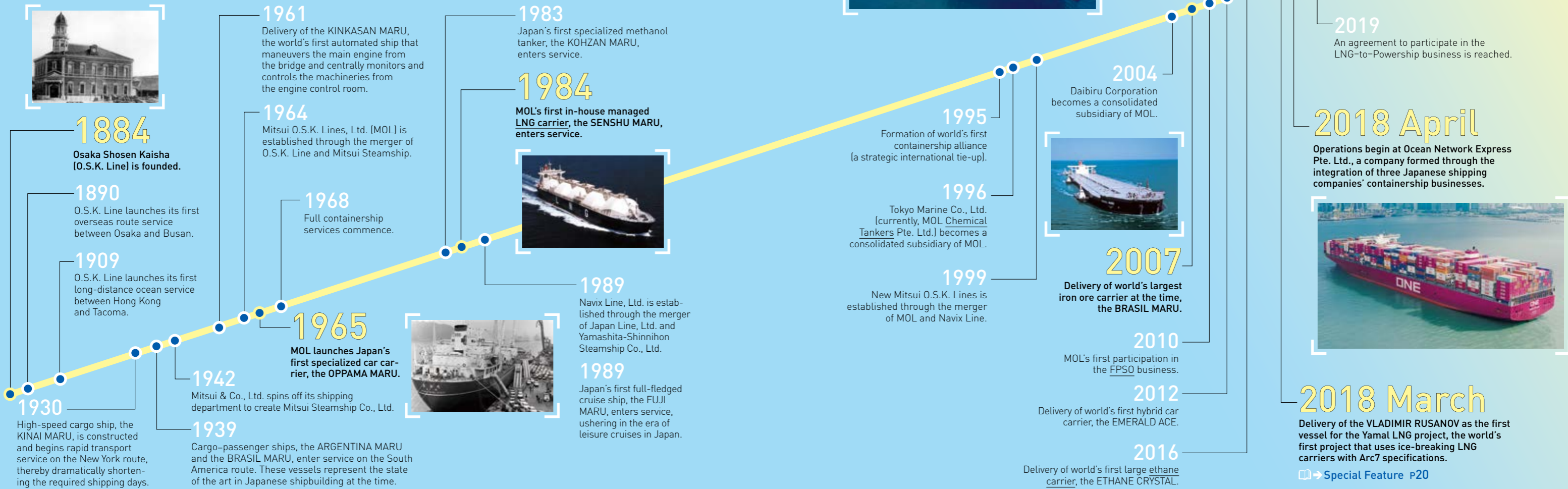


Our Foundation

MOL's History: "Spirit of Challenge and Innovation"

Throughout its more than 130 years of history, MOL has grown into one of the world's largest full-line marine transport groups by constantly anticipating the needs of its customers and future demand, while overcoming various challenges along the way. What has enabled this is MOL's "spirit of challenge and innovation." MOL will continue to nurture this spirit as it heads into the next 130 years.



Self-Reinvention to Adapt to External Changes

1884 – 1945

Formed as a group of small-sized ship owners coming together in order to survive as a business, MOL advances and expands into overseas routes.

The founding of MOL can be traced back to Osaka Shosen Kaisha (O.S.K. Line), which was established in 1884 by ship owners in the Seto Inland Sea area and their in-kind contributions of 93 vessels. At that time, the *sakoku* (closed country) era of Japan had come to an end, and the Meiji Restoration was already underway. Accordingly, the need for marine transport on both domestic and overseas routes rose dramatically. The Company had actively expanded into coastal shipping routes by the 1890s and successfully launched its first long-distance ocean service around 1910. In these ways, the Company has grown as a foundation underpinning the development of foreign trade in Japan.

1946 – 1999

MOL grows into a world-leading full-line marine transport group amid the postwar recovery and rapid economic expansion of Japan.

Many Japanese merchant shipping fleets were destroyed during World War II. Amid Japan's successful recovery from the devastation of war, MOL became an integral part of the development of the Japanese economy through its marine transport services. While doing so, the Company grew into a full-line marine transport group that possesses a wide range of vessels. The Company worked to promptly respond to the need for specialized and large-sized vessels and repeatedly took on challenges from a technological standpoint, including launching the world's first automated vessel that centrally controls the main engine from the engine control room and Japan's first specialized car carrier. This approach enabled MOL to create new value and opened up the opportunities for business field expansion.

2000 – 2008

MOL actively invests in natural resources and energy transport fields in anticipation of economic development and the rising demand for natural resources in China.

After the 1999 merger with Navix Line, which was particularly strong in transporting natural resources and energy, MOL aggressively invested in these fields, predicting China's economic development and increased demand for natural resources. The Company continued to scale up its fleet of dry bulkers including iron ore and coal carriers and tankers, which transport commodities such as crude oil and petroleum products. Reaping the benefits of these upfront investments, profit in fiscal 2007 reached a record high, thanks to the unprecedented boom in marine transport that was driven by the rapid expansion of imports in China.

2009 –

MOL implements its bold Business Structural Reforms in response to the rapidly changing business environment. Further, MOL transitions into a marine transport group that fits the needs of the new era.

Against the backdrop of a global economic slowdown and the oversupply of vessels, the shipping market stumbled and has continued to struggle with ongoing stagnation. To respond to the increasingly difficult business environment, MOL implemented the Business Structural Reforms, which targeted the dry bulk business and carried out the integration of the containership businesses of three Japanese shipping companies. Additionally, the Company invested preferentially in its areas of strength, including the LNG carrier and offshore businesses, while working to expand into the new fields of environmental and emission-free businesses to meet the needs of the new era. In these ways, MOL will continue to pursue challenge and innovation as a global leader in marine transport.

Value Creation Model

Through a two-pronged approach that involves the management plan, called "Rolling Plan," and initiatives toward the sustainability issues, the MOL Group aims to realize its 10-year vision to "Become a Group of Business Units with No. 1 Competitiveness in Respective Areas." At the same time, by providing unique, high-quality transport services, the Group is working to resolve social issues and increase corporate value as an indispensable lifeline that supports people's daily lives and industries.

Customers and Society

- Marine and Global Environmental Conservation
- Innovation for Development in Marine Technology
- Value-Added Transport Services
- Human Resource Cultivation and Community Development
- Governance and Compliance to Support Businesses

MOL's Sustainability Issues (Materiality)
 P26

Contributing to the Sustainable Development Goals (SDGs) through addressing social issues to minimize our negative impact on society and maximize our social value



Value-Added Transport Services P28

Realizing High-Quality Transport Services That Support People's Daily Lives and Industries

- Offer safe and stable transportation
- Provide highly economical solution to customers through large-volume and bulk transport services
- Provide high-quality transport services that meet customer needs
- Contribute to establishment of energy infrastructure in emerging countries

PDCA Cycle Based on Changes in the External Environment

Management Plan "Rolling Plan 2019"
 P12

- Concentrated investment of management resources in the business fields where MOL has strengths, which will mainly be offshore businesses
- Provision of "stress-free services," which MOL will offer from the customer's perspective
- Promotion of environmental strategies and development of the emission-free business into a core business

10-Year Vision

Become a Group of Business Units with No. 1 Competitiveness in Respective Areas

Continue to accumulate highly stable profits while ensuring other variable profits

- Marine and Global Environmental Conservation P32
- Innovation for Development in Marine Technology P36
- Human Resource Cultivation and Community Development P38
- Governance and Compliance to Support Businesses P49

- Marine Technical Skills Safe Operation
- ICT
- Technological Development
- Human Resources
- Governance

MOL's Business Foundation