

March 31, 2023

To whom it may concern:

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**Notice of MOL Group Corporate Management Plan “BLUE ACTION 2035”**

TOKYO—Mitsui O.S.K. Lines, Ltd. (hereinafter “MOL”; President & CEO: Takeshi Hashimoto) hereby announces that the Company has formulated a new MOL Group Corporate Management Plan “BLUE ACTION 2035.” From FY2017, the Company had been formulating management plans each year to improve its financial position and reform its business portfolio.

MOL Group Corporate Management Plan “BLUE ACTION 2035” represents our main direction in realizing the Group Vision for 2035, by changing the previous rolling approach and further developing the conception and initiatives outlined in Rolling Plan 2022. MOL Group will steadily implement the action plans based on this management plan.

END

[REFERENCE PURPOSE ONLY]

This document has been translated from the Japanese original for reference purposes only.

In case of any discrepancy or inconsistency between this document and the Japanese original, the latter shall prevail.

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MOL Group Corporate Management Plan

# BLUE ACTION 2035

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Taking the leap to becoming a global  
social infrastructure company

March 31, 2023



# The meaning behind **BLUE ACTION 2035**

We, Mitsui O.S.K. Lines Group, which aims to achieve new growth while expanding its field as a social infrastructure company with its origins in the sea, has symbolically named this challenge "BLUE ACTION\*" while valuing the preciousness of the ocean and the global environment.

We have also put it on the name of our new management plan with its target year of 2035.

\* Since October 2022, our company has made corporate growth compatible with a sustainable society  
A generic term for MOL Group's sustainable actions  
The company is running a PR promotion titled BLUE ACTION MOL.

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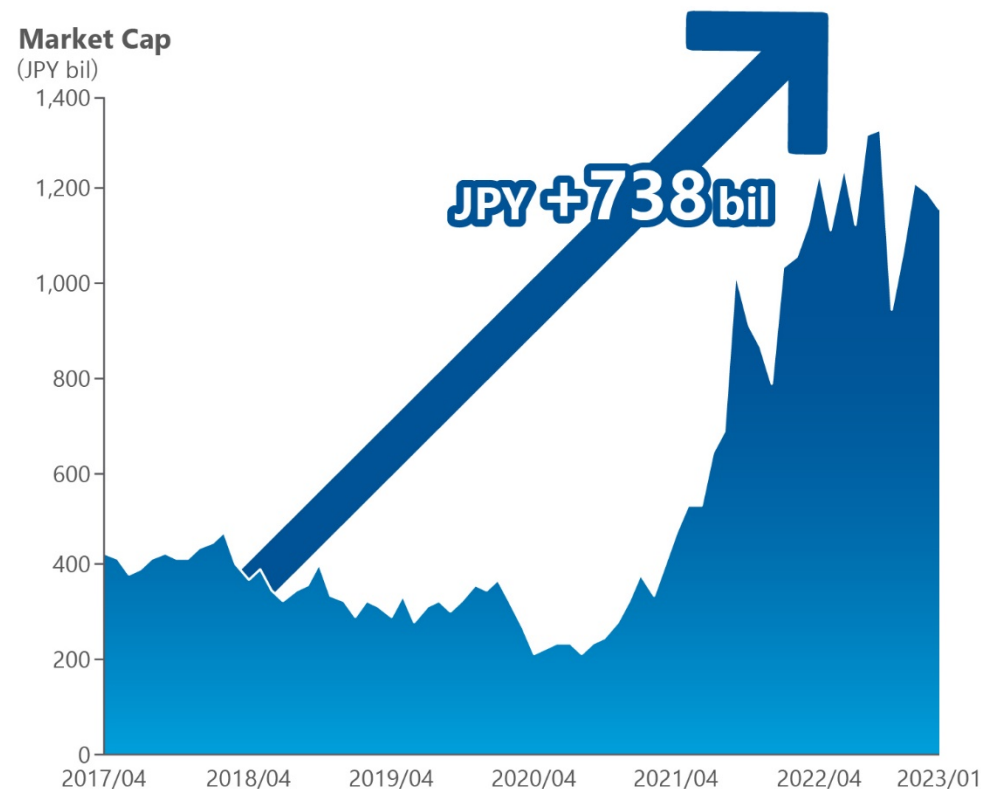
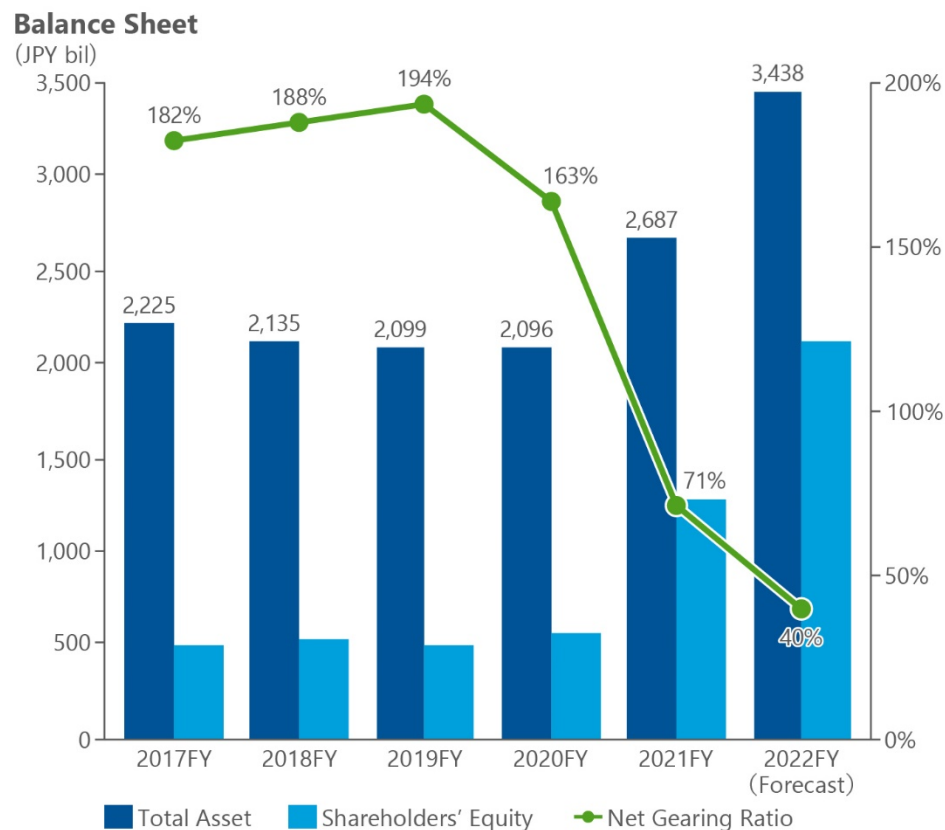
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## **Introduction - Review of Rolling Plan and Overview of Sustainability Management**

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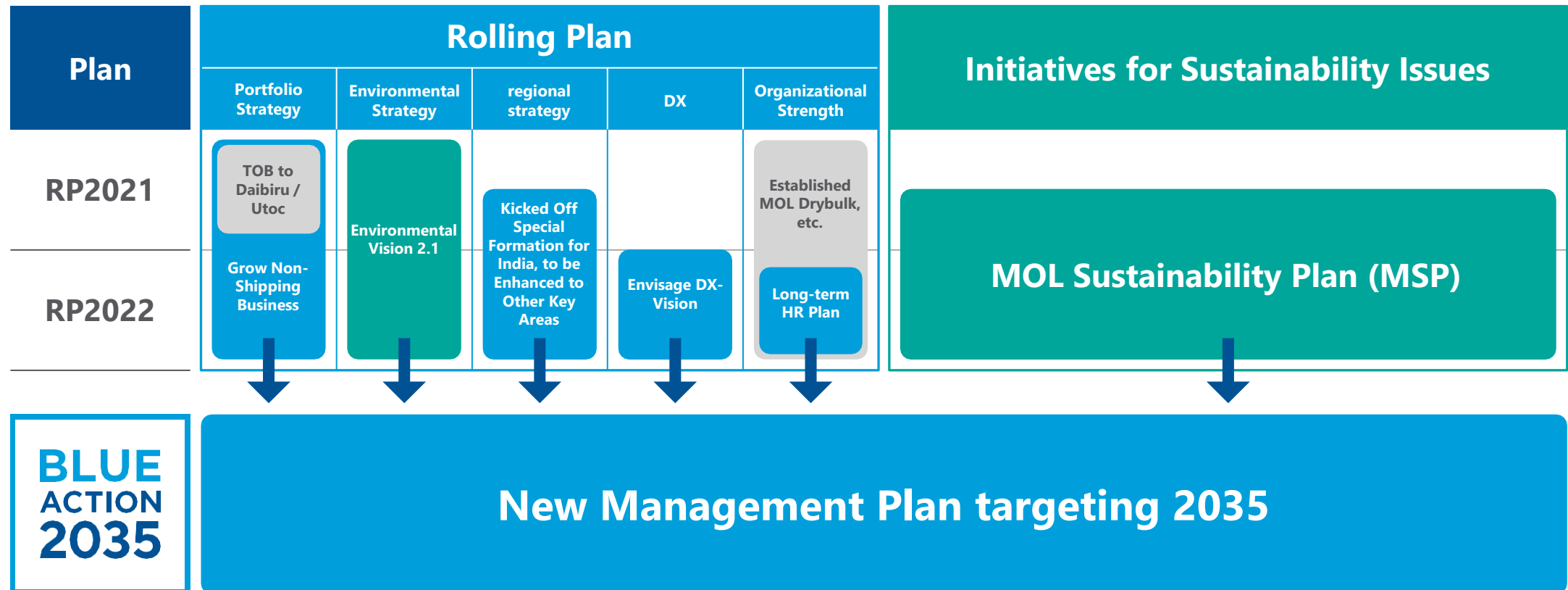
# Introduction – Review of Rolling Plan (1)

6 years have passed since we started a rolling approach management plan in FY2017 and our financial condition has improved significantly since then. It is time for our group to anticipate the next stage and set new goals.



# Introduction - Review of Rolling Plan (2)

In the new corporate management plan, we will change the previous rolling approach. While continuing to develop 3 core strategies (portfolio, environment, and region), we will focus on presenting a trend towards realizing the Group Vision with a medium to long-term strategy.



# Introduction - Overview of Sustainability Management

The implementation of BLUE ACTION 2035 supported by Corporate Mission and Values "MOL CHARTS" leads to the resolution of sustainability issues, which in turn leads to an increase of our corporate value and the realization of the Group Vision.



## Group Corporate Mission

From the blue oceans, we sustain people's lives and ensure a prosperous future.

## Group Vision

We will develop a variety of social infrastructure businesses in addition to traditional shipping businesses, and will meet evolving social needs, including environmental conservation, with innovative technology and services.

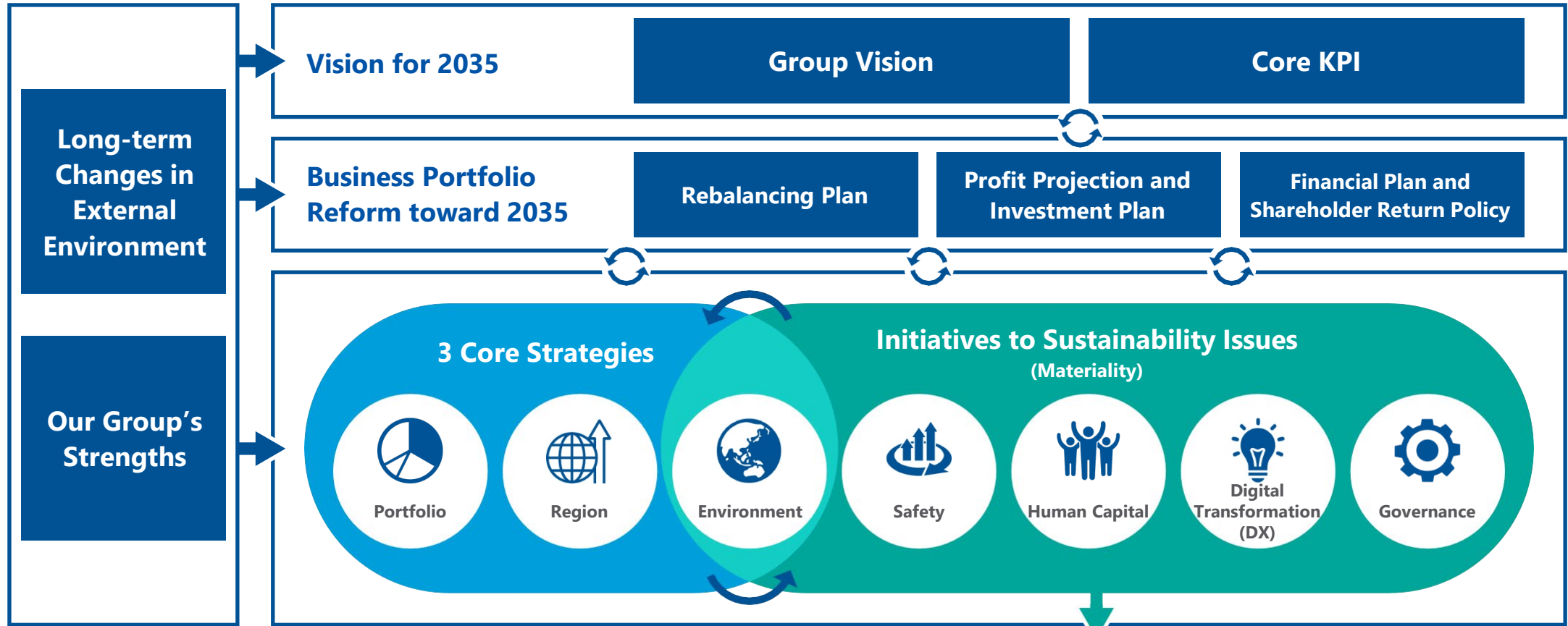
The MOL group aims to be a strong and resilient corporate group that provides new value to all stakeholders and grows globally.

## Values MOL CHARTS

Challenge / Honesty / Accountability / Reliability / Teamwork / Safety

# Introduction - Overview of BLUE ACTION 2035

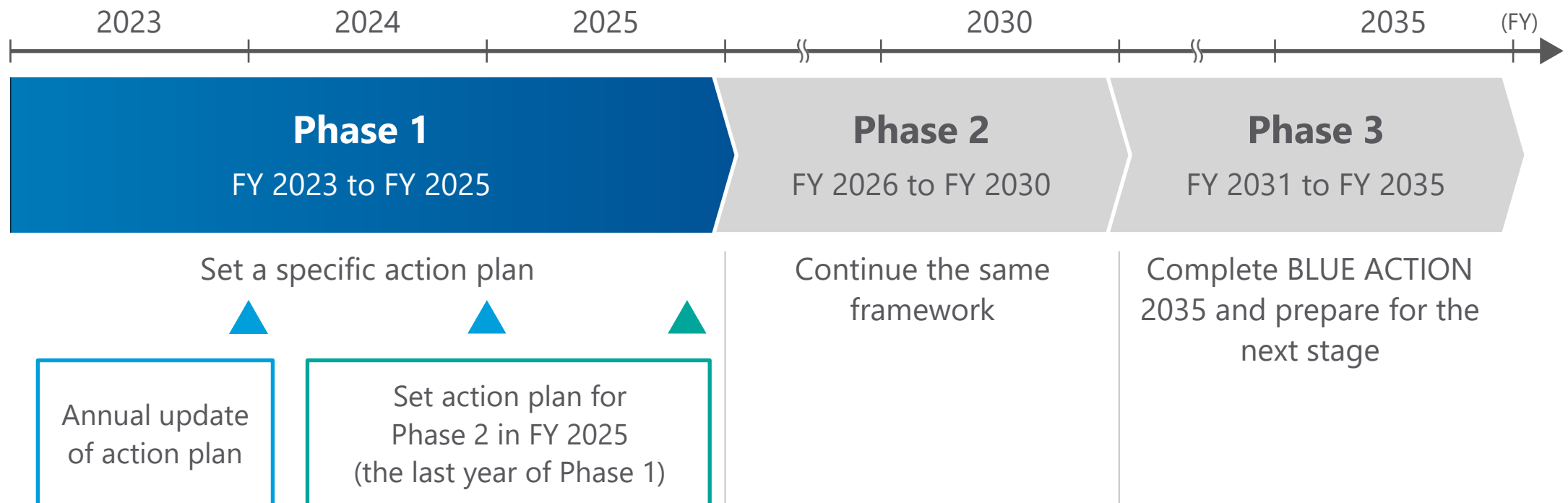
"3 Core Strategies" taken over from Rolling Plan 2022 and the 5 most important items in the "Initiatives to Sustainability Issues," which is regarded as the foundation for the implementation of the 3 Core Strategies, will be placed at the center of BLUE ACTION 2035.





# Introduction - Progress Monitoring Policy **BLUE ACTION 2035**

- We have set a target timeframe to realize the Group Vision for FY 2035 and divided the timeframe into 3 phases.
- “What We Want to Be in 2035” and “Target Business Portfolio” will be maintained through Phase 1.
- Regular monitoring of Core KPIs and annual update of action plans will commence in FY 2024.



# 1

## Long-term Changes in External Environment

The business environment surrounding our group is changing rapidly.

In BLUE ACTION 2035, we have carried out a long-term megatrend analysis to envision the world and social structure of the future.

### Key points of the long-term megatrend analysis



#### Long-term changes in macro external environment

- Slow growth in global economy
- Countermeasure to climate change
- Energy shift (progress in electrification: increase of renewable energy)
- Advances in technology
- Population growth/Change in population percentage in regions
- Increased geopolitical risks
- Change and diversification of people's values



#### Impact on our group's business environment

- Slow growth in demand for transportation
- Strengthening environmental regulations
- Development of circular economy and local production for local consumption
- Improved energy efficiency, shrinking demand for fossil fuel
- Shift in the center of gravity of economic growth
- The rise of protectionism
- Rebuilding the supply chain
- Growing share of intangible service consumption in economic growth
- People's shift from quantitative wealth to qualitative affluence
- Expansion of impact investments

## Our Group's Strengths

For almost 140 years since our foundation, our group has used the sea as its main stage to build relationships with various countries, companies, and people worldwide and to take on new business challenges. In BLUE ACTION 2035, we have reconfirmed our strengths which have been fostered through a history of challenges.



### Strengths fostered by our group

- Track record in providing safe and stable transportation services as a multimodal shipping company
- Strong partnerships with the world's leading companies, trust from customers and society
- Global group networks and the talented people who work there
- Strong financial base to support business sustainability



### What our group has always valued

- Customer-oriented ethos
- Steady improvement of safe and reliable operations
- Strong sense of mission to build social infrastructure and a challenging spirit



### Unite strengths and realize what we want to be

- Lead the industry and customers by anticipating social needs
- Expand business domains globally and deliver new value to the world
- Create conventional economic value as well as social value

## Vision for 2035 (1) Group Vision

3 Core Strategies and Initiatives for Sustainability Issues in Realizing Group Vision

### 1 Develop a variety of social infrastructure businesses in addition to traditional shipping businesses



#### What we want to achieve

- Reform to a portfolio that can maintain profitability even during a shipping recession
- Pursue both investment for growth and a yield that meets shareholders' expectations (ROE 9 ~ 10%)

#### Business Size and Portfolio in FY2035

- 400 billion yen of profit before tax/7.5 trillion yen of total assets
- Market Driven Business : Stable Revenue Business = 40 : 60 @asset ratio

Portfolio Strategy

Regional Strategy

Environmental Strategy

### 2 Meet the evolving social needs, including environmental conservation, with innovative technology and services



Environmental Strategy

Environment

Safety

Digital Transformation (DX)

### 3 Be a strong and resilient corporate group that provides new value to all stakeholders and grows globally.



Regional Strategy

Human Capital (HC)

Digital Transformation (DX)

Governance

# 3

## Vision for 2035 (2) Core KPI settings

Envision what we want to be from multiple perspectives by Core KPIs and monitor the progress of corporate management plan

Initiatives	Key Points of Phase 1 (~2025)	What we want to be in 2035	
<b>Overall</b>	Pursue both investment for growth and a yield that meets shareholders' expectations (ROE 9 ~ 10%)	See slide 11.	Financial KPI
<b>Portfolio</b>	Measure and manage business profitability by segment ROA and company-wide capital costs	Reform to a portfolio that can maintain profitability even during a shipping recession	
<b>Region</b>	Shift to an organizational structure to promote business globally which supports portfolio Reform	Demonstrate presence in the global market as a global social infrastructure company	
<b>Environment</b>	Implement and accelerate Initiatives 1 – 5 to achieve the MOL Group Environmental Vision	Achieve GHG reduction targets set forth in the MOL Group Environmental Vision	Non-Financial KPI
<b>Safety</b>	Continuously achieve "4 Zero*" with innovation for our initiatives in safety	Establish a safety culture across regions and business units	
<b>Human Capital</b>	Centralize human capital planning across global MOL group as well as headquarters	Support achieving Group Vision from a human capital perspective	
<b>Digital Transformation</b>	Focus on changes in "Business" and "Culture"	Be a leading company using digital power to address social issues not limited to shipping	

\* 4 Zero = Zero for serious marine accidents, marine pollution caused by oil pollution, fatal industrial accidents, and serious cargo accidents

## 3

## Vision for 2035 (2) Core KPIs

Milestones in the final years of Phase 1 and 2 and Goal for the final year of Phase 3

KPI		FY2022 Forecast	Phase 1 FY2025	Phase 2 FY2030	Phase 3 FY2035
Financial KPI	Profit before tax (unit: JPY)	785 bil*1	240 bil	340 bil	400 bil
	Net Gearing Ratio*2	0.83	0.9~1.0		
	ROE	47.5%	9~10%		
Non-Financial KPI	Environment GHG emissions intensity reduction rate (Compared to 2019)	▲3.6% (Results in 2021)	-	-	▲45%
	Safety 4 Zero*3	Unachieved (One fatal accident)	Achieve		
	Human Capital Percentage of female employees in managerial positions (Office workers, non-consolidated)	9.2%	15%	[Reset by the end of Phase 1]	
		Percentage of MGKP*4 incumbents (Female/Non-HQ/Under 40s)	5%/20%/10%		
DX Conversion rate to value creation and safety work (cumulative)	-	10%	20%	30%	

\*1 FY2022 forecast shows ordinary profit. (Forecast as of FY2022 3Q)

\*2 The amount of interest-bearing liabilities is assumed to include off-balance assets (approx. 900 billion yen) such as charter hire liabilities that should be factored-in after IFRS is adopted.

\*3 4 Zero = Zero for serious marine incidents, oil pollution, fatal accidents and serious cargo damage

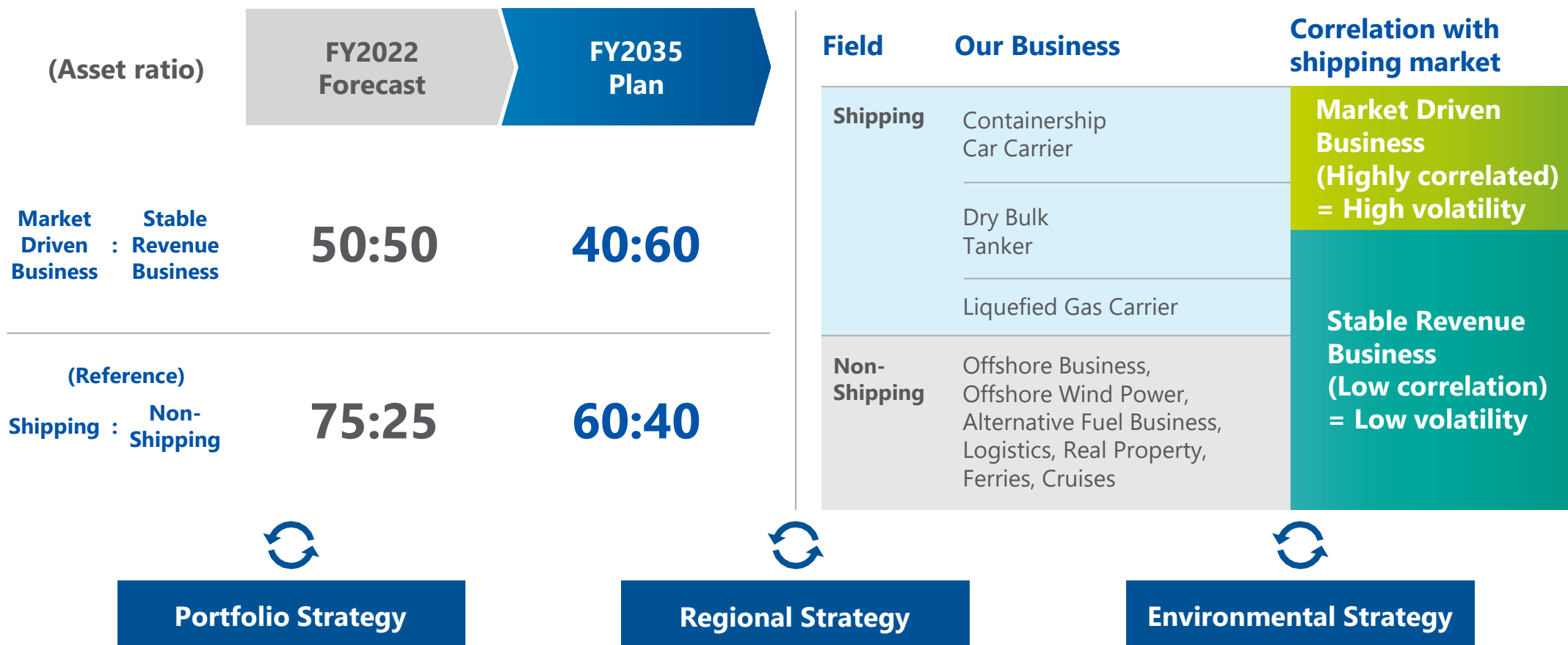
\*4 MOL Group Key Positions, designated as equivalent to General Manager in Head Office, to be appointed and managed centrally across the group

# 4

## Business Portfolio Reform towards 2035 (1) Basic Policies

Concept focusing on "Profitability" and "Volatility"

In the market driven business, we will pursue high returns during booms in the shipping market, whilst increasing the weight of the stable revenue business, to ensure profitability even during recession periods. In the stable revenue business, we will further grow not only long-term contracts for shipping but also the non-shipping business that we have been accelerating since the Rolling Plan.

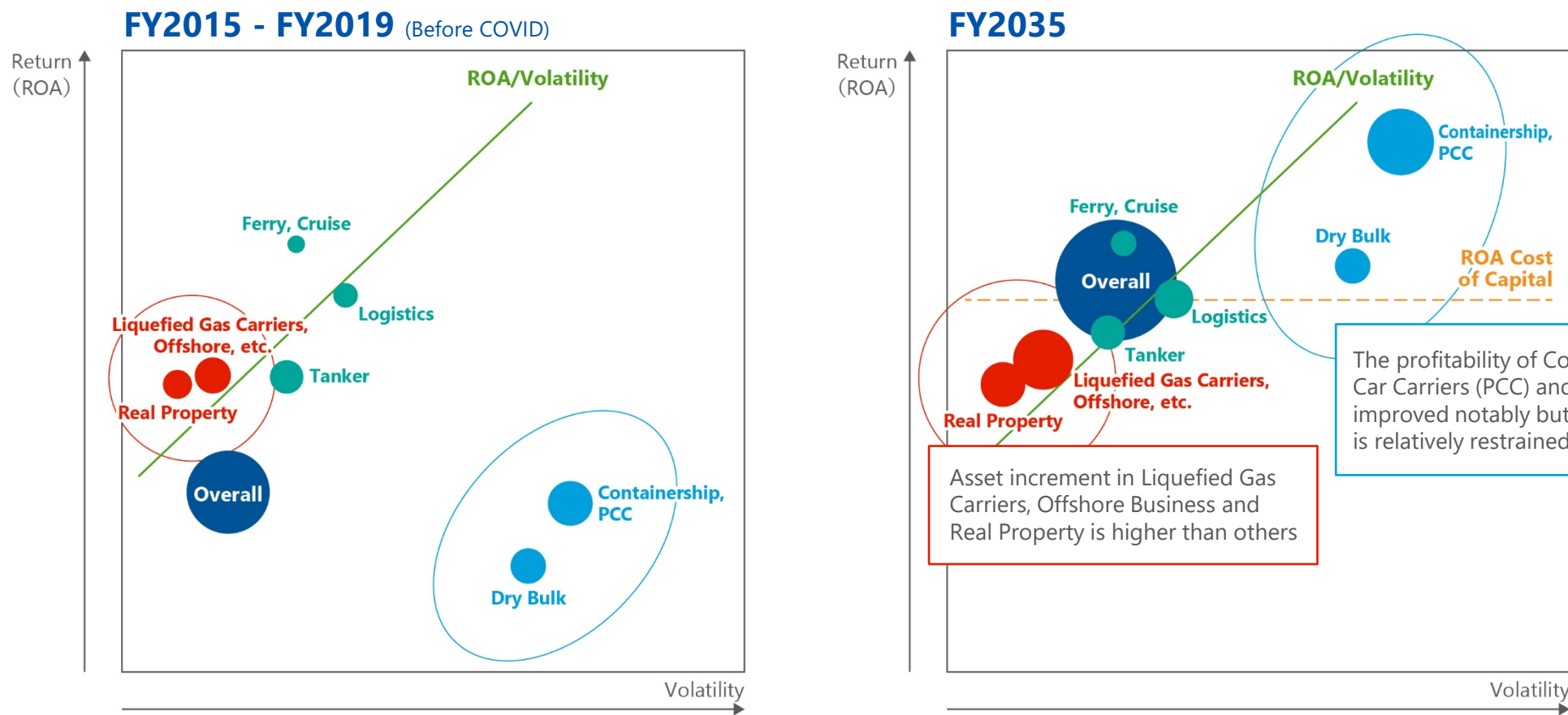


# 4

## Business Portfolio Reform towards 2035 (2) Rebalancing Plan

Rebalancing in terms of profitability and volatility

Taking into account the growth potential and the alignment with our environmental strategy for each business, we will proceed with asset rebalance so that the profitability of the entire company exceeds the volatility, and achieves both risk-taking through increased investment and a business portfolio that can maintain profitability even during recessions in the shipping market.



\*The size of the circle indicates the amount of total invested assets

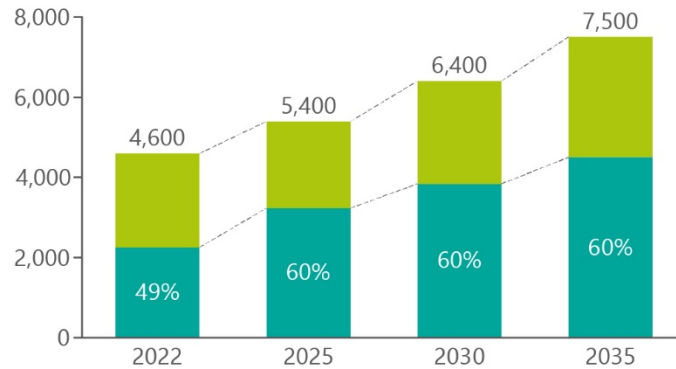


## Business Portfolio Reform towards 2035 (2) Rebalancing Plan

### Breakdown of asset allocation

While total assets will increase, the breakdown of asset increments will be more skewed to the stable revenue business, with a balanced profit structure.

**Asset Ratio Trend** (Billions of Yen)

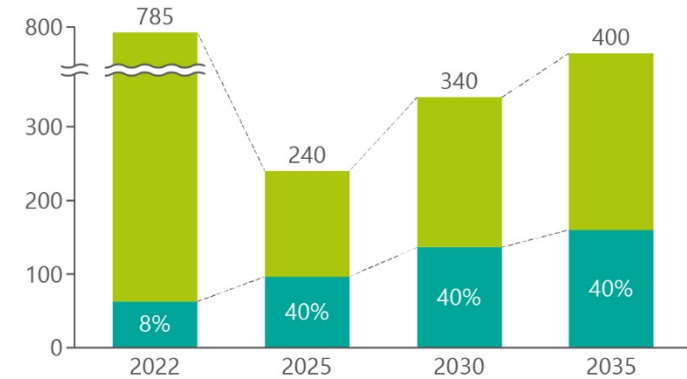


**Market Driven : Stable Revenue**

Asset ratio in 2035 40:60  
(Profit ratio 60:40)

- Market Driven Business
- Stable Revenue Business

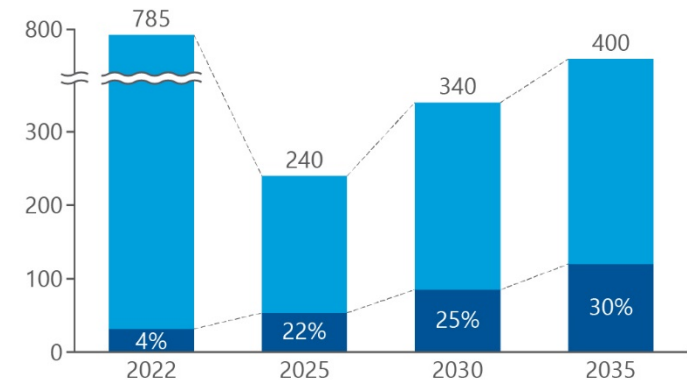
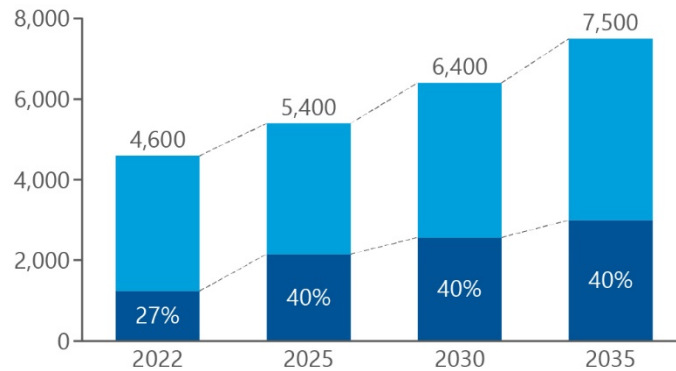
**Profit Ratio Trend** (Billions of Yen)



**(Reference) Shipping: Non-Shipping**

Asset ratio in 2035 60:40  
(Profit ratio 70:30)

- Shipping
- Non-Shipping



(Note) Results in Dry Bulk and Tanker are allocated to market driven business and stable revenue business.

# Business Portfolio Reform towards 2035 (3) Profit Projection

Profit level at the end of each Phase (profit before tax)

(Unit: billions of yen)	FY2022*1	FY2025	FY2030	FY2035
Dry Bulk Business	58.0	25.0	29.0	31.0
Energy Business*2	42.0	70.0	84.0	96.0
Product Transportation Business	675.0	124.0	195.0	225.0
(Of which, containership business)	(591.0)	(67.0)	(140.0)	(160.0)
Wellbeing Lifestyle Business	8.0*1	19.0	29.0	45.0
Associated Business and Others	2.0	2.0	3.0	3.0
<b>Total (A)</b>	<b>785.0</b>	<b>240.0</b>	<b>340.0</b>	<b>400.0</b>
<b>Projected Total Assets*3 (B)</b>	<b>4600</b>	<b>5400</b>	<b>6400</b>	<b>7500</b>
<b>ROA (A)/(B)</b>	<b>17.9%</b>	<b>4.4%</b>	<b>5.3%</b>	<b>5.3%</b>
(Reference)				
Profit from Stable Revenue Business/Ratio	62.0/8%	96.0/40%	136.0/40%	160.0/40%
Profit from Non-Shipping Business/Ratio	32.0/4%	54.0/22%	86.0/25%	120.0/30%

\*1 Figures in FY2022 indicate ordinary profit as of FY2022 3Q. In FY2022, profit in Wellbeing Lifestyle Business consists of real property business only.

\*2 The steaming coal transportation business and the chemical tanker business, both of which belong to multiple business units, are included in the "Energy Business."

\*3 Off-balance sheet assets under J-GAAP such as future charter fees are provisionally calculated and factored-in. Precise calculation in accordance with IFRS will be verified later.

# Business Portfolio Reform towards 2035 (4) Investment Plan

## Breakdown in Phase 1

Towards 7.5 trillion yen in total assets projected by FY2035, we intend to invest approx. 3.8 trillion yen in total for Phase 1/2/3, including 1.2 trillion yen in Phase 1.

### Guidelines for Investment Amount by Business Units (On a cash-out basis. M&A, including deals led by regional organizations.)

(Unit: billions of yen)	Market Driven Business	Stable Revenue Business	Total	(Investment aligned with Environmental Strategy)
Dry Bulk Business	70.0	40.0	110.0	(88.0)
Energy Business	110.0	420.0	530.0	(440.0)
Product Transportation Business	120.0	160.0	280.0	(100.0)
Wellbeing Lifestyle Business	-	275.0	275.0	(22.0)
Others	-	5.0	5.0	-
<b>Total</b>	<b>300.0</b>	<b>900.0</b>	<b>1,200.0</b>	<b>(650.0)</b>

\* Not including reinvestment by equity method affiliates

\* Includes investments which have been already decided (approx. 540 billion yen)

### Policy in Rolling Plan 2022

- Payout ratio: 25%



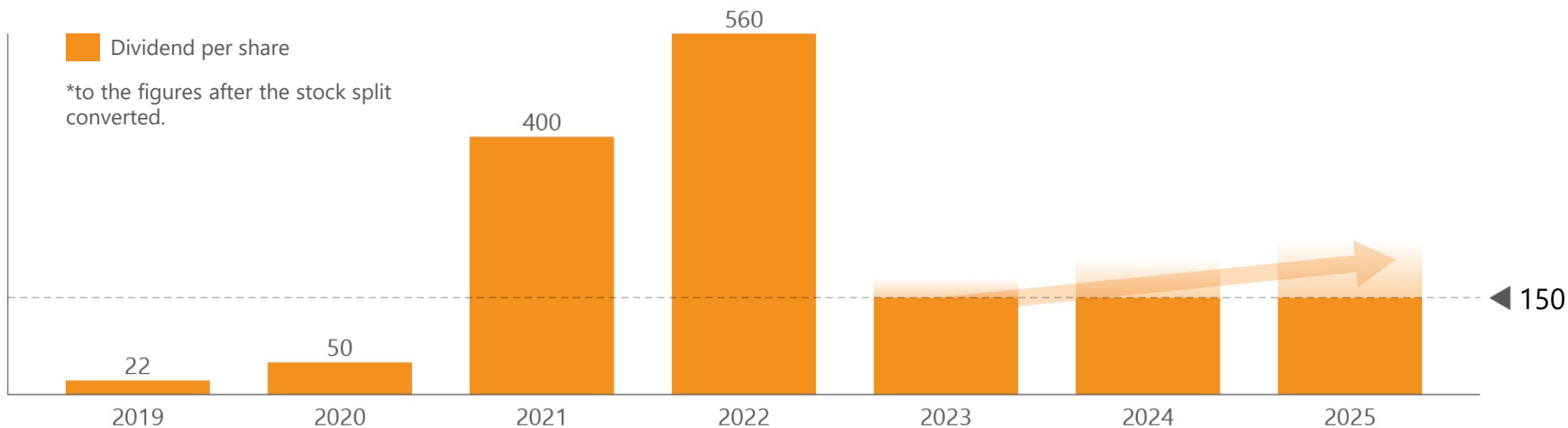
### Policy in Phase 1 of BLUE ACTION 2035

- Payout ratio: 30%
- Minimum guaranteed dividend: 150 yen per share
- Potential share buybacks subject to business environment

### Payout Ratio



(Yen per share)



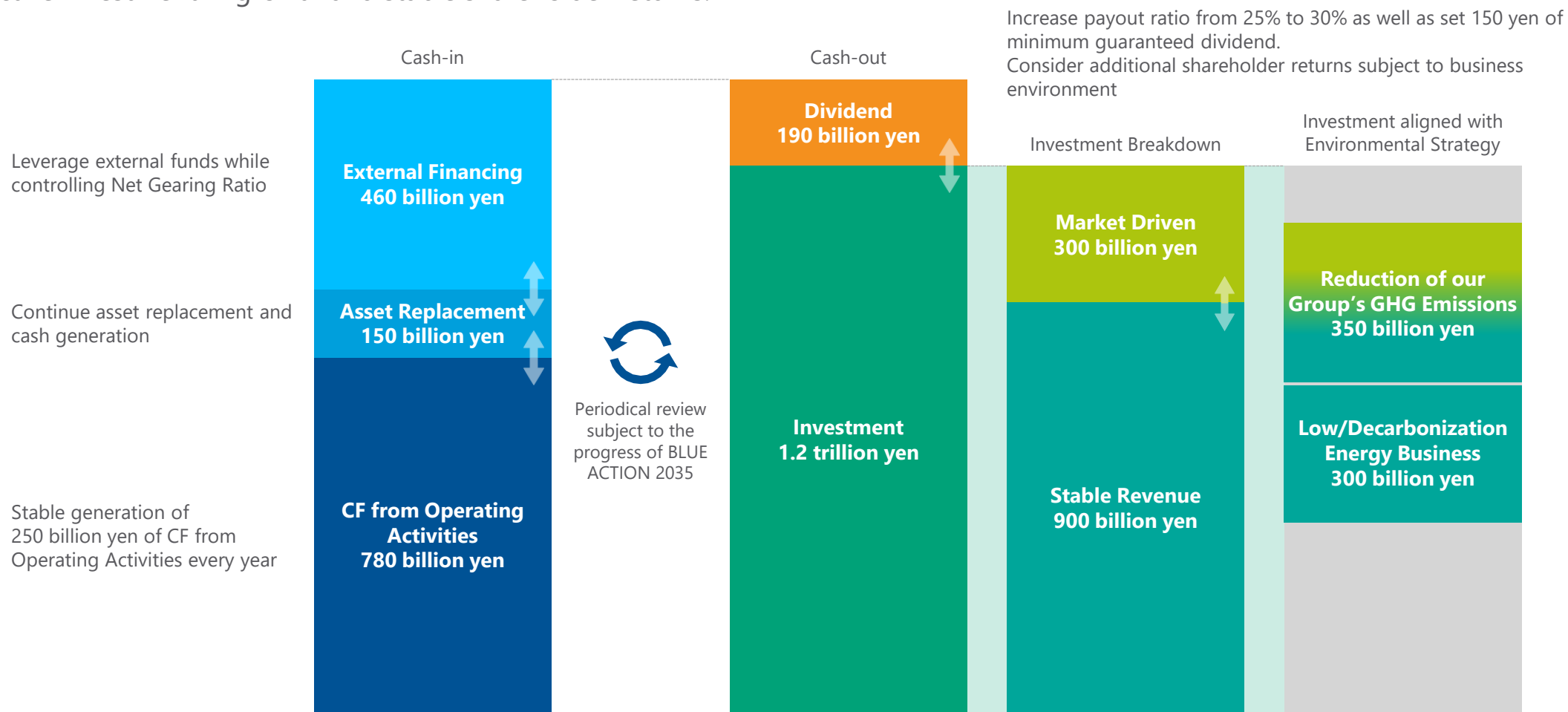
### Ideas behind return policy

- Promote active investments with accumulated profits, which will lead to profit expansion and corporate value increase
- Increase payout ratio to 30% and return the outcome of growth to shareholders
- Introduce minimum guaranteed dividend to prevent underpayments even if lower shipping market cycles occur
- When profits exceed original expectations, capital controls such as additional shareholder return may be implemented with 9~10% of ROE target in mind,

## Financial Plan (2) Cash Allocation

Outlook in Phase 1

Cash Flow from Operating Activities generated by both market driven business and stable revenue business will be utilized for active investment in growth and stable shareholder returns.



- Set ROA targets for each business segment and change the individual investment criteria to meet them. To improve capital efficiency as well as profit scale, and to achieve our overall ROA that exceeds ROA Cost of Capital, we will continue to invest in market driven business where high returns are expected, while increasing the inclination to invest in stable revenue business which provide low returns at low volatility.
- Proceed with application of IFRS (International Accounting Standards) at earliest timing.
- Pursue M&A opportunities with a sense of speed for efficient portfolio Reform.

**Definition**

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Return

$$\text{ROA}_{(\%)} = \frac{\text{Profit before Tax}}{\text{Total Assets (Onbalance + Off-balance)}}$$

**Definition**

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Cost

$$\text{ROA Cost of Capital}_{(\%)} = \frac{\text{WACC (1-Tax)}}{\text{Total Assets}} \times \frac{(\text{Net Debt + Shareholders' Equity})}{\text{Total assets}} - \frac{\text{Interest expense}}{\text{Total assets}}$$

Capital cost before tax

Convert to a total asset basis

Deduct interest expense

Calculate the company-wide ROA Cost of Capital based on the formula above. ROA targets for each business segment are allocated so that the company-wide ROA exceeds the company-wide ROA Cost of Capital.

### Dry Bulk Business

#### Direction towards 2035

Strategically increase our market exposure while dealing with changes in cargo mix to capture high returns in shipping market booms.

#### Action Plan

- Capture demand for transportation of new cargoes arising from the development of a decarbonized and low-carbon society and existing cargoes that are expected to increase (biofuels, grains, fertilizers, semi-finished products, etc.)
- Develop a global commercial network to accommodate changes in the global economy's supply chain and trade patterns.
- Enhance intelligence function to appropriately address changes in cargo demand, trade patterns, and shipping tonnage supply/demand
- Develop environmentally friendly vessels that contribute to GHG emission reductions
- Increase market exposure tolerance to realize high returns

### Energy Business

#### Directions toward 2035

Lead Green Transformation to aggressively tackle the global trend of energy shifts.

#### Action Plan

<Tankers (including chemical tankers) >

- Procure clean methanol as a marine fuel and acquire new business opportunities, taking advantage of its partnership with Methanex Corporation
- Provide decarbonization solutions with alternative-fueled fleet

<Liquefied Gas>

- Develop LNG Carrier fleet with mid- and short-term contract to increase our market risk exposure based on megatrend analysis expecting increased LNG demand in the future,
- Increase LPG/Ammonia Carrier fleet

<Offshore Business and Offshore Wind Power Business>

- Participate in CCUS (Carbon Capture Utilization and Storage) business which is expected to spread across Europe
- Accumulate our trackrecord in participating in offshore wind power projects in Taiwan and Japan, leading to the participation in associated business

### Product Transportation Business

#### Direction towards 2035

Refine competitive advantages in containerships and car carriers as well as achieve growth in non-shipping business by active investment in logistics.

#### Action Plan

##### <Containerships>

- Maintain and expand the scale of advantage gained through ONE
- Build up further advantage based on environmental and digital initiatives

##### <Car Carriers>

- Promote measures in environmental issues, enhance customer appreciation, and be our customers' better choice as their partner
- Prepare for the growing cargo demand from China and India

##### <Logistics>

- Position Utoc Corporation and MOL Logistics Co., Ltd. as core vehicles to pursue further growth.
- Business expansion via M&A particularly in Asia

### Wellbeing & Lifestyle Business

#### Direction towards 2035

Develop a diversified business portfolio, including real property, ferries and cruises, to be a core pillar of our non-shipping business.

#### Action Plan

##### <Real Property>

- Domestic: Expand asset types, challenge redevelopment and urban development
- Overseas: Seek new opportunities in new countries in Southeast Asia and India as well as expand our footprint in Vietnam and Australia,

##### <Ferries>

- Maximize the benefits from the integration of MOL Ferry Co., Ltd. and Ferry Sunflower Limited
- Strengthen our marketing capability of cargo and passenger businesses

##### <Cruise>

- Prepare for the launch of new cruise fleet and innovate our "Nippon Maru" brand
- Expand our customer base of overseas customers, especially inbound travellers, as well as domestic customers



# Regional Strategy

Shift to a global business promotion structure to support business portfolio reform

## New Business Promotion Structure

Dedicated executive officers have been assigned to each region to strengthen the commercial and corporate structure of each region. Accelerate promotion and training of non-Japanese executive candidates and promote business development led by regional organizations. Improve the quality and speed of decision making, and enhance the collaboration between regional organizations and the headquarters for business development and operation.

**New business development in non-shipping business in particular**



**Strengthening competitiveness of our shipping business in each region**

## Vision

As a global social infrastructure business group, we will not only further refine our strengths in the domestic market in Japan but also establish our presence in the global market and expand our business

### Asia, Middle East, Oceania, Africa

- Focus on regions where relatively high economic growths are expected
- In shipping, intraregional transport and in non-shipping, logistics, real property, offshore wind power business, alternative fuel business, etc.

### Europe, Americas

- Participate in business opportunities in both regions that are ahead in the environmental field and utilize the findings to expand our business in Asia and other regions.
- Investment in projects contributing to low-carbon and decarbonization and alternative fuel business, including participation in its supply chain.

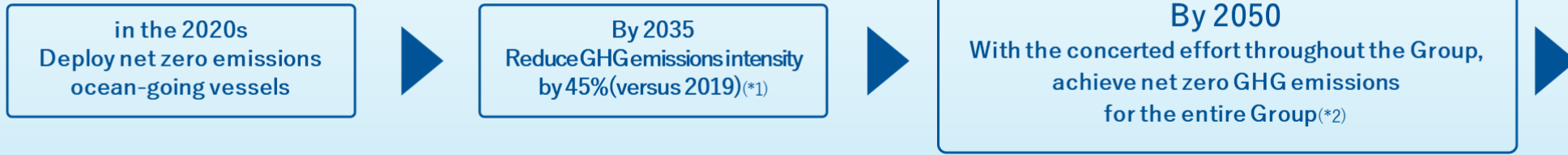


## MOL Group Environmental Vision 2.2



For the next generation on board this planet, the MOL Group will work collaboratively with our partners and stakeholders with creativity to resolve environmental issues. We will continue to provide solutions for issues of high importance such as the preservation of the marine environment, protection of biodiversity and prevention of air pollution, and in order to tackle climate change with utmost urgency, the MOL Group will make a concerted effort to achieve net zero GHG emissions by 2050. With these contributions for the sustainable development of our society and the preservation of nature, from the blue oceans, we sustain people's lives and ensure a prosperous future.

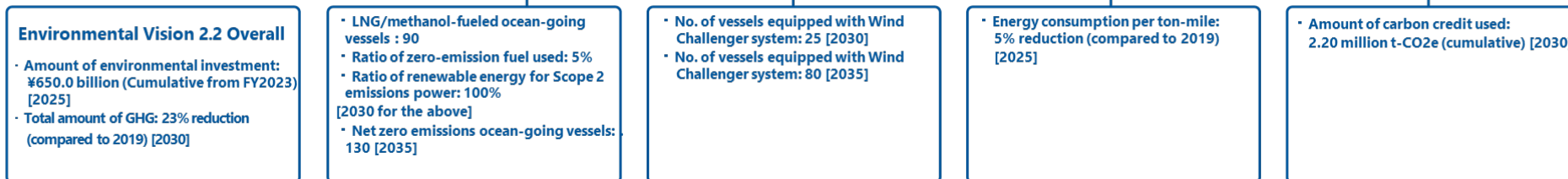
### Medium- to long-term targets



### Five actions to achieve the targets



### KPI & milestones measuring action progress



Note 1: In addition to Scope 1, part of Scope 3 covered (international marine transport operated by MOL)  
 Note 2: All of Scope 1, 2 and 3 covered (MOL + consolidated subsidiaries).

(The full text of Environmental Vision 2.2 will be released in mid-April.)

[Click here for more information](#)



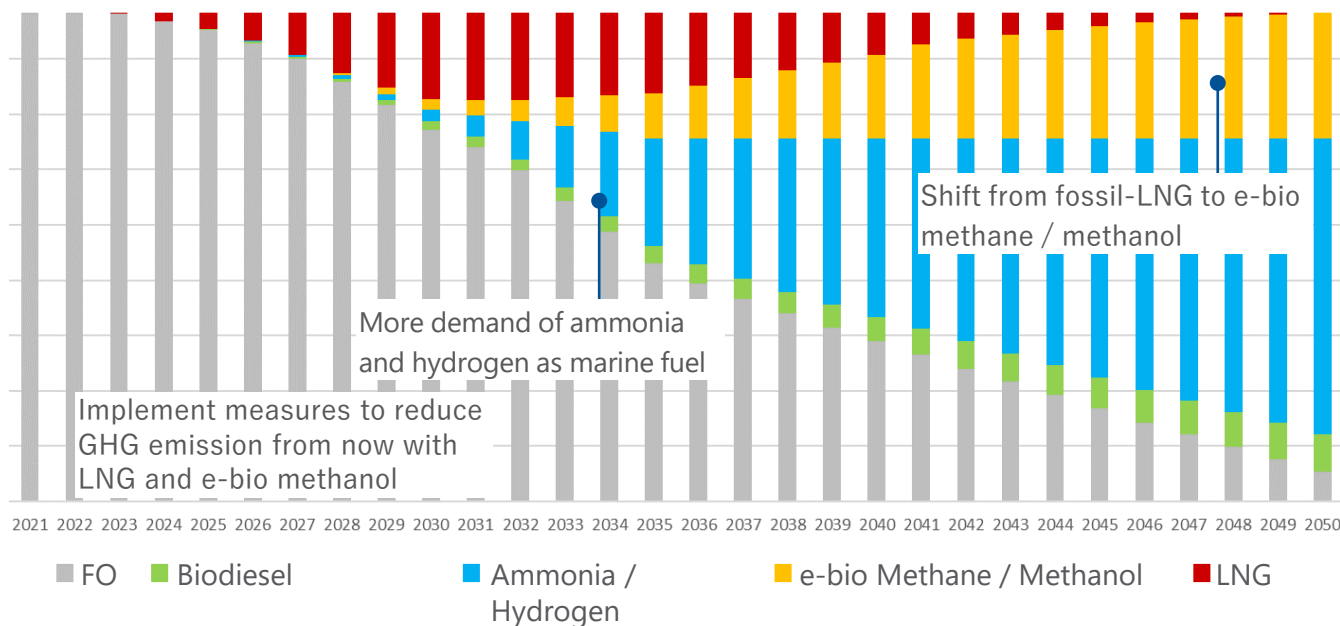
“Action No. 1 – Adoption of Clean Alternative Fuels” in MOL Group Environmental Vision

In Phase 1, 16 LNG-fueled vessels will be delivered from shipyards. Preparation for the launch of zero-emissions ocean-going vessels in the 2020s.

In addition to fleet arrangement, support the establishment of clean marine fuel supply chain leveraging our position as an off-taker through participating in projects from an early phase.

## Alternative Fueled Fleet Roadmap

(Vertical axis: Number of vessels operated by MOL)



## Investments in Phase 1 aligned with Environmental Strategy

(Cash out basis)

(billions of yen)	Already Decided	New	Subtotal
Reduction of our Group's GHG Emissions	190.0	160.0	350.0
Low/Decarbonization Energy Business	190.0	110.0	300.0
<b>Total</b>	<b>380.0</b>	<b>270.0</b>	<b>650.0</b>

In FY2023, we plan to formulate a “Safety Vision”, a safety guideline for all of the MOL group that encompasses not only shipping but also non-shipping business, with a concrete action plan “Safety Action 1.0”.

### Changes in the internal environment

- Expansion of business areas in both shipping and non-shipping
- Expansion of the fields where seamen are expected to be involved

### Changes in the external environment

- Stakeholder requests for safety and security
- Increased risks in terms of geopolitics, natural disasters and security (including cyber risks), etc.
- Evolution of technology

Direction of MOL Group Safety Vision

## Establish a culture of safety across regions and business units

**1. Outstanding capability in risk and crisis management**

**2. Training and recruitment of seamen, and appropriate allocation**

**3. Evolution and innovation of safety quality by "technology innovation"**

### "S" in MOL CHARTS = Safety

#### Pursue the world's highest level of a safety culture

- Maintain a safety-first attitude and strive to reinforce safety awareness
- Return to basics by comprehending workplace safety

### ZERO TOLERANCE FOR FATAL ACCIDENTS AND SERIOUS MARINE ACCIDENTS

- Eradication of fatal accidents and serious marine accidents

Demonstrate our group's views on "people" (officers, employees and seafarers of our group across the world) to internal/external stakeholders, and demonstrate the value and attractiveness of working in our group.

## HC Vision

## All on Board, Success through Growth

**Each individual who works in the MOL Group is essential for our sea-based social infrastructure business. Each individual will be given the opportunity to develop strengths and achieve their full potential to provide new value, thereby transforming our future. The MOL Group, backed by our continuously growing and improving Human Capital, is underway on the blue ocean; sailing toward an exciting and bright horizon.**

### Basic Principle 1

#### Diversity, Equity & Inclusion

We thoroughly respect human rights and comply with all laws and regulations. We accept and welcome a diverse range of colleagues, and create opportunities that encourage each and everyone of our people to play an active role in their own way.

### Basic Principle 2

#### Mutually Empowered

We nurture an environment in which each and every one of our people becomes a professional with a strong sense of ownership. We collaborate with and mutually empower people inside and outside the company. We enhance the abilities of each and every one of our colleagues, transcending organizational and regional boundaries, while maximizing group-wide organizational capabilities.

### Basic Principle 3

#### Highly Engaged

We continue to create a group in which each individual can perform their best, feeling proud, secure, healthy and energetic in belonging to the group. We will create a basis for them to challenge themselves, thereby providing new value to the organization.

# Initiatives for Sustainability Issues – Human Capital

Position Phase 1 as a "period of change," we launched a concrete action plan "HC ACTION 1.0"



HC ACTION 1.0	Basic Principle 1 Diversity, Equity and Inclusion	Basic Principle 2 Mutually empowered	Basic Principle 3 Highly engaged
1. Implementation of human capital acquisition and allocation	✓	✓	✓
2. Achieving the right people in the right place (establishment of MGKP* and centralized management)	✓	✓	✓
3. Implementing talent management using technology	✓	✓	✓
4. Autonomous career development support		✓	✓
5. Improvement of employees' engagement			✓
6. Strengthening the capabilities of divisions managing human capital	✓	✓	✓
7. Enhancement of attractiveness for Seamen	✓	✓	✓

**Demonstrate the above measures across the MOL group.**

**Achieve the transformation on track as soon as possible and support new business development with enhanced human capital.**

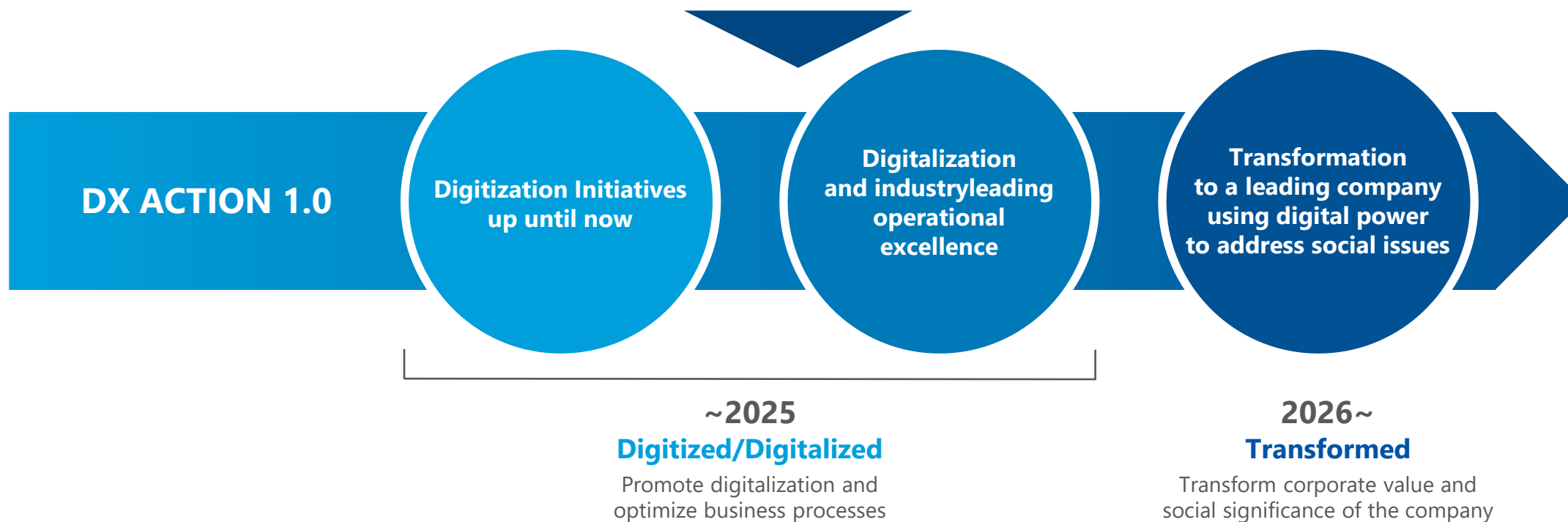
\*MOL Group Key Positions, designated as equivalent to General Manager in Head Office, to be appointed and managed centrally across the group.

We have set the overall roadmap and a concrete action plan “DX ACTION 1.0” for 3 years of Phase 1 under DX Vision

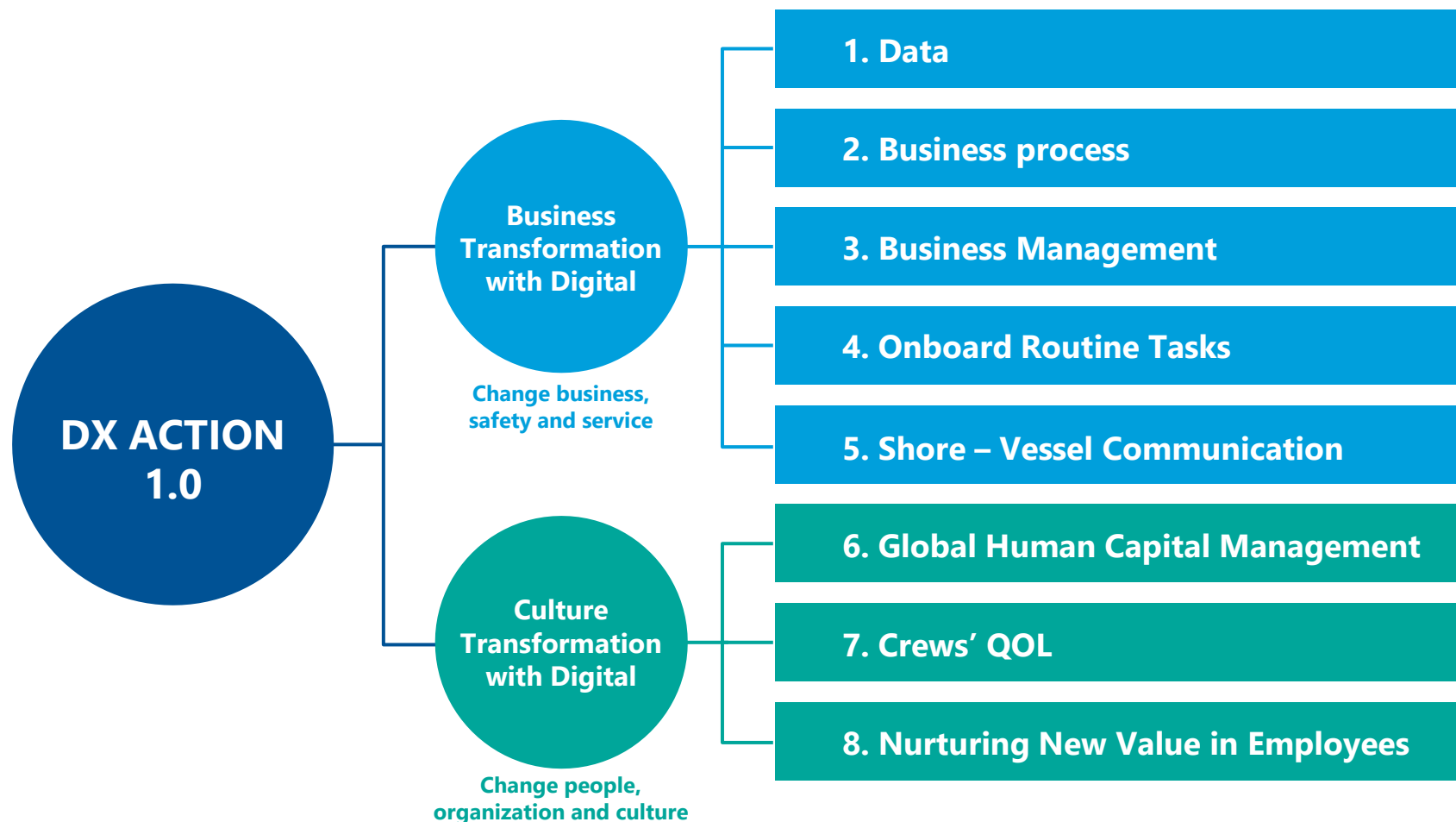
## DX Vision

### Towards the Blue Ocean, We Transform

Intelligence and technologies unlock the potential of the sea. Inspiring diverse talents, we co-create new value. Expertise and borderless creativity lead us towards the future. The blue ocean is our new frontier. Towards the blue ocean, we will move ahead together with digital technology.



DX Action 1.0 will focus on changes in two areas: “Business Transformation” and “Culture Transformation”.  
The 3-year Action Plan will promote initiatives in the eight areas listed below





## Corporate Governance

- Evolution of Meeting of the Board of Directors (shift from a type of advising and making decisions on individual matters into a type of strategy review and supervision for overall management)
- Ensuring diversity in the Meeting of the Board of Directors (composition of independent outside, non-executive and executive directors, and their successors)

## Advanced Business Management

- Rebuilding the corporate management base
  - Set KPIs and monitoring system for each business unit and region based on BLUE ACTION 2035
  - Adoption of a management accounting system and IFRS enhancing overall optimization and transparency
- Promotion of autonomous business development by regional organizations
  - Expand delegation of authority taking business and regional characteristics into account
  - Companywide monitoring with a chief officer system, and the establishment of a risk management system

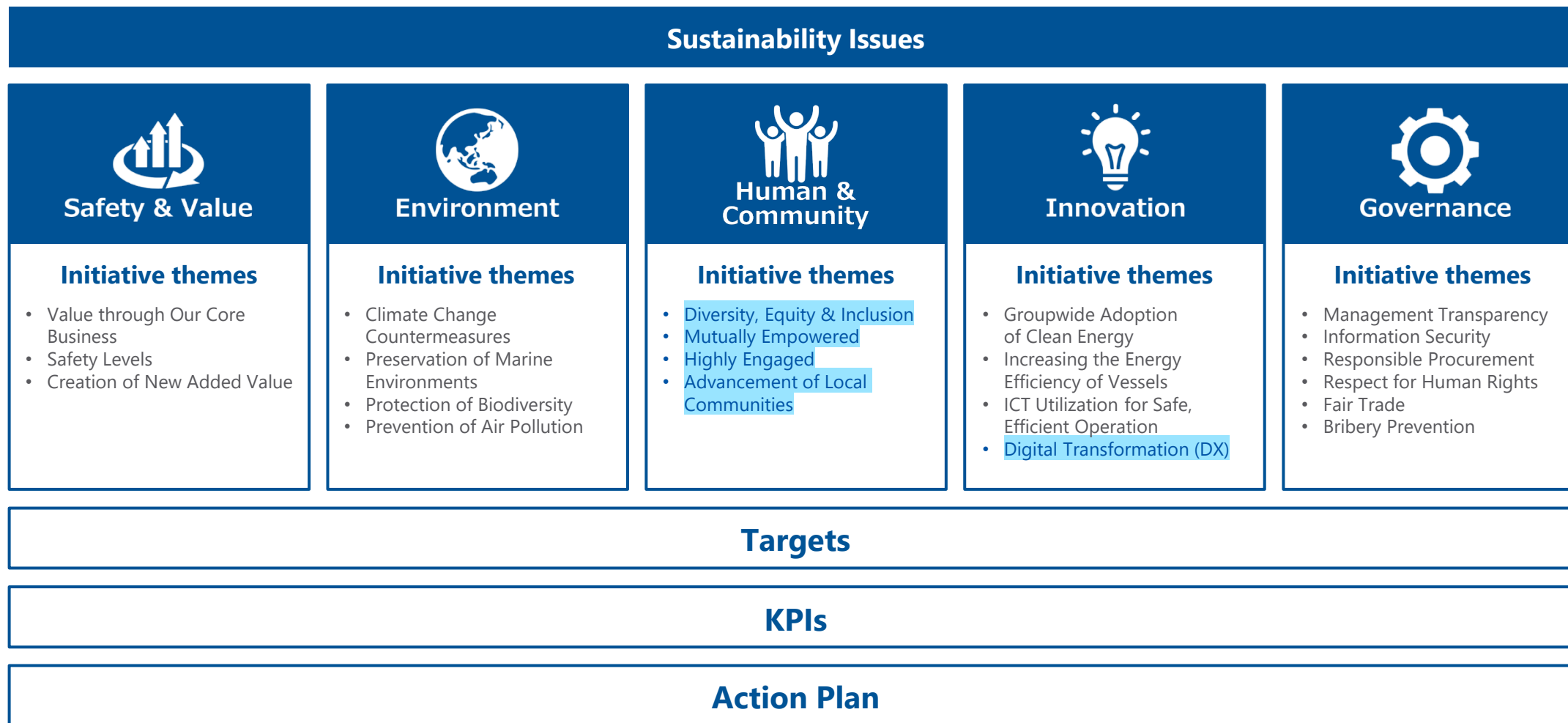
## Strengthened Intelligence against Business Risks

- Strengthening and implementing enterprise risk management including emerging risks (geopolitics, climate change and human rights, etc.)

# MOL Sustainability Plan (MSP)

Consists of a part of BLUE ACTION 2035 with minor updates in Initiative Focus

Updated summary (changes in FY2023 highlighted in blue)



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