



Mid Term Business Plan (2021-2023)

February 16, 2021

Global CEO and
Representative Executive Officer

Shu Ishibashi

Mid-Long Term Business Strategy & Mid Term Business Plan Communications

Mid-Long Term Business Strategy Framework - July 8, 2020

- Mid-Long Term Business Strategy Framework: **Whole picture**
Bridgestone 3.0 "Third Foundation"

1st half financial results announcement – August 7, 2020

- 1st half financial results / full-year forecast
- Mid-Long Term Business Strategy Update:
Core business / Growth business

Mid-Long Term Business Strategy Update – September 15, 2020

- Mid-Long Term Business Strategy Update: **Technology Innovation**
 - Technology Innovation
 - Bridgestone Innovation Park (Phase 1)
Bridgestone Innovation Gallery Opening

3rd quarter financial results announcement – November 12, 2020

- 3rd quarter financial results / full-year forecast
- Mid-Long Term Business Strategy Update :
 - **Rebuild earning power**
 - **HRX*** *HRX: Human Resource Transformation

Year-end press conference 2020 – December 22, 2020

- Wrap up of year 2020
- Mid-Long Term Business Strategy Update:
Sustainability Business Framework

Mid Term Business Plan – February 16, 2021

- Mid Term Business Plan based on
Mid-Long Term Business Strategy Framework (2021-2023)
- Looking toward 2030

"Mid Term Business Plan Update" planned at each quarter's financial results announcement in 2021

Mission

Serving Society with Superior Quality

Vision

2050 Bridgestone continues to provide social value and customer value, as a sustainable solutions company.

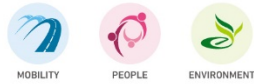
Solutions for your journey

Care, Confidence, Creativity

Social Value Creation



Our Way to Serve



Mid-term Environmental Target

Create Both Social Value
and Customer Value



Gain
Competitive Advantage

Support Mobility Systems

**BRIDGESTONE
T&DPaaS**

Co-creation • Innovation for Solutions

Unique Business Model with Sustainability at its Core

Contribution to Mobility, Circular economy, CO₂ reduction

Customer Value Creation

Solve customer's problems

Create new value with customers

Business
Strategy

Our Way to Serve
Management Fundamentals

Compliance,
Fair Competition

Business Continuity (BCP)
Risk Management

Human Rights
Labor Practices

Safety
Industrial Hygiene

Procurement

Quality and
Customer Value

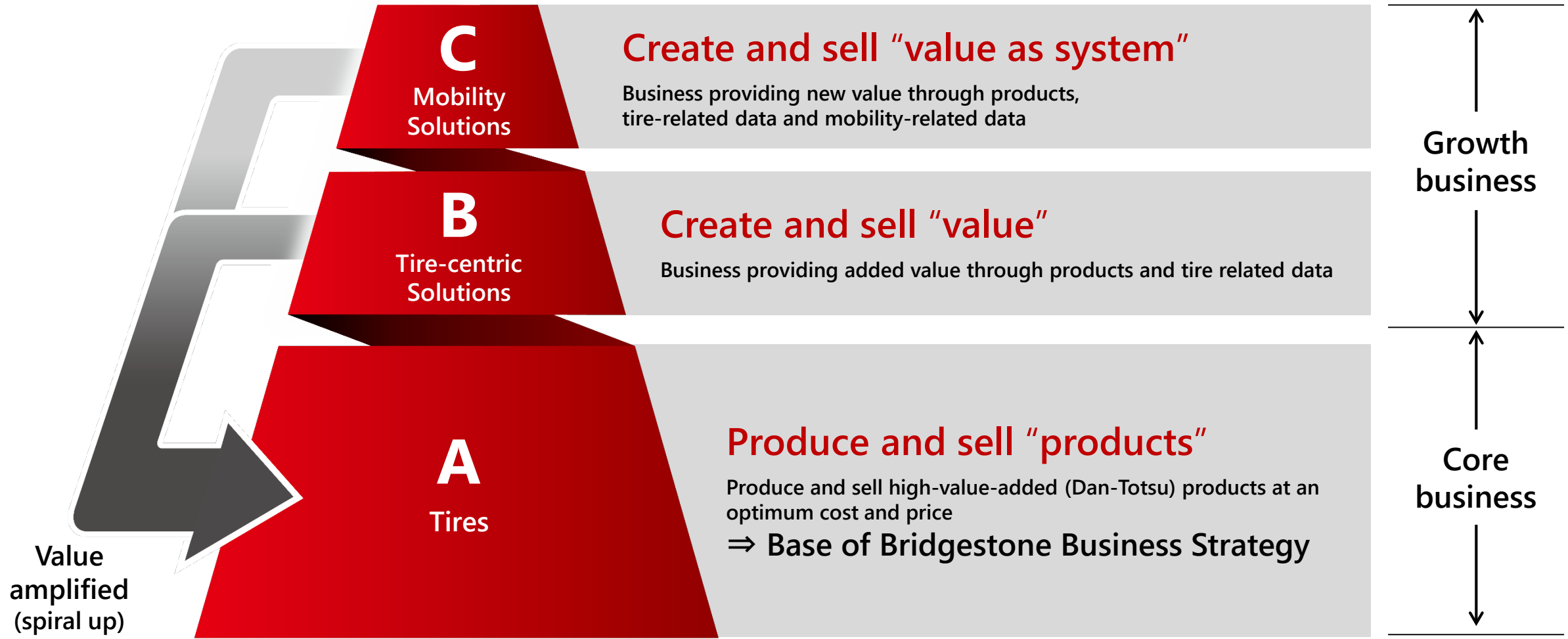
Governance

Build mutual understanding and trust by keeping and fulfilling promises

System for appropriate decision-making and execution responding to changes

System for value co-creation

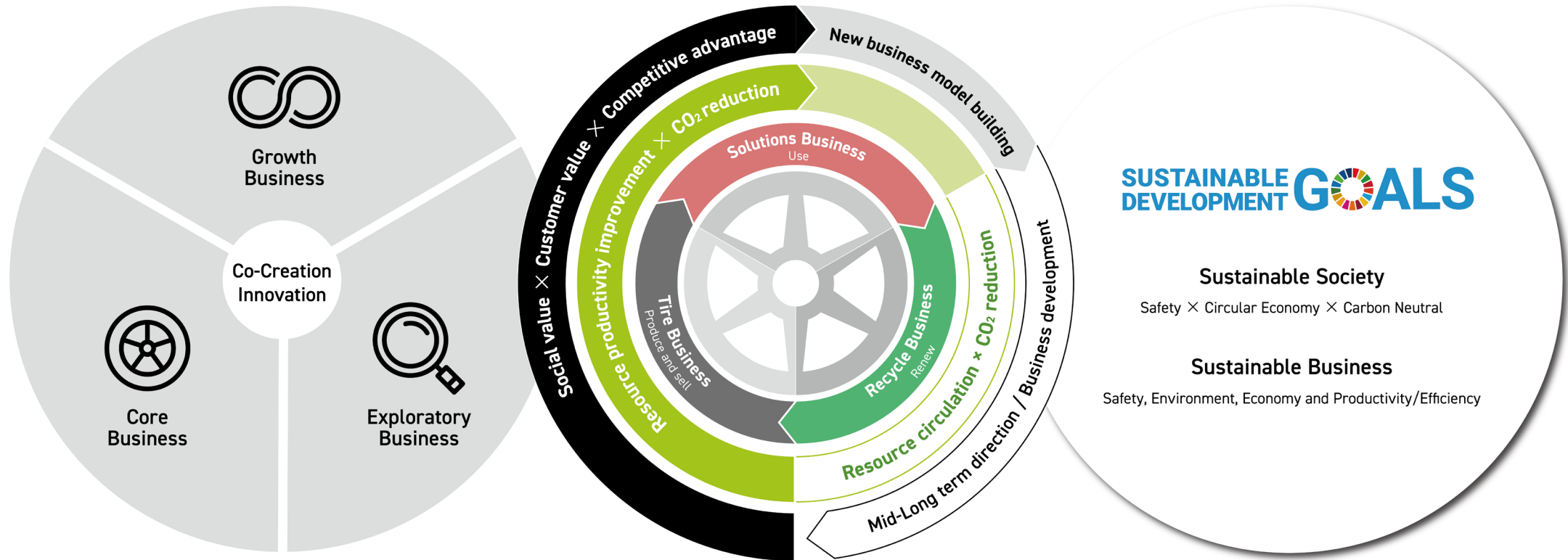
Build our unique business model (tire and solutions business)



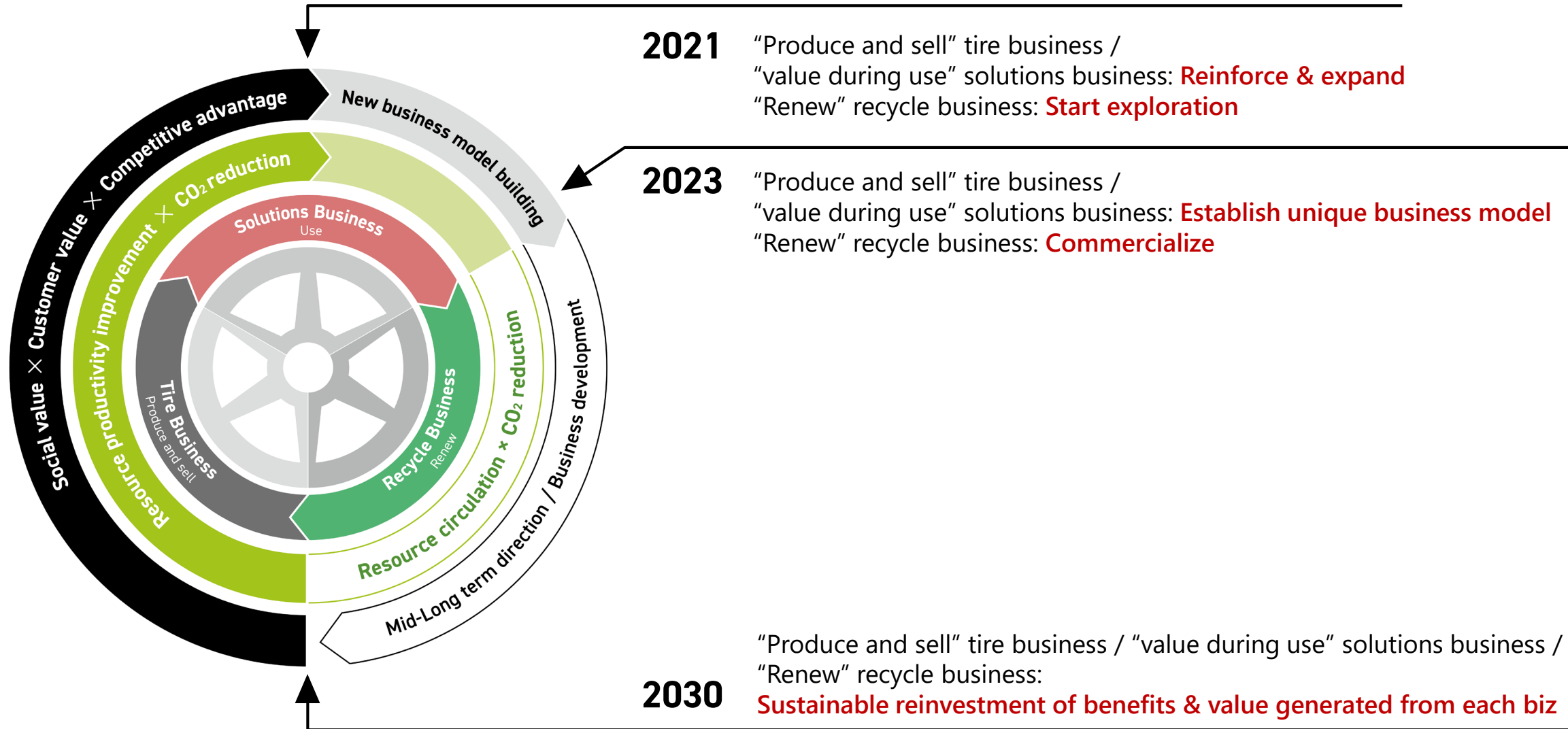
Evolve solutions business leveraging the strengths and expertise of the tire business

Bridgestone 3.0 Journey toward 2030

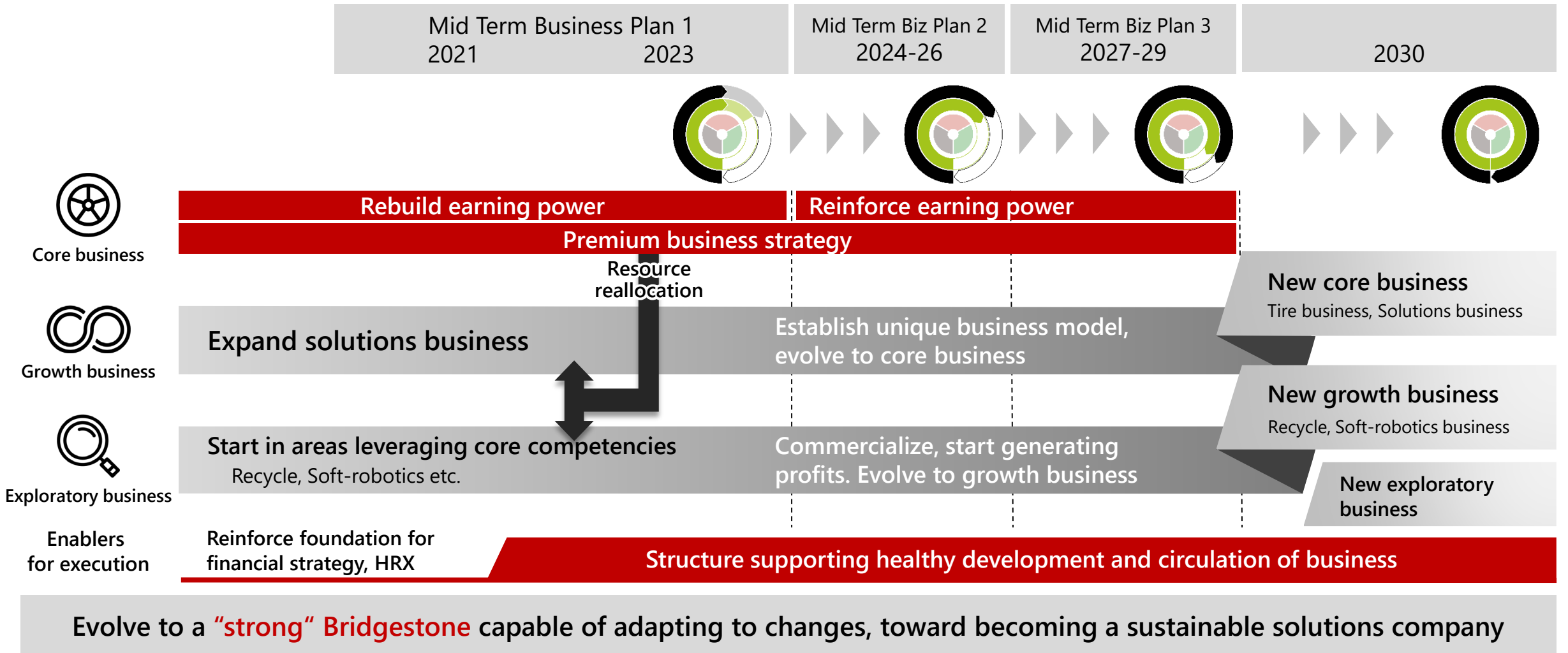
Toward a Sustainable Solutions Company
 Support the mobility and movement of people & objects. Create social and customer value, and gain competitive advantage



Mid Term Business Plan (2021-2023) & toward 2030 and beyond– Sustainability Business Framework



"Aggressive approach" & "Challenge"



Mid Term Business Plan : Evolve to a “strong” Bridgestone capable of adapting to changes

“Aggressive approach” & “Challenge”

Mid Term Business Plan 1
2021 2023

Mid Term Biz Plan 2
2024-26


Mid Term Biz Plan 3
2027-29

2030



Business Portfolio	Core = tire business / Growth = solution business / Start exploratory business		Solutions business gradually becomes “core”, exploratory business becomes “growth”	Core = tire and solutions business / Growth = exploratory business / New exploratory business
Promote a circular economy Improve material circularity Maximize resource/tire value	Contribute to a circular economy across the value chain and the product life cycle			Recycled & renewable material ratio 40%
Carbon Neutrality Reduction of emissions Contribute to emission reductions	Reduce CO₂ emissions to achieve Milestone 2030			Reduction of CO₂ emissions : -50% Contribute to reducing more than 5x our emissions
Revenue % of solution business	3,010 B JPY 17%	3,300 B JPY level 20% level	Grow while adapting to changes Increase sales in solution	Toward a sustainable solutions company Resilient highly profitable structure in all businesses
Adjusted Operating Profit %	260 B JPY 8.6%	450 B JPY level 13% level	Resilient and highly profitable structure	
ROIC	6.3%	10% level		
ROE	6.8%	12% level		

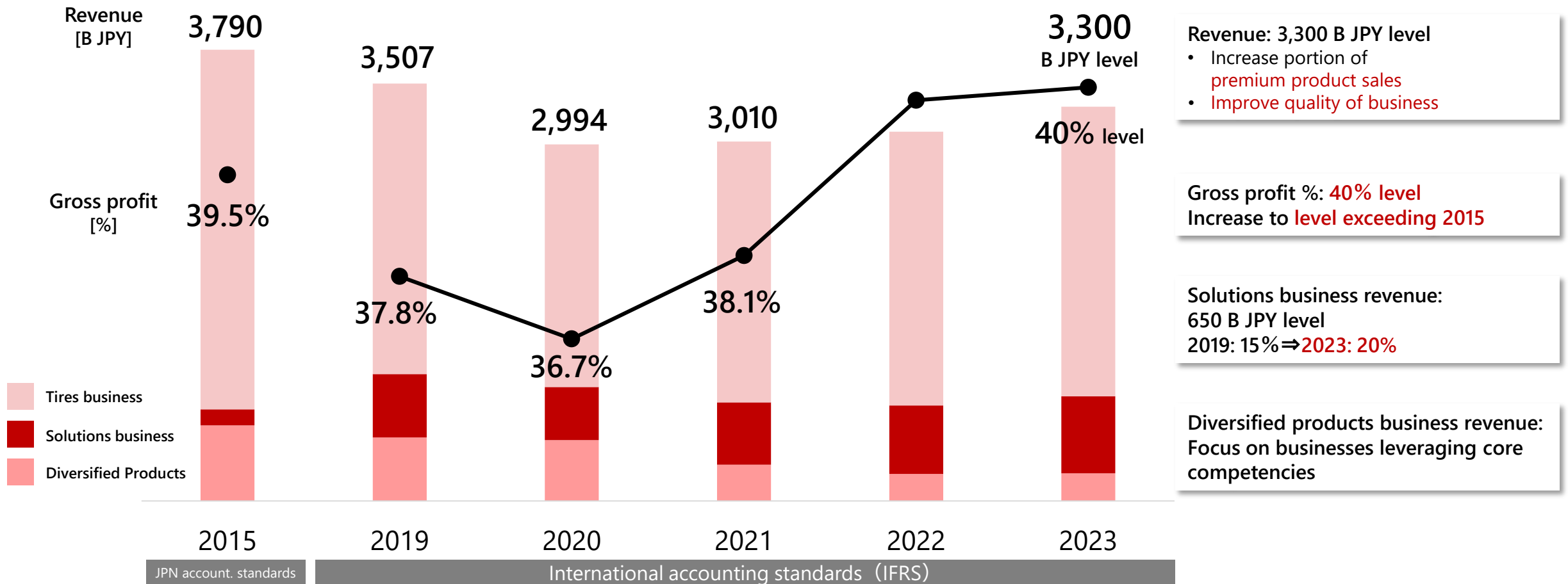
Mid Term Business Plan 1 Business Scenario: "Aggressive approach" & "Challenge"

	2020	2021	2022	2023
COVID-19 Impact	Gradual recovery		Recovery	
Stage	Crisis management		Sustainability at the core	
	Rebuild earning power		Transformed "strong" Bridgestone	
	Strategic growth investment			
 Core business	■ Tire business Expense and cost structure reformation: Expense structure reformation (fixed cost etc.), business portfolio and manufacturing footprint restructuring, resource reallocation Rebuild earning power Reinforce premium business strategy (EtoE): Reinforce Dan-Totsu product strategy and sales in "premium" Rebuild earning power Strategic growth investment			
 Growth business	■ Solutions business Expansion: Accelerate global expansion (subscription model, retread strategy, Webfleet Solutions, etc.) Strategic growth investment			
			Tires	Solutions
			80%	20%
 Exploratory business	■ Start in areas where Bridgestone can leverage our core competencies - Toward commercialization of recycle business and soft-robotics business Strategic growth investment			
Enablers for execution	■ Reinforce foundation for financial strategy - reinforce global control function ■ HRX			

Mid Term Business Plan : Financial plan "Aggressive approach" and "Challenge"

■ Evolve to a "strong" Bridgestone by rebuilding earning power through expense and cost structure reformation and premium business strategy

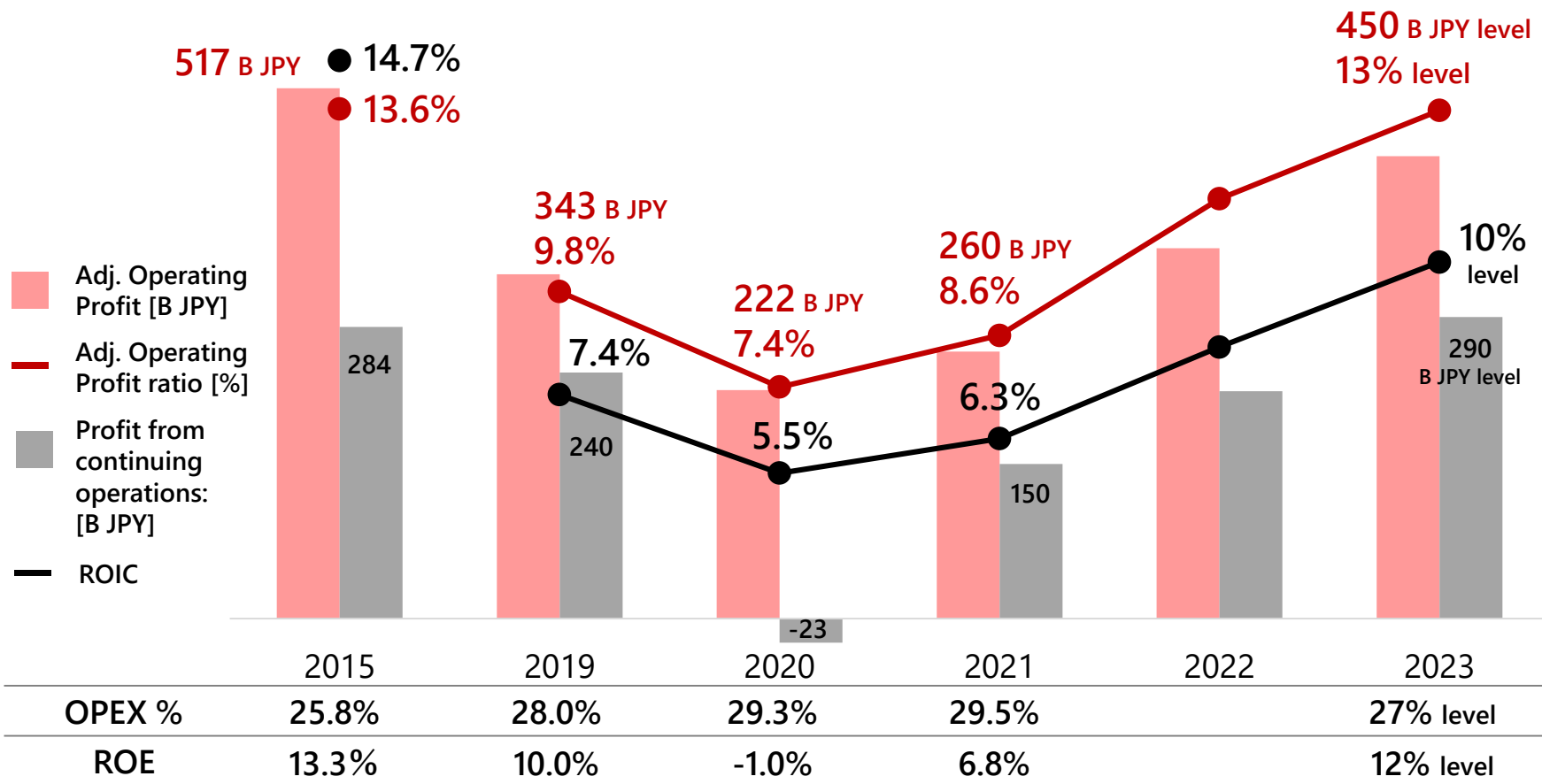
Evolution of revenue and gross profit (Excluding M&A impact)



Mid Term Business Plan : Financial plan "Aggressive approach" and "Challenge"

■ Toward a resilient and highly profitable "strong" Bridgestone

Adj. Operating Profit / Net Profit / OPEX / ROIC / ROE (Excluding M&A impact)



JPN account. standards

International accounting standards (IFRS)

Adj. Operating Profit: 13% level
Reach 2015 level

Adj. Operating Profit:
450 B JPY level

ROIC: 10% level

Profit from continuing operations:
290 B JPY level
Reach level exceeding 2015

OPEX %: -2% vs. 2020
Drive expense structure reformation
Reach below 2019 level
Continue to inject strategic resource

ROE : Keep 12% level

Bridgestone 3.0 Journey

Mid Term Business Plan 1 Business Scenario: "Aggressive approach" & "Challenge"

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Core business: Rebuild earning power

■ Rebuild earning power across the value chain (EtoE), generate strategic resources and grow

Expense and cost structure reformation

- Business portfolio and manufacturing footprint restructuring
- Procurement and logistics cost reformation
- Strict selection of investment, thorough expense management

Premium business strategy (EtoE)



Reinforce Dan-Totsu product strategy

- Reinforce premium product strategy
- Simplification and differentiation
 - commonality · modularity
 - optimize SKU (number of items)



Improvement of manufacturing

(reinforce structure for premium production)

- Manufacturing improvement
 - Maximum use of existing equipment
 - Improvement of productivity
- "To manage manufacturing is to develop people there"



Reinforce "premium" sales

- Wholesale/Retail price management
- Reinforce premium channels (incl. e-commerce)

Core business: Rebuild earning power - OPEX improvement through structure reformation

	2019	2020	2021	2023
Fixed Cost	Reduction expected in 2019~2023 from structure reformation : total -53 B JPY			
	-25 B JPY 2019~2020 reduction		-10 B JPY 2020~2021 reduction	
	Reduction expected in 2019~2021 from structure reformation : 35 B JPY			
	Operational productivity improvement		-1.5 B JPY	
	Restructuring of organization & review of wage system		-13 B JPY	
	Reexamination of sales promotion & brand strategy		- 8.5 B JPY	
	Restructuring of manufacturing footprint, business portfolio and integration of office facilities, etc.		- 12 B JPY	
	Expected improvement (2021-2023) -18 B JPY			
	Accelerate further expense structure improvement, and reallocate to strategic resources			
	2020: Improved expense structure through crisis management in response to COVID-19 impacts. ⇒ Continue & enhance 2021 onwards			
Variable Cost	-3 B JPY 2019~2020 reduction		-6 B JPY 2020~2021 reduction	
	Reduction expected in 2019~2021 from structure reformation : 9 B JPY			
	Consolidate/rationalize warehouse		- 4 B JPY	
	Control unit price of logistics		- 1 B JPY	
	Cost reduction through procurement system reform		- 4 B JPY	
	Keep competitive variable cost ratio: 2021: 7.8% ⇒ 2023: 7.7%			

*Assumption for the exchange rate (2021-2023): 103 JPY/USD

Core business: Rebuild earning power - direction for manufacturing footprint restructuring

■ Reinforce structure to “produce” premium products

- Global optimization & improvements for maximum use of existing production capacities
- Continually consider manufacturing footprint restructuring throughout the next 10 years
- Planned global manufacturing footprint restructuring (incl. diversified products and material manufacturing sites): 40% reduction (by 2023) from approx. 160 sites in 2019



Core business: Rebuild earning power (tires) - premium business strategy / reinforce sales in "premium"

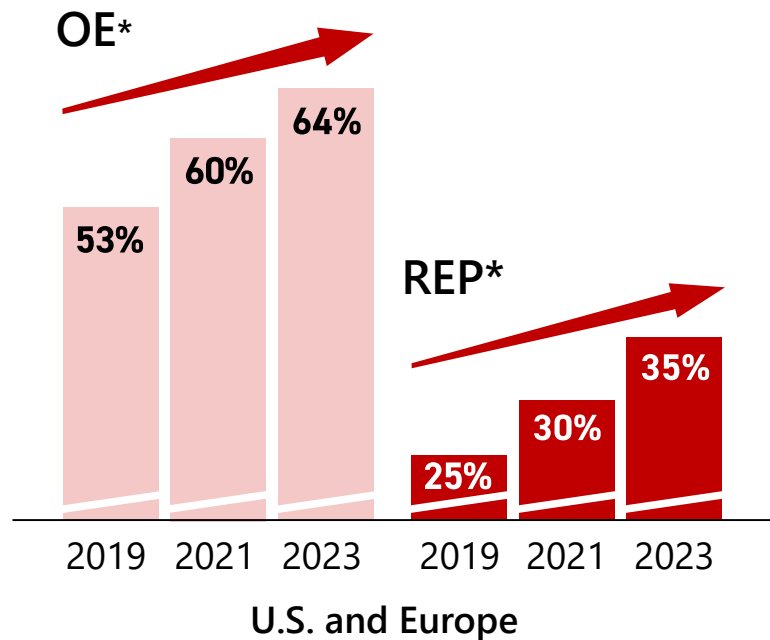
■ Reinforce sales of passenger car HRD* tires in line with mobility maturity/market characteristics of each region.

Take in OE-REP recursion demands, steadily drive premium strategy

* HRD: High rim diameter

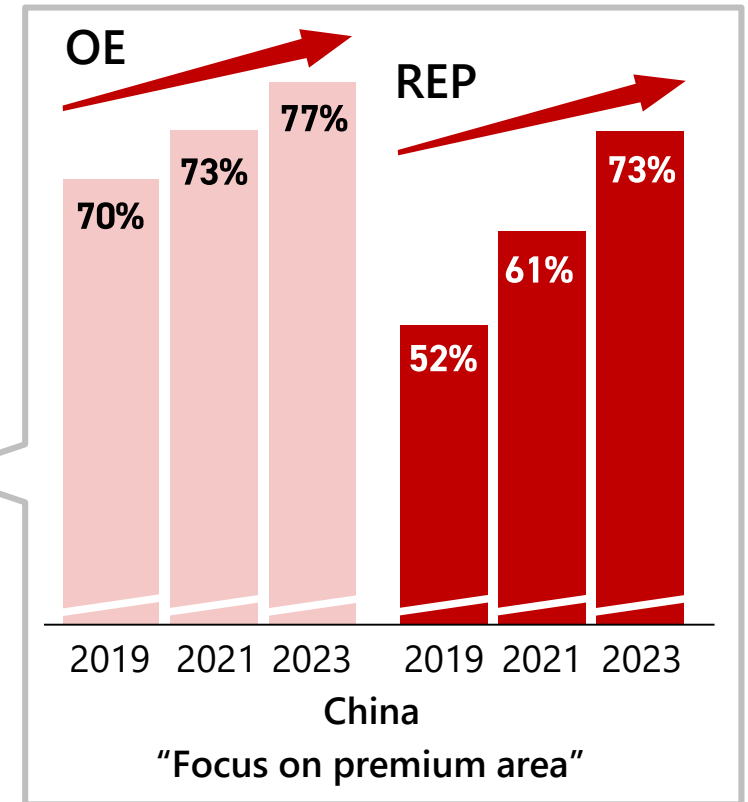
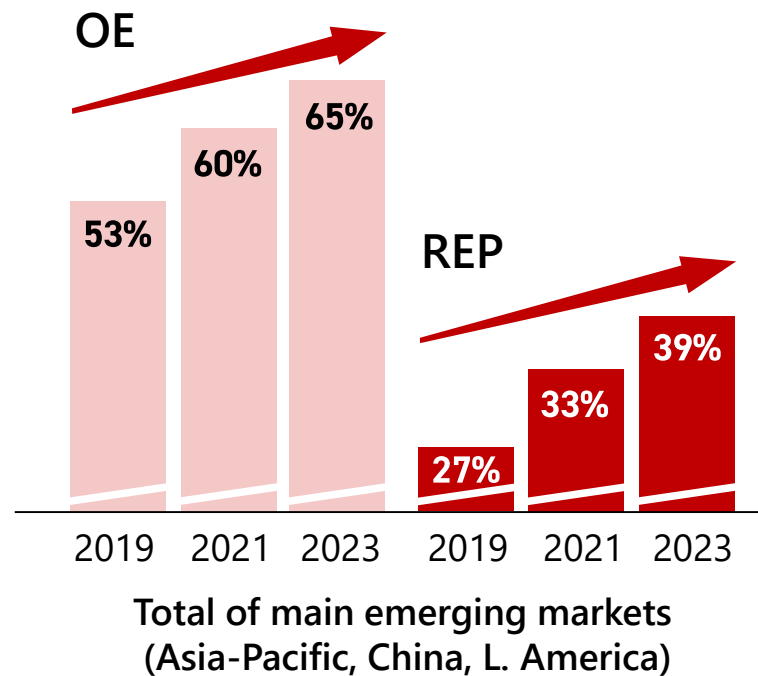
* OE : Tires on new vehicles / REP: Tires for replacement

Sales ratio of tires 18 inch and above (U.S. and Europe)



Sales ratio of tires 17 inch and above (Emerging markets)

Expand strategy from matured to emerging markets (especially China)



Core business: Rebuild earning power (tires) - premium business strategy/ reinforce sales in "premium"

■ New premium – Dan-Totsu product strategy that foresees sustainability and the evolution of mobility

Reinforce and expand high-value-added products & technology that responds to the shift toward EVs and "shared"

Automobile industry: acceleration of CASE

Electric

- Acceleration of electrification toward carbon neutrality
- Numerous emerging manufacturers (ex. Chinese manufacturers) entering

Shared

- Higher utilization rate per vehicle from expansion of sharing services

Bridgestone's approach placing sustainability at the core



Passenger car tires

- Expand next generation eco-friendly product line-up as new "premium"

ECOPIA

Roll out since 2010
1st generation
Eco-friendly product
⇒ 80% of all products (as of 2021)



Innovative next generation eco-friendly product fit for EVs and "shared"

ENLITEN

Achieve both innovative light weight and driving performance
--- contribute to driving distance of EVs

Next-level CO₂ emission reduction + improved resource productivity

Selected as original equipment on Japanese and international manufacturer cars (incl. EV)

- Commonality • Modularity acceleration
 - Contribute to CO₂ emission reductions & improvement of resource productivity
 - Simplify case-belt combinations (modules) between products, differentiate through tread performance
 - Globally expand module application ratio: 2019 0% ⇒ 2023 17% (in replacement tires)

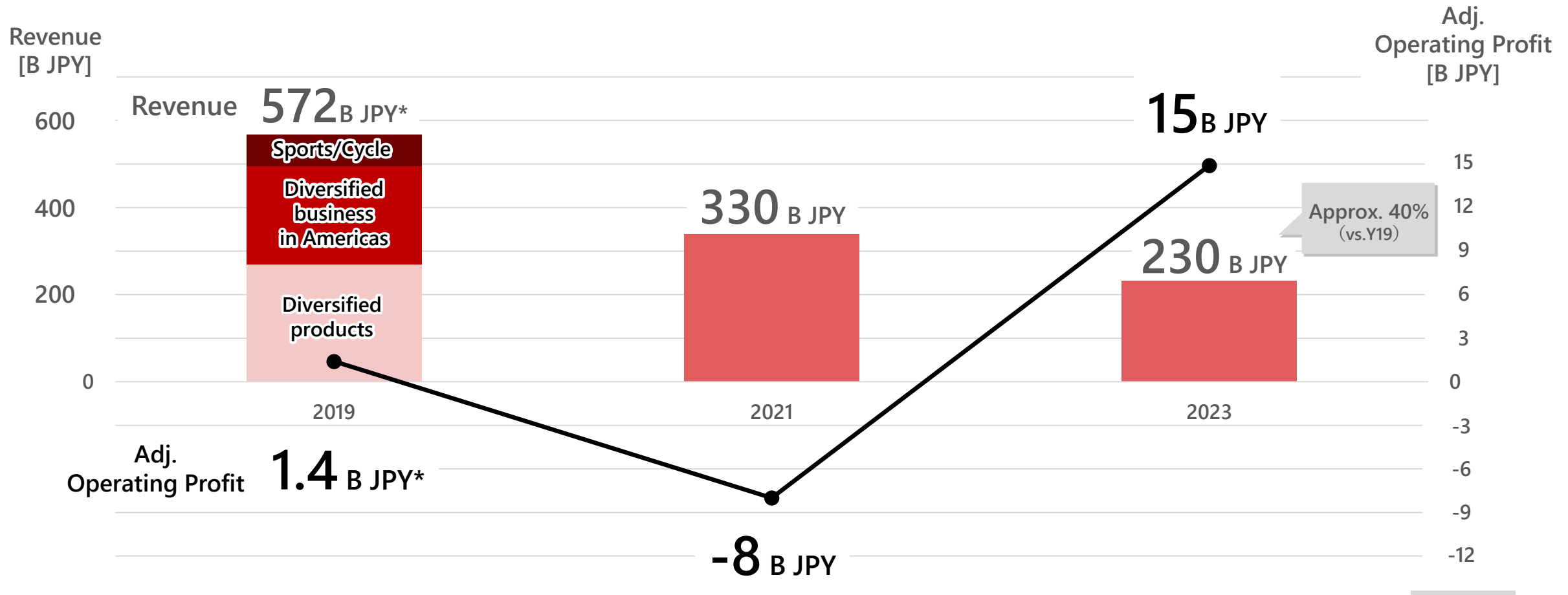


Light truck, Truck and Bus tires

- For commercial fleets that have high utilization rate, reinforce technology to allow safe and long-lasting use with eco-friendly products
 - Improve and balance prevention of irregular wear and durability for long life. Technology that allows multiple retreading

Core business: Rebuild earning power (Diversified Products) - direction for business restructuring

■ Leverage Bridgestone's core competencies and evolve to healthy business step by step



* 2019 financial data has been adjusted to IFRS basis.

IFRS

Bridgestone 3.0 Journey

Mid Term Business Plan 1 Business Scenario: "Aggressive approach" & "Challenge"

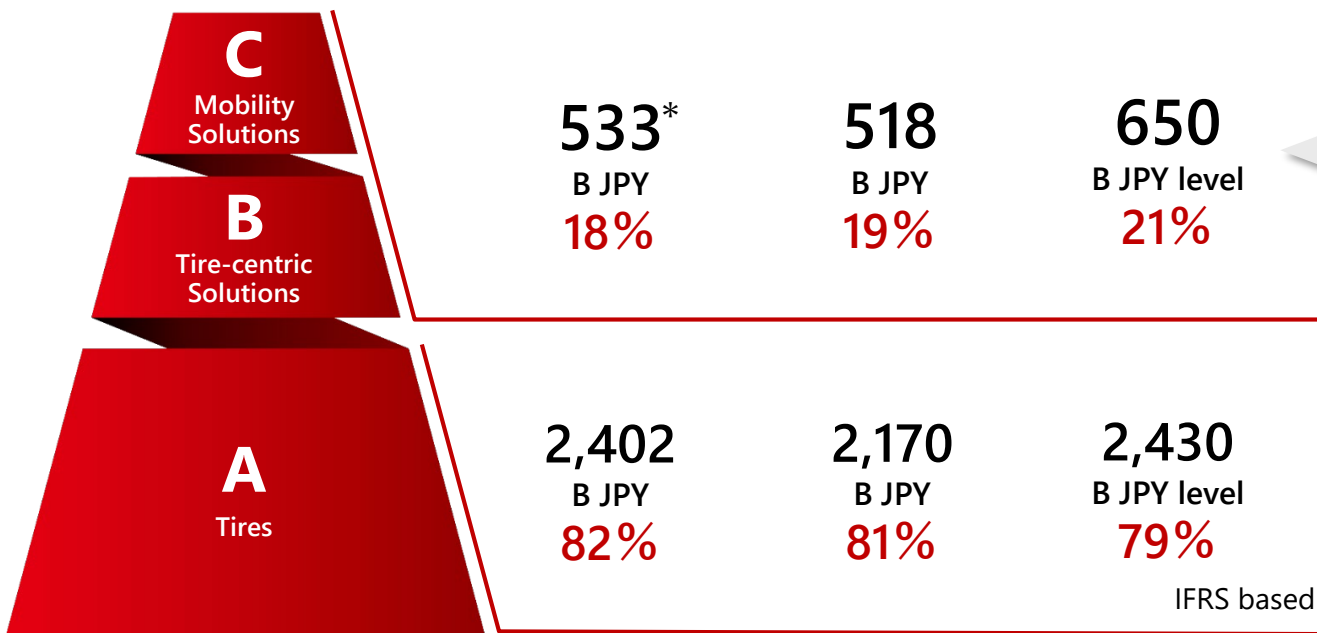
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Enablers for execution	<p>■ Reinforce foundation for financial strategy - reinforce global control function</p> <p>■ HRX</p>			

Growth business: Expand solutions business - Solutions business-related sales

■ Continue expansion of the resilient business model

Group sales
(excluding diversified products business)

2,935 B JPY	2,688 B JPY	3,080 B JPY level
Y19	Y21	Y23



IFRS based

C Mobility Solutions

- Webfleet Solutions
- Other fleet solutions

22 B JPY (2019) ⇒ 67 B JPY (2023)

B Tire-centric Solutions

- Truck & Bus retread sales (global)

95 B JPY (2019) ⇒ 110 B JPY (2023)

- New business form (not conventional tire sell-out)
Mining solutions, Hose solutions, Aircraft solutions, truck tire mileage sales, Subscription (mobox) etc.

66 B JPY (2019) ⇒ 103 B JPY (2023)

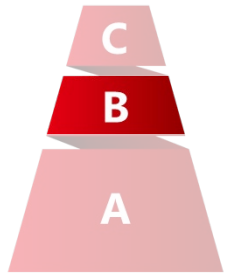
- Services at equity stores
(incl. N. America retail financial services revenue)
For passenger cars and commercial fleets

350 B JPY (2019) ⇒ 370 B JPY (2023)

533 B JPY (2019) ⇒ 650 B JPY (2023)

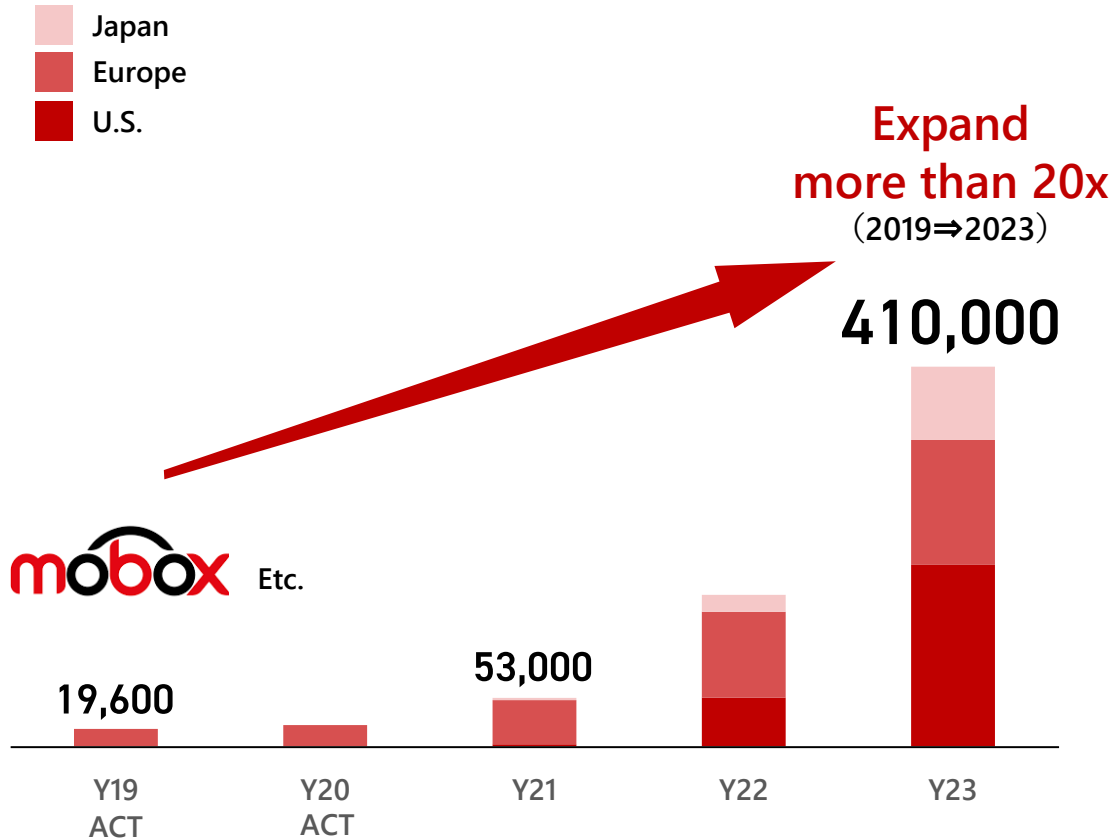
* 2019 sales data has been revised and adjusted to IFRS basis from Mid-Long Term Business Plan Update presentation on August 7th 2020.

Growth business: Expand solutions business - Global expansion of subscription model

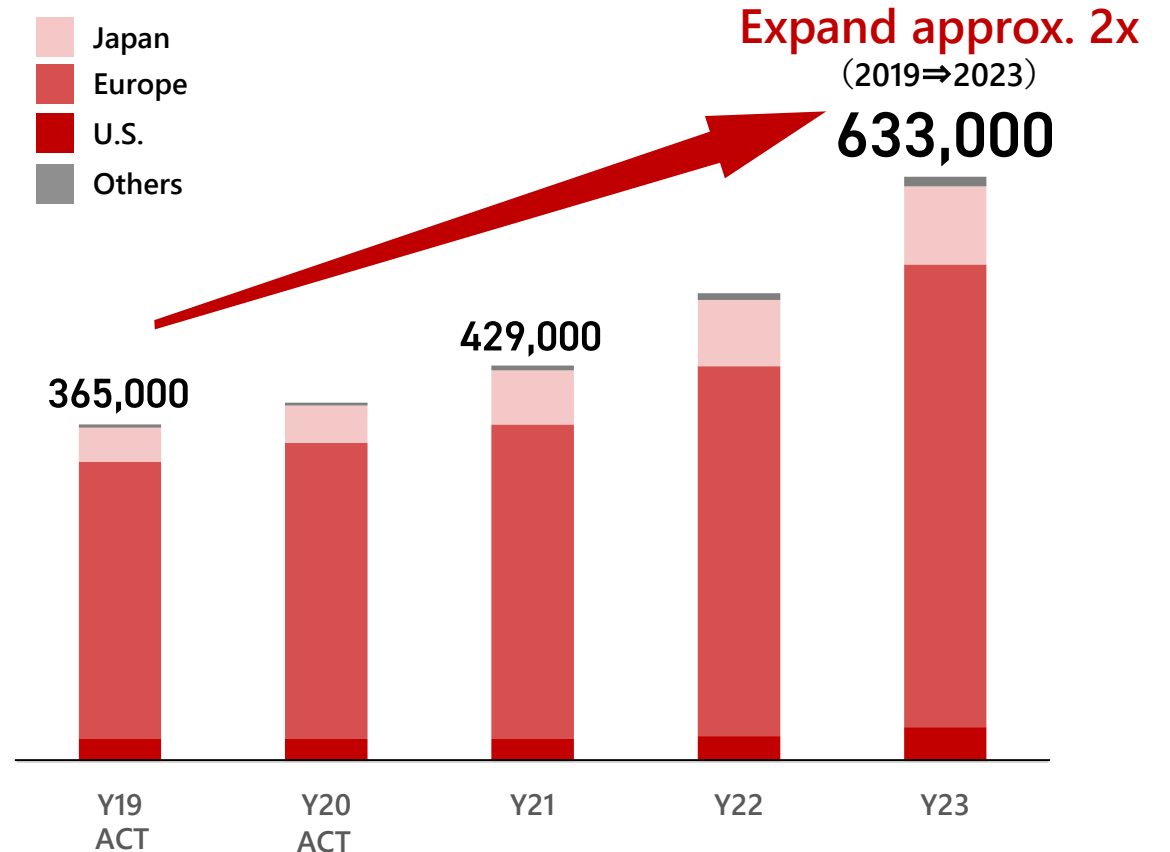


- Accelerate global rollout from Europe as the Center of Excellence
Optimize services to fit customer needs in each region, and expand to Japan, the U.S. and Europe.

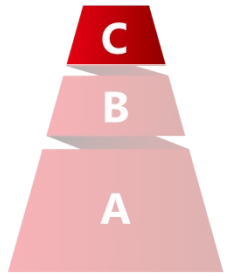
No. of contracts for passenger car subscriptions



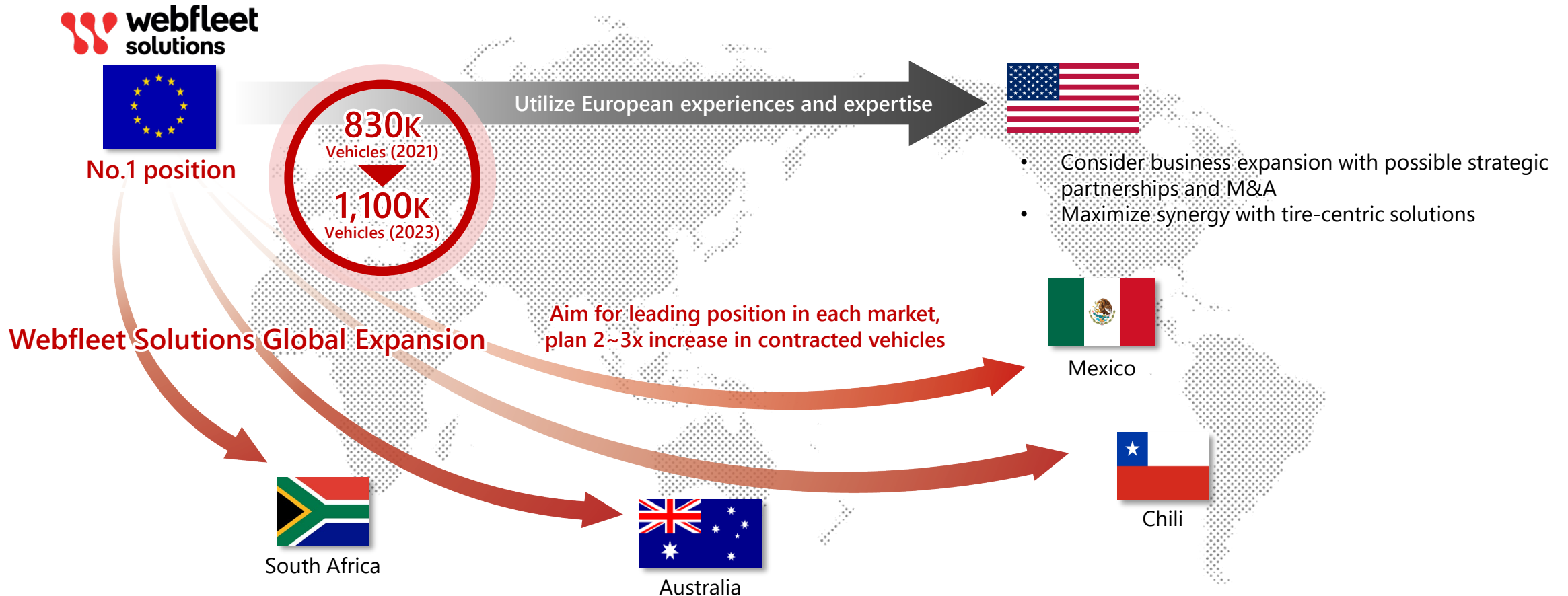
No. of contracts for truck & bus subscriptions






Growth business: Expand solutions business - Global expansion of fleet solutions



- Deploy Webfleet Solutions` system and expertise globally from Europe as CoE
Look at each market`s characteristics, and expand with potential strategic partnerships and M&A
Aim to establish global leading position



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	Strategic growth investment			
Group into 4 categories for execution, according to region/business characteristics/mobility maturity				
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Core business & Growth business: Restructuring with resolve - 4 categories for execution

1

MAIN

Continue reinforcement/expansion

Expand solutions business based on our strong core business, accelerate value amplification

Resources **Proactive investment** Profits **Maximize**

N. America Tire/Solutions biz

- Reinforce premium business strategy
- Expand solutions business

Mining Tire/Solutions biz

Japan Tire/Solutions biz

- Master manufacturing, business structure reformation
- Reinforce tire-centric solutions

2

NEXT

Aim to become "MAIN"

Start contribution to group

Resources **Step-by-step investment** Profits **Build foundation**

China Passenger Car Tire biz

- Reinforce premium business strategy
- Lay foundation for solutions

L. America / India PS /
Asia-Pacific / Middle East
Tire biz

- Reinforce premium business strategy

3

STRATEGIC

Contribute to global strategy

Build framework for strategic synergy and contribution to group global

Resources **Limited investment** Profits **Build foundation (stabilize profitability)**

Europe Tire/Solutions biz

- Tire business: Reinforce premium business strategy
- Solutions business: Drive & reinforce global expansion

*Basis for global strategy regarding: sustainability, regulations, MaaS, OEM (Passenger cars, truck and bus)

Aviation Tire/Solutions biz

- Expand solutions business

4

DEVELOPING

Aim to become "NEXT"

Stabilize profitability

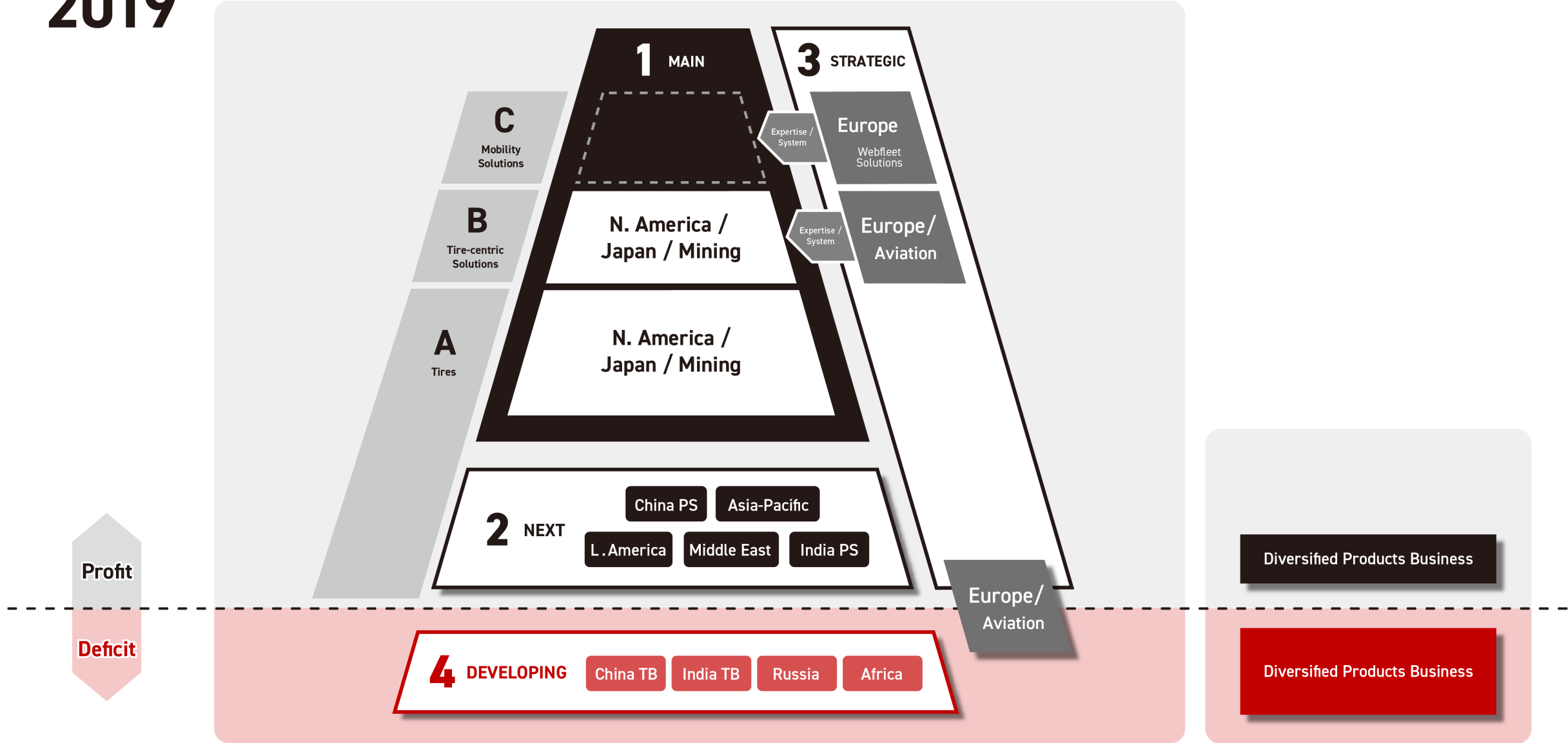
Resources **Minimal investment** Profits **Build foundation (break away from deficits)**

China Truck & Bus Tire biz

India Truck & Bus biz

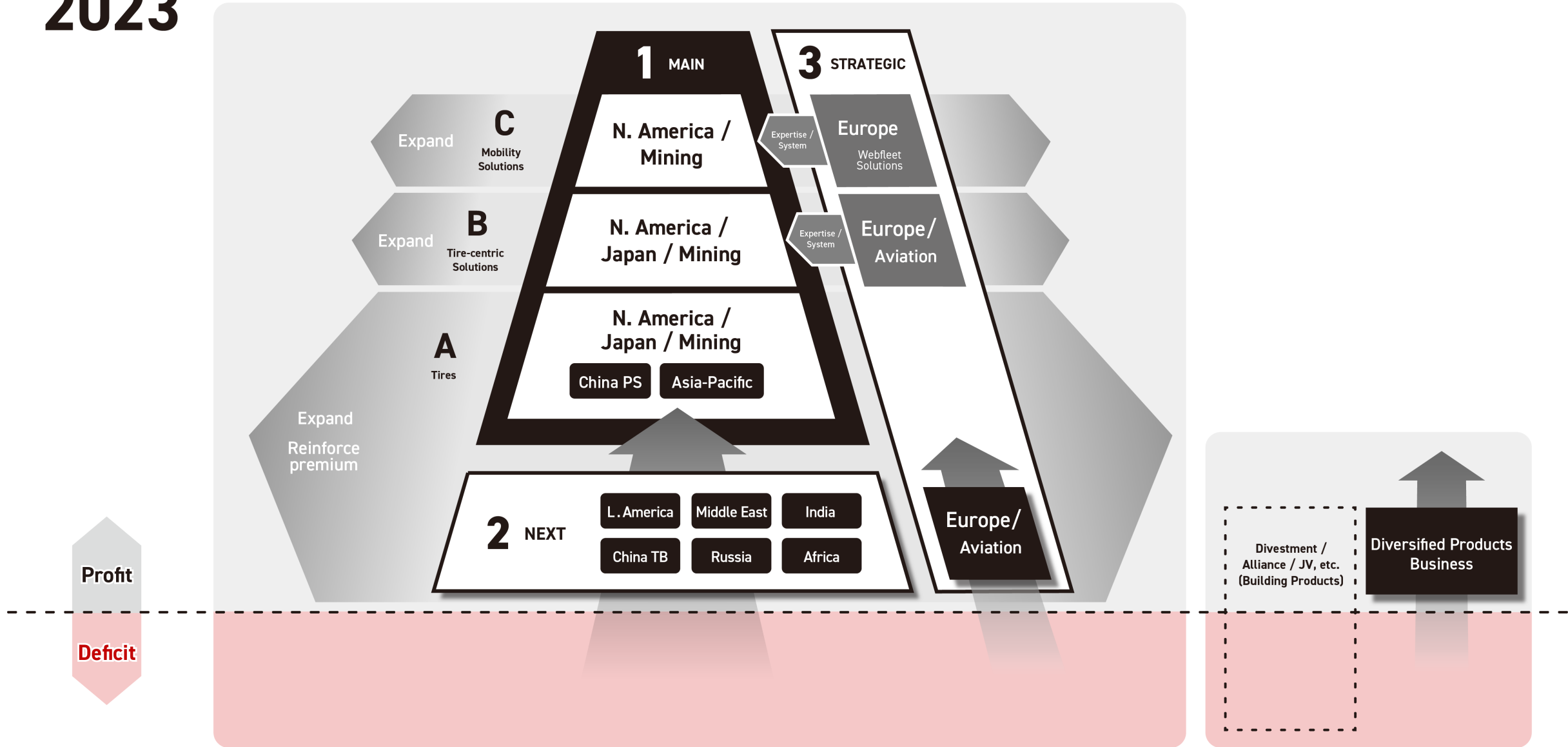
Russia / Africa / Tire biz

- Rebuild business
- Reinforce premium business strategy



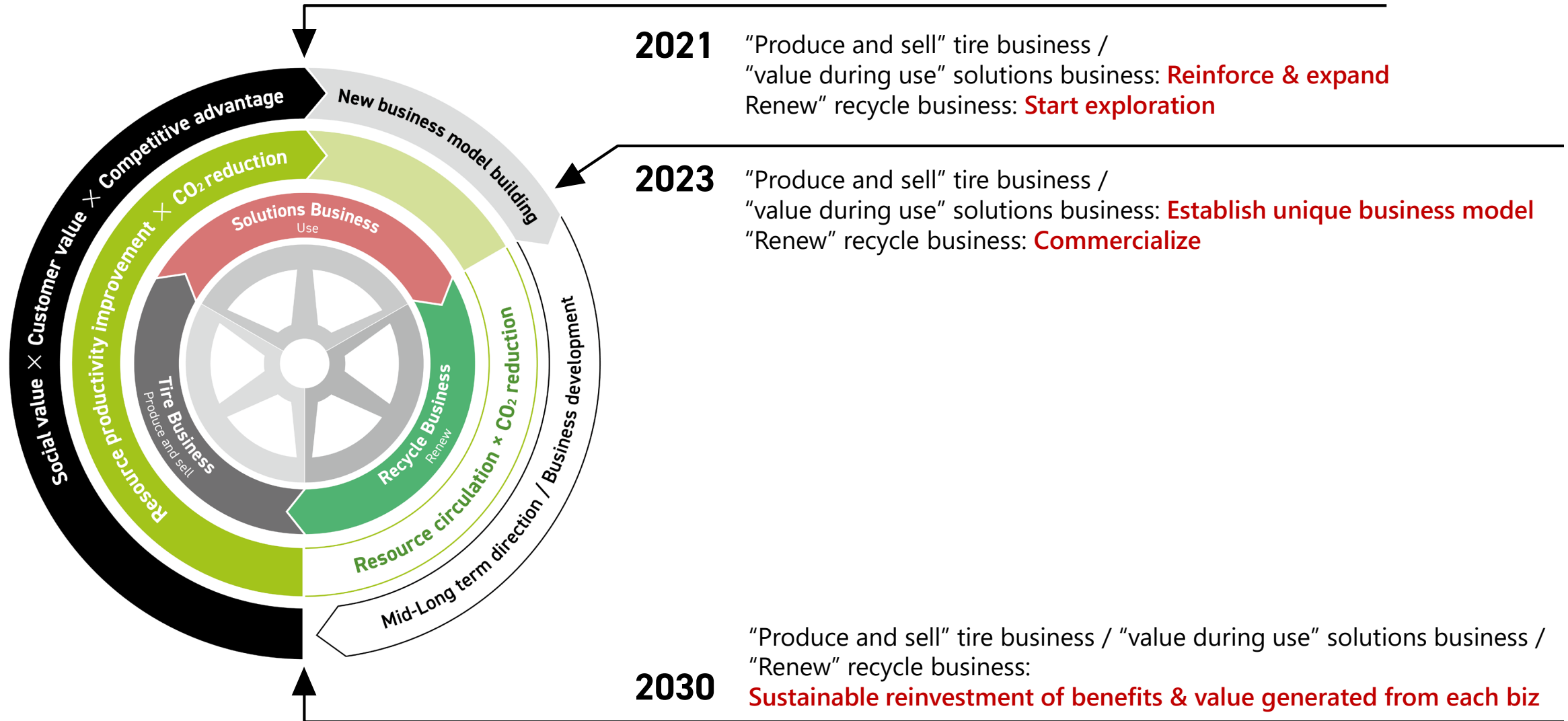
*PS = Passenger car tires, TB = Truck & Bus tires

2023



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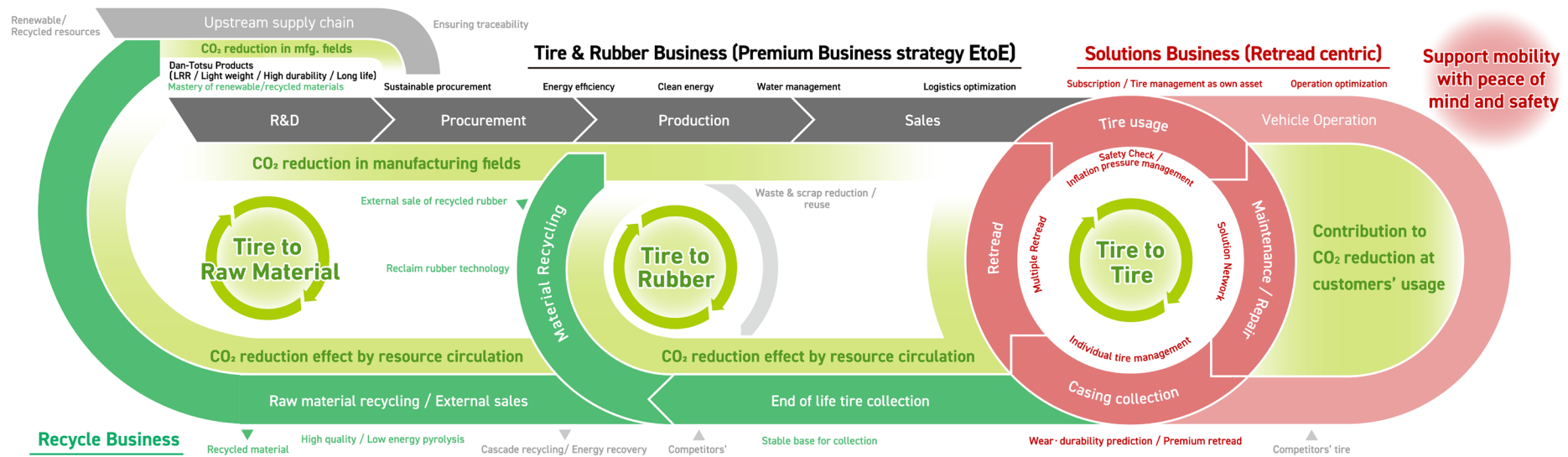
Mid Term Business Plan (2021-2023) & toward 2030 and beyond– Sustainability Business Framework



Bridgestone 3.0 Journey

Sustainability Business Framework

- Our environmental activities to contribute to a carbon neutral society & circular economy. Setting goals for the Sustainability Business Model



- **Carbon neutrality**
 - Realize carbon neutrality across the value chain and product lifecycle

2021-2023
 Consolidate foundation and clarify roadmap towards carbon neutrality
 Optimize manufacturing footprint & business portfolio, enhance renewable energy use, explore new energy. Contribute to CO₂ emission reduction and gain competitive advantage through eco-friendly products & solutions business

~2030
 Reduction of CO₂ emissions :
-50%
 Contribute to reducing more than 5x our emissions

~2050
 Carbon neutrality

- **Circular Economy**
 - Improve material circularity
 - Maximize resource/tire value

Transition to a circular business model.
Explore and commercialize recycle business
 Enhance and expand recycled & renewable resources & expand retread business.
 Maximize value through light weight, durable, wear-resistant Dan-Totsu product + Dan-Totsu solutions

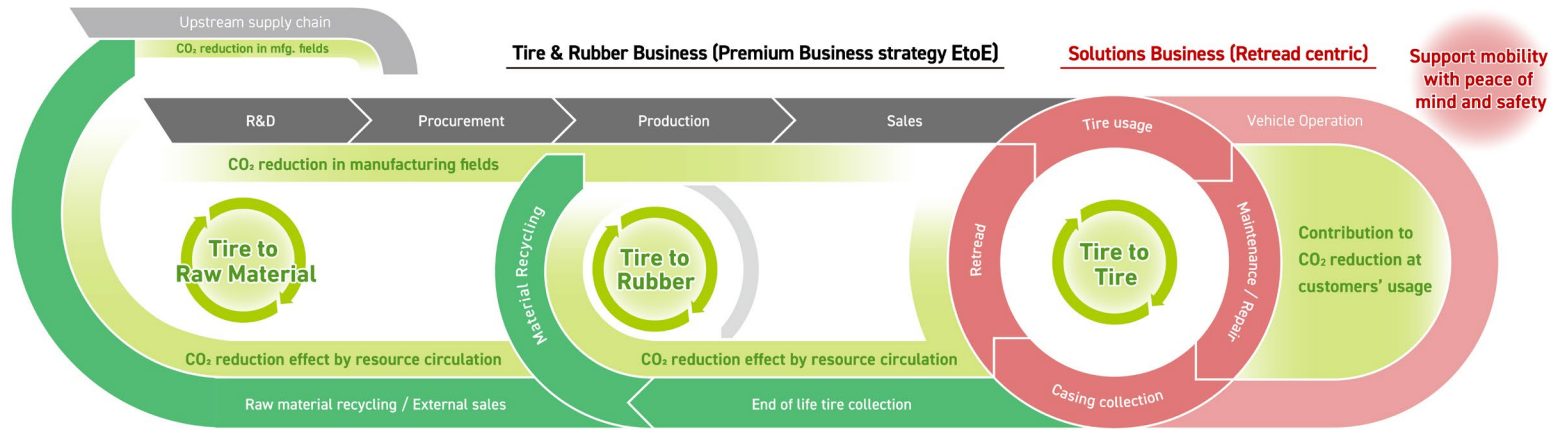
Recycled & renewable material ratio:
40%

100% sustainable material

Sustainability Business Framework - Efforts toward building the Sustainability Business Model

■ Develop our core business and growth business and start exploring recycle business, with sustainability at the core

Produce & Sell	Raw material procurement ~ Production	Sales (products)
	<ul style="list-style-type: none"> Global Sustainable Procurement Policy Guayule research, efforts for practical use Renewable energy usage Management of water resources Reduction of production loss Promote smart factory 	<ul style="list-style-type: none"> Respond to accelerating EV shift (OE approach) Enhance and spread fuel-efficient tires Expand next-generation eco-friendly products Enhance durable truck & bus and light truck tires that also prevent irregular wear to allow multiple retreading



Recycle Business

Recycle

Renew

- Technical seeds
- "Tire to Rubber" and "Tire to Raw Material" recycling technology that ensures high quality and less energy
- Explore eco-systems and business models for commercialization

Use

Solution




- Multiple retreading of durable case tires that also prevent irregular wear
- Optimization of customer fleet operations
- Wear/endurance prediction
- Repair
- Subscription

Premium Retread

Propose optimal tire operation
Retread customized to customer use/needs

Bridgestone 3.0 Journey

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Exploratory business: Exploratory areas and enablers for start-up

■ Start new journey toward a “sustainable solutions company”

Mission	“Serving society with superior quality”
Vision	Continue to provide social value and customer value as a sustainable solutions company toward 2050
Mid-Long Term Business Strategy	Placing sustainability at the core, create social & customer value, and gain competitive advantage



Areas for exploration

Areas where **leveraging Bridgestone can leverage our core competencies**
/ areas for **potential synergy with core and/or growth businesses**
/ areas contributing to **achieving SDGs**
/ areas for synergy with our Sustainability Business Framework

Recycle Soft-robotics (rubber actuators) Etc.

Enablers for execution

- Consolidate organization for execution as Global CEO’s project. Global coordination with Japan as central hub. Drive based on co-creation with various partners
 - **Recycle Business Preparation Office** (Feb. 1~)
 - **Soft-robotics Business Preparation Office** (Planned for July. 1~)

Organization

Strategic resources

- Possible M&As and strategic partnerships
- Corporate Venture Capital Fund - **Bridgestone Sustainability Fund** (Launch planned July. 1)

Bridgestone Innovation Park (Phase 1)

B-Mobility

Mini test course (2021~)

Demonstration and testing facility to test ideas generated in B-Innovation using actual vehicles

B-Innovation

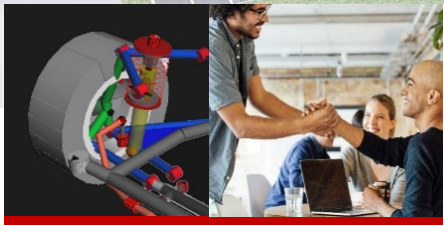
Innovation center (2021~)

Encourage internal and external exchange, drive open innovation through interaction, co-ideation, co-R&D and co-creation

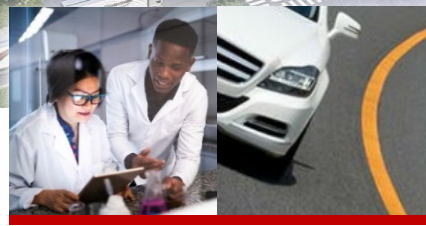
Bridgestone Innovation Gallery

A gallery dedicated to Bridgestone's history and innovation initiatives and future vision

Real × Digital



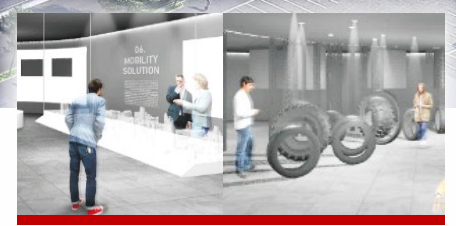
Co-creation



Co-R&D



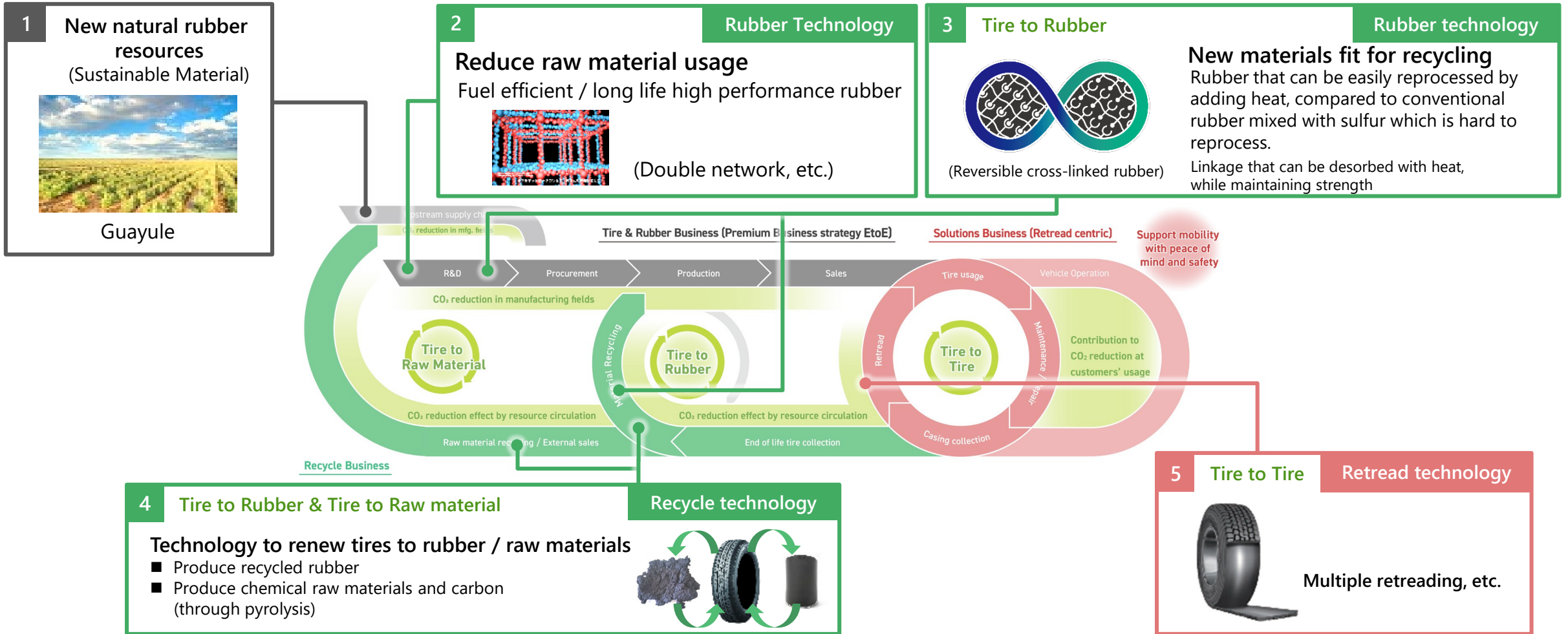
Co-ideation



Interaction with empathy

Bridgestone 3.0 Journey

Exploratory business: Recycle business - explore technical seeds



Explore and commercialize recycle technology that ensures high quality, CO₂ reduction and resource circulation in "Tire to Rubber", "Tire to Raw material" areas

Bridgestone 3.0 Journey

Exploratory business: Soft-robotics business

■ Leverage Bridgestone's core competencies. Aim to create social & customer value, and gain competitive advantage

Social / customer issues

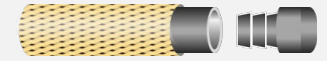
- Declining birthrate & aging population
- Needs for contactless (COVID-19 impact)
- Work automation



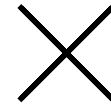
“Mobility & movement of people and objects with safety & peace of mind”

Bridgestone's core competencies

- Expertise and technology in “Mastering rubber” “Mastering contact”
 - **AI sensing rubber** controlling soft movement
 - **Rubber actuator** supporting soft movement
 - **Soft functional materials** that support safety & peace of mind
- Synergy with existing businesses, leverage assets



[Manufacturing] Leverage existing assets
 [Business model] Synergy with core & growth business models (OE/REP – solutions – recycle)



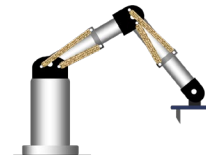
Co-creation / Innovation

Soft-robotics

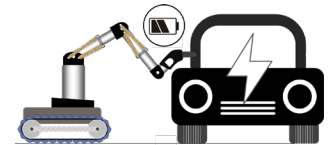
- A “soft robot” that can work with people
- Support mobility & movement of people and objects with safety & peace of mind

Examples of **soft-robots** leveraging the characteristics of **rubber actuators**

Soft-robot arm / hand





Mobile soft-robot arm
 Automatic charging
 → Adapted to EV needs



Accelerate commercialization as an exploratory business

Bridgestone 3.0 Journey

Mid Term Business Plan 1 Business Scenario: "Aggressive approach" & "Challenge"

	2020	2021	2022	2023
COVID-19 Impact	Gradual recovery		Recovery	
Stage	Crisis management		Sustainability at the core	
	Rebuild earning power		Transformed "strong" Bridgestone	
	Strategic growth investment			
 Core business	■ Tire business Expense and cost structure reformation: Expense structure reformation (fixed cost etc.), business portfolio and manufacturing footprint restructuring, resource reallocation Reinforce premium business strategy (EtoE): Reinforce Dan-Totsu product strategy and sales in "premium"			
			Rebuild earning power	Rebuild earning power Strategic growth investment
 Growth business	■ Solutions business Expansion: Accelerate global expansion (subscription model, retread strategy, Webfleet Solutions, etc.)			
		Strategic growth investment	Tires 80%	Solutions 20%
 Exploratory business	■ Start in areas where Bridgestone can leverage our core competencies - Toward commercialization of recycle business and soft-robotics business			
			Strategic growth investment	
Enablers for execution	■ Reinforce foundation for financial strategy - reinforce global control function ■ HRX			

Bridgestone 3.0 Journey

Strategic resources investment

“Aggressive approach” & “Challenge”

Mid Term Business Plan (2021~23): Strategic resources 700 B JPY

Strategic investment / Strategic expenses

350 B JPY

Secure “credibility” of business through core biz reinforcement
Strategic growth investments for growth biz expansion

Ratio of strategic resources:
Strategic investment: 30%
Strategic expenses: 5%

M&A / CVC / Strategic partnership

350 B JPY

Accelerate business through strong co-creation activities

Restructuring and Reformation

- Business portfolio restructuring
- Manufacturing footprint restructuring
- Structural reformation of Japanese business (drastic reduction of fixed cost)

Growth investment

- **Tire business**
(reinforce core business)
 - Dan-Totsu product strategy
 - Manufacturing technology
 - E-commerce
- **Tire-centric solution business**
(expand growth business)
 - Retread strategy
 - Tire-related services
 - Subscription
- **Mobility solution business**
(expand growth business)
 - Fleet solution
 - Solution network
 - B-innovation (digital product design infrastructure)
 - Smart factory through DX
- **IT Infrastructure**
 - Core IT infrastructure systems update
 - Remote work infrastructure reinforcement
 - IT security reinforcement

DX domain

- Invest in startups
- Acquire digital talent

Solution partner domain

- **Mobility solution**
 - Scale up in N. America
 - Accelerate through acquisitions/alliances
- **Solution network**
 - Expand/reinforce
- **Retread**
 - Incorporate new manufacturing technology
 - Reinforce Bandag facilities, networks
- **Repair**
 - Reinforce tire repair technologies through alliances

Sustainability domain (including recycle)

- **Material recycle**
 - Co-creation with startups
- **Recycle business**
 - Co-creation toward commercialization
- **Renewable energy procurement**

Exploratory business

- **Soft-robotics business**
 - Partner with Japanese/American startups

Financial strategy to realize portfolio management

Rebuild and execute financial strategy foundation that support the Mid Term Business Plan

Rebuild earning power by utilizing "ROIC" as a new management index.

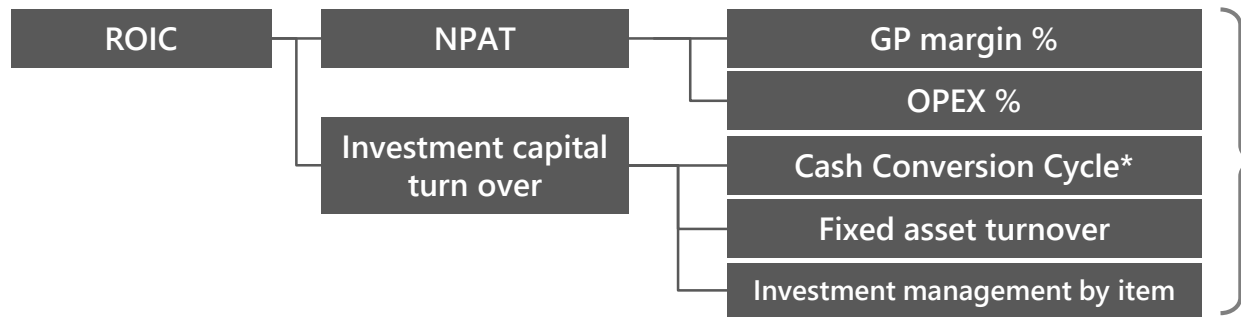
Strict financial evaluation at planning and execution phases for investments.

■ Support financial evaluation and strategic decision-making by business portfolio (incl. divestment management)

→ If the business does not meet the established financial criteria, develop a recovery plan.

If the business does not recover, consider divestment.

■ Drive profit improvement efforts based on ROIC tree:



- Add new management KPIs based on ROIC tree
- Strengthen management at each production/ sales entity level
- Manage investment of operational/ strategic items separately

*Cash Conversion Cycle = DIO + DSO - DPO

■ Reinforce individual investment management

Reinforce corporate function

- Launch global control function (Jan. 2021)
- Launch capex SC*: Select investment using KPIs from strategic/financial point of views. Global CAO as leader
- New M&A SC*: Thorough evaluation & selection by the committee incl. Global CEO, Global CAO and SBU leaders

Investment decisions

- Thorough financial evaluation based on ROIC
- Set hurdle rate adding capital cost and risk (by region, by business)
- Evaluate CO₂ emission cost and reduction impact

■ Gradual establishment of global financial and accounting foundations to execute the initiatives above

(Internal group rules, IT infrastructure, organization, etc.)

*SC: Steering Committee

*SBU: Strategic Business Unit

HRX: HR & organizational strategy to support Mid Term Business Plan

- Execute an HR strategy with **“Aggressive approach”** & **“Challenge”**, while leveraging strengths
Build HR strategy and organizational structure by business step by step



Core business

Culture transformation

Breakaway from existing challenges and make a radical transformation, while leveraging our unique strengths

- Group global optimization aligned with business strategy
- Clarify roles and responsibilities, improve organizational efficiency, optimize talent allocation

⇒ **Generate resources, and flexibly reallocate to growth and exploratory businesses**



Growth Business

New culture creation

Create structure and working style for solutions business

⇒ **Export the new culture to core business to make it stronger**

- Build global organizational structure for solutions business, maximal leveraging of diversity & inclusion
- Develop digital talent. Promote exchange of talent on global basis, from Webfleet Solutions and iTrack solutions business, etc.

Digital talents : Approx. 1,600 talents (as of Jan 2021)

Bridgestone 830 (JPN: 560, EU & US : 270), Webfleet Solutions + iTrack solutions biz : 750



Exploratory business

Challenge

Build new structure based on challenge

- Diversity & inclusion, global utilization of talents
- Internal and external networking and talents exchange to facilitate co-creation
- Entrepreneurial spirit

Bridgestone's HRX*

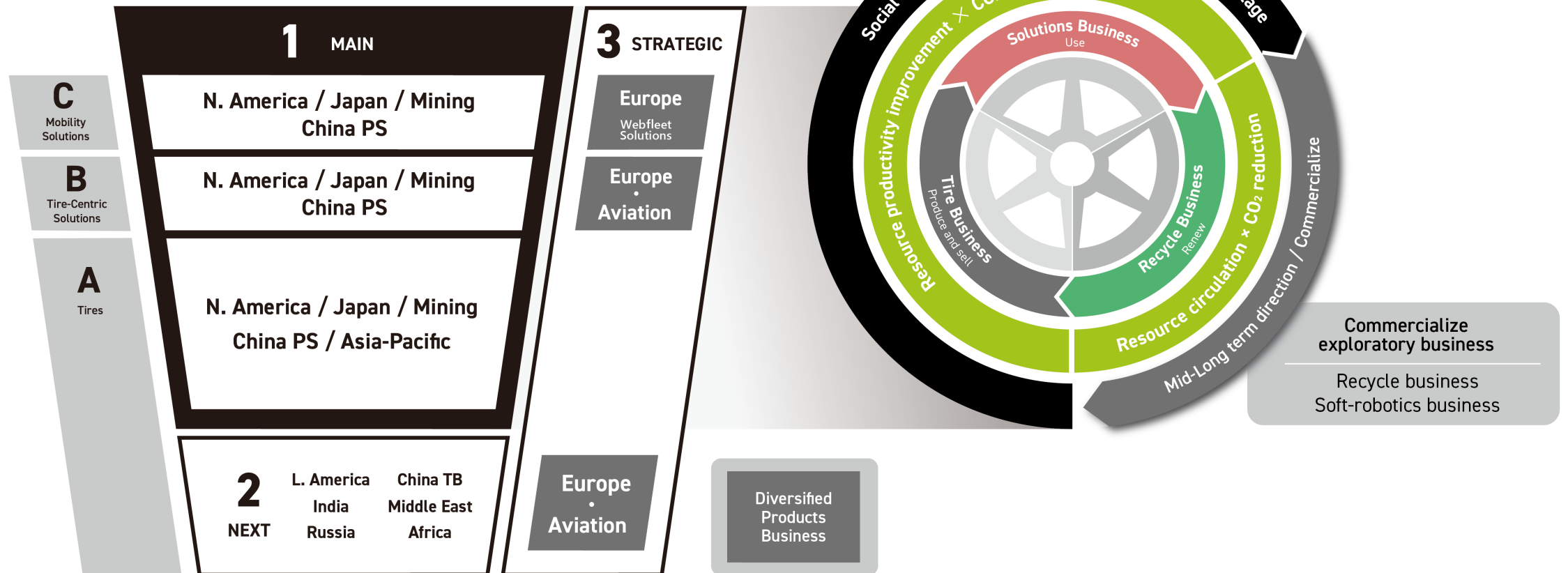
*HRX: Human Resource Transformation

Maximize organization capability (Organization x Talent) for execution of Mid Term Business Plan
Continuously promote development of diverse talent and next-generation global management

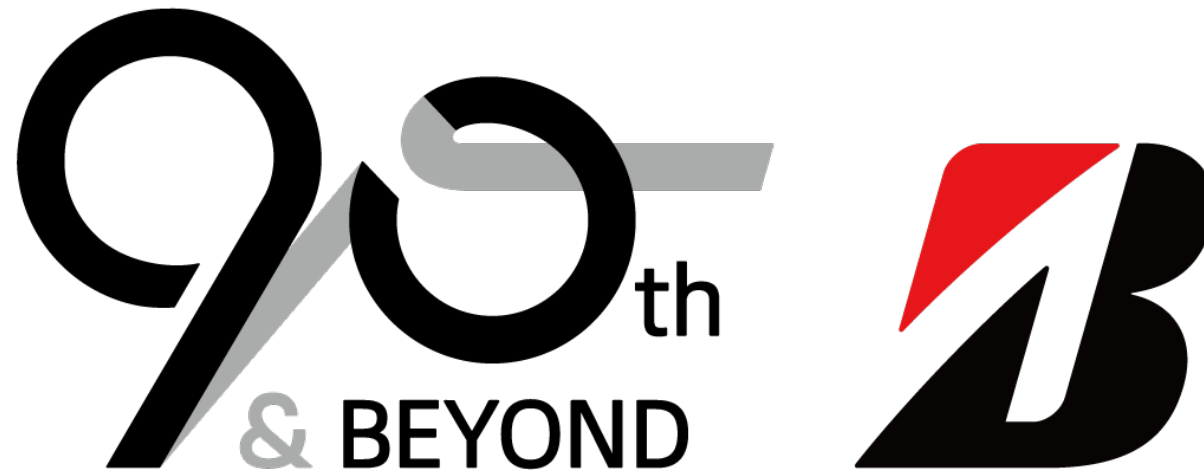
Toward a Sustainable Solutions Company

Support the mobility and movement of people & objects. Create social and customer value, and gain competitive advantage

Business Portfolio 2030 ~ image



2021



2nd Year of Bridgestone 3.0, the “Third Foundation”



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