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Notice Concerning Introduction of Performance-Based Stock Compensation for Sustainability

Tokyo (March 23, 2022) - Bridgestone Corporation (the "Company") has announced that the Compensation Committee reviewed the performance-based stock compensation under the executive compensation plan and resolved to introduce Restricted Stock Units (the "Plan") as a new scheme within medium-to long-term incentives.

1. Purpose of Introduction of the Plan

The introduction of the Plan is intended to support the realization of sustainability and long-term business strategies and to further promote management execution from a shareholder perspective by providing shares directly as remuneration while in office, and this Plan is introduced as a part of 50% of the medium-to long-term incentives for our Executive Officers (including those who concurrently serve as Member of the Board; hereinafter referred to as "Recipients").

2. Outline of the Plan

The Company will provide the stock compensation and cash compensation to the Recipients, in accordance with the evaluation (non-financial evaluation of 0% to 120% of the qualitative target discussed and determined by the Compensation Committee) of the important items related to sustainability and transformation promotion for a certain period (hereinafter referred to as the "Evaluation Period"). In consideration of the amount of the income tax, etc. imposed on the Recipients, the Shares and the money provided will each be 50 percent of the entirety of the assets to be granted to the Recipients under the Plan. The Company will provide the monetary compensation receivables on the delivery date to the Recipients as the compensation to be allotted for the payment of the Shares to be delivered to the Recipients under the Plan. For the purpose of enhancing corporate value and shareholder value from a long-term perspective, the transfer restriction period is from the date of stock grant to the retirement of the Executive Officer subject to the grant, and the termination of the transfer restriction is the following day.

3. Formulas of Individual Number of Deliverable Shares and Individual Amount of Cash Payment

(1) Individual Number of Deliverable Shares

$$\boxed{\text{Base Remuneration by Position}} \times \boxed{\text{Achievement Rate (Sustainability Evaluation)}} \times \boxed{50\%} \div \boxed{\text{Company's share price}^{*1}}$$

(2) Individual Amount of Cash Payment

$$\begin{array}{|c|} \hline \text{Base Remuneration} \\ \text{by Position} \\ \hline \end{array} \times \begin{array}{|c|} \hline \text{Achievement} \\ \text{Rate} \\ \text{(Sustainability Evaluation)} \\ \hline \end{array} \times 50\% \div \begin{array}{|c|} \hline \text{Company's} \\ \text{share price}^{*1} \\ \hline \end{array} \times \begin{array}{|c|} \hline \text{Market value at the time} \\ \text{of termination of the} \\ \text{transfer restriction}^{*2} \\ \hline \end{array}$$

*1 Company's share price

- ✓ The average closing price of our common stock on the Tokyo Stock Exchange for the month before the resolution of our Board of Directors of the Company at which the issuance of the new Shares or the disposal of the Company's treasury shares for delivery of the Shares under the Plan is resolved after the Evaluation Period.

*2 Market value at the time of termination of the transfer restriction

- ✓ The closing price of our common stock on the Tokyo Stock Exchange on the date of retirement (the day before the termination of transfer restriction).

4. Other items of the Plan

(1) Evaluation Period

The evaluation period for fiscal 2022 is one year from the start date of fiscal 2022.

(2) Time of delivery

Delivery of shares to the Recipients subject to the issuance of shares shall be made after the completion of the Evaluation Period, and the payment of money shall be made at the time of termination of the transfer restriction.

(3) Method of delivery

Stock compensation will be provided in the way of issuing new shares or disposing the Company's treasury shares.

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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