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To whom it may concern:

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## **Notice Concerning Revision of the Stock Compensation System in Line with the Revision of the Officer Compensation System**

Mitsui Fudosan Co., Ltd. (the “Company”) hereby announces that the Company resolved to revise its current stock compensation system (the “Revision”) for directors (“Eligible Directors”), excluding outside directors, at the Board of Directors’ meeting held on March 27, 2025. Brief details are provided as follows.

The Company plans to submit details of the Revision at its 113th Ordinary General Shareholders’ Meeting (the “Shareholders’ Meeting”) to be held on June 27, 2025.

### **1. Background and Overview of the Revision**

Mitsui Fudosan formulated & INNOVATION 2030, the Group’s Long-Term Vision, in April 2024. In light of the need to encourage contributions that help realize this Long-Term Vision, the Company undertook a review of its officer compensation system. As a part of this review, steps will be taken to revise the stock compensation system.

The resolution to introduce the Company’s current restricted stock compensation system was approved at the 108th Ordinary General Shareholders’ Meeting held on June 26, 2020. More recently, the resolution to change the maximum total number of restricted common shares granted (“RS”) and allotted to Eligible Directors as well as the associated maximum amount of monetary compensation receivables payable for the allotment of “RSs” was approved at the 112th Ordinary General Shareholders’ Meeting held on June 27, 2024.

Mitsui Fudosan has historically worked to expand the ratio of stock compensation with the aim of encouraging Eligible Directors to continuously enhance the Group’s corporate value and to promote the sharing of further value with shareholders. Recognizing the benefits to accrue from further enhancing the operability of the stock compensation system, the Company has also decided to introduce restricted stock units (“RSUs”) in a bid to secure funds for taxes payable at the time RS transfer restrictions are lifted.

While stock compensation payable under the current system is limited to an RS-based allotment after the lifting of transfer restrictions at the time of Eligible Director retirement as well as the payment of monetary compensation receivables to be paid by Eligible Directors upon the subject RS-based allotment, the payment of stock compensation will additionally consist of an RSU-based monetary payment under the new system (the “System”).



## 2. System Framework and Mechanism

### (1) Overview of RSs

Eligible Directors will pay the total amount of monetary compensation receivables paid by the Company as property contributed in kind under the System and will be issued with or dispose of RSs. The specific timing of payment and allotment to each Eligible Director will be determined by the Board of Directors.

The amount to be paid per share of RS newly issued or disposed of by the Company will be determined by the Board of Directors under the System based on the closing price of the Company’s common shares on the Tokyo Stock Exchange on the business day immediately prior to the date of each Board of Directors’ resolution, to the extent that the amount does not especially favor Eligible Directors receiving an RS allotment.

In addition, the issuance or disposal of RSs under the System will be subject to the execution of a restricted stock allotment agreement between the Company and Eligible Directors, which stipulates certain terms and conditions, including ① Eligible Directors will be prohibited from transferring to a third party, setting collateral rights for, or otherwise

disposing of RSs up to the point of retirement from the position of director, etc. of the Company and ② the Company will acquire RSs gratis in the case where Eligible Directors resign for reasons other than justifiable grounds, a serious breach of laws or regulations, or in the event that certain other circumstances arise.

Other items concerning the restricted stock allotment agreement will be determined by the Board of Directors of the Company.

(2) Overview of RSUs

Granted by the Company, Eligible Directors will receive RSUs, which are rights that are economically similar to Mitsui Fudosan's common share, based on the System. Upon retirement from their position as director, etc. of the Company, Eligible Directors will receive a monetary payment in an amount that is equivalent to the number of granted RSUs multiplied by the closing price of the Company's common share on the Tokyo Stock Exchange at the time of retirement. The specific timing and allotment of RSUs granted to each Eligible Director will be determined by the Board of Directors.

In addition, the granting of RSUs under the System will be subject to the execution of an agreement on the granting of restricted stock units between the Company and Eligible Directors, which stipulates certain terms and conditions, including ① Eligible Directors will be prohibited from transferring to a third party, setting collateral rights for, or otherwise disposing of RSUs and ② RSUs will be cancelled as a matter of course in the case where Eligible Directors resign for reasons other than justifiable grounds, a serious breach of laws or regulations, or in the event that certain other circumstances arise.

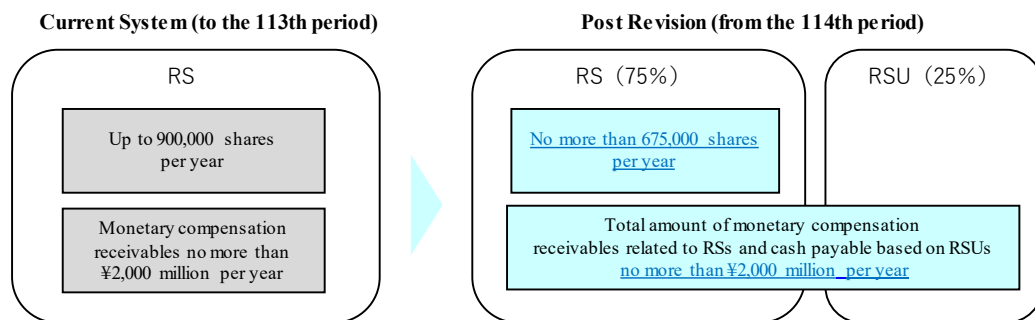
Other items concerning the agreement on the granting of restricted stock units will be determined by the Board of Directors of the Company.

(3) Maximum stock compensation

In principle, the ratio for the number of RSs and RSUs is set at 75%:25% under the System. However, for payments to individual Eligible Directors, the ratio of RSUs will be set at 100% in the fiscal year the Eligible Director retires.

Stock Compensation Details	Percentage Share of the Number of RSs and RSUs
RS	75%
RSU	25%

The maximum amount of compensation under the System is as follows: ① the total number of RSs will be no more than 675,000 shares per year, which is 75% of the 900,000 shares per year already approved under the current system and ② the total amount of monetary compensation receivables related to RSs and cash\* related to RSUs will be no more than ¥2,000 million per year already approved under the current system.



\* One RSU is equivalent/converted to one common share.

While no maximum amount for the total number of RSU units alone has been set, the total number of RSs and RSUs will as a rule not exceed 900,000 shares per year.

(Reference)

The System will also be introduced for managing officers and Group officers both of whom do not concurrently serve as directors of the Company if approved by shareholders at the Ordinary General Shareholders' Meeting.