

MOL Announces Restructuring Measures

TOKYO—Mitsui O.S.K. Lines, Ltd. (MOL; President & CEO: Takeshi Hashimoto) today announced that it will restructure the organization as follows:

Restructuring of the Group's organization

MOL Group will be restructured into a cross-functional organization, with appropriate checks and balances put in place, along three axes who will mutually collaborate and cooperate within the organization as a whole. The three axes will consist of (1) corporate organizations based on specific functions supervised by a "Chief Officer (CxO)"; (2) business organizations supervised by a "Director General, Headquarters of each Business"; and (3) regional organizations supervised by an "Executive Officer (in charge of the regional organizations)". (*1)

Through this new structure, MOL will be able to maintain a suitable balance between centralization and decentralization of authority in group management, as well as promote flexible business operations and improve group-wide governance.

<Relationship Diagram of the Three axes>



(*1) This is a reorganization of the executive officer system in MOL, which will create the positions of "Chief Officer (CxO)", " Director General, Headquarters of each Business" and " Executive Officer (in charge of the regional organizations)". This reorganization is related to the responsibilities of executive officers.

Based on the aforementioned framework, MOL will implement the following restructuring measures.

Effective 1 January 2023

1. Establishment of Human Capital Strategy Division

In the next management plan, scheduled to start in fiscal 2023, MOL intends to develop a group-wide base of human capital that will be responsible for the implementation of the management plan.

MOL views the group's human resources as "human capital"—personnel who will play a leading role in the creation of new value, a key objective in the group's vision. In line with this perspective, MOL will establish a new organization, the "Human Capital Strategy Division," which incorporates the term "human capital." The division shall be responsible for providing guidance and advice on the planning and implementation of the group's overall human capital policies, including for overseas regional organizations.

Meanwhile, HRD (Human Resources Division) offices at the group's major overseas companies (London, New Jersey, and Singapore), which currently fall under the Human Resources Division, will be renamed "Human Capital Partner Offices" and placed under the Human Capital Strategy Division.

Effective 1 April 2023

2. Establishment of Board of Directors' Office

In recent years, the roles, functions, and capabilities required of the Board of Directors Secretariat have expanded as corporate governance reforms in listed companies have progressed, necessitating significant changes in the way the board of directors is formed. To fulfill the roles and functions assumed by MOL's Board of Directors and to develop a strong secretariat system to improve the effectiveness of the Board of Directors, MOL will establish a "Board of Directors' Office" as a dedicated organization under the Board of Directors.

3. Establishment of Audit and Supervisory Board Members' Office

MOL will establish an "Audit and Supervisory Board Members' Office" as a dedicated organization to improve the effectiveness of the Audit & Supervisory Board and to provide stronger support for audits performed by individual Audit & Supervisory Board Members.

4. Development of Chief Officer System

Starting in fiscal year 2023, MOL will establish the Chief Officer system to supervise the group's cross-sectional (mainly corporate) functions and shift to an organizational structure that takes an integrated and strategic approach for the MOL group. Each Chief Officer is delegated as part of the President's (CEO's) authority and responsibility, and each is assigned to direct and control not only MOL (the Head Office) but also the entire MOL group in a specific cross-functional manner. An overview of the chief officer system is shown in the table below.

Chief Officer	Main Duties and Roles
President & CEO, Chief Executive Officer	<ul style="list-style-type: none"> Supervising and commanding execution of the group's overall management
Chief Operating Officer	<ul style="list-style-type: none"> Assistant to President & CEO Pursuing overall optimization in group management
Chief Strategy Officer	<ul style="list-style-type: none"> Planning and promotion of the group's overall management plans Promotion of operational/structural reforms and company-wide projects Supervision of company-wide risk management and improving corporate governance
Chief Environment Sustainability Officer	<ul style="list-style-type: none"> Addressing the group's overall sustainability issues Increasing stakeholder engagement
Chief Digital & Information Officer	<ul style="list-style-type: none"> Planning and promotion of the group's overall digital transformation (DX) strategy and ICT strategy (ICT security, etc.)
Chief Human Resource Officer	<ul style="list-style-type: none"> Planning and promotion of the group's overall human capital strategy Planning and promotion of basic policies regarding the human capital portfolio Increasing employee engagement
Chief Financial Officer	<ul style="list-style-type: none"> Planning and promotion of the group's overall financial strategies and capital policies Determination and promotion of direction regarding tax and accounting (including audits)
Chief Communication Officer	<ul style="list-style-type: none"> Planning and promotion of the group's overall public relations and branding strategies Promotion and enhancement of dialogue with investors (IR/SR activities)
Chief Compliance & Legal Officer	<ul style="list-style-type: none"> Enhancement of the group's overall compliance system Determination and promotion of direction regarding legal and general affairs (including handling of shareholders' meetings)
Chief Safety & Quality Officer	<ul style="list-style-type: none"> Planning and promotion of the group's overall strategies for ensuring and enforcing safety and quality Assigning, securing, and training specialists related to ensuring safety, quality, and thoroughness
Chief Technical Officer	<ul style="list-style-type: none"> Pursuing the group's overall technological innovation Acquisition, management, and expansion of intellectual property for the entire group

※ The appointment of each Chief Officer for FY2023 and beyond will be determined and disclosed separately by resolutions passed by the Board of Directors.

※ In line with the development of the Chief Officer system, the positions of the Executive Officer in charge of Business Process Re-engineering, the Executive Officer in charge of Structural Reforms, the Executive Officer in charge of ICT Strategy (Chief Information Officer), the Executive Officer in charge of Digital Business Strategy (Chief Digital Officer), and the Executive Officer in charge of Compliance (Chief Compliance Officer) will be abolished.

5. Restructuring Measures for Regional Organizations

MOL will restructure each organization making up the overseas business network as shown in the table below, and define "regional organizations" as the organizations responsible for business development and operation in each jurisdictional area. It will establish an organizational structure—after designating a dedicated executive officer for each regional organization. The "Executive Officer (in charge of regional organizations)" will be delegated as coming under the President & CEO's authority and responsibility and

will strongly promote regional strategies in the next management plan.

In addition, we will establish a “Regional Head of Corporate Functions” and a “Regional Head of Marketing” under the Executive Officer (in charge of the regional organizations) who will have the same rank as the general managers of offices, divisions, and units in MOL head office, and the Chief Executive Representative positions will be abolished.

Both positions will assign a dedicated person responsible for each of the corporate and business functions, to establish global and robust business and governance structures through mutual cooperation, provide appropriate checks and balances of each other, and promote collaboration with each office, division, branch, and unit in MOL head office.

After 1 April 2023	Current		
<p style="text-align: center;">East Asia excluding Japan (Korea, China, Taiwan, Hong Kong)</p> <p style="text-align: center;">Executive Officer in charge of East Asia</p> <table border="1" style="width: 100%; text-align: center;"> <tr> <td style="width: 50%;">Regional Head of Corporate Functions in charge of East Asia</td> <td style="width: 50%;">Regional Head of Marketing in charge of East Asia</td> </tr> </table> <p style="text-align: center;">Chief Country/Region Representative (South Korea, China, Taiwan, Hong Kong)</p>	Regional Head of Corporate Functions in charge of East Asia	Regional Head of Marketing in charge of East Asia	<p style="text-align: center;">East Asia excluding Japan (Korea, China, Taiwan, Hong Kong), Southeast Asia (Philippines, Vietnam and south from Vietnam), Oceania</p> <p style="text-align: center;">Executive Officer in charge of East Asia, Southeast Asia and Oceania</p> <p style="text-align: center;">Chief Executive Representative in charge of East Asia, Southeast Asia and Oceania</p> <p style="text-align: center;">Chief Country/Region Representative (South Korea, China, Taiwan, Hong Kong, The Philippines, Vietnam, Thailand, Malaysia, Singapore, Indonesia, Myanmar, Australia)</p>
Regional Head of Corporate Functions in charge of East Asia	Regional Head of Marketing in charge of East Asia		
<p style="text-align: center;">Southeast Asia (The Philippines, Vietnam and south from Vietnam), Oceania</p> <p style="text-align: center;">Executive Officer in charge of Southeast Asia and Oceania</p> <table border="1" style="width: 100%; text-align: center;"> <tr> <td style="width: 50%;">Regional Head of Corporate Functions in charge of Southeast Asia and Oceania</td> <td style="width: 50%;">Regional Head of Marketing in charge of Southeast Asia and Oceania</td> </tr> </table> <p style="text-align: center;">Chief Country Representative (The Philippines, Vietnam, Thailand, Malaysia, Singapore, Indonesia, Myanmar, Australia)</p>	Regional Head of Corporate Functions in charge of Southeast Asia and Oceania	Regional Head of Marketing in charge of Southeast Asia and Oceania	
Regional Head of Corporate Functions in charge of Southeast Asia and Oceania	Regional Head of Marketing in charge of Southeast Asia and Oceania		
<p style="text-align: center;">South Asia, Middle East</p> <p style="text-align: center;">Executive Officer in charge of South Asia and the Middle East</p> <table border="1" style="width: 100%; text-align: center;"> <tr> <td style="width: 50%;">Regional Head of Corporate Functions in charge of South Asia and the Middle East</td> <td style="width: 50%;">Regional Head of Marketing in charge of South Asia and the Middle East</td> </tr> </table> <p style="text-align: center;">Chief Country Representative (India, UAE)</p>	Regional Head of Corporate Functions in charge of South Asia and the Middle East	Regional Head of Marketing in charge of South Asia and the Middle East	<p style="text-align: center;">South Asia, Middle East</p> <p style="text-align: center;">Executive Officer in charge of South Asia and the Middle East</p> <p style="text-align: center;">Chief Executive Representative, in charge of South Asia and the Middle East</p> <p style="text-align: center;">Chief Country Representative (India, UAE)</p>
Regional Head of Corporate Functions in charge of South Asia and the Middle East	Regional Head of Marketing in charge of South Asia and the Middle East		
<p style="text-align: center;">Europe, Africa, Russia, Turkey</p> <p style="text-align: center;">Executive Officer in charge of Europe and Africa</p> <table border="1" style="width: 100%; text-align: center;"> <tr> <td style="width: 50%;">Regional Head of Corporate Functions in charge of Europe and Africa</td> <td style="width: 50%;">Regional Head of Marketing in charge of Europe and Africa</td> </tr> </table> <p style="text-align: center;">Chief Country Representative (Russia, Germany, Netherlands, Turkey, Mozambique, South Africa, Kenya)</p>	Regional Head of Corporate Functions in charge of Europe and Africa	Regional Head of Marketing in charge of Europe and Africa	<p style="text-align: center;">Europe, Africa, Russia, Turkey</p> <p style="text-align: center;">Executive Officer in charge of Europe and Africa</p> <p style="text-align: center;">Chief Executive Representative in charge of Europe and Africa</p> <p style="text-align: center;">Chief Country Representative (Russia, Germany, Netherlands, Turkey, Mozambique, South Africa, Kenya)</p>
Regional Head of Corporate Functions in charge of Europe and Africa	Regional Head of Marketing in charge of Europe and Africa		

North America (U.S., Canada, Mexico), Central America incl. Caribbean, South America (Brazil, Chile)	North America (U.S., Canada, Mexico), Central America incl. Caribbean, South America (Brazil, Chile)
Executive Officer in charge of Americas	Executive Officer in charge of Americas
Regional Head of Corporate Functions in charge of Americas	Chief Executive Representative in charge of North America, Central America & the Caribbean
Regional Head of Marketing in charge of North America, Central America & the Caribbean	Chief Executive Representative in charge of South America
Regional Head of Marketing in charge of South America	
Chief Country Representative (U.S., Mexico, Brazil, Chile)	Chief Country Representative (U.S., Mexico, Brazil, Chile)

6. Restructuring business units/headquarters, and restructuring divisions/units

MOL will restructure each unit and division after 1 April 2023, as shown in the table below. The underlined parts are the changes resulting from this organizational restructuring, and details of individual changes are described below.

After 1 April 2023	Current
[Human Resources related divisions] <u>Human Capital Management Division</u> <u>Human Capital Strategy Division</u> (effective 1 January 2023)	[Human Resources related divisions] Human Resources Division
[Headquarters of Safety Operations] Marine Safety Division Global Maritime Resources Division <u>Ship Management Strategy and Supervising Division (Dry Cargo)</u> <u>Ship Management Strategy and Supervising Division (Energy)</u> Offshore Technical Division Smart Shipping Division MOL Ship Management Co., Ltd. MOL LNG Transport Co., Ltd.	[Headquarters of Safety Operations] Marine Safety Division Global Maritime Resources Division Marine Technical Management Division <u>Liquefied Gas Ship Management Strategies Division</u> Offshore Technical Division Smart Shipping Division MOL Ship Management Co., Ltd. MOL LNG Transport Co., Ltd.
[Headquarters of Technology Innovations] Technical Division Offshore Technical Division Smart Shipping Division	[Headquarters of Technology Innovations] Technical Division Offshore Technical Division Smart Shipping Division
[Headquarters of Dry Bulk Business] <u>Dry Bulk Business Strategy Division</u> Iron Ore and Coal Carrier Division MOL Drybulk Ltd. Integrated Wind and Carbon Power Solutions, Carbon Power Solutions Unit <u>Ship Management Strategy and Supervising Division (Dry Cargo)</u>	[Headquarters of Dry Bulk Business] <u>Dry Bulk Business Planning & Coordination Division</u> Iron Ore and Coal Carrier Division MOL Drybulk Ltd. Integrated Wind and Carbon Power Solutions, Carbon Power Solutions Unit Marine Technical Management Division
[Headquarters of Energy Business] Energy Business Strategy Division <u>Marine Fuel GX Division</u>	[Headquarters of Energy Business] Energy Business Strategy Division <u>Bunker Business Division</u>
Integrated Tanker & Offshore Projects: Tanker Unit Offshore Unit	Integrated Tanker & Offshore Projects: Tanker Unit Offshore Unit
Integrated Wind and Carbon Power Solutions: Carbon Power Solutions Unit Wind Power Projects Unit	Integrated Wind and Carbon Power Solutions: Carbon Power Solutions Unit Wind Power Projects Unit
Integrated Liquefied Gas Transport and Offshore Projects: Liquefied Gas Unit 1 (Japan/Southeast Asia/South Asia LNG Business/LPG and Ammonia Business) Liquefied Gas Unit 2 (Other LNG business) Liquefied Gas Unit 3 (Arctic Ocean/ FSRU/ Powership)	Integrated Liquefied Gas Transport and Offshore Projects: Liquefied Gas Unit 1 (Japan/Southeast Asia/South Asia LNG Business/LPG and Ammonia Business) Liquefied Gas Unit 2 (Other LNG business) Liquefied Gas Unit 3 (Arctic Ocean/ FSRU/ Powership)
MOL Chemical Tankers Pte. Ltd.	MOL Chemical Tankers Pte. Ltd.

<u>Ship Management Strategy and Supervising Division (Energy)</u> Offshore Technical Division	<u>Marine Technical Management Division</u> <u>Liquefied Gas Ship Management Strategies Division</u> Offshore Technical Division
[Headquarters of Product Transport Business] <u>Product Transport Business Management Division</u> <u>Containership Business Division</u> Car Carrier Division Utoc Corporation <u>MOL Logistics Co., Ltd.</u> <u>MOL Chemical Tankers Pte. Ltd.</u> <u>Ship Management Strategy and Supervising Division (Dry Cargo)</u>	[Headquarters of Product Transport & Real Property Business] <u>Port Projects & Logistics Business Division</u> <u>Liner Business Management Division</u> Car Carrier Division Utoc Corporation <u>Real Property Business Division</u> <u>Ferry and Associated Business Division</u> <u>Daibiru Corporation</u> <u>Marine Technical Management Division</u>
[Headquarters of Wellbeing & Lifestyle Business] <u>Well-being & Lifestyle Business Management Division</u> <u>Ferry and Associated Business Division</u> <u>Daibiru Corporation</u> <u>Cruise Business Innovation Project Unit</u>	

- (1) Renaming of Human Resources Division
With the establishment of the Human Capital Strategy Division, MOL will rename the Human Resources Division to the “Human Capital Management Division”. It will concentrate on operations related to human capital at the Head Office.
- (2) Renaming of Marine Technical Management Division and Liquefied Gas Ship Management Strategies Division
Among the duties under the Marine Technical Management Division, MOL will transfer tanker-related business support and ship management supervision and so on to the Liquefied Gas Ship Management Strategies Division, and rename both divisions to the “Ship Management Strategy and Supervising Division (Dry Cargo)” and the “Ship Management Strategy and Supervising Division (Energy)” respectively.
- (3) Renaming of Dry Bulk Business Planning & Coordination Division
MOL will rename the Dry Bulk Business Planning & Coordination Division to the “Dry Bulk Business Strategy Division”, and then restructure the renamed division as an organization that develops sailing route and cargo strategies within the Headquarters of the Dry Bulk Business to make these strategies as the standard in consideration of a global and multi-ship types, and to ensure that strategies are consistent and shared within the headquarters in line with the standard.
- (4) Renaming of Bunker Business Division
MOL will rename the Bunker Business Division to the “Marine Fuel GX Division” as an organization that enhances initiatives on upstream business of bunker supply chains, such as strengthening procurement capabilities for clean alternative fuels such as LNG, ammonia, methanol, and biofuels, and bunkering projects related to clean alternative fuels.
- (5) Restructuring of the Headquarters of Product Transport & Real Property Business, and establishment of Headquarters of Wellbeing & Lifestyle Business
As an optimal grouping in consideration of future business strategies and business models, MOL will divide the Headquarters of the Product Transport & real Property Business into the “Headquarters of the Product Transport Business” responsible for each business by vessels that transport products (including chemical products), as well as the port and logistics business, and the “Headquarters of Wellbeing & Lifestyle Business” responsible for ferry, real estate, cruise ship, and other businesses, with the aim to encourage stronger cross-functional collaboration and synergy creation within each headquarters.
- (6) Restructuring related to Port Projects & Logistics Business Division and MOL Logistics, Co., Ltd.
With MOL Logistics becoming a wholly owned subsidiary of MOL, MOL will move into a new structure where Group Executive Officers will assume the responsibilities of the executive officer (President) of MOL Logistics Co., Ltd. As a result, MOL will change the division of the duties in the Port Projects & Logistics Division as an organization responsible for cross-sectional operations of the Headquarters of Product Transport Business renamed to “Product Transport Business Management Division”.

(7) Renaming of Liner Business Management Division

Since Ocean Network Express Pte. Ltd. is an important group company in MOL's business portfolio and MOL's active involvement in the containership business is continually required, MOL will change the name of the Liner Business Management Division to the "Containership Business Division" to reflect the fact that the division has headquarter functions going beyond business management.

(8) Renaming of Real Property Business Division, and establishment of Wellbeing & Lifestyle Business Management Division

With the establishment of the Headquarters of Wellbeing & Lifestyle Business, MOL will change the division of the duties in the Real Property Business Division, and the new "Wellbeing & Lifestyle Business Management Division" will become an organization responsible for cross-sectional operations of the division and new business development.

(9) Establishment of Cruise Business Innovation Project Unit

MOL will establish the "Cruise Business Innovation Project Unit" as a headquarters organization, because it is required to formulate and execute strategies through prompt and effective collaboration by making the most of the group resources as well as Mitsui O.S.K. Passenger Line, Ltd., with the aim of promoting and expanding the cruise business as a social infrastructure business.

Meeting of Board of Directors

Audit & Supervisory Board

Audit & Supervisory Board Members' Office

Board of Directors' Office

Executive Committee

Chief Executive Officer (CEO)

Corporate Audit Div.

Chief Operating Officer(COO)

Secretaries & General Affairs Div.

Corporate Marketing Div.

Nomination Advisory Committee

Remuneration Advisory Committee

Corporate Governance Council

Rolling Plan Special Committee

Investment and Finance Committee

Group Governance Committee

Improvement of Work Efficiency Committee

Environment & Sustainability Committee

Compliance Committee

Operational Safety Committee

Corporate Organization

Chief Officer

Chief Strategy Officer
Corporate Planning Div.

Chief Environment Sustainability Officer
Environment & Sustainability Strategy Div.

Chief Digital & Information Officer
DX Co-Creation Unit
MOL Information Systems Ltd.

Chief Human Resource Officer
Human Capital Management Div.
Human Capital Strategy Div.

Chief Finance Officer
Finance Division
Accounting Division

Chief Communication Officer
Corporate Communication Div.

Chief Compliance & Legal Officer
Legal Div.

Headquarters of Safety Operations ※1

Chief Safety & Quality Officer
Marine Safety Div.
Global Maritime Resources Div.
Ship Management Strategy and Supervising Div. (Dry Cargo) ※2
Ship Management Strategy and Supervising Div. (Energy) ※3

Headquarters of Technology Innovations

Chief Technical Officer
Technical Div.
Offshore Technical Div. ※4
Smart Shipping Div. ※5

Business Organization

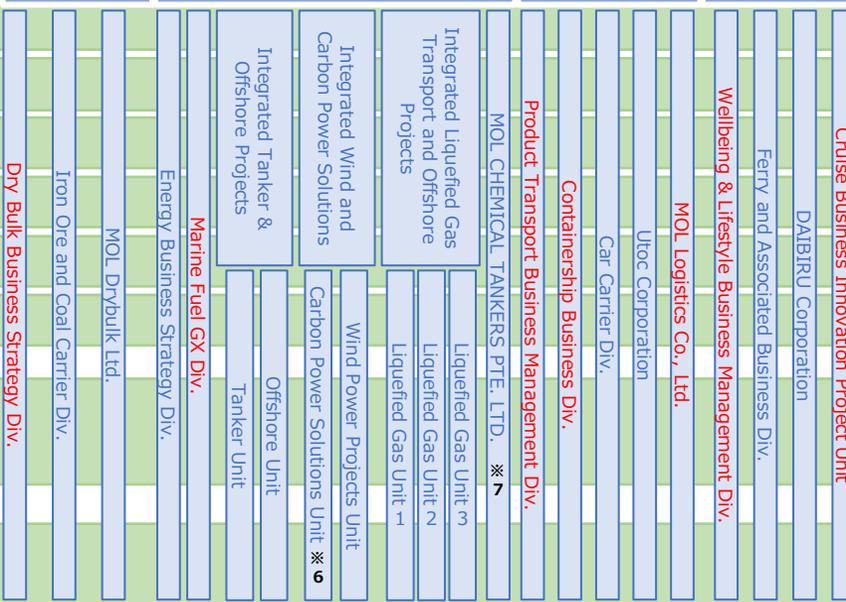
Director General

Headquarters of Dry Bulk Business

Headquarters of Energy and Offshore Business

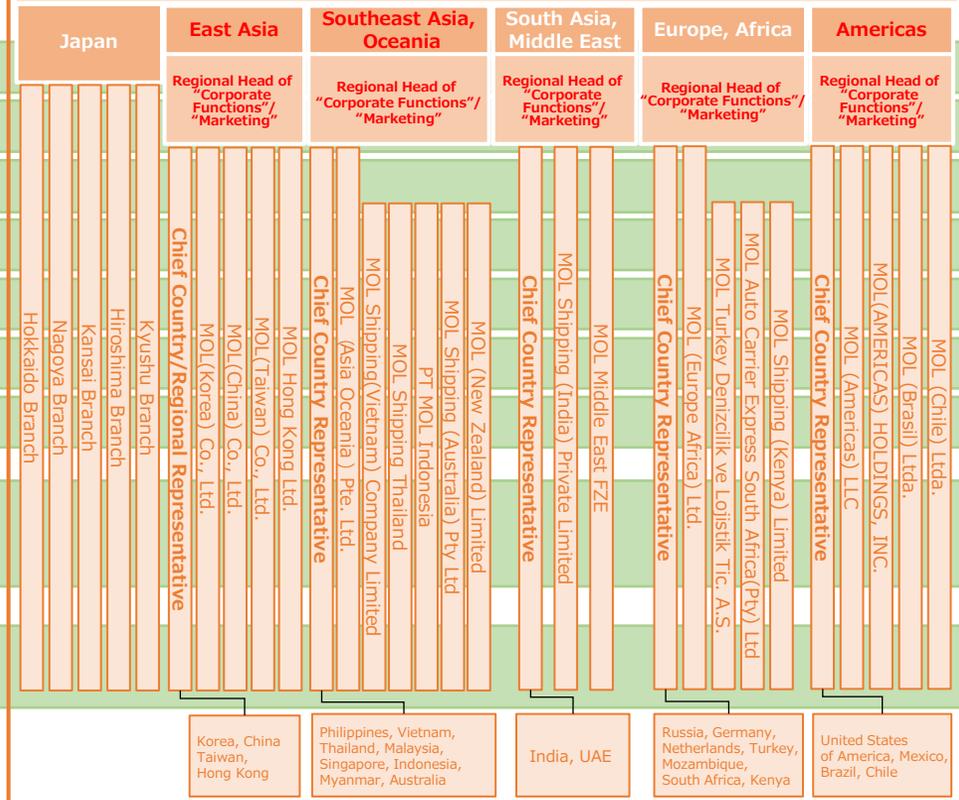
Headquarters of Product Transport Business

Headquarters of Wellbeing & Lifestyle Business



Regional Organization

Regional Executive Officer



※1:Headquarters of Safety Operations is composed; (i) Marine Safety Division, (ii) Global Maritime Resources Division, (iii) Ship Management Strategy and Supervising Division (Dry Cargo),(iv) Ship Management Strategy and Supervising Division (Energy), (v) Offshore Technical Division, (vi) Smart Shipping Division, (vii) MOL Ship Management Co., Ltd., and (viii) MOL LNG Transport Co., Ltd.
 ※2:Ship Management Strategy and Supervising Division (Dry Cargo) belongs to 2 Headquarters ("Headquarters of Dry Bulk Business" and "Headquarters of Product Transport Business") in addition to "Headquarters of Safety Operations".
 ※3:Ship Management Strategy and Supervising Division (Energy) belongs to "Headquarters of Energy Business" in addition to "Headquarters of Safety Operations".

※4:Offshore Technical Division belongs to "Headquarters of Safety Operations" and "Headquarter of Energy Business" in addition to "Headquarters of Technology Innovations".
 ※5:Smart Shipping Division belongs to "Headquarters of Safety Operations" in addition to "Headquarters of Technology Innovations".
 ※6:Carbon Power Solutions Unit belongs to "Headquarters of Dry Bulk Business" in addition to "Headquarter of Energy Business".
 ※7:MOL CHEMICAL TANKERS PTE. LTD. belongs to "Headquarters of Product Transport Business" in addition to "Headquarters of Energy Business".

Reference:

Regional Strategy promotion system: Regional organizations collaborate with related business organizations to develop and operate businesses in the regions they are responsible for based on plans agreed with the business organizations.

