

July 31, 2020

To All Concerned:

Company name: Mitsui & Co., Ltd.
Representative: President and CEO, Tatsuo Yasunaga
(Code No.: 8031)
Head Office: 2-1, Otemachi 1-chome, Chiyoda-ku, Tokyo

Notice Regarding Introduction of Share-Based Compensation Plan for Employees

According to the resolution of the Board of Directors on July 31, 2020 of Mitsui & Co., Ltd. (the "Company", Head Office: Tokyo, President and CEO: Tatsuo Yasunaga), the Company hereby announce the introduction of a share-based compensation plan for its employees (the "Plan").

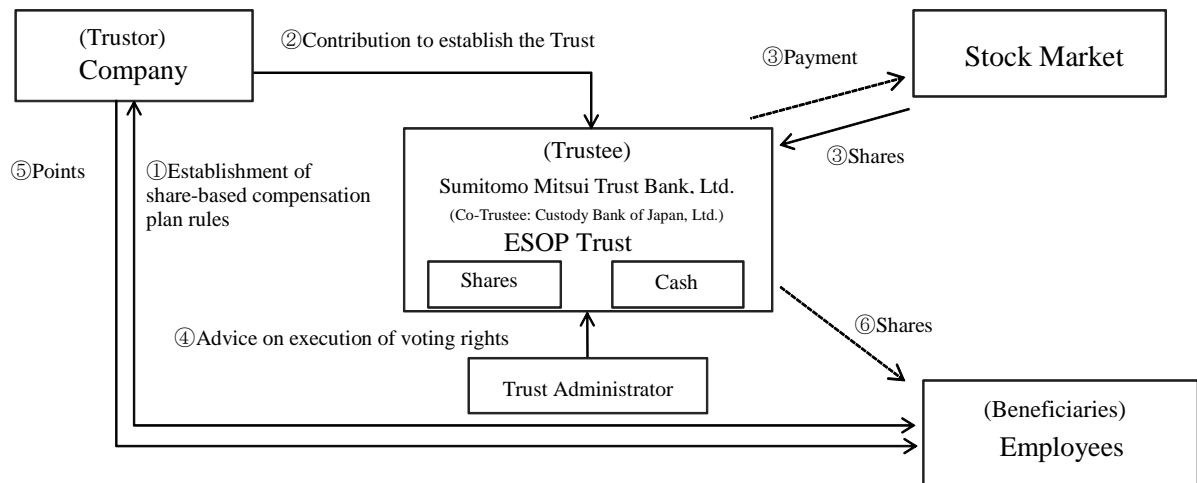
1. Objective of the introduction of the Plan

On May 1, 2020, the Company announced its new MVV (Mission, Vision and Values) and the Medium-term Management Plan 2023 with the theme of "Transformation and Growth". The Company strives to achieve the Medium-term Management Plan and to continue its growth and development under the drastically changing business environment. To this end, the Company has decided to introduce the Plan so that its diverse employees continue to work for "Transformation and Growth" together with its management based on the new MVV, and further strengthen our commitment to enhancing our corporate value over the medium-to-long term.

2. Overview of the Plan

The Plan is a trust-type employee incentive scheme based on the US ESOP (Employee Stock Ownership Plan) system. An ESOP trust (the "ESOP Trust") will be formed by the cash contributed by the Company. The shares of the Company acquired by the ESOP Trust will be granted to the Company's employees including non-managerial staff upon their retirement, based on the number of the points earned by each employee. The number of the points granted to the employees every fiscal year is linked to the qualifications/grade and personnel evaluations of each employee, reinforcing the Company's performance-and-achievement based policy. Toward increasing the value of the Company, it is expected that a sense of unity between employees and management will be further fostered, and that the engagement of the employee will be improved.

<Scheme of the Plan>



- ① The Company shall establish the rules of share-based compensation plan for the employee (the "Rules of the Plan")
- ② The Company shall set up an ESOP trust for its employees as the beneficiaries. The Company entrusts the trustee with the fund for acquiring the shares.
- ③ The trustee shall acquire from the stock market the number of the shares expected to be delivered to the employees in the future.
- ④ A trust administrator (who is independent of the Company and its officers) that protects the interests of the beneficiary throughout the trust period and oversees the trustee is appointed. Regarding the shares of the Company in the Trust, the trust administrator will instruct the trustee to exercise voting rights, and the trustee will exercise voting rights during the trust period based on the instructions.
- ⑤ The Company will grant points to employees based on the Rules of the Plan.
- ⑥ According to the points awarded, employees who meet the beneficiary requirements will receive the shares of the Company from the trustee. Sumitomo Mitsui Trust Bank, Ltd., as the trustee of the Plan, will entrust (retrust) the management of trust assets to Japan Custody Bank, Ltd.

3. Overview of the ESOP Trust

- ① Name: Stock grant trust for employees
- ② Trustor: Mitsui & Co., Ltd.
- ③ Trustee: Sumitomo Mitsui Trust Bank, Ltd. (Co-Trustee: Custody Bank of Japan, Ltd.)
- ④ Beneficiaries: Employees who meet requirements as beneficiaries
- ⑤ Trust Administrator: Third party that is independent of the Company and its officers is to be appointed
- ⑥ Exercising Voting Rights: The Trust Administrator will advise the exercise of voting rights
- ⑦ Type of Trust: Money trust other than a specified cash trust for separate investment
- ⑧ Date of Trust Contract: August 11, 2020 (Planned)
- ⑨ Date to Entrust Cash: August 11, 2020 (Planned)
- ⑩ Trust Period: August 11, 2020 – the end of August, 2023 (Planned)
- ⑪ Objective of Trust: Delivering the shares of the Companies to beneficiaries

4. Acquisition of the Company shares by the ESOP Trustee

- ① Type of shares: Common stock of the Company
- ② Cash entrusted for the acquisition of the shares: JPY 6.9billion
- ③ Mean of the share acquisition: Acquisition from the stock market
- ④ Timing of the share acquisition: August 11, 2020 - September 3, 2020 (Planned)

For further information, please contact:

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Notice:

This announcement contains forward-looking statements. These forward-looking statements are based on Mitsui's current assumptions, expectations and beliefs in light of the information currently possessed by it and involve known and unknown risks, uncertainties and other factors. Such risks, uncertainties and other factors may cause Mitsui's actual results, financial position or cash flows to be materially different from any future results, financial position or cash flows expressed or implied by these forward-looking statements. These risks, uncertainties and other factors referred to above include, but are not limited to, those contained in Mitsui's latest Annual Securities Report and Quarterly Securities Report, and Mitsui undertakes no obligation to publicly update or revise any forward-looking statements. This announcement is published in order to publicly announce specific facts stated above, and does not constitute a solicitation of investments or any similar act inside or outside of Japan, regarding the shares, bonds or other securities issued by us.