Please note that the following is an unofficial English translation of Japanese original text of Corporate Governance Report of Mitsui O.S.K. Lines, Ltd.. The Company provides this translation for reference and convenience purposes only and without any warranty as to its accuracy or otherwise. In the event of any discrepancy between this translation and the Japanese original, the Japanese version shall be the official version.

Corporate Governance Report

Last Update: 26 June, 2024

Mitsui O.S.K. Lines, Ltd.
Takeshi Hashimoto, Representative Director, President and Chief Executive Officer
Contact: Planning Team, Corporate Planning Division
Securities Code: 9104
https://www.mol.co.jp/en/

The corporate governance of Mitsui O.S.K. Lines, Ltd. (the "Company") is described below.

I. Basic Views on Corporate Governance, Capital Structure, Corporate Profile and Other Basic Information

1. Basic Views Updated

◆ Basic Concept of Corporate Governance

Due to the rapid changes in the Group business environment and in risk factors, we must adeptly set our course by accurately grasping the business environment, always confronting risks appropriately, and effectively utilizing our management resources by maintaining our offense-defense balance. We believe that the essentials of corporate governance are fostering sustainable growth and enhancing our corporate value by making decisions promptly and boldly, guided by appropriate risk management, while ensuring the transparency and fairness of management by carefully considering the viewpoints of our diverse stakeholders and other various social requests.

Based on this belief, MOL has adopted, and announced to its shareholders, investors, customers, and all other stakeholders, the "MOL Group Three Basic Principles of Corporate Governance," which are described below. These Basic Principles indicate the MOL Group's basic policy on corporate governance and matters that it considers universally important as behavioral guidelines. MOL has also adopted the MOL Group Corporate Governance Policy, which systematically describes policies on specific initiatives based on the spirit of the Basic Principles.

MOL Group Three Basic Principles of Corporate Governance

Article 1 (Framework and Operation)

Based on the MOL Group Corporate Mission, the MOL Group Vision, and the MOL Group Values, Code of conducts (MOL CHARTS), we, the MOL Group, grow globally by enhancing corporate governance and leveraging the collective strengths of the MOL Group.

Article 2 (System)

We, the MOL Group, have established a highly effective corporate governance system befitting a strong and resilient corporate group that is growing globally to increase corporate value over the medium and long term.

Article 3 (Dialogue)

We, the MOL Group, provide new value through highly transparent dialogue with all of our stakeholders, including shareholders, investors, customers and employees.

We have identified Governance (Governance and compliance to support business) as one of the Sustainability Issues (Materiality) that the MOL Group (hereinafter referred to as "the Group") needs to address to realize the MOL Group Vision and achieve sustainable development with society. We believe that executing the Corporate Management Plan (BLUE ACTION 2035) underpinned by the spirit of the MOL Group Corporate Mission and the Code of Conduct (MOL CHARTS) will lead to solving sustainability issues, which in turn will enhance corporate value and ultimately will enable us to realize the MOL Group Vision. Under this idea, we actively and continually strive to enhance corporate governance.

(Reference) MOL Group Corporate Governance Policy
https://www.mol.co.jp/en/sustainability/governance/corporate/policy/pdf/governance-policy.pdf

◆ Corporate governance system of the Company
The Board of Directors of the Company is the highest management executive and supervisory organ, in which independent outside directors and non-executive inside directors make up 2/3 of its members and three out of five inside directors also serve as executive officers and which carries out effective supervisory functions and high-level strategy deliberation functions. (The figures are as of June 25, 2024.) The Company also secures the audit function of the Audit & Supervisory Board, which is independent from the Board of Directors, and is a company with an Audit & Supervisory Board as prescribed in the Companies Act. We believe that, by ensuring effective supervisory functions and strategy deliberation functions by the Board of Directors and audit functions by the Audit & Supervisory Board, the Company has an institutional design that is appropriate for achieving the legality, appropriateness, and efficiency of business execution, and will continue working on strengthening its governance.

The Board of Directors, through its resolution, has also established a basic policy for developing a system to ensure the appropriateness of operations (the internal control system). The MOL Group's officers and employees, under the president serving as the chief executive officer for management, carry out business operations in accordance with the management policy established by the Board of Directors and the abovementioned basic policy under the supervision of the Board of Directors and audits carried out by the Audit & Supervisory Board. In fiscal 2021, the Corporate Governance Council was established under the Board of Directors to serve as a forum for facilitating unrestricted discussion while incorporating outside knowledge with respect to the general direction of the Company's corporate governance. The Corporate Governance Council is also expected to be effective in helping increase the effectiveness of the Board of Directors through its reports and advice to the Board of Directors.

[Reasons for Non-compliance with the Principles of the Corporate Governance Code]

The Company complies with all Principles of the Corporate Governance Code.

[Disclosure Based on the Principles of the Corporate Governance Code] Updated

[Principle 1-4] <Policy for cross-shareholdings and standards for exercising voting rights as to cross-shareholdings>
■ Basic views
Please refer to Article 3, Paragraph 3 (2) of the Corporate Governance Policy.
https://www.mol.co.jp/en/sustainability/governance/corporate/policy/pdf/governance-policy.pdf

■ Status and results of specific initiatives
- From fiscal 2019 to fiscal 2023, the Company sold shares in 30 companies, reducing cross-shareholdings by 44.4 billion yen.
- The Company currently has cross-shareholdings in 37 companies worth around 110.0 billion yen and plans to gradually sell around 6.7 billion yen of these holdings, based on market trends.
  This policy was resolved at a meeting of the Board of Directors held in May this year based on a careful examination of a quantitative assessment (benefits of shareholdings, including dividends) and qualitative assessment (verification of the significance of shareholdings based on transaction status).
- The Company's standards for exercising voting rights are as follows:
  (i) The Company exercises voting rights with respect to all cross-shareholdings, in principle, and reports the results of such exercise of voting rights to the Board of Directors.
  (ii) When exercising voting rights, the Company does not judge whether to approve or reject proposals in a uniform manner, but rather considers the management policy, strategies, etc. of the investee and forms a judgment from the perspective of whether a proposal will lead to the sustainable growth and medium-to-long-term enhancement of the corporate value of the Company and the investee.
  (iii) The Company judges whether to approve or reject proposals that might materially impact the interests of shareholders (see below) based on careful consideration.
    - Election of directors and Audit & Supervisory Board members (in the event of the occurrence of serious misconduct or persistently poor performance)
    - Significant organizational restructuring (merger, split, business transfer, etc.)
    - Hostile takeover defense
    - Other important agenda items such as shareholder proposals

[Principle 1-7] <Procedures for related party transactions>
■ Basic views
Please refer to Article 2, Paragraph 5 (3) of the Corporate Governance Policy.
https://www.mol.co.jp/en/sustainability/governance/corporate/policy/pdf/governance-policy.pdf

■ Status and results of specific initiatives

An investigation was carried out to find out whether there are any transactions between the Company and the directors, Audit & Supervisory Board members, executive officers and special adviser and their close relatives.

[Supplementary Principle 2-4-1] <Ensuring diversity & inclusion in the promotion to core human resources>
■ Basic views
Please refer to Article 1, Paragraph 4 (3) of the Corporate Governance Policy.
https://www.mol.co.jp/en/sustainability/governance/corporate/policy/pdf/governance-policy.pdf

■ Status and results of specific initiatives
- The Group adopted the Human Capital (HC) Vision in April 2023, whose three basic principles are "diversity, equity & inclusion," "mutually empowered" and "highly engaged," and formulated HC Action 1.0, in which initiatives and targets until the end of FY2025 are announced.
  https://www.mol.co.jp/en/sustainability/human/hc/pdf/human-capital-vision.pdf
- The Group formulated HC Action 1.1, a revised version of the above, in February 2024.
- The Group announced targets to be achieved by persons in key positions in the group management plan BLUE ACTION 2035.
  https://ir.mol.co.jp/en/ir/management/plan.html

[Described under Core KPI, page 13 of the management plan BLUE ACTION 2035.]
- Mid-career hires account for 34% of head office land-based employees and 25% of head office land-based management positions (as of April 2024).
- Initiatives to achieve diversity is disclosed in the Integrated Report.
  https://www.mol.co.jp/en/sustainability/library/factbook/pdf/factbook2023.pdf

[Described under the heading Promotion of Diversity, Equity and Inclusion (Page 63-66)]

[Principle 2-6] <Performance of role of corporate pension as an asset owner>
Please refer to Article 3, Paragraph 2 (2) of the Corporate Governance Policy.
https://www.mol.co.jp/en/sustainability/governance/corporate/policy/pdf/governance-policy.pdf

[Principle 3-1] <Enhancement of information disclosure>
■ Basic views
Please refer to Article 3, Paragraph 6 (1) of the Corporate Governance Policy.
https://www.mol.co.jp/en/sustainability/governance/corporate/policy/pdf/governance-policy.pdf

(i) Company objectives (e.g., business principles), business strategies and business plans
The Group believes that executing the Corporate Management Plan (BLUE ACTION 2035) underpinned by the spirit of the MOL Group Corporate Mission and the MOL Group Values, Code of Conduct (MOL CHARTS) will lead to solving sustainability issues, which in turn will enhance corporate value and ultimately will enable us to realize the MOL Group Vision. Under this idea, the Group pursues sustainability management.
Based on the basic views described in the MOL Group Three Basic Principles of Corporate Governance and the MOL Group Corporate Governance Policy, the Company discloses information about the status and details of such initiatives.

■ Status and results of specific initiatives
Adoption of the Corporate Management Plan, BLUE ACTION 2035 (https://www.mol.co.jp/ir/management/plan/)
Adoption of the MOL Group Three Basic Principles of Corporate Governance and the MOL Group Corporate Governance Policy (https://www.mol.co.jp/sustainability/governance/corporate/policy/)

[Response to Realize Management with an Awareness of Capital Cost and Share Price]
- In the Corporate Management Plan, BLUE ACTION 2035, we disclose the definitions of "ROA Cost of Capital," which it considers to be capital cost, and ROA, a profit indicator that should be compared with ROA Cost of Capital. Please refer to Page 16 of MOL Report (https://www.mol.co.jp/en/ir/data/annual/pdf/ar-e2023.pdf)
- The Board of Directors will, multiple times a year, monitor the management indicators and progress in the implementation of the portfolio strategy, and will make recommendations about the business execution side's action plan. (In FY2023, overall reports were submitted in meetings of the Board of Directors in October and March.)

(ii) Basic views and policies on corporate governance based on each of the principles of the Code
Based on the basic views described above, the Company discloses basic views and policies on corporate governance in I.1 of this Report.

(iii) Board policies and procedures in determining the remuneration of the senior management and directors
The Company has established the Remuneration Advisory Committee, which consists of a majority of independent outside directors and is chaired by an independent outside director, as a discretionary advisory organization to the

Board of Directors, for the purpose of strengthening its accountability by increasing the objectivity and transparency of the procedures for the remuneration and other benefits of directors and executive officers. The Committee establishes a remuneration system which motivates directors and executive officers to aim for the sustainable enhancement of corporate value, and reports to the Board of Directors on the level of remuneration for attracting and retaining human resources who will contribute to that aim, thus ensuring objective and transparent procedures. Based on the basic views described above, the Company discloses information about the status and details of such initiatives. In FY2023, the Committee performed continuous assessment of the current remuneration system and deliberated on and implemented revision to the remuneration system to ensure that executive officers' single fiscal year performance-linked remuneration is linked with Core KPI (including non-financial KPIs related to ESG) in the management plan BLUE ACTION 2035 and that a greater linkage is established between management plans and the remuneration system.

[Status and results of specific initiatives]
- Notice of Convocation of the Ordinary General Meeting of Shareholders:
  https://ir.mol.co.jp/en/ir/stock/gms/main/00/teaserItems1/0/linkList/01/link/notice24.pdf
  [Described under the headings Nomination Advisory Committee and Remuneration Advisory Committee (page 23) and Amounts of Remunerations, etc. of directors and Audit & Supervisory Board members (page 50)]
- Attendance/Statement of opinions at Remuneration Advisory Committee by Audit & Supervisory Board members (during fiscal 2023, each meeting was attended by one outside Audit & Supervisory member)
  Notice of Convocation of the Ordinary General Meeting of Shareholders:
  https://ir.mol.co.jp/en/ir/stock/gms/main/00/teaserItems1/0/linkList/01/link/notice24.pdf
  [Described under the heading Matters Concerning Outside Officers (page 58-60)]
- Notice Concerning Revision of Executive Remuneration System:
  https://www.mol.co.jp/en/pr/2024/img/24043.pdf

(iv) Policy and procedures for nominating candidates for directors and Audit & Supervisory Board members
The Company has established the Nomination Advisory Committee, which consists of a majority of independent outside directors and is chaired by an independent outside director, as a discretionary advisory organization to the Board of Directors, for the purpose of increasing the objectivity and transparency of the procedures for appointing directors, Audit & Supervisory Board members and executive officers and strengthening accountability. The Committee reports to the Board of Directors on the selection of candidates for directors, Audit & Supervisory Board members and executive officers in light of the selection criteria and skills matrix established by the Committee, thus ensuring objective and transparent procedures. Based on the basic views described above, the Company discloses information about the status of such initiatives.

■ Status and results of specific initiatives
- Notice of Convocation of the Ordinary General Meeting of Shareholders:
  https://ir.mol.co.jp/en/ir/stock/gms/main/00/teaserItems1/0/linkList/01/link/notice24.pdf
  [Described under the headings Experience, Knowledge and Capability of Directors Especially Expected by the Company (page 20) and Nomination Advisory Committee and Remuneration Advisory Committee (page 23).]
- The Company held continuous deliberations for president succession planning and board succession planning.
- Attendance/Statement of opinions at Nomination Advisory Committee by Audit & Supervisory Board members (during fiscal 2023, each meeting was attended by one outside Audit & Supervisory member)
  Notice of Convocation of the Ordinary General Meeting of Shareholders:
  https://ir.mol.co.jp/en/ir/stock/gms/main/00/teaserItems1/0/linkList/01/link/notice24.pdf
  [Described under the heading Matters Concerning Outside Officers (page 58-60)]

(v) Explanation of the selection of candidates for directors and Audit & Supervisory Board members
The Nomination Advisory Committee deliberates a preliminary draft proposal for the appointment of directors and Audit & Supervisory Board members based on a comprehensive assessment, taking into consideration their knowledge, experience and capabilities for performing the required role appropriately, as well as their personal achievements, and reports to the Board of Directors. The Board of Directors makes decisions and disclosures based on deliberation giving due respect to the report by the Nomination Advisory Committee.

■ Status and results of specific initiatives
- The reasons for appointing individual inside and outside directors and Audit & Supervisory Board members are disclosed in the Notice of Convocation of the Ordinary General Meeting of Shareholders.
  Notice of Convocation of the Ordinary General Meeting of Shareholders:
  https://ir.mol.co.jp/en/ir/stock/gms/main/00/teaserItems1/0/linkList/01/link/notice24.pdf
  [Described under the headings Proposal No. 2: Election of Nine (9) Directors (pages 6)]
- The reasons for appointing outside directors and outside Audit & Supervisory Board members are disclosed in II. 1. "Directors" and "Audit & Supervisory Board Members" of this report.

[Supplementary principle 3-1-3] <Initiatives on sustainability>
■ Basic views
Please refer to Article 3, Paragraph 6 (1) of the Corporate Governance Policy.
https://www.mol.co.jp/en/sustainability/governance/corporate/policy/pdf/governance-policy.pdf

■ Status and results of specific initiatives
Corporate management plan BLUE ACTION 2035 incorporates sustainability plan, MOL Sustainability Plan (MSP) and sets the sustainability management direction.
The details of the action plan and KPIs set out in the MOL Sustainability Plan and Information Disclosure based on TCFD Recommendations are disclosed on the website.
Individual sustainability initiatives are disclosed in a list in the Sustainability Fact Book.

MOL Sustainability Plan:
https://www.mol.co.jp/sustainability/management/issues/
[Human capital: Described under the heading Human & Community]
[Intellectual property: Described under the heading Innovation]

Disclosures Based on the TCFD Recommendations:
https://www.mol.co.jp/sustainability/environment/tcfd/
Sustainability Fact Book:
https://www.mol.co.jp/en/sustainability/library/factbook/pdf/factbook2023.pdf

[Supplementary Principle 4-1-1] <Scope of Matters Delegated to Management>
■ Basic views
Please refer to Article 1, Paragraph 4 (1) of the Corporate Governance Policy.
https://www.mol.co.jp/en/sustainability/governance/corporate/policy/pdf/governance-policy.pdf

■ Status and results of specific initiatives
- As a body that examines and supervises strategies, the Board of Directors discussed business strategies from a company-wide viewpoint in deliberations on strategies, vision and individual business investment projects.

[Principle 4-9] <Establishment of criteria for judging the independence of Independent Outside Directors>
■ Basic views
Please refer to Article 2, Paragraph 1 (1) of the Corporate Governance Policy.
https://www.mol.co.jp/en/sustainability/governance/corporate/policy/pdf/governance-policy.pdf

■ Status and results of specific initiatives
The Company disclosed information in MOL Report and the Notice of Convocation of the Ordinary General Meeting of Shareholders.
[Described under the heading Information about Officers (ii) Information about Outside Officers (pages 94-95)]
Notice of Convocation of the Ordinary General Meeting of Shareholders:
https://ir.mol.co.jp/en/ir/stock/gms/main/00/teaserItems1/0/linkList/01/link/notice24.pdf
[Described under the heading Independence Criteria for Outside Officers (page 18)]

[Supplementary principle 4-10-1] <Establishment of optional independent advisory nomination and remuneration committees>
■ Basic views
Please refer to Article 2, Paragraph 1 (2) of the Corporate Governance Policy.
https://www.mol.co.jp/en/sustainability/governance/corporate/policy/pdf/governance-policy.pdf

■ Status and results of specific initiatives
- Both advisory committees consist of six members, including four independent outside directors (fiscal 2023).
- The Nomination Advisory Committee held seven meetings in fiscal 2023 and held discussions on president succession planning and board succession planning. The Committee selected two independent outside directors in place of those retiring from their positions.
- The Remuneration Advisory Committee held seven meetings in fiscal 2023 and discussed what the continual verification of the existing remuneration system and the president's evaluation method should be like. The Committee revised the remuneration system to ensure that executive officers' single fiscal year performance-linked remuneration is linked with Core KPI (including non-financial KPIs relating to ESG) in the management plan BLUE ACTION 2035.
- Notice Concerning Revision of Executive Remuneration System:
https://www.mol.co.jp/en/pr/2024/img/24043.pdf

[Supplementary Principle 4-11-1] <View on the Appropriate Balance between Knowledge, Experience, and Skills of the Board of Directors as a Whole, and on Diversity and Appropriate Board Size>
■ Basic views
Please refer to Article 2, Paragraph 1 (4) of the Corporate Governance Policy.
https://www.mol.co.jp/en/sustainability/governance/corporate/policy/pdf/governance-policy.pdf

■ Status and results of specific initiatives
- To add to "the experience, knowledge and skills that the Board of Directors should have" that contribute to enhancing the Group's corporate value and enhance corporate governance, the Nomination Advisory Committee and the Board of Directors discussed the proposal on the election of directors to the FY2023 Ordinary General Meeting of Shareholders, considering diversity in terms of gender, etc. The committee reported to the Board of Directors, which passed a resolution.
- Specifically, The Committee selected two independent outside directors (including one female) in place of those retiring from their positions.
- Disclosure in the Notice of Convocation of the Ordinary General Meeting of Shareholders:
  https://ir.mol.co.jp/en/ir/stock/gms/main/00/teaserItems1/0/linkList/01/link/notice24.pdf
  [Described under the heading Experience, Knowledge and Capability of Directors Especially Expected by the Company (page 20)]

[Supplementary Principle 4-11-2] <Concurrent Positions Held by Directors and Audit & Supervisory Committee members>
■ Basic views
Please refer to Article 2, Paragraph 1 (1) of the Corporate Governance Policy.
https://www.mol.co.jp/en/sustainability/governance/corporate/policy/pdf/governance-policy.pdf

■ Status and results of specific initiatives
- The Company disclosed information in the Integrated Report and the Notice of Convocation of the Ordinary General Meeting of Shareholders.

Notice of Convocation of the Ordinary General Meeting of Shareholders:
https://ir.mol.co.jp/en/ir/stock/gms/main/00/teaserItems1/0/linkList/01/link/notice24.pdf
[Described under the heading Matters Concerning Outside Officers (page 58)]

[Supplementary Principle 4-11-3] <Overview of Analysis and Evaluation Results of the Effectiveness of the Board of Directors as a Whole>
■ Basic views
Please refer to Article 2, Paragraph 2 (1) of the Corporate Governance Policy.
https://www.mol.co.jp/en/sustainability/governance/corporate/policy/pdf/governance-policy.pdf

■ Status and results of specific initiatives
<Survey procedure>
Survey participants:
Fiscal 2023: All directors (five inside directors and three independent outside directors) and all Audit & Supervisory Board members (two full-time Audit & Supervisory Board members and two independent outside Audit & Supervisory Board members), making a total of 13

Implementation/Evaluation method:
The Company surveyed the participants to evaluate effectiveness in February 2024 and received responses from all participants. The Corporate Governance Council held discussions based on these results at a meeting in April. Subsequently, at a meeting of the Board of Directors held in April, areas where the effectiveness of the Board of Directors was ensured, issues to be addressed, and initiatives for fiscal 2024 were established and reported, and directors and Audit & Supervisory Board members confirmed the content of these with each other.

Content of survey questions:
Effectiveness of Board of Directors in general (composition, operating structure, content of deliberations on management plans, risk in general, nomination/remuneration, etc.) and discussion of strategies and vision, effectiveness of Nomination/Remuneration Advisory Committees, effectiveness of Corporate Governance Council, and system for mutual supervision and monitoring among directors and Audit & Supervisory Board members, etc.

Content of evaluation/verification of effectiveness:
<Areas where effectiveness is ensured>
(i) Deliberation of individual projects based on the MVV (Mission, Vision, Value) and the general direction of the management plan.

(ii) Appropriate operation structure for the secretariat, including information provision, to ensure that directors and corporate auditors play their roles
(iii) Highly transparent objective deliberations and reports of the Nomination / Remuneration Advisory Committees. In addition, appropriate frequency of meetings of both committees and Corporate Governance Council and achievements.
(iv) Appropriate involvement to ensure fair and equitable disclosure of both financial and non-financial corporate information through communications with shareholders and investors. In addition, appropriate information provision to employees, seafarers, customers, suppliers, administrative agencies or local communities, and responses based on their feedback, to implement highly transparent dialogue with all stakeholders.

<Issues to be addressed>
(i) Ensuring diversity in the Group and the Company's Board of Directors.
(ii) Setting appropriate themes in the Nomination Advisory Committee and the Remuneration Advisory Committee.
(iii) Active discussions on long-term targets and capital policy.
(iv) The role of the Board of Directors for improvement in corporate governance.

<Initiatives for fiscal 2024>
(i) Initiatives for improving diversity in the newly established Deliberation on Sustainability
(ii) Revision to the remuneration system to motivate recipients to achieve a sustained improvement in corporate value, and formulation of emergency succession plans and board succession plans.
(iii) Enhancement of discussions on capital cost-oriented management for achieving targets in the management plan BLUE ACTION 2035 and on resource allocation, including the Group's human resource portfolio.
(iv) Identification of risks based on group companies risk assessment and formulation and implementation of risk reduction plans.

[Supplementary Principle 4-14-2] <Training policy of Directors and Audit & Supervisory Board Members>
■ Basic views
Please refer to Article 2, Paragraph 5 (2) of the Corporate Governance Policy.
https://www.mol.co.jp/en/sustainability/governance/corporate/policy/pdf/governance-policy.pdf

■ Status and results of specific initiatives
- Policies on specific initiatives are as follows.
<Support to candidate (inside) directors and Audit & Supervisory Board members>
- Provides comprehensive training programs of business schools, etc.
- Outside officers give lectures.
<Support to (outside) directors and Audit & Supervisory Board members when they are appointed>
- Holds meetings where explanations are given about matters such as management plans, business issues and the financial situation by officers in charge of these matters.
<Support to (inside) directors and Audit & Supervisory Board members while in office>
- Offers them opportunities to receive training they need individually, such as training on the Companies Act.
<Support to (outside) directors and Audit & Supervisory Board members while in office>
- Gives them opportunities to visit domestic and overseas business sites that are important in the Company's management plans.
- Holds liaison meetings of non-executive directors, including inside directors, quarterly as opportunities to share information.
- Holds dialogue sessions with employees as an opportunity to share information.
<Support to (inside and outside) directors and Audit & Supervisory Board members while in office>
- Holds study meetings on subjects that are related to discussions at meetings of the Board of Directors. (Subjects for FY2023 were the role of the Audit & Supervisory Board, alternative fuel, the Company's ESG evaluation, corporate management and computation)

[Principle 5-1] <Policy for constructive dialogue with shareholders>
■ Basic views
Please refer to Article 3, Paragraph 1 (3) of the Corporate Governance Policy.
https://www.mol.co.jp/en/sustainability/governance/corporate/policy/pdf/governance-policy.pdf

■ Status and results of specific initiatives (Based on Supplementary Principle 5-1-2)
(i) Establish a dedicated team in charge of IR in the Corporate Communication Division under the officer in charge of IR.
(ii) Hold individual meetings with institutional investors in Japan and overseas, small meetings between the president, investors and analysts to exchange opinions, business briefings and so forth, and also increase opportunities for dialogue (including dialogue with outside directors) about ESG, which has become increasingly important in recent years.

(iii) Enhance fair and timely disclosure through measures such as the preparation and publication of a wide range of IR information in Japanese and English, including financial highlights, financial statements, timely disclosure reports, financial results presentation materials, management plans, an integrated report and investor guidebook, as well as the posting of IR information on the website. (iv) Report opinions received from shareholders and investors through opportunities for dialogues with them to the Board of Directors on a monthly basis. (v) When conducting IR activities, fully enforce compliance with internal rules on the prevention of insider trading, in addition to giving our full attention to fair disclosure. (vi) In our shareholders relations (SR) activities, we visit shareholders to facilitate their understanding of the Company's management policy and policy on its governance system.

2. Capital Structure Updated

◆ Foreign Shareholding Ratio	20% or more and less than 30%

[Status of Major Shareholders] (as of March 31, 2024) Updated

Name / Company Name	Number of Shares Owned	Percentage (%)
The Master Trust Bank of Japan Ltd. (Trust Account)	67,554,600	18.64
Custody Bank of Japan, Ltd. (Trust Account)	17,159,160	4.74
Sumitomo Mitsui Banking Corporation	9,000,000	2.48
State Street Bank West Client Treaty 505234	6,941,863	1.92
State Street Bank and Trust Company 505103	5,406,318	1.49
Mitsui Sumitomo Insurance Company, Limited	4,949,650	1.37
The Nomura Trust and Banking Co., Ltd. (Trust Account)	4,376,000	1.21
Mizuho Bank, Ltd.	4,200,000	1.16
SSBTC CLIENT OMNIBUS ACCOUNT	4,029,056	1.11
Sumitomo Mitsui Trust Bank, Limited	3,471,000	0.96

Controlling Shareholder (except for Parent Company)	—
Parent Company	None

Supplementary Explanation

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3. Corporate Attributes

Listed Stock Market and Market Section	Tokyo Stock Exchange Prime Market
Fiscal Year-End	March
Type of Business	Marine Transportation
Number of Employees (consolidated) as of the End of the Previous Fiscal Year	More than 1000
Sales (consolidated) as of the End of the Previous Fiscal Year	More than ¥1 trillion
Number of Consolidated Subsidiaries as of the End of the Previous Fiscal Year	More than 300

4. Policy on Measures to Protect Minority Shareholders in Conducting Transactions with Controlling Shareholder

—

5. Other Special Circumstances which may have Material Impact on Corporate Governance

—

II. Business Management Organization and Other Corporate Governance Systems regarding Decision-making, Execution of Business, and Oversight in Management

1. Organizational Composition and Operation

Organization Form	Company with Audit & Supervisory Board

[Directors]

Maximum Number of Directors Stipulated in Articles of Incorporation	20
Term of Office Stipulated in Articles of Incorporation	1 year
Chairperson of the Board	Chairman
Number of Directors	9
Appointment of Outside Directors	Appointed
Number of Outside Directors	4
Number of Independent Directors	4

Outside Directors' Relationship with the Company (1) Updated

Name	Attribute	Relationship with the Company*										
		a	b	c	d	e	f	g	h	i	j	k
Etsuko Katsu	Academic											
Masaru Onishi	From another company											
Atsushi Toyonaga	From another company											
Yumi Yamaguchi	From another company								Δ			

* Categories for "Relationship with the Company"
* "○" when the director presently falls or has recently fallen under the category;
"Δ" when the director fell under the category in the past
* "●" when a close relative of the director presently falls or has recently fallen under the category;
"▲" when a close relative of the director fell under the category in the past

a. Executive of the Company or its subsidiaries
b. Non-executive director or executive of a parent company of the Company
c. Executive of a fellow subsidiary company of the Company
d. A party whose major client or supplier is the Company or an executive thereof
e. Major client or supplier of the listed company or an executive thereof
f. Consultant, accountant or legal professional who receives a large amount of monetary consideration or other property from the Company besides compensation as a director/ Audit & Supervisory Board member
g. Major shareholder of the Company (or an executive of the said major shareholder if the shareholder is a legal entity)
h. Executive of a client or supplier company of the Company (which does not correspond to any of d, e, or f) (the director himself/herself only)
i. Executive of a company, between which and the Company outside directors/ audit & Supervisory Board members are mutually appointed (the director himself/herself only)
j. Executive of a company or organization that receives a donation from the Company (the director himself/herself only)
k. Others

Outside Directors' Relationship with the Company (2) Updated

Name	Designation as Independent Director	Supplementary Explanation of the Relationship	Reasons of Appointment
Etsuko Katsu	○	Professor, School of Political Science and Economics, Meiji University Chairman of Fund Management Advisory Committee, The Japan Foundation Member, Council for Science and Technology, Ministry of Education, Culture, Sports, Science and Technology <Attendance at Board of Directors' meetings in fiscal 2023> 12/12 (attendance rate 100%)	We have appointed Etsuko Katsu as an outside director in the expectation that she will continue to appropriately fulfill her role as a supervisor of the Company's business execution in terms of proactively contributing to discussions at meetings of the Board of Directors from a standpoint independent from the executive team involved in its businesses, reflecting her extensive knowledge and insight as an expert in international economics and finance, her experience in university management, as well as her experience and knowledge regarding global human resource development. We will seek her involvement enlisting her position of objectivity and neutrality with respect to engaging in consideration and making decisions particularly regarding selection of the Company's officer candidates and matters of officer remuneration as a member of the Nomination Advisory Committee and the Remuneration Advisory Committee.
Masaru Onishi	○	Trustee, KEIZAI DOYUKAI (Japan Association of Corporate Executives) Trustee, International University of Japan Visiting Professor, Toyo University Outside Director, TEIJIN LIMITED Outside Director, Kadoya Sesame Mills Incorporated Senior Advisor, Alton Aviation Consultancy Japan Co., Ltd Outside Director, Benesse Holdings, Inc. <Attendance at Board of Directors' meetings in fiscal 2023> 12/12 (attendance rate 100%)	We have appointed Masaru Onishi as an outside director in the expectation that he will continue to appropriately fulfill his role as a supervisor of the Company's business execution in terms of proactively contributing to discussions at meetings of the Board of Directors from a practical and multifaceted perspective, reflecting his considerable insight based on his high level of managerial experience having served as Representative Director, President and as Representative Director, Chairman of Japan Airlines Co., Ltd. We will seek his involvement enlisting his position of objectivity and neutrality with respect to engaging in consideration and making decisions particularly regarding selection of the Company's officer candidates and matters of officer remuneration as a member of the Nomination Advisory Committee and the Remuneration Advisory Committee.

Atsushi Toyonaga		<Attendance at Board of Directors' meetings in fiscal 2023> To be newly appointed on June 25, 2024	We have appointed Atsushi Toyonaga as an outside director in the expectation that he will contribute to the growth and development of the Company, leveraging his extensive international experience, leadership and broad viewpoint, which reflects his achievements in executing initiatives in a wide array of fields in the Ministry of Economy, Trade and Industry, including regional development, energy policies, support for key industries, promotion of outward investment and global environmental measures. We will seek his involvement, enlisting his position of objectivity and neutrality with respect to engaging in consideration and making decisions particularly regarding the selection of the Company's officer candidates and matters of officer remuneration as a member of the Nomination Advisory Committee and the Remuneration Advisory Committee.
Yumi Yamaguchi	○	Executive Advisor, Mitsui & Co. Outside Director, Nichirei Corporation <Attendance in Board of Directors' meetings in fiscal 2023> To be newly appointed on June 25, 2024	We have appointed Yumi Yamaguchi as an outside director in the expectation that she will contribute to sustained growth, social value creation and maintenance and enhancement of corporate governance of the Company, leveraging her broad experience and insight in a wide range of planning and policy formation in the Ministry of Land, Infrastructure, Transport and Tourism, and her experience in analyzing the global business environment, reviewing sustainability issues, and forming and implementing comprehensive digital transformation strategies in Mitsui & Co. We will seek her involvement, enlisting her position of objectivity and neutrality with respect to engaging in consideration and making decisions particularly regarding selection of the Company's officer candidates and matters of officer remuneration as a member of the Nomination Advisory Committee and the Remuneration Advisory Committee. Meanwhile, although she concurrently holds the post of Executive Advisor at Mitsui & Co., one of the Company's suppliers, she has been nominated as an outside director candidate based on her own experience and insight, and not on any special interests between the Company and Mitsui & Co.

Voluntary Establishment of Committee(s) Corresponding to Nomination Committee or Remuneration Committee	Established

Committee's Name, Composition, and Attributes of Chairperson

	Committee Corresponding to Nomination Committee	Committee Corresponding to Remuneration Committee
Committee's Name	Nomination Advisory Committee	Remuneration Advisory Committee
All Committee Members	6	6
Full-time Members	0	0
Inside Directors	2	2
Outside Directors	4	4
Outside Experts	0	0
Other	0	0
Chairperson	Outside Director	Outside Director

Supplementary Explanation

The Nomination Advisory Committee and the Remuneration Advisory Committee are established as arbitrary organizations under the Board of Directors. Both Committees are chaired by an outside director and consist of all four outside directors, the chairman and the president, with outside directors making up the majority, to make the supervision of the executive directors by the outside directors more effective.
The Nomination Advisory Committee deliberates on the appointment and dismissal of directors and executive officers and the criteria for deciding their appointment and dismissal and on a plan for the next president (including the reappointment and dismissal of the incumbent president) based on the successor plan, to make procedures more objective and transparent.
The Remuneration Advisory Committee examines how the remuneration for officers, including incentives for the long-term enhancement of corporate value, should be structured from an objective standpoint with a focus on the stakeholders' perspective by reviewing the remuneration system for directors and executive officers when appropriate.
In addition to the members of the Committees, outside Audit & Supervisory Board members are also permitted to state their opinions by attending the Committee meetings to enable them to understand the process of deliberations. The Board of Directors passes the necessary resolutions by respecting the contents of the reports submitted by both Advisory Committees.

[Audit & Supervisory Board Members]

Establishment of Audit & Supervisory Board	Established
Maximum Number of Audit & Supervisory Board Members Stipulated in Articles of Incorporation	5
Number of Audit & Supervisory Board Members	4

Cooperation among Audit & Supervisory Board Members Accounting Auditors and Internal Audit Departments Updated

KPMG AZSA LLC, with which the Company has entered into an audit agreement, conducts accounting audits. The Audit & Supervisory Board members and the accounting auditor strive to conduct appropriate accounting audits through exchanging and discussing information on the status of audits conducted during the period and key audit matters (KAMs), etc. as required, in addition to holding regular meetings to report audit plans formulated by the accounting auditor, explain audit plans formulated by the Audit & Supervisory Board members, report on the results of quarterly reviews and report on the year-end audit. The Corporate Audit Division conducts an audit of the overall business activities of the Company and its subsidiaries in cooperation with the Audit & Supervisory Board members and the Audit & Supervisory Board. The Audit & Supervisory Board members receive explanations about the audit plans and the status of their implementation from the Corporate Audit Division by holding regular meetings with the Corporate Audit Division, and they receive explanations of the internal audit results and remedial actions by attending the audit report meeting that is held for each issue. In addition, to deepen cooperation among the Corporate Audit Division, the accounting auditor and the Audit & Supervisory Board members, the Company holds the Three Parties' Audit Liaison Meetings where these three parties gather to share audit plans and the status of audits. The Corporate Audit Division of the Company also attend the MOL Group Corporate Auditors' Liaison Meetings that are held on a regular basis to deepen mutual cooperation.

Appointment of Outside Audit & Supervisory Board Members	Appointed
Number of Outside Audit & Supervisory Board Members	2
Number of Independent Audit & Supervisory Board Members	2

Outside Audit & Supervisory Board Members' Relationship with the Company (1)

Name	Attribute	Relationship with the Company*												
		a	b	c	d	e	f	g	h	i	j	k	l	m
Satoru Mitsumori	Lawyer													
Fumiko Takeda	Academic													

* Categories for "Relationship with the Company"
* "○" when the director presently falls or has recently fallen under the category;
"Δ" when the director fell under the category in the past
* "●" when a close relative of the director presently falls or has recently fallen under the category;
"▲" when a close relative of the director fell under the category in the past

a. Executive of the Company or its subsidiary
b. Non-executive director or accounting advisor of the Company or its subsidiaries
c. Non-executive director or executive of a parent company of the Company
d. Audit & Supervisory Board member of a parent company of the Company
e. Executive of a fellow subsidiary company of the Company
f. A party whose major client or supplier is the Company or an executive thereof
g. Major client or supplier of the Company or an executive thereof
h. Consultant, accountant or legal professional who receives a large amount of monetary consideration or other property from the Company besides compensation as an Audit & Supervisory Board member
i. Major shareholder of the Company (or an executive of the said major shareholder if the shareholder is a legal entity)
j. Executive of a client or supplier company of the Company (which does not correspond to any of f, g, or h) (the Audit & Supervisory Board member himself/herself only)
k. Executive of a company, between which and the Company outside directors/ Audit & Supervisory Board members are mutually appointed (the Audit & Supervisory Board member himself/herself only)
l. Executive of a company or organization that receives a donation from the Company (the Audit & Supervisory Board Member himself/herself only)
m. Others

Outside Audit & Supervisory Board Members' Relationship with the Company (2) Updated

Name	Designation as Independent Audit & Supervisory Board Member	Supplementary Explanation of the Relationship	Reasons of Appointment
Satoru Mitsumori	○	Registered as an attorney at law at Daini Tokyo Bar Association Managing Partner, Asahi Law Offices Director, AZABU GAKUEN Audit & Supervisory Board Member, Kur & Hotel Co., Ltd. Representative Director, Japan Association for Business Recovery <Attendance at the Board of Directors' meetings and the Audit & Supervisory Board meetings in fiscal 2023> Board of Directors' meetings: 12/12 (attendance rate 100%) Audit & Supervisory Board meetings: 12/12 (attendance rate 100%)	Satoru Mitsumori is in a neutral position without an interest in the Company and has many years of experience as an attorney at law, expert knowledge, and an exceptional mindset for legal compliance. We have appointed him based on the judgment that he would bring such experience and knowledge to bear on the Company's audit system and carry out his duties as an outside Audit & Supervisory Board member competently from an independent position of objectivity and fairness.
Fumiko Takeda	○	Professor, Graduate School of Business Administration, Keio University Member, Antitrust Association, Japan Fair Trade Commission <Attendance at the Board of Directors' meetings and the Audit & Supervisory Board meetings in fiscal 2023> Board of Directors' meetings: 10/10 (attendance rate 100%) Audit & Supervisory Board meetings: 10/10 (attendance rate 100%) Meetings held after her assignment on June 20, 2023	Fumiko Takeda is in a neutral position without an interest in the Company. She has many years of experience as a researcher and professor specializing in applied empirical economics and has considerable knowledge in accounting, economy, and finance. She has not been directly involved in corporate management, although she has experience serving as an outside officer. However, she has research achievements in the fields including internal control and corporate governance, and we think she will appropriately execute her duties as an outside Audit & Supervisory Board member and audit management and business execution from an objective and fair perspective. We have thus appointed her an outside Audit & Supervisory Board member.

[Independent Directors/ Audit & Supervisory Board Members]

Number of Independent Directors/Audit & Supervisory Board Members	6

Matters relating to Independent Directors/Audit & Supervisory Board Members

We have designated all the outside officers of the Company as independent officers.

[Incentives]

Incentive Policies for Directors	Introduction of performance-linked compensation plan

Supplementary Explanation

Based on the approval obtained at the annual general meeting of shareholders held on June 22, 2021, as remuneration for directors of the Company, the Company has introduced a performance-linked stock compensation plan, which is compensation granted to executive directors (directors concurrently serving as executive officers)according to their achievement of certain performance targets over a given evaluation period, and which is separate from remuneration for directors, which was resolved at the annual general meeting of shareholders that was held on June 28, 1990. This plan was approved via deliberations at meetings of the Board of Directors and the Remuneration Advisory Committee, for the purpose of incentivizing directors to strive for sustainable enhancement of the corporate value of the Company and further aligning the values of directors with those of shareholders.

Recipients of Stock Options	Inside Directors / Outside Directors / Employee / Other

Supplementary Explanation

For the purpose of raising the motivation and morale of the directors, executive officers and employees (in senior management positions) of the Company and the presidents of its consolidated subsidiaries to improve the financial results of the Company and shareholder returns, the Company grants them share subscription rights. The recipients of share subscription rights are employees in senior management positions among the employees, and the presidents of the consolidated subsidiaries as for other. The stock option scheme for directors and executive officers was abolished on June 22, 2021 but the granted stock options survived and the recipients of the stock options are as shown above. The stock option scheme for employees (senior managers) and presidents of consolidated subsidiaries was abolished on June 21, 2022 but the granted stock options survived.

[Director Remuneration]

Disclosure of Individual Directors' Remuneration	Individual disclosure for some officers only

Supplementary Explanation Updated

The total amount of remuneration for directors and Audit & Supervisory Board members is included in the annual securities report and the business report and made available for public inspection.
The total amount of remuneration for directors and Audit & Supervisory Board members in fiscal 2023 (from April 1, 2023 to March 31, 2024) was as follows.

Category	Number of recipients	Total amount of remuneration	Total amount of remuneration, etc. by type			
			Basic remuneration	Performance-linked remuneration, etc.	Non-monetary remuneration, etc.	
			Monthly remuneration (Cash)	Single fiscal year performance-linked remuneration (Cash)	Performance-linked stock remuneration (Shares)	Non-performance-linked stock remuneration (Shares)
Directors (Outside Directors)	11 (4)	527 million yen (55) million yen	293 million yen (50) million yen	131 million yen (—)	70 million yen (—)	33 million yen (5) million yen
Audit & Supervisory Board members (Outside Audit & Supervisory Board members)	6 (3)	98 million yen (26) million yen	98 million yen (26) million yen	— (—)	— (—)	— (—)
Total (Outside officers)	17 (7)	625 million yen (81) million yen	391 million yen (76) million yen	131 million yen (—)	70 million yen (—)	33 million yen (5) million yen

(Note 1) The above figures include remuneration for two directors (zero outside directors) and two Audit & Supervisory Board members (including one outside Audit & Supervisory Board member) who left office with the close of the annual general shareholders meeting held on June 20, 2023.
(Note 2) The stated amounts are rounded off to the nearest million yen.
(Note 3) The share price and certain indicators used in the calculation of "performance-linked stock remuneration (shares)" above are forecasts at the present date.

The total amount of remuneration, etc. for officers whose total amount of remuneration, etc. is 100 million yen or more in fiscal 2023 (from April 1, 2023 to March 31, 2024) was as follows.

Eligible persons	Category	Basic remuneration	Single fiscal year performance-linked remuneration	Performance-linked stock remuneration	Total amount of remuneration, etc.
Takeshi Hashimoto	Directors	70.80 million yen	60.88 million yen	35.08 million yen	166.76 million yen
Toshiaki Tanaka	Directors	47.76 million yen	40.39 million yen	20.85 million yen	109.00 million yen

(Note 1) The recipient does not concurrently serve as the Director or Audit & Supervisory Board member of a subsidiary of the Company and the remuneration, etc. was received entirely from the Company.

(Note 2) Each amount stated in the breakdown of the "Total amount of remuneration, etc." is rounded to the nearest ten thousand yen and the sum of these amounts does, therefore, not necessarily match the "Total amount of remuneration, etc." of directors

(Note 3) The share price and certain indicators used in the calculation of "performance-linked stock remuneration (shares)" above are forecasts at the present date.

Policy on Determining Remuneration Amounts and Calculation Methods Updated	Established

Disclosure of Policy on Determining Remuneration Amounts and Calculation Methods

1. Policy on determining the details of performance indices for performance-linked compensation (non-monetary compensation), the calculation method of the amount of compensation to be granted or the number of shares to be delivered, and the timing and conditions of their granting or delivery

   Long-term target contribution-linked compensation (performance-linked compensation), which is the non-monetary compensation of the Company, is granted to directors who concurrently serve as executive officers and were in office each fiscal year. The purpose of the long-term target contribution-linked compensation is to incentivize directors to strive for sustainable enhancement of corporate value and to further align with values of directors with those of shareholders. The Company delivers performance share units, which are non-monetary compensation linked with the stock price and business performance over the medium and long term, in the form of restricted stock, according to business performance and achievement of performance targets over a given evaluation period. (Money to be applied to tax payment is also provided.)
   After each evaluation period has elapsed, the Board of Directors determines the number of shares to be delivered and the amount of cash to be granted. The Company then delivers or grants these, lifts the transfer restrictions on the delivered shares when the eligible Directors retire from office and grants the portion to be granted in cash.
   The Company may, however, acquire the granted shares, free of charge, and confiscate the portion granted in cash, if there are reasonable grounds to acquire the granted shares, free of charge, such as a violation of laws and regulations, internal rules or other regulations by an eligible director.

2. Policy on determining the ratio of the amount of basic compensation, the amount of performance-linked compensation, etc. and the amount of non-monetary compensation, etc. to the amount of compensation, etc., of each individual director

   The ratio of each type of compensation to the compensation of each individual director is determined based on comprehensive consideration of a range of factors including rank, responsibilities, performance and achievement of targets, and with reference to the policies of other companies in the same industry and companies of a similar size in different industries. In the case of non executive directors, including outside directors whose main duty is the supervision of business execution, the ratio of each type of compensation to the compensation of each individual director is determined based on comprehensive consideration of a range of factors including rank and responsibilities, and with reference to the policies of other companies of a similar size in different industries.

3. Matters related to the procedure for determining the details of compensation, etc. of each individual director

   Details of compensation, etc. of each individual director are determined by resolution of the Board of Directors in light of the deliberations and report of the Remuneration Advisory Committee where a majority of members are outside directors and which is chaired by an outside director.

[Supporting System for Outside Directors and/or Audit & Supervisory Board Members]

The Company has developed a supporting system to ensure that the supervisory function of the outside directors will be effective whereby the Board of Directors' Office and the Corporate Planning Division explains the issues to be submitted to the Board of Directors to the outside directors and outside Audit & Supervisory Board members in advance by meeting them or in writing and reports on the execution of important businesses to them each time.

[Retired presidents/CEOs holding advisory positions (sodanyaku, komon, etc.)]

Information on retired presidents/CEOs holding advisory positions (sodanyaku, komon, etc.)

Name	Job title/ position	Responsibilities	Employment terms (Full/part time, with/without compensation, etc.)	Date when former role as president/ CEO ended	Term
Koichi Muto	Special advisor	Engaging in outside activities such as those of industry groups (not involved in management)	Work style: Part time Remuneration: Yes	June 25, 2019	There is a bylaw regarding the maximum age.

Number of retired presidents/CEOs holding advisory positions (sodanyaku, komon, etc.)	1

Others Updated

- A person who has experience as the chairman and/or the president will assume the office of special advisor through a resolution of the Board of Directors. The special advisor engages in outside activities on a part-time basis and is not involved in the management of the Company. In principle, the special advisor shall retire at the end of the month in which they turn 75.

2. Matters on Functions of Business Execution, Auditing, Oversight, Nomination and Remuneration Decisions (Overview of Current Corporate Governance System) Updated

The Company believes that the true worth of its corporate governance system will not be achieved by the existence of the framework and organization constructed based on the basic views described in I.1 of this Report, but will be put to the test by whether such a framework actually works properly and efficiently in the manner described below.

■ Board of Directors

As the central decision-making body of the Company, the Board of Directors deliberates and passes resolutions on basic policies and the most important matters for the management of the MOL Group.

The Board of Directors consists of five (5) inside directors (, as of June 25, 2024, of whom two (2) are non-executive directors) and four (4) outside directors (as of June 25, 2024), who hold no interest in MOL. The outside directors play a major role in vitalizing the Board of Directors by checking the reasonableness of management decisions and of the status of business execution based on their respective experience and knowledge from an independent standpoint without an interest in the Company and expressing useful opinions on overall management. We have developed a supporting system for outside directors whereby agenda at the Board of Directors' meetings are explained in advance, and site inspection of domestic and overseas bases and the execution of important businesses are reported to them each time. In addition, the Board of Directors also conducts "Deliberation on Corporate Strategy and Vision" sessions during which inside and outside directors and audit & supervisory board members exchange opinions freely on management strategies, the long-term vision and other important topics related to overall management. Starting in FY2024, "Deliberation on Sustainability" sessions are being held, in addition to "Deliberation on Corporate Strategy and Vision" sessions, to enhance the Board of Directors' involvement in reviewing sustainability management policies and strategies.

The Board of Directors meets regularly about 10 times a year at appropriate intervals to formulate management plans, decide on major investments, approve budgets for each fiscal year, approve quarterly financial results, and make decisions on strengthening corporate governance, among others.

■ The Nomination Advisory Committee and the Remuneration Advisory Committee

MOL has established the Nomination Advisory Committee and the Remuneration Advisory Committee as arbitrary organizations under the Board of Directors. Both Committees are chaired by an outside director and consist of all four outside directors, the chairman and the president, with outside directors making up the majority, to make the supervision of the executive directors by the outside directors more effective.

The Nomination Advisory Committee deliberates on the election, appointment and dismissal of directors and executive officers, as well as the necessary criteria for their determination and proposals for the next President based on the succession plan (including reappointment and dismissal of the incumbent President), thereby increasing the objectivity and transparency of the processes. The Remuneration Advisory Committee appropriately reviews the remuneration plan for directors and executive officers, and determines appropriate levels of remuneration for directors, including incentives for long-term enhancement of corporate value from an objective standpoint, while putting a high priority on the "stakeholders' perspective." In addition to the members of the Committees, outside Audit & Supervisory Board members are also permitted to state their opinions by attending the Committee meetings to enable them to understand the process of deliberations. The Board of Directors passes the necessary resolutions by respecting the contents of the reports submitted by both Advisory Committees.

■ Corporate Governance Council

The Corporate Governance Council was established under the Board of Directors to serve as a forum for facilitating unrestricted discussion while incorporating outside knowledge with respect to the general direction of the Company's corporate governance. Incorporating the perspectives of independent outside directors and independent outside Audit & Supervisory Board members, the Council considers the status and direction of the corporate governance of the Group as a whole and verification of the effectiveness of the Board of Directors and gives reports and advice to the Board of Directors.

■ Succession Planning

The Company has drawn up President succession plans consisting of the position's requirements, selection process, and plan for training successor candidates, with the aim of selecting a President who is appropriate for the Company. In fiscal 2023, based on said plan, the Nomination Advisory Committee deliberated on the requirements of the next President based on the succession plan for the President, and on measures for the development of the next generation of managerial talent.

■ Effectiveness Evaluation

The Board of Directors annually conducts a questionnaire survey, including self-evaluation by each director and Audit & Supervisory Board member, regarding the agenda and deliberations of the Board of Directors and its subordinate committees, the Nomination Advisory Committee and Remuneration Advisory Committee and the Corporate Governance Council, the contribution of each member, and the effectiveness of their operations, etc. It then analyzes and evaluates the effectiveness of the Board of Directors as a whole, identifies issues and examines measures for improvement, and discloses a summary of the results.

In fiscal 2023, we received responses from all directors and Audit & Supervisory Board members in the form of a self-questionnaire in February 2024, and in April 2024, the Corporate Governance Council evaluated and analyzed the effectiveness of the Board of Directors, identified issues, and formulated improvement measures. The Company discloses these results in its Corporate Governance Report.

■ Business execution system

The company introduced the executive officer system in 2000. Executive officers who are appointed by the Board of Directors and to whom authority is delegated by representative director work to increase the speed of management by operating business in accordance with the highest management policy determined by the Board of Directors. The Executive Committee (chaired by the President) functions as a deliberative organ to make decisions on basic management plans and important issues related to execution of business in accordance with the basic policy determined by the Board of Directors. The company has established six (6) committees as subordinates under the Executive Committee. In addition to the members of each respective committee, officers and general managers related to each issue attend the committee meetings to examine and deliberate on various matters such as important matters submitted to the Executive Committee for discussion and matters pertinent to multiple divisions.

In fiscal 2023, we introduced the Chief Officer system to oversee the Group's corporate functions across the board and provide strong support for integrated and strategic initiatives. Each Chief Officer is delegated with a portion of the authority and responsibilities of the President, and is tasked with directing and controlling not only the Company (headquarters), but also the entire Group in specific cross-functional areas.

Additionally, the cross-functional structure consists of three axes: corporate organizations, which are overseen by Chief Officer; business organizations, which are overseen by Director General of business headquarters; and regional organizations, which are overseen by Regional Executive Officer. Through this structure, we aim to strike the right balance between the centralization and decentralization of authority in the management of the Group, as well as promote more flexible business operations and improve group governance.

■ Audit system

The Audit & Supervisory Board consists of two (2) full-time audit & supervisory board members and two (2) outside audit & supervisory board members who hold no interest in the company. The audit & supervisory board members periodically hold Audit & Supervisory Board's meetings to draw up audit plans and report and share audit results, etc., and prepare audit reports at the end of fiscal years. Each audit & supervisory board member attends meetings of the Board of Directors and other important meetings to audit the deliberation and decision-making processes. They also audit the development and operational status of internal control systems by conducting interviews with directors, executive officers, and employees, as well as researches for Group companies. KPMG AZSA LLC, the accounting auditor, conducts accounting audits. In addition to the above, the Corporate Audit Division, which receives directions from the President and is independent from any other management body, conducts internal audits including internal audits on Group companies. Three entities—namely, the Audit & Supervisory Board, the accounting auditor, and the Corporate Audit Division—take initiatives to improve the effectiveness of audits through close coordination with each other.

■ Outside Officers

All six (6) of MOL's outside officers (four (4) outside directors and two (2) outside Audit & Supervisory Board members) fulfill MOL's unique "Independence Criteria for Outside Officers."

All four (4) outside directors fulfill their role to strengthen the function of Board of Directors regarding its management decisions and supervision by providing advice regarding MOL's overall management from an independent standpoint based on their extensive experience and knowledge in their respective areas of expertise. The outside directors gain a deeper understanding of the Group's businesses by attending meetings of the Board of Directors as well as those of the Corporate Governance Council, the Nomination Advisory Committee and the Remuneration Advisory Committee as well as through discussions regarding management issues with the executive officers, dialogues with employees and site inspections of overseas bases. They reflect the understanding in their performance of their duties.

The two (2) outside audit & supervisory board members have in-depth knowledge and insight as specialists in law and accounting and have a role in strengthening MOL's audit structure from an independent position. In addition to attending Board of Directors' meetings and Audit & Supervisory Board's meetings, the outside audit & supervisory board members interview inside directors, exchange opinions with outside directors, carry out discussions with executive officers about management issues, and incorporate the knowledge gained from them in their duties as outside audit & supervisory board members.

In order to ensure that outside directors and outside Audit & Supervisory Board members can sufficiently fulfill their expected roles, the Company has entered into liability limitation agreements with each of the four (4) outside directors and two (2) outside Audit & Supervisory Board members, which limit their liability to the total of the amounts specified in each item of Article 425, paragraph (1) of the Companies Act, in the event that they fail to perform their duties as a director or Audit & Supervisory Board member and cause damage to the Company, provided they have performed their duties with good intent and without gross negligence.

3. Reasons for Adoption of Current Corporate Governance System

Please refer to I. 1. "Basic Views" in this report.

III. Implementation of Measures for Shareholders and Other Stakeholders

1. Measures to Vitalize the General Shareholder Meetings and Smooth Exercise of Voting Rights

	Supplementary Explanations
Early Notification of General Shareholder Meeting	Since the annual general shareholder meeting held in June 2006, the Company has sent out the convocation notice of the general shareholder meeting before the statutory deadline.
Scheduling AGMs Avoiding the Peak Day	Since the annual general shareholder meeting held in June 2000, the Company avoids the so-called peak day when holding its annual general shareholder meetings.
Allowing Electronic Exercise of Voting Rights	Since the annual general shareholder meeting held in June 2006, the Company exercises voting rights via the Internet and participates in the Electronic Voting System Platform for Institutional Investors (the so-called ICJ Platform).
Participation in Electronic Voting Platform	The Company has been participating in the Electronic Voting Platform since 2006. In addition, the Company makes efforts to improve the environment for exercising voting rights by providing institutional investors with explanations of proposals when appropriate, among other means.
Providing Convocation Notice in English	An English convocation notice (including reference documents for the general shareholder meeting and the business report) is prepared and published on the English website at the same time the Japanese convocation notice is published on the Japanese website.
Other	Publication of the convocation notice on the Company's website and holding of attendance-type virtual general meeting

2. IR Activities Updated

	Supplementary Explanations	Presence or absence of explanation by the representative himself
Preparation and Publication of Disclosure Policy	The Company created a "IR Policies" page on its website to publish policies such as its basic policies on disclosure, information disclosure standards, and information disclosure procedures. The Integrated Report (MOL Report) also has a section on "Information Disclosure and External Recognition" and explains the results of engagement with stakeholders in addition to the details on the left.	
Regular Investor Briefings for Individual Investors	In FY2023, the Company participated in a fair for individual investors, gave explanations on the Company's current status and held Q&A sessions over two days (one time). The Company also participated in an online meeting for individual investors and posted a company briefing video for one month (one time, presented by the General Manager, Corporate Communication Division). The Company posted company briefing videos on its YouTube channel (four videos).	Absent
Regular Investor Briefings for Analysts and Institutional Investors	Quarterly results briefings (four times a year) President's small meeting for institutional investors (twice a year) Small meeting for investment managers responsible of institutional investors (once a year, Chief Sustainability Officer and other officers participates in the meeting)	Present
Regular Investor Briefings for Overseas Investors	Visits to overseas institutional investors and interviews with them (once in North America, twice in Europe, once in Asia and once in Australia) Participation in interview meeting for overseas institutional investors held by securities firm (eight times a year)	Present

Posting of IR Materials on Website	IR News, Financial Highlights, Business Performance, Investor Guidebook, Shipping Market Data, Management Plan Briefing Materials, Materials for Business Segment IR Meetings, MOL Report, securities reports, Business Report, Glossary, etc. (in both English and Japanese, in principle)	
Establishment of Department and/or Manager in Charge of IR	The Company established a dedicated IR Team in the Corporate Communication Division. Under the direction of the Chief Communication Officer, who is the officer in charge of IR, the team sought to enhance disclosure reports and regularly reported the opinions of stakeholders to the Board of Directors.	

3. Measures to Ensure Due Respect for Stakeholders Updated

	Supplementary Explanations
Stipulation of Internal Rules for Respecting the Position of Stakeholders	The Company defines the MOL Group Corporate Mission as "From the blue oceans, we sustain people's lives and ensure a prosperous future" and it has established MOL CHARTS as the core values to be embraced by all officers and employees, to implement this mission. ◆ MOL CHARTS (MOL Group Values) Challenge Innovate through insight. Honesty Do the right thing. Accountability Commit to acting with a sense of ownership. Reliability Gain the trust of stakeholders. Teamwork Build a strong team. Safety Pursue the world's highest level of safety culture. The Company has also set out the following vision for the MOL Group 10 Years from now. ◆ MOL Group Vision We will develop a variety of social infrastructure businesses in addition to traditional shipping businesses, and will meet the evolving social needs including environmental conservation, with innovative technology and services. MOL group aims to be a strong and resilient corporate group that provides new value to all stakeholders and grows globally. The Company also stipulates in its internal regulations that we shall always recognize the public mission and social responsibilities of MOL's business and maintain the trust of the Company's stakeholders and that we shall actively fulfill our corporate social responsibilities. In addition, the "MOL Group Three Basic Principles of Corporate Governance," which were formulated and announced in March 2023, and the "MOL Group Corporate Governance Policy," which systematically describes policies on specific initiatives based on the spirit of the Basic Principles, stipulate that the MOL Group "provide new value through highly transparent dialogue with all of our stakeholders." ◆ MOL Group Three Basic Principles of Corporate Governance Article 3 (Dialogue) We, the MOL Group, provide new value through highly transparent dialogue with all of our stakeholders, including shareholders, investors, employees and customers.

Implementation of Environmental Activities, CSR Activities etc.	The MOL Group identifies social issues (materiality) to be prioritized through its businesses. Based on enhancement of "Governance," which is foundation of MOL Group management, the group addresses issues of "Safety & Value" and "Environment," while "Innovation" and "Human & Community" are closely inter-related. The Group strives to improve its corporate value through realizing the Group Vision and contribute to realizing a sustainable society by moving forward with these initiatives. In order to accelerate its efforts to resolve Sustainability Issues, the Company has set goals, KPIs, and action plans for each of these issues, and formulated the MOL Sustainability Plan. The details of the specific activities are introduced on the Company's website and in integrated reports, etc.
Development of Policies on Information Provision to Stakeholders	In addition to the "MOL Group Three Basic Principles of Corporate Governance" and the "MOL Group Corporate Governance Policy" mentioned above, the Company's internal regulations stipulate that we shall conduct highly transparent management by actively disclosing our corporate information to gain the understanding and support of a range of stakeholders. The Company also discloses information actively to shareholders and investors, establishing an IR Team in the Corporate Communication Division as a dedicated department for information disclosure.

IV. Matters Related to the Internal Control System

1. Basic Views on Internal Control System and the Progress of System Development Updated

The Company builds and implements the "System to Ensure the Appropriateness of Operations (Internal Control System)" as described below, in order to ensure the soundness and efficiency of management and the appropriateness and reliability of financial reporting. Improvements will be made on this policy on a continuous basis going forward.

1. System to Ensure That the Execution of Duties by the Directors, Executive Officers and Employees of the Corporate Group Consisting of the Company and its Subsidiaries (hereinafter the "Group") Complies with Laws and Regulations and the Articles of Incorporation

<Compliance>

(1) The MOL Group includes "Keep compliance as a Top Priority. Ensure that actions comply with social norms and the highest ethical standards." as one of the MOL Group Values (MOL CHARTS) , in addition to complying with laws, regulations and the articles of incorporation. The Company prescribes the Compliance Policy as the basis for enhancing the compliance system and has established the Compliance Committee, chaired by a Chief Operating Officer (COO) or a Chief Compliance Legal Officer (CCLO) as appointed by the Board of Directors, in order to develop and maintain the compliance system through regular monitoring.

(2) The Company sets the code of conduct in Article 5 of the Compliance Policy as the code of conduct for the directors, officers and employees and strives to comply with these rules. In particular, the Company fully enforces, among others, the following: Observing the competition laws of countries, standing firm against antisocial forces, prohibiting insider trading, prohibiting the offer and acceptance of bribes, protecting confidential information, including personal information, of customers, business partners, employees, companies, and others, and prohibiting discrimination and harassment.

(3) The Company takes measures to prevent the violation of compliance and improve compliance by providing all the officers and employees with training by job rank and category and e-learning on a range of laws, rules, and regulations including the Antimonopoly Act, the Financial Instruments and Exchange Act and the Unfair Competition Prevention Act as well as the Company internal rules and regulations, and ensures that its officers and employees deepen and improve their awareness of compliance.

(4) The Company maintains and operates the reporting and consultation systems by establishing an internal helpdesk for reporting and consulting on the violation of compliance and the Compliance Advisory Service Desk with service provided by outside lawyers based on the Compliance Policy. The Company keeps reports and consultations on breaches of compliance by the officers and employees of the Group strictly confidential and guarantees that those who have made the reports and undertaken the consultations will not be treated unfavorably due to having done so.

<Corporate Governance>

(5) The Company establishes the MOL Group Three Basic Principles of Corporate Governance and the MOL Group Corporate Governance Policy and makes them a code of conduct for all officers and employees of the Group. The Company will actively and continually work to enhance corporate governance.

(6) The Company strives actively and continually to bolster its corporate governance structure to achieve the MOL Group Vision and maximize its corporate value over the mid- and long-term through promotion of the management plan and initiatives to address sustainability issues, underpinned by the Group Corporate Mission. To such ends, the Company implements measures that include: 1) appointing two or more independent outside directors ; 2) as advisory bodies to the Board of Directors, establishing the Nomination Advisory Committee and Remuneration Advisory Committee, which are arbitrary organizations in which the majority of members are independent outside directors; and, 3) establishing for the first time the Company's own criteria for judging independence, in addition to the requirements for independent officers stipulated by the Tokyo Stock Exchange.

(7) The Company has adopted an institutional design to realize the legality, appropriateness and effectiveness of business execution by securing an auditing function through the Audit & Supervisory Board, which is independent from the Board of Directors and by not only securing mutual supervision and check mechanism between inside directors (concurrently serving as executive officers) who execute business, but also having the Board of Directors which is composed of inside directors, who are also responsible for business execution, and non-executive inside directors and independent outside directors, who specialize in strategy review and supervisory functions, thereby ensuring effective supervision of the Board of Directors.

(8) The Board of Directors makes efforts to create an environment that enables Audit & Supervisory Board members to audit the execution of duties by the directors, executive officers and employees according to the audit policies specified by the Rules of the Audit & Supervisory Board and the standards of the Audit & Supervisory Board members' audit and fulfill their mission as provided for by other laws and regulations.

(9) The Company establishes the Corporate Audit Division, which is independent from any other positions and receives directions from the president. The Corporate Audit Division conducts internal audits on periodic and as needed bases in accordance with the Rules of Internal Audit.

(10) The Company establishes the Corporate Governance Council, which, incorporating the perspectives of independent outside directors and independent outside Audit & Supervisory Board members, considers the status and direction of the corporate governance of the Group as a whole and verification of the effectiveness of the Board of Directors, to ensure management objectivity and transparency within the Board of Directors.

2. System to Ensure Objectivity and Transparency of Personnel Affairs of Directors and Executive Officers and Decision-Making Process for Their Remuneration

(1) Under the Board of Directors, the Company has established the Nomination Advisory Committee and Remuneration Advisory Committee, both of which consist of a majority of independent outside directors, for the purpose of strengthening its accountability by increasing the objectivity and transparency of the procedures for the nomination and remuneration of directors and executive officers.

(2) The Nomination Advisory Committee and Remuneration Advisory Committee comprise the chairman, the president, and all independent outside directors. The chairmen of the Committees are selected from the independent outside directors by a resolution of the Board of Directors. The independent outside Audit & Supervisory Board members can attend and express opinions at meetings of both the advisory committees.

(3) The Nomination Advisory Committee deliberates matters concerning appointment and dismissal of directors and executive officers in response to advice from consultations from the Board of Directors and submits a report to the Board of Directors.

(4) The Remuneration Advisory Committee deliberates matters concerning the remuneration and treatment of directors and executive officers in response to consultations from the Board of Directors and submits a report to the Board of Directors.

(5) The Board of Directors respects the reports submitted by Nomination Advisory Committee and Remuneration Advisory Committee.

3. System Concerning the Preservation and Management of Information on Execution of Duties by Directors and Executive Officers

(1) Information on the execution of duties by directors and executive officers will be appropriately preserved and managed for a prescribed period of time in writing or in the form of electronic information based on various laws and regulations as well as the Rules of Document Management, the Rules of Electronic Information Security and other relevant rules.

(2) Directors and Audit & Supervisory Board members may access these documents and this electronic information when necessary.

4. Rules and Other Systems Concerning to Management of Loss Risks of the Group

(1) In marine transport, which is MOL Group's principal business, and in social infrastructure business, which is promoted to realize the MOL Group Vision, the Group will identify, analyze and evaluate the major risks of loss ("risks" in this section), which could adversely affect the Group's business activities and performance, share price, and financial position, etc., in the event of occurrence of unexpected events including economic conditions in countries around the world, terrorism, war, other political and social factors, natural phenomena and disasters, and social disorder caused by pandemics, strikes and other factors, through the Investment & Strategy Committee and the Sustainability Committee, which are under the Executive Committee, and will incorporate the results of such identification, analysis and evaluation into the decision-making of the Board of Directors and the Executive Committee.

(2) The risk of fluctuation in the value of assets held by the Company and Group companies is statistically analyzed and quantified (hereinafter in this section referred to as "asset risk control") and this data is reported to the Board of Directors on a regular basis. Decision-making organizations such as the Board of Directors analyze whether or not the reported risk is within the scope of the Company's consolidated shareholders' equity and seek to control the Group's overall business risk.

(3) For irreversible changes in the external environment that affect its business, the Company, on a company-wide basis, manages those with a probability and degree of effect that cannot be grasped quantitatively. In accordance with the basic management policies, the Board of Directors discusses important risk scenarios identified, with respect to the impact on the Company's business and possible measures for dealing with them in light of information on relevant signs in the immediate past and expert opinions.

(4) The Company deals appropriately with any serious marine incident or other marine incident, any earthquake, infectious disease, act of terror or other disaster, or any major ICT incident that occurs by establishing a task force as an organization to seek early recovery and resumption of activities, including business continuity, in accordance with the Serious Marine Incident Task Force Rules, the Overseas Safety Management Division Rules, the Disasters and Infectious Diseases Task Force Rules and the Major ICT Incident Task Force Rules respectively. The Company deals with any events which do not fall under the above serious incidents, disasters, hazards, etc. in accordance with various internal manuals. In the event of an accident, event or situation which goes beyond the framework of each of these taskforces and could have a serious impact likely to obstruct the business activities of the Company or the Group as whole (hereinafter in this section referred to as a "crisis"), the Company establishes a crisis taskforce headed by the president as an organization for implementing groupwide measures whilst taking the social impact into consideration, to maintain business continuity and corporate value in accordance with the Crisis Taskforce Rules.

5. System to Ensure Efficient Execution of Duties by the Group's Directors and Executive Officers

(1) The Board of Directors holds meetings about 10 times a year at appropriate intervals and as required. Important matters to be submitted to the Board of Directors are, in principle, prescribed by the Rules of the Board of Directors and deliberated in advance by the Executive Committee. Meanwhile, the Company endeavors to improve the operating structure through discussions at the Nomination Advisory Committee, Remuneration Advisory Committee and the Corporate Governance Council, in order to adapt to changes in the management environment and improve the efficiency of the Board of Directors.
(2) The Board of Directors has established the Executive Committee, and the Executive Committee undertakes deliberations for the President, Chief Executive Officer to make decisions on the basic management plans and important issues regarding the execution of business based on the highest policy determined by the Board of Directors. The Executive Committee consists of members nominated by the President, Chief Executive Officer and approved by the Board of Directors and holds meetings once a week, in principle, and as required based on the Rules of the Executive Committee. The Executive Committee will also establish a committee as a subordinate body as required to undertake consultations about necessary matters.
(3) Executive officers are appointed by the Board of Directors and execute business in accordance with the highest policy on overall company management determined by the Board of Directors based on the organizational division of duties and the official authority of the job position prescribed in the Rules of Organization, with authority delegated by representative directors based on the Rules of Executive Officer.
(4) To ensure efficient execution of duties by the Group's directors and executive officers, the Company establishes various rules concerning resolutions and approvals, compliance, organizational management and official responsibilities and authority and encourages their application at subsidiaries through those responsible for business management at the Company. In addition, the Company's Board of Directors and Executive Committee supervise the status of execution of duties by the Group's directors and executive officers and the Group Executive Committee, which meets around twice a year, discusses and shares information about the Group's management policies and the status of management of subsidiaries.

6. System to Ensure the Credibility of Financial Reporting
(1) To ensure proper accounting and increase the reliability of financial reporting, the Company establishes the Rules of Accounting and strives to improve the system of internal control over financial reporting and increase its effectiveness.
(2) The Corporate Audit Division evaluates the effectiveness of internal control over financial reporting. Divisions that have undergone evaluation will take measures if any correction or improvement is necessary.

7. System for Reporting Matters Related to the Execution of Duties by Directors of Subsidiaries and Other Systems for Ensuring Appropriate Business Operations throughout the Group
(1) To ensure the appropriateness of operations within the Group companies, the Company establishes the MOL Group Values (MOL CHARTS) to apply to all Group companies, and each Group company establishes a range of regulations covering management of their own subsidiaries in accordance with the various rules of the Company established based on these Group values.
(2) Depending on the business content of each Group company, the Company determines a division or unit in charge of business management, which manages the status of business execution at individual companies based on the management plan and the annual budget of the entire Group and also assumes responsibility in relation to internal controls. As the person responsible for business management, the general manager of the division or unit in charge of business management receives the necessary reports in a timely manner from directors at Group companies in accordance with the Rules of Group Company Management in order to properly understand their financial conditions and business risks, and also agrees on the matters that need the Company's prior approval or need to be reported to the Company for each Group company and requires that important management matters are implemented accordingly. As a general rule, the Company also dispatches Directors and Audit & Supervisory Board members to each Group Company and allocates the necessary management resources in a timely and appropriate manner so that they can execute their duties efficiently and this ensures the appropriateness of business operations. Furthermore, for certain overseas Group companies, the regional heads of marketing or regional heads of corporate functions for Americas, Europe and Africa, East Asia, Southeast Asia and Oceania, and South Asia and Middle East areas will perform this role in place of the general manager of the division or unit in charge.
(3) Regardless of the preceding provision, for Group companies classified as part of the Company organization, in accordance with the Rules of Organization, Director General of Headquarters, Executive officer in charge of the division or unit will be established as the person responsible for business management ("person responsible for management" in this section), and the person responsible for management will be directly responsible for business management and internal control, without establishing a division or unit in charge of business management. In addition, an executive officer (in principle, a Group executive officer) from the Company will be appointed as the chief operating officer (President) at such Group companies. In addition, the Company determines a division or unit in charge of administration as an organization in charge of providing practical support to the person responsible, and under the direction of the person responsible, this division or unit undertakes the practical management of such Group companies from an objective perspective.

(4) To ensure compliance within Group companies, they establish a range of internal rules and regulations in accordance with the Compliance Policy, including the code of conduct of the Company. The Compliance Advisory Service Desk of the Company ensures the full enforcement of compliance throughout the entire Group by also undertaking consultations with the officers and employees of the Group companies. The Company keeps reports and consultations on breaches of compliance made by the officers and employees of the Group from the Group companies strictly confidential and requires the Group companies to guarantee that those who have made the reports and undertaken the consultations will not be treated unfavorably due to having done so.
(5) With respect to the audits of the Group companies, each company builds an internal control system appropriately, and the Corporate Audit Division of the Company conducts internal audits of the Group companies in Japan and overseas periodically and when necessary based on the Rules of Internal Audit.

8. Matters Concerning Dedicated Staff Member to Assist in the Audit & Supervisory Board Members' Duties (hereinafter in this section referred to as "assistant") and Matters for Ensuring the Effectiveness of Directions Given by Audit & Supervisory Board Members to Assistant
(1) To assist in the duties of the Audit & Supervisory Board members, an Assistant will be appointed from among the Company's employees.
(2) A personnel evaluation of the Assistant will be conducted by the Audit & Supervisory Board members, and a change in the personnel of the Assistant will be decided upon obtaining the approval of the Audit & Supervisory Board.
(3) An Assistant generally may not concurrently be in a position involved in the execution of business.
(4) Audit & Supervisory Board members consider matters necessary to ensure the independence of the assistance and the effectiveness of instructions to the assistant, including clarifying the following matters:
1) authority of the assistant (including authority to attend meetings based on directions of Audit & Supervisory Board members where necessary in addition to authority to investigate and authority to gather information);
2) Audit & Supervisory Board members' authority to command the assistant;
3) securing of expenses in relation to assistant's activities; and
4) framework for cooperation with assistant including internal audit operations, etc.

9. System Concerning Reports from the Group's Directors, Executive Officers and Employees to the Company's Audit & Supervisory Board Members and Other Systems Concerning Reports to Audit & Supervisory Board Members, and System to Ensure that Audits are Effectively Conducted by the Audit & Supervisory Board Members
(1) The Company establishes rules on matters that directors, executive officers and employees should report to the Audit & Supervisory Board members; and directors, executive officers and employees report important matters that could have an impact on the Company's business or business performance to the Audit & Supervisory Board members based on the rules. Directors, Audit & Supervisory Board members, executive officers and employees of Group companies may report important matters that could have an impact on the business or the performance of the Company and the Group to the Audit & Supervisory Board members of the Company.
(2) A system for reporting the violation of laws or regulations and other compliance issues appropriately to the Audit & Supervisory Board members is ensured by maintaining the appropriate operation of the reporting and consultation systems based on the Compliance Policy. With regard to reports and consultations about breaches of compliance by the officers and employees of the Group to the Audit & Supervisory Board members, information is kept strictly confidential, and it is guaranteed that those who have made the reports and undertaken the consultations will not be treated unfavorably due to having done so.
(3) Representative directors make efforts to have meetings periodically with the Audit & Supervisory Board members.
(4) The Corporate Audit Division cooperates with the Audit & Supervisory Board members in conducting audits effectively by communicating and coordinating with the Audit & Supervisory Board members.
(5) When an Audit & Supervisory Board member makes requests such as request for advance payment of expenses for the duties they will perform pursuant to Article 388 of the Companies Act, the expenses or debt will be paid except in cases where it is determined that the expenses or debt relating to the request were not necessary.

2. Basic Views on Eliminating Anti-Social Forces

In accordance with the corporate principle of "promotion of ethical and transparent management" the Company strives to fully enforce compliance, with "not being aligned with antisocial forces and never taking part in antisocial acts" as the basic policy.

For this reason, setting a clause of "taking a stern and uncompromising attitude toward antisocial forces and groups that may threaten public order and safety, and never taking part in antisocial acts" in the Compliance Policy and assigning a responsible official who deals with undue claims from antisocial forces, if they are made, the Company collects and manages information on antisocial forces on a routine basis in cooperation with external specialized institutions such as the police, the Federation of Special Violence Prevention Measures of the Metropolitan Police Department (Tokuboren) and lawyers. In addition, the Company continues its efforts to eliminate antisocial forces as a Group-wide effort by closely exchanging information within the Group.

V. Other

1. Adoption of Anti-Takeover Measures

Adoption of Anti-Takeover Measures	Not Adopted

Supplementary Explanation

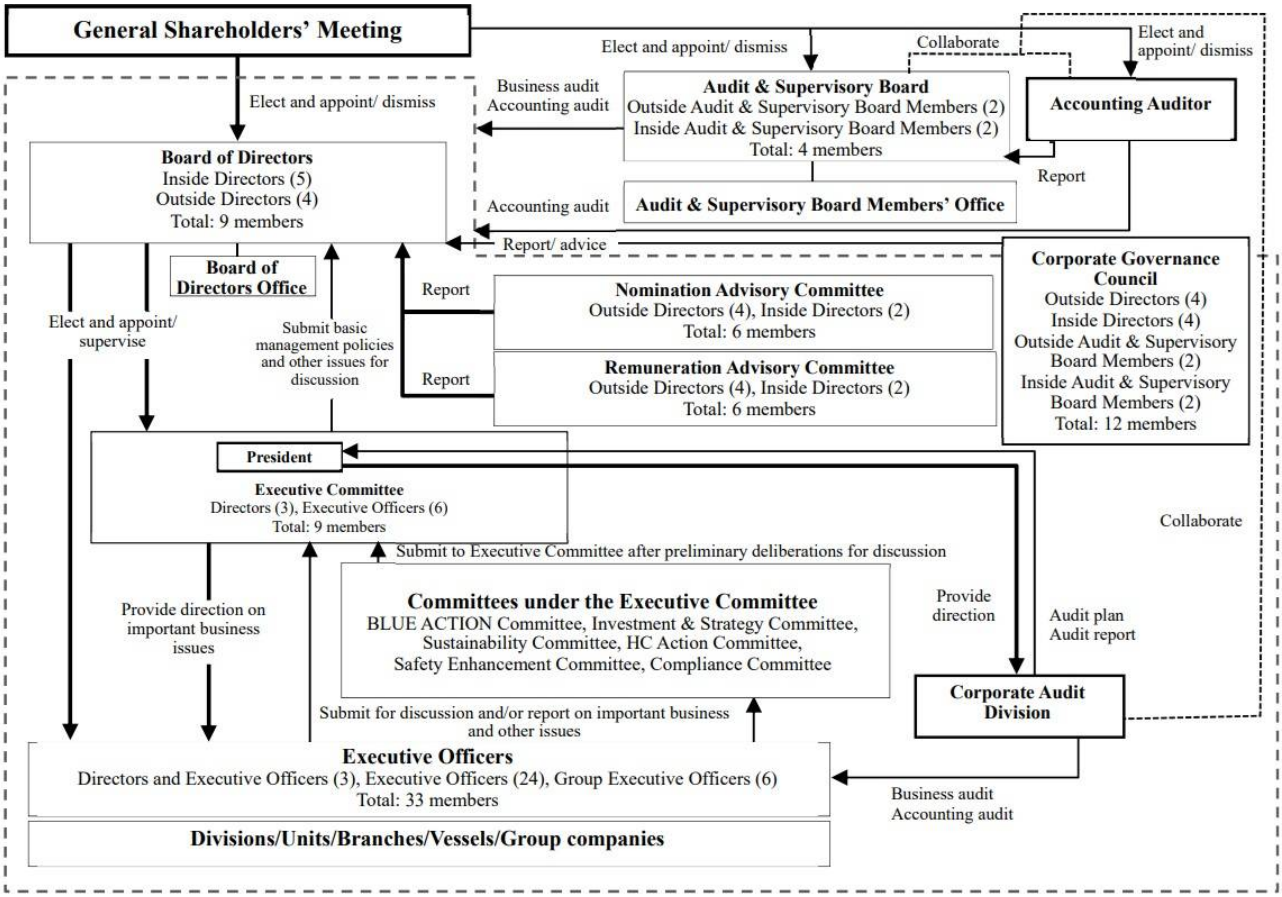
The Company gives first priority to enhancing its corporate value and ensuring that its shares are properly evaluated in the market through continuous practice of the following measures.

(a) The development of convincing business strategies and steady implementation of investment, dividend and financial plans based on them.
(b) Business management based on the MOL Group Corporate Mission, MOL Group Vision and MOL CHARTS (includes initiatives based on the Corporate Management Plan, BLUE ACTION 2035)
(c) Confidence of all stakeholders derived from stronger, more enhanced corporate governance
(d) Enhancement of IR activities to acquire and maintain shareholders and investors who understand and support the business strategies of the Company

2. Other Matters Concerning the Corporate Governance System Updated

(1) In response to the evaluation and report of internal control to ensure the appropriateness of financial reporting that has been applied since fiscal 2008 based on the Financial Instruments and Exchange Act, the Company evaluated its internal control, with the Corporate Audit Division with the function to support corporate governance and compliance as the key player. As a result, the Company decided that its internal control over financial reporting was effective and submitted the internal control report that included the manager's evaluation to that effect to the Kanto Local Finance Bureau on June 25, 2024. An external audit corporation also notes that content of the internal control report is appropriately delivered in an internal control report. The Company will promote the operation of an internal control system that will better meet the demands of stakeholders to respond flexibly to changes in the business environment by continuously promoting the visualization, standardization and streamlining of its operations, in addition to meeting the requirements of laws and regulations.
(2) Given that there was an act violating the Antimonopoly Act in car carrier shipping trades, as announced by the Japan Fair Trade Commission on March 18, 2014, the Company is working on the prevention of its recurrence and the full enforcement and strengthening of compliance.

MOL Corporate Governance Organizational Structure (as of June 25, 2024)



Overview of Timely Disclosure System

1. Basic policy on timely disclosure

The MOL Group includes "Keep compliance as a Top Priority. Ensure that actions comply with social norms and the highest ethical standards." as one of the MOL Group Values (MOL CHARTS), and its Compliance Regulations also stipulate a basic policy of "conducting fair and highly transparent corporate activities in compliance with laws and regulations and in light of social norms and corporate ethics."

Specifically, MOL undertakes the timely disclosure of corporate information based on the "Rules on Timely Disclosure of Corporate Information by Issuers of Listed Securities" (hereinafter referred to as the "Timely Disclosure Rules") of the Tokyo Stock Exchange. MOL also actively discloses information that MOL is not obligated to disclose in light of the standards in the Timely Disclosure Rules, but whose disclosure MOL deems useful for shareholders and investors.

2. Internal system for determining and managing information for timely disclosure and disclosing it in a timely and appropriate manner

(1) Information on facts that have been decided

At MOL, the Corporate Communication Division will promptly disclose facts that have been decided and that are required to be disclosed in light of the standards provided for in the Timely Disclosure Rules upon consultation with the related divisions after the resolution of the Board of Directors or the Executive Committee or final approval by the executive officers, in principle.

(2) Information on facts that have occurred

With regard to facts that have occurred, the division that has recognized their occurrence makes a report to the Board of Directors or the Executive Committee after the occurrence and promptly discloses them through the Corporate Communication Division in accordance with the Timely Disclosure Rules.

If there is an urgent need, the division in charge will make a report to the Corporate Communication Division, and the Corporate Communication Division will promptly undertake timely disclosure upon consultation with the related divisions.

(3) Information on the settlement of accounts

With respect to information on the settlement of accounts, the Accounting Division will prepare closing figures and promptly disclose them through the Corporate Communication Division following approval by the Board of Directors or the Executive Committee after undergoing an audit by the accounting auditor.

(4) Information on subsidiaries

With regard to information on the subsidiaries of MOL, MOL has developed a system to consolidate the information into the Corporate Communication Division through the related divisions in charge of the subsidiaries, and the Corporate Communication Division will promptly undertake timely disclosure upon consultation with the related divisions.

The process by which MOL undertakes the timely disclosure of corporate information is shown in the Exhibit.

3. Checking and monitoring of timely disclosure

Corporate information on MOL and its subsidiaries that could be subject to timely disclosure will be consolidated into the Corporate Communication Division, and the General Manager of the Corporate Communication Division (information handling manager) will check the necessity of disclosure and confirm that the content to be disclosed is accurate and sufficient based on the Timely Disclosure Rules, and will disclose important information.

In addition, the Audit & Supervisory Board members monitor and verify that the system for disclosing corporate information in an appropriate and timely manner is built and operated appropriately pursuant to the provisions

such as “Audit of Corporate Information Disclosure System” of the “Audit & Supervisory Board Members Auditing Standards.”

4. Efforts to prevent insider trading

MOL makes efforts to disclose corporate information specified in the Timely Disclosure Rules in a timely and appropriate manner and pay utmost attention to the appropriate management of corporate information and the prevention of insider trading.

For this reason, MOL established the “Internal Rules on the Prevention of Insider Trading” (revised in April 2018) in April 1989 to stipulate that MOL shall appoint an information manager in each division and branch under the chief information officer and that the general managers of the divisions and branches shall fulfill this role. It is also stipulated that if an officer or an employee has obtained important internal information on his/her company or any other company, they shall promptly report the information to the chief information officer or the information manager, and in that case, the chief information officer or the information manager who has received the report shall take the necessary measures to prevent the leakage of the information.

In addition, if an officer or an employee buys or sells his/her company’s shares, the officer will submit prior notification to the chief information officer and the employee to the information manager at least three business days before the commencement date of the scheduled contract period and confirm that the trading does not fall under insider trading (if the trading falls under insider trading, it will be suspended until the key fact is published). With respect to the officers, the risk that the trading will fall under insider trading will be minimized by limiting the trading period of the company’s shares to a certain period, for example, after the announcement of financial results (including quarterly results).

The Internal Rules on the Prevention of Insider Trading and the blank form of the prior notification mentioned above are posted on the dedicated website of the MOL Group so that the officers and employees can view them at any time.

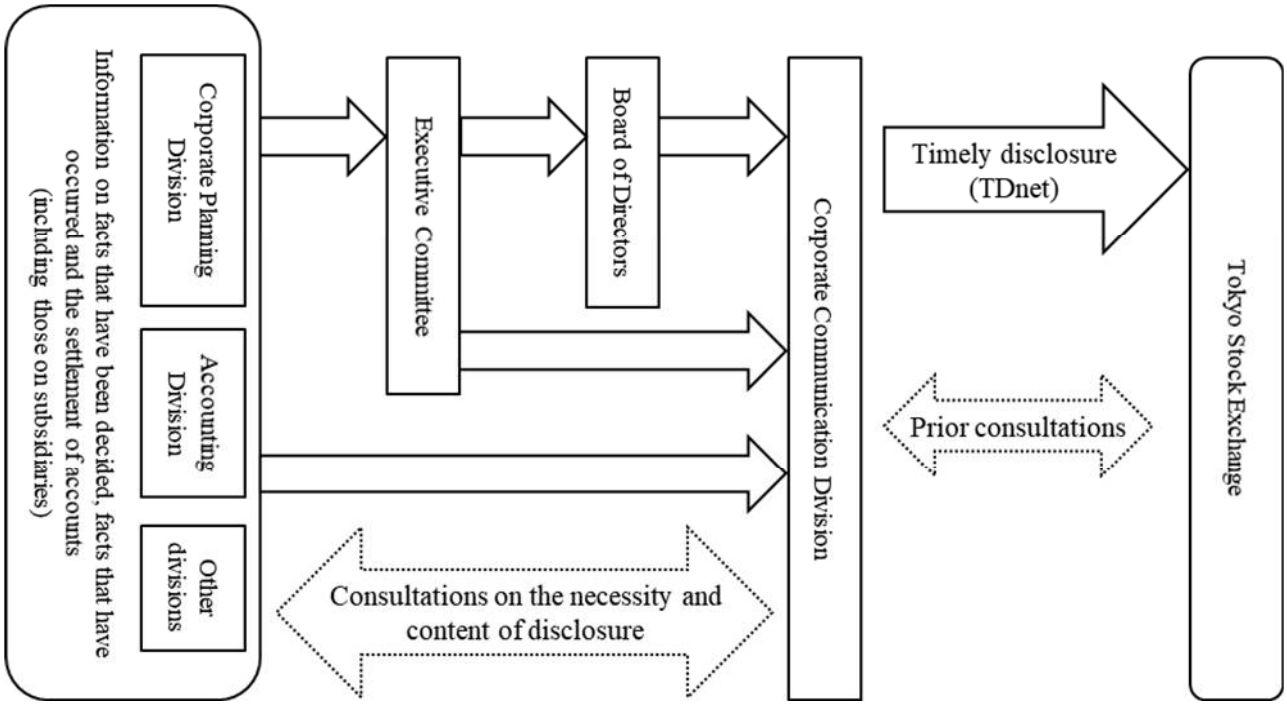
5. In-house training system

MOL has developed an educational and training system to enable all officers and employees to regularly deepen their recognition of the significance of the prevention of insider trading and timely disclosure through stratified training courses, regular in-house workshops, e-learning and tests, etc.

In addition, MOL also provides the officers and employees of the Group companies with similar courses and original tests, and the Group companies, mainly consolidated subsidiaries, have also developed an in-house system for preventing insider trading.

End

<Exhibit>



MOL undertakes timely disclosure based on the systems below, with the Corporate Communication Division as the contact.

1. Collection and determination of corporate information

Consolidate corporate information on MOL and its subsidiaries that could be subject to timely disclosure into the Corporate Communication Division.

2. Determination of the necessity of timely disclosure

Determine the necessity of the timely disclosure of aggregated information through internal consultations and prior consultations with the Tokyo Stock Exchange.

3. Confirmation of content to be disclosed

Confirm that the content to be disclosed is accurate and sufficient based on the Timely Disclosure Rules.

4. Timely disclosure through the Tokyo Stock Exchange

Undertake the timely disclosure of facts that have been decided and information on the settlement of accounts without delay after the decision or approval, and of facts that have occurred without delay after the occurrence.