

#### Foreign currency sensitivity analysis

For the financial instruments held by the Group at each fiscal year-end, the impact of appreciation of the foreign currencies against the yen by 1 yen on profit after tax is as follows:

The figures below do not include the impact of translation of financial instruments denominated in functional currencies, assets and liabilities as well as revenues and costs of foreign operations into yen. This analysis is based on the assumption that other variable factors (such as balances, interest rate, etc.) are constant.

(Yen in millions)

	Previous fiscal year (Year ended December 31, 2024)	Current fiscal year (Year ended December 31, 2025)
Profit after tax	(27)	(42)

#### (6) Interest rate risk management

Some of borrowings, etc. with floating interest rates in the Group are exposed to interest rate fluctuation risk. The Group uses interest rate swap transactions for the purpose of hedging interest rate risk on borrowings.

The Group limits derivative transactions to actual exposure under internal regulations and does not enter into derivative transactions for speculative purposes.

#### Interest rate sensitivity analysis

As for the financial instruments held by the Group at each fiscal year-end, the impact of interest rate hikes by 1% on profit after tax is as follows:

This analysis is applicable to the financial instruments subject to the effects of changes in interest rates, assuming other variable factors such as the effects of the changes in currency rates remain constant.

(Yen in millions)

	Previous fiscal year (Year ended December 31, 2024)	Current fiscal year (Year ended December 31, 2025)
Profit after tax	(374)	(143)

(7) Market price fluctuation risk management

Investment securities in the Group consist primarily of equity securities of business partners and are exposed to market price fluctuation risk.

The Group regularly monitors market prices and financial positions of the issuers with whom it has business relations and appropriately reviews the status of these securities held by the Group upon confirming the rationality of holding them.

Sensitivity of share price fluctuation risk

The sensitivity analysis of the listed stocks the Group holds to share price fluctuation risk is as follows: The analysis shows the impact of drops in market prices of the listed stocks by 1% on other comprehensive income before tax effect, assuming other variables remain constant.

(Yen in millions)

	Previous fiscal year (Year ended December 31, 2024)	Current fiscal year (Year ended December 31, 2025)
Other comprehensive income	(423)	(422)

(8) Fair value measurement

Certain assets and liabilities are recognized at fair value. The fair value of such assets and liabilities is determined based on market information, such as quoted market price or valuation techniques including the market approach, the income approach and the cost approach. The fair value hierarchy of the financial instruments is categorized into the following three levels based on the inputs to the valuation techniques used.

Level 1: Fair value that is measured by using quoted prices in active markets

Level 2: Fair value, other than Level 1, that is determined by directly or indirectly using the observable price

Level 3: Fair value determined by using valuation techniques that incorporate unobservable inputs

1) Financial instruments measured at fair value

The methods for measuring of major financial instruments measured at fair value are as follows:

a. Derivative assets and derivative liabilities

Derivative assets and derivative liabilities are included in other financial assets and other financial liabilities, respectively, and these are classified as financial assets and financial liabilities measured at fair value through profit or loss. These are forward exchange contracts, currency swap contracts and interest rate swap contracts, etc., which are measured based on the model using largely observable inputs such as foreign currency rates and interest rates.

b. Short-term investments

Short-term investments are included in cash and cash equivalents, classified as financial assets measured at fair value through profit or loss. The fair value of short-term investments is determined by reference to quoted prices in active markets and is categorized as Level 1.

c. Shares, etc.

Shares, etc. are included in other financial assets, classified as financial assets measured at fair value through profit or loss, or financial assets measured at fair value through other comprehensive income. The shares, etc. categorized in Level 1 are the listed stocks traded in an active market, which are measured at a quoted price on the exchange. The shares, etc. categorized in Level 3 are unlisted stocks, etc., which are primarily measured by using the method that discounts future cash flows and the net asset-based valuation model (i.e., a method of measuring enterprise value based on the net assets of the share issuing company, adjusted for any items that should be adjusted due to marked-to-market, if any).

The fair value hierarchy of financial instruments measured at fair value is as follows:

Previous fiscal year (As of December 31, 2024)

(Yen in millions)

	Level 1	Level 2	Level 3	Total
Derivative assets	–	3,879	–	3,879
Short-term investments	10,950	–	–	10,950
Shares, etc.	42,304	–	19,026	61,330
Total	53,254	3,879	19,026	76,159
Derivative liabilities	–	14,700	–	14,700
Total	–	14,700	–	14,700

Current fiscal year (As of December 31, 2025)

(Yen in millions)

	Level 1	Level 2	Level 3	Total
Derivative assets	–	3,483	–	3,483
Short-term investments	14,153	–	–	14,153
Shares, etc.	42,182	–	20,123	62,305
Total	56,335	3,483	20,123	79,941
Derivative liabilities	–	27,232	–	27,232
Total	–	27,232	–	27,232

Transfers between levels of the fair value hierarchy are recognized at the end of each fiscal year. There was no transfer between Level 1 and Level 2 for the previous fiscal year and the current fiscal year.

The changes in assets and liabilities measured at fair value by using Level 3 inputs on a recurring basis from the beginning to the end of the previous and current fiscal years are as follows:

(Yen in millions)

	Previous fiscal year (Year ended December 31, 2024)	Current fiscal year (Year ended December 31, 2025)
Balance as of beginning of period	27,937	19,026
Gains and losses		
Profit or loss (Note 1)	(60)	385
Other comprehensive income (Note 2)	(10,237)	641
Purchases	901	1,268
Sale and collection	(1,137)	(833)
Other	1,622	(364)
Ending balance	19,026	20,123

(Note 1) Amount is included in “finance income” and “finance costs” in the consolidated statement of profit or loss.

(Note 2) Amount is included in “Net change in fair value of financial assets measured through other comprehensive income” in the consolidated statement of comprehensive income.

The financial instruments categorized as Level 3 in the fair value hierarchy financial assets, are classified into financial assets measured at fair value through profit or loss, or financial assets measured at fair value through other comprehensive income for which quoted market prices are not readily available. The fair values of such financial instruments are calculated based on the Group’s accounting policy. When measuring the fair values, the Group determines the most appropriate valuation technique considering the nature of the assets, etc. with reasonably estimated input.

2) Financial instruments measured at amortized cost

The methods for measuring the fair value of major financial instruments measured at amortized cost are as follows:

The table below does not include financial instruments where the carrying amounts of which reasonably approximate the fair values and it is not material.

Bonds and borrowings (Non-current)

The fair values of bonds are based on the market prices. The fair values of the borrowings are calculated based on the present value and by discounting the total principal and interest over the remaining term at an interest rate that would be applied if similar borrowings were newly made.

Previous fiscal year (As of December 31, 2024)

(Yen in millions)

	Carrying amounts	Level 1	Level 2	Level 3	Total
Bonds and borrowings (Non-current)	239,441	–	235,430	–	235,430
Total	239,441	–	235,430	–	235,430

Current fiscal year (As of December 31, 2025)

(Yen in millions)

	Carrying amounts	Level 1	Level 2	Level 3	Total
Bonds and borrowings (Non-current)	392,312	–	382,813	–	382,813
Total	392,312	–	382,813	–	382,813

(9) Hedge accounting

Risk management strategy

The Group uses, as derivative transactions, such as forward exchange contracts, currency option contracts, etc. to mitigate foreign currency fluctuation risk associated with the foreign currency-denominated receivables and payables as well as foreign currency-denominated forecast transaction. It uses currency swap contracts, etc., if required, to mitigate risk of changes in currency rate and interest rate associated with the foreign currency-denominated loans and borrowings. The Group also engages in interest rate swap contracts, if required, to mitigate risk of changes in interest rate of the borrowings. It uses commodity swap contracts, if required, to mitigate price fluctuation risk from raw materials. With respect to the execution and management of derivative transactions, the Group complies with the internal regulations that stipulate transaction authority, and engages in the derivative transactions with only highly rated financial institutions to mitigate counterparty credit risk. Hedge ratio is appropriately determined based on the economic relationship between the hedging instrument and hedged item as well as its risk management strategies. There is no material ineffective portion of hedge as the Group applies hedge accounting only when the critical terms of hedging instruments and hedged items match exactly.

The Group uses derivatives when it is economically rational to do so, including the cases where the hedging relationship does not meet the requirements to qualify for hedge accounting.

The carrying amounts and changes in fair value of the hedging instruments that qualify for hedge accounting in each fiscal year are as follows:

Previous fiscal year (As of December 31, 2024)

(Yen in millions)

Hedging type	Hedging instruments	Contract amount	Carrying amount (Note)	
			Assets	Liabilities
Cash flow hedges	Foreign currency derivatives	89,668	–	4,247
Total		89,668	–	4,247

Current fiscal year (As of December 31, 2025)

(Yen in millions)

Hedging type	Hedging instruments	Contract amount	Carrying amount (Note)	
			Assets	Liabilities
Cash flow hedges	Foreign currency derivatives	90,197	–	4,540
Total		90,197	–	4,540

(Note) The carrying amounts of these derivatives are recorded in “Other financial assets” or “Other financial liabilities” in the consolidated statement of financial position, and the amounts due for more than one year are categorized as non-current assets or non-current liabilities.

The expected duration of cash flows from the cash flow hedges is approximately four months to 12 months for foreign currency contracts, which is expected to be largely the same as the expected duration of the impact on net profit or loss.

For the previous and current fiscal years, there are no material amounts recognized in profit or loss, which are related to the ineffective portions of hedges and portions excluded from assessment of hedge effectiveness.

The changes in the cash flow hedge reserve arising from the hedging instruments designated as cash flow hedges are as follows:

Previous fiscal year (Year ended December 31, 2024)

(Yen in millions)

	Effective portion of change in fair value of cash flow hedges			
	Foreign currency risk	Interest rate risk	Commodity-related risk	Total
Balance as of January 1, 2024	785	337	(28)	1,094
Other comprehensive income				
Amount that occurred during the period (Note 1)	(14,612)	(449)	30	(15,031)
Amount of reclassification adjustment (Note 2)	8,963	–	–	8,963
Tax effect	1,762	112	–	1,874
Balance as of December 31, 2024	(3,102)	–	2	(3,100)

Current fiscal year (Year ended December 31, 2025)

(Yen in millions)

	Effective portion of change in fair value of cash flow hedges			
	Foreign currency risk	Interest rate risk	Commodity-related risk	Total
Balance as of January 1, 2025	(3,102)	–	2	(3,100)
Other comprehensive income				
Amount that occurred during the period (Note 1)	467	–	–	467
Amount of reclassification adjustment (Note 2)	(259)	–	–	(259)
Tax effect	58	–	–	58
Balance as of December 31, 2025	(2,836)	–	2	(2,834)

(Note 1) The changes in fair value of the hedged items used as the basis for recognizing the ineffective portion match the changes in fair value of the hedging instruments.

(Note 2) The amount was reclassified as the hedged items affected net profit or loss, and it was recognized as “Other income,” “Other expenses” or “Finance income” and “Finance costs” in the consolidated statement of profit or loss.

36. Related Party

(1) Related party transactions

Previous fiscal year (Year ended December 31, 2024)

No item to report.

Current fiscal year (Year ended December 31, 2025)

No item to report.

(2) Remuneration for key management personnel

The remuneration for key management personnel of each fiscal year is as follows:

(Yen in millions)

	Previous fiscal year (Year ended December 31, 2024)	Current fiscal year (Year ended December 31, 2025)
Remuneration and bonuses	683	902
Share-based payment	254	501
Total	937	1,404

37. Subsidiaries and Associates, etc.

(1) Information on significant subsidiaries

The significant subsidiaries and associates of the Group as of the end of the current fiscal year are presented in “4. Subsidiaries and associates” of “I. Overview of the Company” of “Part I Information on the Company.”

(2) Significant associates and jointly controlled entities

There are no significant associates and jointly controlled entities of the Group.

### 38. Commitments

Commitments for the acquisition of assets after the closing date of each fiscal year are as follows:

(Yen in millions)

	Previous fiscal year (As of December 31, 2024)	Current fiscal year (As of December 31, 2025)
Acquisition of property, plant and equipment	151,812	105,616
Acquisition of intangible assets	3,843	1,894
Total	155,655	107,510

### 39. Subsequent Events

#### 1. Stock split and partial amendment to the Articles of Incorporation in conjunction with the stock split

In accordance with a resolution made at the Board of Directors meeting held on November 12, 2025, the Company carried out a stock split and made a partial amendment to the Articles of Incorporation in conjunction with the stock split as of January 1, 2026.

##### (1) Purpose of the stock split

The purpose of the stock split is to lower the investment unit price of the Company's shares, thereby creating a more accessible investment environment for investors and encouraging the expansion of investor base.

##### (2) Overview of the stock split

###### 1) Method of the stock split

Each share of common stock of the Company owned by shareholders listed or recorded in the closing shareholders' register on the record date of December 31, 2025, was split into two shares. (Since this day fell on a non-business day of the administrator of the shareholders' register, the substantial record date was December 30, 2025.)

###### 2) Number of shares increased by the stock split

Total number of issued shares prior to the stock split	713,698,221 shares
Number of shares increased by the said stock split	713,698,221 shares
Total number of issued shares after the stock split	1,427,396,442 shares
Total number of authorized shares after the stock split	2,900,000,000 shares

###### 3) Schedule for the stock split

Public notice of record date	December 15, 2025
Record date	December 31, 2025 *In effect: December 30, 2025
Effective date	January 1, 2026

#### (3) Partial amendment to the Articles of Incorporation in conjunction with the stock split

##### 1) Reason for the amendment

As per the provisions of Article 184, paragraph (2) of the Companies Act, the total number of authorized shares as stipulated in Article 6 of the Company's Articles of Incorporation has been changed effective from January 1, 2026, in conjunction with the said stock split.

2) Details of the amendment

The details of the amendment are as follows:

(Underlines indicate the amended portions)

Before Amendment	After Amendment
<p>Article 6 (Total Number of Authorized Shares)</p> <p>The total number of authorized shares of the Company shall be <u>one billion and four hundred fifty million</u> (1,450,000,000).</p>	<p>Article 6 (Total Number of Authorized Shares)</p> <p>The total number of authorized shares of the Company shall be <u>two billion and nine hundred million</u> (2,900,000,000).</p>

(4) Other matters

1) Change in the amount of common stock

There is no change in the amount of common stock as a result of the said stock split.

2) Dividends

As the effective date of the said stock split is January 1, 2026, the year-end cash dividend for the fiscal year ended December 31, 2025, with a record date of December 31, 2025, is based on the number of shares held prior to the stock split.

3) Impact on per share information

Details regarding the impact on per share information are provided in “32. Earnings per share.”

2. Cancellation of treasury stock (completed)

As resolved at the Board of Directors meeting held on February 17, 2025, the Company completed the cancellation of treasury stock based on the provisions of Article 178 of the Companies Act on January 23, 2026.

(1) Kind of shares cancelled Common stock of the Company

(2) Total number of shares cancelled 93,359,400 shares

(Ratio of the number of shares cancelled to the total number of issued shares before the cancellation (excluding treasury stock): 7.3%)

(3) Cancellation date January 23, 2026

(Reference) Total number of issued shares after the cancellation: 1,334,037,042 shares

3. Purchase of treasury stock

For the purpose of providing investment that will contribute to the enhancement of corporate value and realizing the optimal capital structure (enhancement of capital efficiency), the Company decided to acquire treasury stock at the Board of Directors meeting held on February 16, 2026, as per the provisions of Article 156 of the Companies Act as applied by replacing certain terms under the provisions of Article 165, paragraph (3) of the same Act.

(1) Kind of shares to acquire Common stock of the Company

(2) Total number of shares to be acquired Up to 60 million shares

(3) Total acquisition cost Up to 150.0 billion yen

(4) Procedure Market purchases based on the discretionary dealing contract regarding repurchase of shares

(5) Timing February 17, 2026 to August 31, 2026

4. Cancellation of treasury stock (resolved)

At the Board of Directors meeting held on February 16, 2026, the Company resolved to cancel treasury stock based on the provisions of Article 178 of the Companies Act.

- |  |  |
|--|--|
| (1) Kind of shares to be cancelled         | Common stock of the Company  |
| (2) Total number of shares to be cancelled | All of the treasury stock acquired as stated above in 3. Acquisition of treasury stock |
| (3) Effective date of the cancellation     | September 18, 2026   |

5. Issuance of bonds

The Company reached a decision on the following matters by the power vested in Global CEO and Representative Executive Officer by the Board of Directors on February 16, 2026.

- |                               |   |
|-------------------------------|---|
| (1) Attribute                 | Domestic unsecured straight corporate bonds   |
| (2) Planned period of issue   | April 1, 2026 to December 31, 2026  |
| (3) Total amount to be issued | Within 150.0 billion yen<br>However, multiple issues within the scope of this amount are not ruled out.   |
| (4) Interest rate             | Using an interest rate higher than the yields of the national government bonds, which correspond to the said maturity of the issued bonds, by no more than 1.0% |
| (5) Amount to be paid         | 100 yen per 100 yen par value of face value   |
| (6) Maturity date             | Within 10 years   |
| (7) Repayment method          | Redemption at maturity for full face value  |
| (8) Use of funds              | To be allocated to investment and financing funds, capital investment, funds to acquire treasury stock, and others  |

(2) Other

Half-year information for the current fiscal year

	Six months ended June 30, 2025	Fiscal year ended December 31, 2025
Revenue (Yen in millions)	2,116,437	4,429,452
Profit before tax (Yen in millions)	155,411	354,661
Profit attributable to owners of parent (Yen in millions)	115,523	327,264
Basic earnings per share (Yen)	85.11	246.00

(Note) On January 1, 2026, the Company carried out a stock split of common shares at a 2-for-1 ratio. Per share information has been calculated assuming that the stock split was conducted at the beginning of the current fiscal year.

## 2. Non-consolidated Financial Statements, etc.

### (1) Non-consolidated Financial Statements

#### 1) Non-consolidated Balance Sheet

(Yen in millions)

	Previous fiscal year (As of December 31, 2024)	Current fiscal year (As of December 31, 2025)
<b>(Assets)</b>		
Current assets		
Cash and deposits	257,352	218,782
Accounts receivable	*1 331,415	*1 347,532
Finished products	46,479	41,942
Work in process	9,358	8,894
Raw materials and supplies	59,729	48,876
Short-term loans receivable for subsidiaries and associates	*1 57,116	*1 76,475
Accounts receivable-other	*1 27,799	*1 23,180
Other current assets	*1 17,081	*1 14,545
Allowance for doubtful accounts	(1,361)	(1,774)
Total current assets	804,967	778,452
Fixed assets		
Property, plant and equipment		
Buildings, net	102,713	102,435
Structures, net	8,567	8,242
Machinery and equipment, net	48,841	54,598
Vehicles and carriers, net	1,713	1,647
Tools, furniture and fixtures, net	16,996	18,430
Land	56,082	54,844
Construction in progress	41,987	68,252
Total property, plant and equipment	276,900	308,448
Intangible assets	45,596	52,739
Investments and other assets		
Investment in securities	50,646	44,575
Investments in subsidiaries and associates	809,526	801,961
Investments in subsidiaries and associates, other than stock	55,916	55,916
Long-term loans receivable for subsidiaries and associates	*1 45,127	*1 48,847
Deferred tax assets	15,865	16,460
Other assets	9,597	12,118
Allowance for doubtful accounts	(14)	(15)
Total investments and other assets	986,665	979,863
Total fixed assets	1,309,161	1,341,050
Total assets	2,114,128	2,119,502

(Yen in millions)

	Previous fiscal year (As of December 31, 2024)	Current fiscal year (As of December 31, 2025)
<b>Liabilities</b>		
Current liabilities		
Accounts payable	*1 96,958	*1 88,844
Current portion of bonds	–	50,000
Lease obligations	111	99
Accounts payable - other	*1 73,360	*1 76,662
Accrued expenses	*1 29,771	*1 27,249
Income taxes payable	66,077	29,519
Deposits received	6,100	5,103
Allowance for losses on business transfer	5,834	4,993
Other current liabilities	25,609	32,731
Total current liabilities	303,819	315,200
Long-term liabilities		
Bonds	210,000	260,000
Long-term borrowings	–	100,000
Lease obligations	215	116
Accrued pension and liability for retirement benefits	45,754	45,323
Asset retirement obligation	2,618	3,175
Other long-term liabilities	2,849	7,260
Total long-term liabilities	261,436	415,874
Total liabilities	565,254	731,073
Equity		
Shareholders' equity		
Common stock	126,354	126,354
Capital surplus		
Capital reserve	122,079	122,079
Total capital surplus	122,079	122,079
Retained earnings		
Legal reserve	31,279	31,279
Other retained earnings		
Reserve for advanced depreciation of fixed assets	29,261	27,686
Reserve for special account for advanced depreciation of fixed assets	–	2,972
General reserve	789,311	789,311
Retained earnings brought forward	555,781	697,199
Total retained earnings	1,405,631	1,548,447
Treasury stock	(134,591)	(433,930)
Total shareholders' equity	1,519,473	1,362,950
Net unrealized gain (loss) and translation adjustments		
Net unrealized gain (loss) on available-for-sale securities	30,157	26,629
Deferred gain (loss) on derivative instruments	(2,812)	(2,991)
Total net unrealized gain (loss) and translation adjustments	27,345	23,638
Stock acquisition rights	2,055	1,840
Total equity	1,548,873	1,388,428
Total liabilities and equity	2,114,128	2,119,502

## 2) Non-consolidated Statement of Profit or Loss

(Yen in millions)

	Previous fiscal year (Year ended December 31, 2024)	Current fiscal year (Year ended December 31, 2025)
Net sales	*1 967,363	*1 981,068
Cost of sales	*1 605,847	*1 626,787
Gross profit	361,516	354,281
Selling, general and administrative expenses	*1,*2 219,988	*1,*2 205,458
Operating profit	141,528	148,823
Non-operating income		
Interest income	*1 3,560	*1 5,002
Dividend income	*1 109,211	*1 106,632
Other	*1 4,173	*1 4,263
Total non-operating income	116,943	115,897
Non-operating expenses		
Interest expenses	724	2,465
Foreign currency exchange loss	18,524	10,230
Other	11,984	*1 10,924
Total non-operating expenses	31,232	23,619
Ordinary profit	227,240	241,102
Extraordinary income		
Gain on sale of fixed assets	*1, *3 64,245	*3 5,777
Gain on sale of shares of subsidiaries and associates	–	11,129
Gain on sales of investment securities	6,974	7,644
Total extraordinary income	71,219	24,550
Extraordinary loss		
Loss on business of subsidiaries and associates	*4 8,803	–
Total extraordinary loss	8,803	–
Profit before income taxes	289,655	265,652
Income taxes - current	47,514	(26,360)
Income taxes - deferred	7,095	445
Total income taxes	54,609	(25,915)
Profit	235,046	291,567

### 3) Non-consolidated Statement of Changes in Equity

Previous fiscal year (Year ended December 31, 2024)

(Yen in millions)

	Shareholders' equity								
	Common stock	Capital surplus		Legal reserve	Retained earnings				Total retained earnings
		Capital reserve	Total capital surplus		Other retained earnings				
					Reserve for advanced depreciation of fixed assets	Reserve for special account for advanced depreciation of fixed assets	General reserve	Retained earnings brought forward	
Beginning balance	126,354	122,079	122,079	31,279	28,796	8,903	789,311	452,692	1,310,980
Changes in the year									
Cash dividends								(140,369)	(140,369)
Provision of reserve for advanced depreciation of fixed assets					465			(465)	–
Reversal of reserve for special account for advanced depreciation of fixed assets						(8,903)		8,903	–
Profit								235,046	235,046
Purchase of treasury stock								(4)	(4)
Disposal of treasury stock								(22)	(22)
Net change in the year other than shareholders' equity									
Total changes in the Year	–	–	–	–	465	(8,903)	–	103,089	94,651
Ending balance	126,354	122,079	122,079	31,279	29,261	–	789,311	555,781	1,405,631

	Shareholders' equity		Net unrealized gain (loss) and translation adjustments			Stock acquisition rights	Total equity
	Treasury stock	Total shareholders' equity	Net unrealized gain (loss) on available-for-sale securities	Deferred gain (loss) on derivative instruments	Total net unrealized gain (loss) and translation adjustments		
Beginning balance	(135,408)	1,424,005	30,076	1,183	31,259	2,308	1,457,572
Changes in the year							
Cash dividends		(140,369)					(140,369)
Provision of reserve for advanced depreciation of fixed assets		–					–
Reversal of reserve for special account for advanced depreciation of fixed assets		–					–
Profit		235,046					235,046
Purchase of treasury stock	(33)	(37)					(37)
Disposal of treasury stock	850	828					828
Net change in the year other than shareholders' equity			81	(3,995)	(3,914)	(253)	(4,167)
Total changes in the Year	817	95,468	81	(3,995)	(3,914)	(253)	91,302
Ending balance	(134,591)	1,519,473	30,157	(2,812)	27,345	2,055	1,548,873

Current fiscal year (Year ended December 31, 2025)

(Yen in millions)

	Shareholders' equity								
	Common stock	Capital surplus		Legal reserve	Retained earnings				Total retained earnings
		Capital reserve	Total capital surplus		Other retained earnings				
					Reserve for advanced depreciation of fixed assets	Reserve for special account for advanced depreciation of fixed assets	General reserve	Retained earnings brought forward	
Beginning balance	126,354	122,079	122,079	31,279	29,261	–	789,311	555,781	1,405,631
Changes in the year									
Cash dividends								(148,611)	(148,611)
Reversal of reserve for advanced depreciation of fixed assets					(1,575)			1,575	–
Provision of reserve for special account for advanced depreciation of fixed assets						2,972		(2,972)	–
Profit								291,567	291,567
Purchase of treasury stock								(1)	(1)
Disposal of treasury stock								(140)	(140)
Net change in the year other than shareholders' equity									
Total changes in the Year	–	–	–	–	(1,575)	2,972	–	141,418	142,815
Ending balance	126,354	122,079	122,079	31,279	27,686	2,972	789,311	697,199	1,548,447

	Shareholders' equity		Net unrealized gain (loss) and translation adjustments			Stock acquisition rights	Total equity
	Treasury stock	Total shareholders' equity	Net unrealized gain (loss) on available-for-sale securities	Deferred gain (loss) on derivative instruments	Total net unrealized gain (loss) and translation adjustments		
Beginning balance	(134,591)	1,519,473	30,157	(2,812)	27,345	2,055	1,548,873
Changes in the year							
Cash dividends		(148,611)					(148,611)
Reversal of reserve for advanced depreciation of fixed assets		–					–
Provision of reserve for special account for advanced depreciation of fixed assets		–					–
Profit		291,567					291,567
Purchase of treasury stock	(300,015)	(300,016)					(300,016)
Disposal of treasury stock	677	537					537
Net change in the year other than shareholders' equity			(3,528)	(179)	(3,707)	(215)	(3,922)
Total changes in the Year	(299,338)	(156,523)	(3,528)	(179)	(3,707)	(215)	(160,445)
Ending balance	(433,930)	1,362,950	26,629	(2,991)	23,638	1,840	1,388,428

## Notes to Non-consolidated Financial Statements

### (Significant accounting policies)

#### 1. Valuation policies and methods for assets

##### (1) Valuation policies and methods for investments in securities

Investments in subsidiaries and associates — The moving-average cost method

Available-for-sale securities

Marketable securities Fair value

(Unrealized gain and loss, net of tax is recorded in equity, and the moving-average method is used to calculate the cost of securities sold)

Non-marketable securities Primarily the moving-average cost method.

Note that investments provided to limited investment partnerships and other organizations are based on the most recent available financial statements according to the financial reporting date specified in contracts with the partnership. They incorporate a net amount of equivalent equity.

##### (2) Valuation policies and methods for derivatives

Fair value

##### (3) Valuation policies and methods for inventories

The moving-average cost method (for carrying amounts on the balance sheet, method in which carrying amounts are lowered based on a decline in profitability)

#### 2. Depreciation method for fixed assets

##### (1) Property, plant and equipment

The declining-balance method

##### (2) Intangible assets

The straight-line method

#### 3. Accounting policies for reserves and allowances

##### (1) Allowance for doubtful accounts

In order to reserve for loss from the nonpayment of claims, the actual credit loss rate is used to calculate the amount to be recorded for general claims, and for designated claims for which there is a concern of nonpayment, an amount based on the evaluation of potential loss in the receivables outstanding is recorded.

##### (2) Allowance for losses on business transfer

In order to reserve for loss arising from a business transfer, the estimated amount to be incurred in the future is recorded.

##### (3) Accrued pension and liability for retirement benefits

In order to reserve for retirement benefits for employees, an amount based on the estimated amount of projected benefit obligations and pension plan assets as of the current fiscal year-end is recorded.

###### 1) Method of attributing projected benefits to periods

Projected benefits are attributed to periods of service up to the end of the current fiscal year on a benefit formula basis.

2) Method of recognizing unrecognized actuarial gain/loss and past service cost

Past service cost is treated as an expense using the straight-line method over a fixed number of years (10 years) within the average remaining years of service of the employees in the year in which the past service costs occur.

Actuarial gain/loss is treated as an expense using the straight-line method over a fixed number of years (10 years) within the average remaining years of service of the employees in the year in which the gain/loss occurs, recorded from the subsequent fiscal year.

4. Accounting policies for revenue and expenses

The Company recognizes revenue at an amount reflecting the amount of consideration to which the Company expects to be entitled in exchange for transferring the goods and services to the customer based on the following five-step approach, except for interest and dividend income, etc.:

Step 1: Identify the contract(s) with a customer

Step 2: Identify the performance obligations in the contract

Step 3: Determine the transaction price

Step 4: Allocate the transaction price to the performance obligations in the contract

Step 5: Recognize revenue when (or as) the entity satisfies a performance obligation

The Company engages in the tire business, solutions business, chemical and industrial products business, and other businesses.

In these businesses, because customers mainly obtain control over the product at the time of delivery of the product, the performance obligations are considered to be satisfied at that time, and revenue is recognized at the time of delivery of the product.

In addition, consideration for performance obligations is mainly received within one year from satisfaction of the performance obligations, and contains no significant financing component.

5. Accounting policies for the translation of foreign currency-denominated assets and liabilities into Japanese yen

Monetary receivables and payables denominated in foreign currencies are translated into Japanese yen at the exchange rate at the end of the fiscal year. The foreign currency exchange gain and loss from translation are recognized in profit or loss.

6. Hedge accounting method

(1) Hedge accounting method

Deferred hedge accounting is applied.

(2) Hedging instruments and items covered

<u>Instruments</u>	<u>Items covered</u>
Forward foreign exchange contracts	Foreign currency-denominated monetary claims and obligations and forecasted foreign currency-denominated transactions
Foreign currency swaps	Borrowings and bonds
Interest rate swaps	Borrowings
Commodity swaps	Raw materials

(3) Hedging policy

Forward exchange contracts are used only to cover actual foreign exchange needs, and currency swap contracts are made to match the principal amount and term of the hedged foreign currency-denominated obligation. Interest rate swaps are entered into for the amount of borrowings only. Commodity swaps are entered into for the trade amount of raw materials. It is the Company's policy not to use any derivative transactions for speculative purposes.

(4) Method for evaluating the effectiveness of hedges

The validity of hedges is evaluated based on a comparison of accumulated amount of fluctuations in the cash flow or fluctuations in the market value of the hedged item with the accumulated amount of fluctuations in the cash flow or fluctuations in the market value of the hedging instrument.

(Significant accounting estimates)

1. Impairment on fixed assets

(1) Amount recorded in the financial statements for the current fiscal year

(Yen in millions)

	Previous fiscal year	Current fiscal year
Property, plant and equipment	276,900	308,448
Intangible assets	45,596	52,739

(2) Other information that contributes to understanding of users of the financial statements

The notes have been omitted since the same information has been provided in "3. Material Accounting Policies (10) Impairment of non-financial assets" in the notes to the consolidated financial statements.

2. Recoverability of deferred tax assets and accounting treatment of income taxes payable

(1) Amount recorded in the financial statements for the current fiscal year

(Yen in millions)

	Previous fiscal year	Current fiscal year
Deferred tax assets	15,865	16,460
Income taxes payable	66,077	29,519
Income taxes - current	47,514	(26,360)
Income taxes - deferred	7,095	445

(2) Other information that contributes to understanding of users of the financial statements

The notes have been omitted since the same information has been provided in "3. Material Accounting Policies (17) Income taxes" in the notes to consolidated financial statements. In addition, as for the repayment of capital received from Bridgestone Americas, Inc., a subsidiary of the Company, in fiscal year 2021 the Company accounted for the transaction by recognizing deductible expenses as a loss on transfer of shares for tax purposes, while the Company's investments in subsidiaries and associates were reduced by the same amount for accounting purposes. In fiscal year 2021, the Company excluded some deductible expenses to calculate its taxable income with respect to this matter which gives rise to some uncertain tax treatments under Japan's tax law. The Company had engaged third-party legal, tax professionals, etc. to consider plausible tax treatments and estimate reasonably its taxable income considering various scenarios and assumptions. As a result, although an effect of 91,100 million yen in total would have been imposed on a decrease in income taxes payable and an increase in deferred tax

assets if all the deductible expenses were included in calculating taxable income, the Company reduced its deferred tax assets by 6,413 million yen and increased its income taxes payable by 53,587 million yen at the end of the previous fiscal year, relative to amounts under the aforementioned accounting treatment. The Company reviews the degree regarding such uncertain tax treatments each reporting period. Based on the review performed in the current fiscal year, after considering the elapsed time since the transaction, the Company has determined that the uncertainty decreased as to whether all of the loss on transfer of shares would be recognized as deductible expenses. Accordingly, the Company has fully reversed the entire amount of the uncertain tax treatment. As a result, income taxes - current for the current fiscal year decreased by 53,587 million yen and income taxes - deferred decreased by 6,413 million yen.

### 3. Accrued pension and liability for retirement benefits

#### (1) Amount recorded in the financial statements for the current fiscal year

(Yen in millions)

	Previous fiscal year	Current fiscal year
Accrued pension and liability for retirement benefits	45,754	45,323

#### (2) Other information that contributes to understanding of users of the financial statements

The notes have been omitted since the same information has been provided in “3. Material Accounting Policies (12) Employee benefits 2) Post-employment benefits” in the notes to the consolidated financial statements.

### 4. Allowance for losses on business transfer

#### (1) Amount recorded in the financial statements for the current fiscal year

(Yen in millions)

	Previous fiscal year	Current fiscal year
Allowance for losses on business transfer	5,834	4,993

#### (2) Other information that contributes to understanding of users of the financial statements

In order to reserve for a loss expected to be incurred in connection with a transfer of the anti-vibration rubber business, the amount expected to be incurred in the future was recorded for such losses that can be reasonably estimated at the end of the current fiscal year.

Note that any unpredictable change in the external environment and other factors may materially affect the amount of losses on business transfer to be recognized in the financial statements of the subsequent fiscal year.

### 5. Valuation of investments in subsidiaries and associates and investments in subsidiaries and associates, other than stock

#### (1) Amount recorded in the financial statements for the current fiscal year

(Yen in millions)

	Previous fiscal year	Current fiscal year
Non-marketable investments in subsidiaries and associates and investments in subsidiaries and associates, other than stock	865,443	857,877

#### (2) Other information that contributes to understanding of users of the financial statements

For non-marketable investments in subsidiaries and associates and investments in subsidiaries and associates, the Company’s policy is to compare the carrying amount of investments to the actual value

based on the net asset amount of each company, and recognize an impairment loss when the actual value declines significantly. Note that in cases where any change in the external environment and other factors materially affects the actual value, this may also affect valuation of investments in subsidiaries and associates and investments in subsidiaries and associates, other than stock, in the following fiscal year.

Regarding the 208,029 million yen in shares of Bridgestone Europe NV/SA, because the actual value based on the net asset amount is not significantly lower than the investment book value, impairment is not performed. In the event that the actual value declines significantly as a result of changes such as the occurrence of impairment losses in the Webfleet Solutions cash-generating unit or Bridgestone Europe cash-generating unit group within our subsidiary group, there is the possibility of affecting the valuation of Bridgestone Europe NV/SA shares in the following fiscal year.

(Non-consolidated balance sheet)

\*1 Monetary receivables from and payables to subsidiaries and associates

(Yen in millions)

	Previous fiscal year (As of December 31, 2024)	Current fiscal year (As of December 31, 2025)
Short-term monetary receivables	342,830	376,249
Long-term monetary receivables	45,127	48,847
Short-term monetary payables	70,807	64,401

2 Guarantees

(Yen in millions)

	Previous fiscal year (As of December 31, 2024)		Current fiscal year (As of December 31, 2025)
(1) Guarantees on borrowings and commercial papers issued by Bridgestone Europe NV/SA	102,250	(1) Guarantees on borrowings and commercial papers issued by Bridgestone Europe NV/SA	57,880
(2) Guarantees on bank borrowings of employees in consolidated subsidiary (mortgages), etc.	14	(2) Guarantees on bank borrowings of employees in consolidated subsidiary (mortgages), etc.	12
Total	102,264	Total	57,892

(Non-consolidated statement of profit or loss)

\*1 Transactions with subsidiaries and associates

(Yen in millions)

	Previous fiscal year (Year ended December 31, 2024)	Current fiscal year (Year ended December 31, 2025)
Net sales	758,598	778,708
Purchases, etc.	268,091	251,550
Transactions other than operating transactions	147,067	144,127

\*2 Selling, general and administrative expenses

Major items and amounts are as follows:

(Yen in millions)

	Previous fiscal year (Year ended December 31, 2024)	Current fiscal year (Year ended December 31, 2025)
Freight	60,358	59,469
Retirement benefit expenses	596	1,001
Depreciation	5,592	6,359
Research and development expenses	76,551	69,942

In the previous fiscal year, selling expenses accounted for approximately 40% of selling, general and administrative expenses, and in the current fiscal year, selling expenses accounted for approximately 40%.

\*3 Gain on sale of fixed assets

Previous fiscal year (Year ended December 31, 2024)

Mainly relates to gains on the sale of land.

Current fiscal year (Year ended December 31, 2025)

Mainly relates to gains on the sale of land.

\*4 Loss on business of subsidiaries and associates

Previous fiscal year (Year ended December 31, 2024)

Taking into consideration the financial condition of certain subsidiaries and associates, related losses have been recorded.

(Tax effect accounting)

1 Major components of deferred tax assets and liabilities

	(Yen in millions)	
	Previous fiscal year (As of December 31, 2024)	Current fiscal year (As of December 31, 2025)
Deferred tax assets		
Accrued pension and liability for retirement benefits	14,001	14,236
Investments in subsidiaries and associates	44,998	46,238
Depreciable assets	11,300	11,866
Accrued expenses	8,662	7,401
Other	10,210	11,887
Deferred tax assets subtotal	89,170	91,627
Valuation allowance	(44,496)	(44,986)
Total deferred tax assets	44,674	46,641
Deferred tax liabilities		
Reserve for advanced depreciation of fixed assets	(12,902)	(12,731)
Net unrealized gain (loss) on available-for-sale securities	(13,054)	(12,091)
Prepaid pension costs	(2,228)	(3,137)
Other	(625)	(2,223)
Total deferred tax liabilities	(28,809)	(30,182)
Deferred tax assets, net	15,865	16,460

(Changes in presentations)

In the previous fiscal year, “Prepaid pension costs” were included in “Other” under deferred tax liabilities, however beginning from the current fiscal year it is listed as a separate line item due to its increased monetary importance. In order to apply this change in presentation, the notes for the previous fiscal year have been reclassified.

As a result, (2,853) million yen listed in “Other” under deferred tax liabilities in the previous fiscal year was reclassified as (2,228) million yen in “Prepaid pension costs” and (625) million yen in “Other.”

2 Reconciliation of the statutory effective tax rate and the tax burden ratio of income tax after adjustments for tax effect accounting

	Previous fiscal year (As of December 31, 2024)	Current fiscal year (As of December 31, 2025)
Statutory effective tax rate	30.6%	30.6%
(Adjustments)		
Items not categorized as temporary differences	(10.7)	(11.4)
Valuation allowance	0.8	(0.3)
Tax credits for experiment and research expenses	(1.6)	(1.8)
Reversal of uncertain income tax treatments	–	(26.3)
Other	(0.2)	(0.6)
Tax burden ratio of income tax after adjustments for tax effect accounting	18.9	(9.8)

3 Accounting treatment of income taxes and local income taxes, and accounting treatment of related tax effect accounting

During the current fiscal year, the Company decided to apply for approval to adopt Japanese Group Relief System, which will be applied from the following fiscal year. As a result, for the accounting treatment and disclosure of tax effect accounting related to income tax and local income tax, the Company has applied, from the end of the current fiscal year, the “Practical Solution on Accounting and Disclosure under Japanese Group Relief System” (ASBJ PITF No. 42, issued on August 12, 2021) on the premise that Japanese Group Relief System will be applied.

4 Correction of amounts of deferred tax assets and deferred tax liabilities resulting from the change in the income tax rate

The Act for Partial Revision of the Income Tax Act, etc. (Act No. 13 of 2025) was published on March 31, 2025, and the Special Defense Corporation Tax will be levied starting from the fiscal year beginning on or after April 1, 2026.

As a result, the statutory effective tax rate used in calculations of deferred tax assets and deferred tax liabilities will change from the previous rate of 30.6% to 31.5% for temporary differences which are expected to be eliminated in or after the fiscal year beginning January 1, 2027.

The impact of this change in the tax rate on the financial statements is immaterial.

(Revenue recognition)

As for information that serves as the basis for understanding revenue arising from contracts with customers, the notes have been omitted since the same information has been provided in “(Material accounting policies) 4. Accounting policies for revenue and expenses.”

(Significant subsequent events)

The notes have been omitted since the same information has been provided in “39. Subsequent events” in the notes to consolidated financial statements.

#### 4) Non-consolidated supplementary schedules

##### Schedule of property, plant and equipment, etc.

(Yen in millions)

Category	Type of assets	Beginning balance	Increase	Decrease	Depreciation and amortization	Ending balance	Accumulated depreciation
Property, plant and equipment	Buildings	102,713	9,351	589	9,039	102,435	212,983
	Structures	8,567	1,079	184	1,221	8,242	32,384
	Machinery and equipment	48,841	24,630	524	18,349	54,598	693,460
	Vehicles and carriers	1,713	820	22	863	1,647	12,750
	Tools, furniture and fixtures	16,996	18,612	243	16,935	18,430	177,491
	Land	56,082	–	1,239	–	54,844	–
	Construction in progress	41,987	81,328	55,062	–	68,252	–
	Total	276,900	135,819	57,863	46,407	308,448	1,129,068
Intangible assets	Total	45,596	16,774	2,219	7,413	52,739	18,666

##### Schedule of allowances

(Yen in millions)

Account item	Beginning balance	Increase	Decrease	Ending balance
Allowance for doubtful accounts	1,375	547	133	1,788
Allowance for losses on business transfer	5,834	–	841	4,993

#### (2) Details of major assets and liabilities

This information is omitted as the consolidated financial statements are prepared.

#### (3) Other

No item to report.

## VI. Administrative Information on the Company's Shares

Business year	From January 1 to December 31
Annual Shareholders' Meeting	March
Record date	December 31
Record dates for dividends of surplus	June 30 (Interim dividend) December 31 (Year-end dividend)
Number of shares constituting one unit	100 shares
Sale or purchase of shares less than one unit	
Handling office	(Special account) Sumitomo Mitsui Trust Bank, Limited Stock Transfer Agency Business Planning Department 4-1, Marunouchi 1-chome, Chiyoda-ku, Tokyo
Administrator of shareholders' register	(Special account) Sumitomo Mitsui Trust Bank, Limited 4-1, Marunouchi 1-chome, Chiyoda-ku, Tokyo
Forwarding office	–
Handling charge for selling or purchase	The amount separately stipulated as the amount equivalent to share brokerage fees
Method of public notice	The method of public notices of the Company shall be electronic public notices; provided, however, that if the Company is unable to give an electronic public notice because of an accident or any other unavoidable reason, public notices of the Company may be given in "The Nikkei" newspaper published in Tokyo. (URL for public notice: <a href="https://www.bridgestone.co.jp/">https://www.bridgestone.co.jp/</a> )
Special benefits for shareholders	No

(Note) With regard to shares less than one unit held by the shareholder, a shareholder of the Company may not exercise any rights other than rights provided in each item of Article 189, paragraph (2) of the Companies Act, and the right to claim that which is set forth in the Company's Articles of Incorporation (to claim the right to make additional purchase of shares less than one unit).

## VII. Reference Information on the Company

### 1. Information on the parent company or equivalent of the Company

The Company does not have a parent company or equivalent.

### 2. Other reference information

From the beginning of the current fiscal year until the filing date of this securities report, the Company has filed the following documents.

(1) Annual securities report and appendices, and written confirmation	(The 106th Fiscal Period)	From January 1, 2024 to December 31, 2024	Filed to Director-General of Kanto Local Finance Bureau on March 25, 2025.
(2) Internal control report and appendices			Filed to Director-General of Kanto Local Finance Bureau on March 25, 2025.
(3) Semi-annual securities report and written confirmations	(During 107th Fiscal Period)	From January 1, 2025 to June 30, 2025	Filed to Director-General of Kanto Local Finance Bureau on August 8, 2025.
(4) Extraordinary securities report	Extraordinary securities report based on Article 19, paragraph (2), item (ii)-2 of the Cabinet Office Ordinance on Disclosure of Corporate Affairs, etc.		Filed to Director-General of Kanto Local Finance Bureau on January 29, 2025, March 31, 2025, and January 29, 2026.
(5) Extraordinary securities report	Extraordinary securities report based on Article 19, paragraph (2), item (ix)-2 of the Cabinet Office Ordinance on Disclosure of Corporate Affairs, etc.		Filed to Director-General of Kanto Local Finance Bureau on March 28, 2025.
(6) Extraordinary securities report	Extraordinary securities report based on Article 19, paragraph (2), item (iii) of the Cabinet Office Ordinance on Disclosure of Corporate Affairs, etc.		Filed to Director-General of Kanto Local Finance Bureau on July 14, 2025.
(7) Extraordinary securities report	Extraordinary securities report based on Article 19, paragraph (2), item (ix) of the Cabinet Office Ordinance on Disclosure of Corporate Affairs, etc.		Filed to Director-General of Kanto Local Finance Bureau on October 24, 2025.
(8) Extraordinary securities report	Extraordinary securities report based on Article 19, paragraph (2), item (xii) of the Cabinet Office Ordinance on Disclosure of Corporate Affairs, etc.		Filed to Director-General of Kanto Local Finance Bureau on February 16, 2026.
(9) Securities registration statement (Disposals of treasury stock as Performance Share Units and Restricted Stock Units) and appendices			Filed to Director-General of Kanto Local Finance Bureau on March 25, 2025.
(10) Notification for revision of securities registration statement	Notification for revision pertaining to the securities registration statement filed on March 25, 2025		Filed to Director-General of Kanto Local Finance Bureau on March 28, 2025 and March 31, 2025.
(11) Shelf registration supplement (Straight bonds) and attached documents			Filed to Director-General of Kanto Local Finance Bureau on April 23, 2025.

(12) Amended shelf registration statement (Straight bonds)

Filed to Director-General of Kanto Local Finance Bureau on January 29, 2025, March 28, 2025, March 31, 2025, July 14, 2025, October 24, 2025, January 29, 2026, and February 16, 2026.

(13) Share Buyback Report

Filed to Director-General of Kanto Local Finance Bureau on April 15, 2025, May 15, 2025, June 13, 2025, July 15, 2025, August 8, 2025, September 12, 2025, October 15, 2025, November 14, 2025, December 15, 2025, January 15, 2026, and March 13, 2026.

Part II Information About Company Which Provides Guarantee to Reporting Company  
No item to report.

**Independent Auditor’s Report on the Financial Statements**  
**and**  
**Internal Control Over Financial Reporting**

March 18, 2026

To the Board of Directors of  
Bridgestone Corporation

KPMG AZSA LLC  
Tokyo Office, Japan

Hiroataka Tanaka  
Designated Limited Liability Partner  
Engagement Partner  
Certified Public Accountant

Kentaro Maruta  
Designated Limited Liability Partner  
Engagement Partner  
Certified Public Accountant

Ayumu Nakajima  
Designated Limited Liability Partner  
Engagement Partner  
Certified Public Accountant

**Report on the Audit of the Consolidated Financial Statements**

**Opinion**

We have audited the accompanying consolidated financial statements of Bridgestone Corporation. (“the Company”) and its consolidated subsidiaries (collectively referred to as “the Group”) provided in the “Financial Information” section in the company’s Annual Securities Report, which comprise the consolidated statement of financial position as at December 31, 2025, and the consolidated statements of profit or loss and comprehensive income, changes in equity and cash flows for the year then ended, and notes, in accordance with Article 193-2(1) of the Financial Instruments and Exchange Act of Japan.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2025, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board prescribed in Article 93 of “the Regulation on Terminology, Forms, and Preparation Methods of Consolidated Financial Statements” (IFRS Accounting Standards).

**Basis for Opinion**

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the *Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements of public interest entities in Japan and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Emphasis of Matter

We draw attention to “Note 39. Subsequent Events” to the consolidated financial statements. The Company reached a decision to acquire and cancel its treasury stock at the Board of Directors meeting held on February 16, 2026. Additionally, the Company reached a decision on the issuance of bonds by the power vested in the Representative Executive Officer and Global CEO by the Board of Directors on February 16, 2026.

Our opinion is not modified in respect of this matter.

## Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters.

<b>Appropriateness of management’s judgment as to whether an impairment loss should be recognized on goodwill allocated to the cash-generating unit of Webfleet Solutions.</b>	
<b>The key audit matter</b>	<b>How the matter was addressed in our audit</b>
<p>In the consolidated statement of financial position, the Company recognized goodwill of ¥73,051 million allocated to the cash-generating unit (CGU) of Webfleet Solutions, which represented approximately 1% of total assets in the consolidated financial statements. The goodwill was initially recognized when Bridgestone Europe NV/SA (hereinafter referred to as “Bridgestone Europe”), a consolidated subsidiary of the Company, acquired control of TomTom Telematics B.V. (currently Bridgestone Mobility Solutions B.V.).</p> <p>As described in Note 3, “Material accounting policies, (8) Goodwill and intangible assets” and Note 16, “Impairment of Non-financial Assets” to the consolidated financial statements, CGUs to which goodwill is allocated are tested for impairment at least annually or whenever it is determined that there is an impairment indicator. In the impairment testing, when the recoverable amount is less than the carrying amount, the carrying amount is reduced to the recoverable amount, and the resulting decrease in the carrying amount is recognized as an impairment loss. The recoverable amount is determined as the higher of value in use or fair value less costs of disposal.</p> <p>For the current fiscal year, Bridgestone Europe used value in use as the recoverable amount in the impairment testing of goodwill allocated to the CGU of Webfleet Solutions. Based on the results of the impairment test, no impairment loss is recorded due to that the value in use is higher than the carrying amount of the CGU. The future cash flows used to measure the value in use were based on the business plan approved by management for the next fiscal year and were estimated by setting the projected growth rate of revenue to increase towards the third year, and subsequently to decline towards the perpetual growth rate, and also taking into account the increase in EBITDA margin. The estimates of the projected increase in EBITDA margin and the perpetual growth rate involved a high degree of uncertainty.</p>	<p>In order to assess the appropriateness of management’s judgment with respect to whether an impairment loss should be recognized on non-financial assets including goodwill allocated to the CGU of Webfleet Solutions, we involved the component auditor of Bridgestone Europe and performed the audit procedures set out below, including the direction and supervision of the component auditor and review of its work, among others:</p> <p>(1) Internal control testing</p> <p>Test the design of internal controls relevant to measure value in use used for impairment testing on the CGU to which goodwill is allocated.</p> <p>(2) Assessment of reasonableness of the estimated value in use</p> <p>In addition to performing inquiry of management and the personnel responsible for the relevant business, we performed primarily the following procedures, to assess the reasonableness of key assumptions used in estimating future cash flows and the rationale for their adoption:</p> <ul style="list-style-type: none"><li>● Assessment of consistency between the business plan used to estimate future cash flows and the business plan approved by management;</li><li>● Assessment of the precision of management’s estimation of future cash flows by analyzing the level of achievement of previous business plans and the factors contributing to any deviations;</li><li>● Assessment of projected revenue growth and projected increase in EBITDA margin used in estimating future cash flows by comparing them to the historical performance;</li><li>● Assessment of appropriateness of projected increase in EBITDA margin used in estimating</li></ul>

<p>Accordingly, management’s judgment thereon had a significant effect on the estimated future cash flows.</p> <p>In addition, selecting appropriate models and input data to estimate the discount rate used to measure value in use requires a high degree of expertise in valuation.</p> <p>We therefore determined that our assessment of appropriateness of management’s judgment as to whether an impairment loss should be recognized on goodwill allocated to the CGU of Webfleet Solutions was one of the most significant matters in our audit of the consolidated financial statements for the current fiscal year, and accordingly, a key audit matter.</p>	<p>future cash flows by comparing it to the profit margins of comparable companies; and</p> <ul style="list-style-type: none"> <li>● Assessment in relation to the discount rate and the perpetual growth rate by involving valuation specialist within the network firm of the component auditor of Bridgestone Europe regarding the following: <ul style="list-style-type: none"> <li>• appropriateness of the model used to estimate the discount rate based on subject matters relevant to the valuation and the requirements of accounting standards;</li> <li>• appropriateness of the discount rate through understanding of input data used in the calculation and comparison with the discount rate independently calculated by valuation specialist using data published by external organizations among others; and</li> <li>• appropriateness of the perpetual growth rates through comparison with data published by external organizations independently obtained by valuation specialist.</li> </ul> </li> </ul> <p>We also assessed how changes in the perpetual growth rate and discount rate could impact management’s judgment on whether an impairment loss should be recognized.</p>
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<b>Appropriateness of management’s judgment as to whether an impairment loss should be recognized on the non-financial assets including goodwill allocated to the Bridgestone Europe cash-generating unit group</b>	
<b>The key audit matter</b>	<b>How the matter was addressed in our audit</b>
<p>In the consolidated statement of financial position, the Company recognized non-financial assets of ¥280,243 million, including goodwill of ¥16,780 million allocated to the Bridgestone Europe cash-generating unit (CGU) group, which represented approximately 5% of total assets in the consolidated financial statements. The goodwill arose when Bridgestone Europe, a consolidated subsidiary of the Company, acquired control of several companies.</p> <p>As described in Note 3, “Material Accounting policies, (8) Goodwill and intangible assets” and Note 16, “Impairment of Non-financial Assets” to the consolidated financial statements, the CGU group to which goodwill is allocated are tested for impairment at least annually or whenever it is determined that there is an impairment indicator. In the impairment testing, when the recoverable amount is less than the carrying amount, the carrying amount is reduced to the recoverable amount, and the resulting decrease in the carrying amount is recognized as an impairment loss. The recoverable amount is determined as the higher of the value in use or the fair value less costs of disposal.</p>	<p>In order to assess the appropriateness of management’s judgment with respect to whether an impairment loss should be recognized on non-financial assets including goodwill allocated to the Bridgestone Europe CGU group, we involved the component auditor of Bridgestone Europe and performed the audit procedures set out below, including the direction and supervision of the component auditor and review of its work, among others:</p> <ol style="list-style-type: none"> <li>(1) Internal control testing <p>Test the design of internal controls relevant to measure value in use used for impairment testing on the CGU to which goodwill is allocated.</p> </li> <li>(2) Assessment of the reasonableness of the estimated value in use <p>In addition to performing inquiry of management and the personnel responsible for the relevant business, we performed primarily the following procedures, to assess the reasonableness of key assumptions used in estimating future cash flows and the rationale for their</p> </li> </ol>

<p>For the current fiscal year, Bridgestone Europe used the value in use as the recoverable amount in the impairment testing of non-financial assets including goodwill allocated to the Bridgestone Europe CGU group. Based on the results of the impairment test, no impairment loss is recorded due to that the value in use is higher than the carrying amount of the CGU group. The future cash flows used to measure the value in use were based on the business plan approved by management for the next fiscal year and were estimated by setting the projected growth rate of revenue to decline towards the perpetual growth rate and taking into account the increase in EBITDA margin for the subsequent periods. The estimates of the projected increase in EBITDA margin and the perpetual growth rate involved a high degree of uncertainty. Accordingly, management's judgment thereon had a significant effect on the estimated future cash flows.</p> <p>In addition, selecting appropriate models and input data for estimating the discount rate used to measure the value in use requires a high degree of expertise in valuation.</p> <p>We, therefore, determined that our assessment of the appropriateness of management's judgment as to whether an impairment loss should be recognized on the non-financial assets including goodwill allocated to the Bridgestone Europe CGU group was one of the most significant matters in our audit of the consolidated financial statements for the current fiscal year, and accordingly, a key audit matter.</p>	<p>adoption:</p> <ul style="list-style-type: none"> <li>● Assessment of consistency between the business plan used to estimate future cash flows and the business plan approved by management;</li> <li>● Assessment of the precision of management's estimation of future cash flows by analyzing the level of achievement of previous business plans and the factors contributing to any deviations;</li> <li>● Assessment of projected revenue growth and projected increase in EBITDA margin used in estimating future cash flows by comparing them to the historical performance; and</li> <li>● Assessment in relation to the discount rate and the perpetual growth rate by involving a valuation specialist within the network firm of the component auditor of Bridgestone Europe regarding the following: <ul style="list-style-type: none"> <li>• assessment of the appropriateness of the model used to estimate the discount rate based on subject matters relevant to valuation and the requirements of accounting standards;</li> <li>• assessment of the appropriateness of the discount rate through understanding of the input data used in calculation and comparison with the discount rate independently calculated by valuation specialist using data published by external organizations among others; and</li> <li>• assessment of the appropriateness of the perpetual growth rate through comparison with data published by external organizations independently obtained by valuation specialist.</li> </ul> </li> </ul> <p>We also assessed how changes in the perpetual growth rate and discount rate could impact management's judgment on whether an impairment loss should be recognized.</p>
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<b>Appropriateness of the reversal of uncertain tax treatments related to the repayment of capital received from Bridgestone Americas, Inc.</b>	
<b>The key audit matter</b>	<b>How the matter was addressed in our audit</b>
<p>In the consolidated statement of profit or loss for the current fiscal year, income tax expenses of ¥30,519 million were recognized, which included a decrease in income tax expenses of ¥60,000 million as a result of the reversal of uncertain tax treatments related to the repayment of capital received from Bridgestone Americas, Inc.</p> <p>As described in Note 18, "Income taxes" to the consolidated financial statements, the Company received the repayment of capital from Bridgestone Americas, Inc., a consolidated subsidiary, in fiscal year 2021. This repayment of capital was treated as</p>	<p>In order to assess the appropriateness of the reversal of uncertain tax treatments related to the repayment of capital received from Bridgestone Americas, Inc., we inquired of management about the basis for the judgment. In addition, we:</p> <ul style="list-style-type: none"> <li>● tested the design and operating effectiveness of the internal controls relevant to the reversal of uncertain tax treatments;</li> <li>● inspected the reports on the tax treatments prepared by the external tax specialist used by the Company; and</li> </ul>

<p>a loss on transfer of shares for tax purposes. However, in calculating income tax expenses for accounting purposes and applying tax effect accounting, part of the loss on transfer of shares for tax purposes was not included as deductible expenses. This is because it was uncertain whether the full amount of the loss on transfer of shares for tax purposes would be approved as deductible expenses by the tax authorities. As a result, as of the end of the previous fiscal year, the recognized amount of income taxes payable was ¥53,587 million higher, and the recognized amount of deferred tax assets was ¥6,413 million lower, compared with the case where the full amount of the loss on transfer of shares for tax purposes was treated as deductible expenses in calculating income tax expenses for accounting purposes for the previous fiscal year. The Company reviews the degree regarding such uncertain tax treatments each reporting period and based on the review performed in the current fiscal year, after considering the elapsed time since the transaction, the Company has determined that the uncertainty decreased, and reversed the entire amount of the uncertain tax treatment. This treatment is based on a practical judgment made for tax purposes and requires a high degree of expertise, as well as significant judgment by management.</p> <p>We, therefore, determined that our assessment of the appropriateness of the reversal of uncertain tax treatments related to the repayment of capital received from Bridgestone Americas, Inc. was one of the most significant matters in our audit of the consolidated financial statements for the current fiscal year, and accordingly, a key audit matter.</p>	<ul style="list-style-type: none"> <li>assessed the appropriateness of the practical judgment for tax purposes adopted by the Company by involving a tax specialist within our domestic network firm.</li> </ul>
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### Other Information

The other information comprises the information included in the Annual Securities Report, but does not include the consolidated financial statements, the non-consolidated financial statements, and our auditor's reports thereon. Management is responsible for the preparation and presentation of the other information. The audit committee is responsible for overseeing the executive officers and directors' performance of their duties with regard to the design, implementation and maintenance of the reporting process for the other information.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### Responsibilities of Management and the Audit Committee for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary

to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with IFRS Accounting Standards.

The audit committee is responsible for overseeing the executive officers and directors' performance of their duties with regard to the design, implementation and maintenance of the Group's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of our audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. The selection and application of audit procedures depends on the auditor's judgment.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, while the objective of the audit is not to express an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate whether the presentation and disclosures in the consolidated financial statements are in accordance with IFRS Accounting Standards, the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purpose of the group audit. We remain solely responsible for our audit opinion.

We communicate with the audit committee regarding, among other matters, the planned scope and timing of the audit, significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with it all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the audit committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## **Report on the Audit of the Internal Control Report**

### **Opinion**

We also have audited the accompanying internal control report of Bridgestone Corporation as at December 31, 2025, in accordance with Article 193-2(2) of the Financial Instruments and Exchange Act of Japan.

In our opinion, the accompanying internal control report, which states that the internal control over financial reporting was effective as at December 31, 2025, presents fairly, in all material respects, the results of the assessments of internal control over financial reporting in accordance with assessment standards for internal control over financial reporting generally accepted in Japan.

### **Basis for Opinion**

We conducted our audit of the Internal Control Report in accordance with auditing standards for internal control over financial reporting generally accepted in Japan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Internal Control Report* section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the internal control report in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Responsibilities of Management and the Audit Committee for the Internal Control Report**

Management is responsible for the design and operation of internal control over financial reporting and the preparation and fair presentation of the internal control report in accordance with assessment standards for internal control over financial reporting generally accepted in Japan.

The audit committee is responsible for overseeing and examining the design and operation of internal control over financial reporting.

Internal control over financial reporting may not completely prevent or detect financial statement misstatements.

### **Auditor's Responsibilities for the Audit of the Internal Control Report**

Our objectives are to obtain reasonable assurance about whether the internal control report is free from material misstatement based on our audit of the internal control report and to issue an auditor's report that includes our opinion.

As part of our audit in accordance with auditing standards for internal control over financial reporting generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Perform procedures to obtain audit evidence about the results of the assessments of internal control over financial reporting in the internal control report. The procedures for the audit of the internal control report are selected and performed, depending on the auditor's judgment, based on significance of effect on the reliability of financial reporting.
- Evaluate the overall presentation of the internal control report, including the appropriateness of the scope, procedures and results of the assessments that management presents.
- Plan and perform the audit of the internal control report to obtain sufficient appropriate audit evidence about the results of the assessments of internal control over financial reporting in the internal control report. We are responsible for the direction, supervision and review of the audit work performed for the purpose of the internal control report. We remain solely responsible for our audit opinion.

We communicate with the audit committee regarding, among other matters, the planned scope and timing of our audit of the internal control report, the results thereof, material weaknesses in internal control identified during our audit of internal control report, and those that were remediated.

We also provide the audit committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with it all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

**Fee-related Information**

Fees paid or payable to our firm and to other firms within the same network as our firm for audit and non-audit services provided to the Company and its subsidiaries are described in “(3) Status of audit” in 4. Status of Corporate Governance included in IV. Status of the Company.

**Interest required to be disclosed by the Certified Public Accountants Act of Japan**

Our firm and its designated engagement partners do not have any interest in the Company and its subsidiaries which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

**Notes to the Reader of Audit Report:**

The Independent Auditor’s Report herein is the English translation of the Independent Auditor’s Report as required by the Financial Instruments and Exchange Act of Japan.

## **Independent Auditor's Report on the Financial Statements**

March 18, 2026

To the Board of Directors of  
Bridgestone Corporation

KPMG AZSA LLC  
Tokyo Office, Japan

Hiroataka Tanaka  
Designated Limited Liability Partner  
Engagement Partner  
Certified Public Accountant

Kentaro Maruta  
Designated Limited Liability Partner  
Engagement Partner  
Certified Public Accountant

Ayumu Nakajima  
Designated Limited Liability Partner  
Engagement Partner  
Certified Public Accountant

### **Report on the Audit of the Non-Consolidated Financial Statements**

#### **Opinion**

We have audited the accompanying non-consolidated financial statements of Bridgestone Corporation (“the Company”) provided in the “Financial Information” section in the company’s Annual Securities Report, which comprise the non-consolidated balance sheet as at December 31, 2025, and the non-consolidated statements of profit or loss, changes in equity for the year then ended, significant accounting policies, other explanatory information, and supplementary schedules in accordance with Article 193-2(1) of the Financial Instruments and Exchange Act of Japan.

In our opinion, the accompanying non-consolidated financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2025, and its financial performance for the year then ended in accordance with accounting principles generally accepted in Japan.

#### **Basis for Opinion**

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the *Auditor’s Responsibilities for the Audit of the Non-Consolidated Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the non-consolidated financial statements in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Emphasis of Matter**

We draw attention to “Notes to Significant subsequent events” to the financial statements. The Company reached a decision to acquire and cancel its treasury stock at the Board of Directors meeting held on February 16, 2026.

Additionally, the Company reached a decision on the issuance of bonds by the power vested in the Representative Executive Officer and Global CEO by the Board of Directors on February 16, 2026.

Our opinion is not modified in respect of this matter.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the non-consolidated financial statements of the current period. These matters were addressed in the context of our audit of the non-consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

<b>Appropriateness of management’s judgment concerning the valuation of Bridgestone Europe NV/SA shares</b>	
<b>The key audit matter</b>	<b>How the matter was addressed in our audit</b>
<p>Investments in subsidiaries and associates amounting to ¥801,961 million recorded in the non-consolidated balance sheet for the current fiscal year include shares of Bridgestone Europe NV/SA amounting to ¥208,029 million, as described in Notes to the Non-consolidated Financial Statements (Significant accounting estimates), accounting for 10% of total assets.</p> <p>For non-marketable investments in subsidiaries and associates, the Company compares the carrying amount of the investment with its actual value. In the event where actual value declines significantly, the Company adjusts the carrying amount of the investment to reflect its actual value.</p> <p>As described in the key audit matters in our auditor’s report on the consolidated financial statements, “Appropriateness of management’s judgment as to whether an impairment loss should be recognized on goodwill allocated to the cash-generating unit (CGU) of Webfleet Solutions” and “Appropriateness of management’s judgment as to whether an impairment loss should be recognized on the non-financial assets including goodwill allocated to the Bridgestone Europe CGU group,” as a result of impairment tests, no impairment losses were recognized for the CGU of Webfleet Solutions and the CGU group of Bridgestone Europe, including goodwill. No impairment was recognized for the shares of Bridgestone Europe NV/SA at the end of the current fiscal year, as the actual value based on the impairment test results did not significantly decline. However, if further recognition of impairment losses is deemed necessary for these CGUs or the CGU group within the Bridgestone Europe NV/SA group, the actual value of Bridgestone Europe NV/SA shares may decline, necessitating impairment recognition. Accordingly, the impairment test results have a significant effect on the valuation of Bridgestone Europe NV/SA shares.</p> <p>We, therefore, determined that our assessment of the appropriateness of management’s judgment regarding the valuation of Bridgestone Europe NV/SA shares was one of the most significant matters in our audit of the non-consolidated financial statements for the current fiscal year, and accordingly, a key audit matter.</p>	<p>In order to assess the appropriateness of management’s judgment concerning the valuation of the shares of the Company’s subsidiary, Bridgestone Europe NV/SA, we tested the design and operating effectiveness of internal controls relevant to the valuation of investments in subsidiaries and associates.</p> <p>In addition, due to the significant effect on the valuation of Bridgestone Europe NV/SA shares, we performed the procedures as described in the key audit matters in our auditor’s report on the consolidated financial statements: “Appropriateness of management’s judgment as to whether an impairment loss should be recognized on goodwill allocated to the cash-generating unit of Webfleet Solutions” and “Appropriateness of management’s judgment as to whether an impairment loss should be recognized on the non-financial assets including goodwill allocated to the Bridgestone Europe CGU group.”</p>

**Appropriateness of the reversal of uncertain tax treatments related to the repayment of capital received from Bridgestone Americas, Inc.**

The key audit matter	How the matter was addressed in our audit
<p>In the non-consolidated statement of profit or loss for the current fiscal year, the Company recognized income taxes-current in a negative amount of ¥26,360 million and income taxes-deferred in an amount of ¥445 million. These amounts included a decrease in income taxes-current of ¥53,587 million and a decrease in income taxes-deferred of ¥6,413 million as a result of the reversal of uncertain tax treatments related to the repayment of capital received from Bridgestone Americas, Inc.</p> <p>As described in Note, “Significant accounting estimates” to the non-consolidated financial statements, the Company received the repayment of capital from Bridgestone Americas, Inc., a subsidiary, in fiscal year 2021. This repayment of capital was treated as a loss on transfer of shares for tax purposes. However, in calculating income taxes for accounting purposes and applying tax effect accounting, part of the loss on transfer of shares for tax purposes was not included as deductible expenses. This is because it was uncertain whether the full amount of the loss on transfer of shares for tax purposes would be approved as deductible expenses by the tax authorities. As a result, as of the end of the previous fiscal year, the recognized amount of income taxes payable was ¥53,587 million higher, and the recognized amount of deferred tax assets was ¥6,413 million lower, compared with the case where the full amount of the loss on transfer of shares for tax purposes was treated as deductible expenses in calculating income tax expenses for accounting purposes for the previous fiscal year. Management reviews the degree regarding such uncertain tax treatments each reporting period and based on the review performed in the current fiscal year, after considering the elapsed time since the transaction, management has determined that the uncertainty decreased, and reversed the entire amount of the uncertain tax treatment. This treatment is based on a practical judgment made for tax purposes and requires a high degree of expertise, as well as significant judgment by management.</p> <p>We, therefore, determined that our assessment of the appropriateness of the reversal of uncertain tax treatments related to the repayment of capital received from Bridgestone Americas, Inc. was one of the most significant matters in our audit of the non-consolidated financial statements for the current fiscal year, and accordingly, a key audit matter.</p>	<p>In our independent auditor’s report on the consolidated financial statements, we have described our audit responses to the key audit matter, “Appropriateness of the reversal of uncertain tax treatments related to the repayment of capital received from Bridgestone Americas, Inc.”</p> <p>Since our audit responses in the audit of the non-consolidated financial statements of the Company were substantially the same as those in our audit of the consolidated financial statements, no further description is provided in this section.</p>

## **Other Information**

The other information comprises the information included in the Annual Securities Report, but does not include the consolidated financial statements, the non-consolidated financial statements, and our auditor's reports thereon. Management is responsible for the preparation and presentation of the other information. The audit committee is responsible for overseeing the executive officers and directors' performance of their duties with regard to the design, implementation and maintenance of the reporting process for the other information.

Our opinion on the non-consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the non-consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the non-consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## **Responsibilities of Management and the Audit Committee for the Non-Consolidated Financial Statements**

Management is responsible for the preparation and fair presentation of the non-consolidated financial statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of non-consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the non-consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with accounting principles generally accepted in Japan.

The audit committee is responsible for overseeing the executive officers and directors' performance of their duties with regard to the design, implementation and maintenance of the Company's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Non-Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the non-consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these non-consolidated financial statements.

As part of our audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the non-consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. The selection and application of audit procedures depends on the auditor's judgment.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, while the objective of the audit is not to express an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the non-consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate whether the presentation and disclosures in the non-consolidated financial statements are in accordance with accounting principles generally accepted in Japan, the overall presentation, structure and content of the non-consolidated financial statements, including the disclosures, and whether the non-consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the audit committee regarding, among other matters, the planned scope and timing of the audit, significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with it all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the audit committee, we determine those matters that were of most significance in the audit of the non-consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Fee-related Information**

Fee-related information is described in the auditor's report on the consolidated financial statements.

### **Interest required to be disclosed by the Certified Public Accountants Act of Japan**

Our firm and its designated engagement partners do not have any interest in the Company which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

### **Notes to the Reader of Audit Report:**

The Independent Auditor's Report herein is the English translation of the Independent Auditor's Report as required by the Financial Instruments and Exchange Act of Japan.

## Cover

[Document Submitted]	Internal Control Report
[Article of the Applicable Law Requiring Submission of This Document]	Article 24-4-4, paragraph (1) of the Financial Instruments and Exchange Act
[Filed to]	Director of the Kanto Local Finance Bureau
[Date of Submission]	March 18, 2026
[Company Name]	Bridgestone Corporation
[Company Name (in English)]	BRIDGESTONE CORPORATION
[Position and Name of Representative]	Yasuhiro Morita, Representative Executive Officer and Global CEO
[Position and Name of Chief Financial Officer]	Naoki Hishinuma Vice President and Senior Officer Global CFO (Chief Financial Officer), G Finance
[Location of Head Office]	3-1-1 Kyobashi, Chuo-ku, Tokyo
[Place Where Available for Public Inspection]	Tokyo Stock Exchange, Inc. (2-1, Nihombashi Kabutocho, Chuo-ku, Tokyo) Fukuoka Stock Exchange (2-14-2 Tenjin, Chuo-ku, Fukuoka)

## **1 Basic Framework of Internal Control over Financial Reporting**

Representative Executive Officer and Global CEO Yasuhiro Morita, as well as Vice President and Senior Officer Global CFO (Chief Financial Officer), G Finance Naoki Hishinuma are responsible for designing and operating the Company's internal control over financial reporting. They design and operate internal control over financial reporting in accordance with the basic framework of internal control presented in "On the Amendment of the Standards and Practice Standards for Management Assessment and Audit concerning Internal Control Over Financial Reporting (Council Opinions)" issued by the Business Accounting Council.

Internal control achieves its objectives to a reasonable extent given that all individual components of internal control are integrated and function as a whole. Therefore, internal control over financial reporting may not fully prevent or detect misstatements.

## **2 Scope of Assessment, Assessment Date and Assessment Procedure**

Assessment of internal control over financial reporting was performed as of December 31, 2025, which is the final day of the current fiscal year, in accordance with generally accepted assessment standards for internal control over financial reporting.

In this assessment, the business processes to be assessed are selected after assessment of internal control that has a significant impact on overall financial reporting on a consolidated basis (entity-level controls) is performed, and in consideration of the results of the said assessment. In assessing the said business processes, an assessment of the effectiveness of internal control is conducted by identifying the key controls that would have a material impact on the reliability of financial reporting after analyzing the selected business processes and by assessing the status of design and operation of the said key controls.

The scope of assessment of internal control over financial reporting is determined to be the scope that is necessary from the viewpoint of materiality of the impact on the reliability of financial reporting regarding the Company, its consolidated subsidiaries and its entities accounted for using equity method. The materiality of the impact on the reliability of financial reporting is determined in consideration of the materiality of quantitative and qualitative impacts and the possibility of their occurrence. The scope of assessment of business process-level internal control is determined reasonably in light of the results of an assessment of company-level internal control carried out with respect to all business locations excluding immaterial locations.

Regarding the scope of the assessment of internal control over business processes, revenue (after elimination of transactions between consolidated companies) is used as an indicator of the business scale at each business location. Based on the fact that the assessment results for company-wide internal controls are good, business locations that have reached approximately 2/3 of revenue for the previous fiscal year are considered "significant business locations." The overseas management companies Bridgestone Asia Pacific Pte. Ltd., Bridgestone Americas, Inc., and Bridgestone Europe NV/SA are considered "significant business locations" due to their qualitative importance regardless of the amount of revenue.

The business portfolio of the Company is composed of the following four businesses: the premium tire business that is the core business, the solutions business that is a growth business, the exploratory business that acts to seed new business, and the chemical and industrial products and diversified products business. At selected significant business locations, assessment covers business processes including revenue, accounts receivable, and inventories, which are considered to be account items that are largely related to the primary business purposes of manufacturing and sales.

In addition, the scope of assessment includes other business locations as well as selected significant business locations with respect to certain business processes. Specifically, as business processes that have a high risk of misstatement and relate to significant accounting items involving estimates and forecasts, and business processes relating to a business or operation dealing with high-risk transactions, the impairment process, tax and tax effects process, and other processes that have substantial significance in terms of effects on financial reporting, have been added to the scope of assessment.

## **3 Assessment Result**

As a result of the above assessment, we determined that the Company's internal control over financial reporting was effective as of the end of the current fiscal year.

#### **4 Additional Matters**

No item to report.

#### **5 Significant Matters**

No item to report.

## Cover

[Document Submitted]	Written Confirmation
[Article of the Applicable Law Requiring Submission of This Document]	Article 24-4-2, paragraph (1) of the Financial Instruments and Exchange Act
[Filed to]	Director of the Kanto Local Finance Bureau
[Date of Submission]	March 18, 2026
[Company Name]	Bridgestone Corporation
[Company Name (in English)]	BRIDGESTONE CORPORATION
[Position and Name of Representative]	Yasuhiro Morita Representative Executive Officer and Global CEO
[Position and Name of Chief Financial Officer]	Naoki Hishinuma Vice President and Senior Officer Global CFO (Chief Financial Officer), G Finance
[Location of Head Office]	3-1-1 Kyobashi, Chuo-ku, Tokyo
[Place Where Available for Public Inspection]	Tokyo Stock Exchange, Inc. (2-1, Nihombashi Kabutocho, Chuo-ku, Tokyo) Fukuoka Stock Exchange (2-14-2 Tenjin, Chuo-ku, Fukuoka)

## **1 Appropriateness of Descriptions in Annual Securities Report**

Representative Executive Officer and Global CEO Yasuhiro Morita, as well as Vice President and Senior Officer Global CFO (Chief Financial Officer), G Finance Naoki Hishinuma, have confirmed that this Annual Securities Report for the 107th fiscal year (January 1, 2025 through December 31, 2025) is reasonably and fairly stated in accordance with the Financial Instruments and Exchange Act.

## **2 Significant Matters**

There are no significant matters to report.