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Notice of Special Award Payments to Our Executive Officers and Subsequent Disposition of Treasury Stock

Tokyo (January 28, 2022) - Bridgestone Corporation (Bridgestone) has announced that at the Compensation Committee held on January 17, we decided to pay Special Award to our four executive officers, and at the meeting of our Board of Directors held today, we resolved to dispose of treasury stock (hereinafter referred to as "treasury stock disposition") as remuneration with restriction on transfer as follows.

1. Purpose and Reason of Special Award Payment

Our Compensation Committee has held discussions on the ideal compensation system for management in order to realize our Mid-Long Term Business Strategy and Mid-Term Business Plan announced in February last year. Over the past two years starting in 2020, COVID-19 has dramatically changed the business climate unexpectedly and within a short period of time. While formulating business strategies for Bridgestone 3.0 and setting specific targets, we appreciate that we are steadily implementing various measures faster than originally planned. At the same time, with the expectation that these management initiatives will continue to contribute to further enhancement of corporate value, we have decided to provide Special Award as follows. There were no payouts of performance-based stock awards (PSUs) for the three-year period from 2018 to 2020 as the actual value of performance metrics fell below the lower limit.

2. Outline of Payment

(1) Object of payment

Total of four executive officers as of the end of 2021

(2) Form of payment

We plan to pay three years of restricted stock awards* (RS: Restricted Stock/RSU: Restricted Stock Unit) as an incentive to bring the current efforts to fruition for further improvement of corporate value in the future.

*50% will be paid in RS (shares) and 50% will be paid in RSU (cash) in consideration of tax payment funds, etc.

*Handling of resignation during the transfer restriction period (including acquisition without contribution by the Company or termination of the transfer restriction period) shall be deliberated and decided by the Compensation Committee on a case-by-case basis.

(3) Number of shares to be delivered by position

The number of shares to be issued shall be calculated according to the following method for each director entitled to the issuance by position.

$$\boxed{\text{Number of Shares by position }^{(\ast 1)}} = \boxed{\text{Amount of Stock Compensation by position }^{(\ast 2)}} \div \boxed{\text{The Company's share price }^{(\ast 3)}}$$

※1: The total number of shares delivered is 31,800 shares.

※2: The level is appropriate to the extent that it does not exceed the standard amount of PSU (set as 2021 Compensation), which is the same stock-based compensation.

※3: The average closing price of our shares on the Tokyo Stock Exchange in the month preceding the date of the resolution of our Board of Directors regarding the disposal of treasury stock.

(4) Provision day

- RS (50% of shares delivered by position): Scheduled for February 28, 2022
- RSU* (50% of shares delivered by position): Scheduled for March 2025 (It will not be granted unless the transfer restriction of RS is terminated.)

*The amount of RSU payments by position is calculated using the average closing price of our shares on the Tokyo Stock Exchange during February 2025.

*There is no quasi-dividend payments related to the cash portion.

3. Outline of Disposal of Treasury Stock

At the meeting of our Board of Directors today, the Company resolved to allot 15,900 of our common stock as Specified Shares with Restriction on Transfer by allocating total of 78,148,500 yen in monetary remuneration claims to four of our executive officers (hereinafter referred to as the "Allotted Persons") by the method of contribution in kind. The amount of monetary remuneration credits payable to each Allotted Person is determined by multiplying by the following disposal price per share by 50% of the number of shares by position described on 2-(3), which is based on the amount of stock compensation by position after comprehensively considering various matters such as the degree of contribution of each Allotted Person. In addition, such monetary remuneration claims shall be paid on the condition that each person to whom such monetary remuneration claims are allotted concludes with us a general agreement on the allotment of shares with restriction of transfer (hereinafter referred to as the "Allotment Agreement") containing the following details.

(1)	Disposal period	February 28, 2022
(2)	Class and number of shares to be disposed	15,900 shares of our common stock
(3)	Disposal price	4,915 yen per share
(4)	Total disposal	78,148,500 yen
(5)	To be disposed of	Four of our executive officers
(6)	Others	Treasury Shares shall be subject to the entry into force of the Securities Registration Statement in accordance with the Financial Instruments and Exchange Law.

4. Overview of the Allotment Agreement

(1) Period of restriction on transfer

February 28, 2022 to February 28, 2025

During the period of restriction on transfer stipulated above (hereinafter referred to as the

"Transfer Restriction Period"), the Allotted Persons may not transfer, pledge, mortgage, give in advance, testamentary gift, or any other disposition of the Shares with Restriction on Transfer (hereinafter referred to as the "Allotted Shares") allocated to such person to a third party (hereinafter referred to as the "Transfer Restriction").

(2) Termination of Transfer Restriction and acquisition without contribution

We will terminate the Transfer Restriction of all of the Allotted Shares held by the Allotted Persons at the time of the expiration of the allotment period on the condition that the Allotted Persons have been in the position of our executive officers continuously during the Transfer Restriction Period. In addition, in the event the position of our executive officer is lost during the transfer restriction period, handling of resignation shall be deliberated and decided by the Compensation Committee on a case-by-case basis, and the Transfer Restriction shall be terminated if the Compensation Committee of the Company deems it justifiable, and in any other case, the Company shall acquire such status without contribution at the time of such loss.

(3) Provisions on management of shares

The Allotted Person shall complete the opening of an account with Nikko Securities SMBC Co., Ltd., in the manner designated by the company, in which the Allocated Shares are described or recorded, and shall keep and maintain the Allocated Shares in such account until the Transfer Restriction is terminated.

(4) Handling in organizational restructuring, etc.

In the event that, during the Transfer Restriction Period, a merger agreement in which we become an extinguished company, a share-for-share exchange agreement in which we become a wholly-owned subsidiary, a share transfer plan, or any other proposal relating to organizational restructuring has been approved at a general meeting of shareholders of us (or, if the approval of the general meeting of shareholders of us is not required for such organizational restructuring, at the meeting of our board of directors), we shall be able to terminate the Transfer Restriction immediately prior to the business day prior to the effective date of such organizational restructuring, or acquire the Allotted Shares without contribution as of the business day prior to the effective date of the said reorganization, etc.

5. Basis for Calculating the Amount to be Paid and the Specific Contents Thereof

The disposal value for this own stock disposal is 4,915 yen, which is the average daily closing value of our common stock on the Tokyo Stock Exchange for the last month of the month in which our board resolution date (January 28, 2022) belongs, in order to set the price free from arbitrariness.

About Bridgestone Corporation:

Bridgestone is a global leader in tires and rubber building on its expertise to provide solutions for safe and sustainable mobility. Headquartered in Tokyo, the company employs approximately 140,000 people globally and conducts business in more than 150 countries and territories worldwide. Bridgestone offers a diverse product portfolio of premium tires and advanced solutions backed by innovative technologies, improving the way people around the world move, live, work and play.

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