

ANA Group Management Strategy

ANA Group Management Cycle

The ANA Group Management Strategy focuses on two time frames: the short term and the medium to long term. We strive to respond flexibly to short-term changes in the business environment while taking into account megatrends and environmental and social issues in demographics, technology, and the environment over the medium to long term. We hold dialogues with various stakeholders, sharing any suggestions and insights obtained through such discussions throughout the Company. We then reflect these suggestions in our business and ESG strategies, disclose any appropriate information on the effort processes and progress, and expand dialogues further. In this way, the ANA Group works to enhance strategy effectiveness.

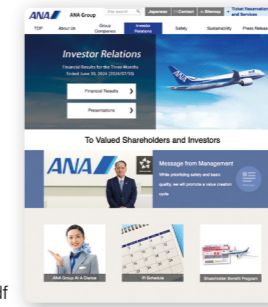
Our approach to ESG management P.76

Information Disclosures Inside and Outside the Company

The ANA Group is committed to enriching and improving our information disclosures on strategic initiatives formulated through dialogues, aiming to share our progress and results with stakeholders in an easier-to-understand manner.

Major Disclosures

- FY2023-25 ANA Group Corporate Strategy (February 2023)
- Annual Report (end of August each year)
- Monthly Traffic Results (around the 15th of each month)
- Human Rights Report (April 2024)
- ANA Group Health and Wellness Report (February 2024)
- ESG Context Index
<https://www.ana.co.jp/group/en/csr/data/pdf/esg.pdf>



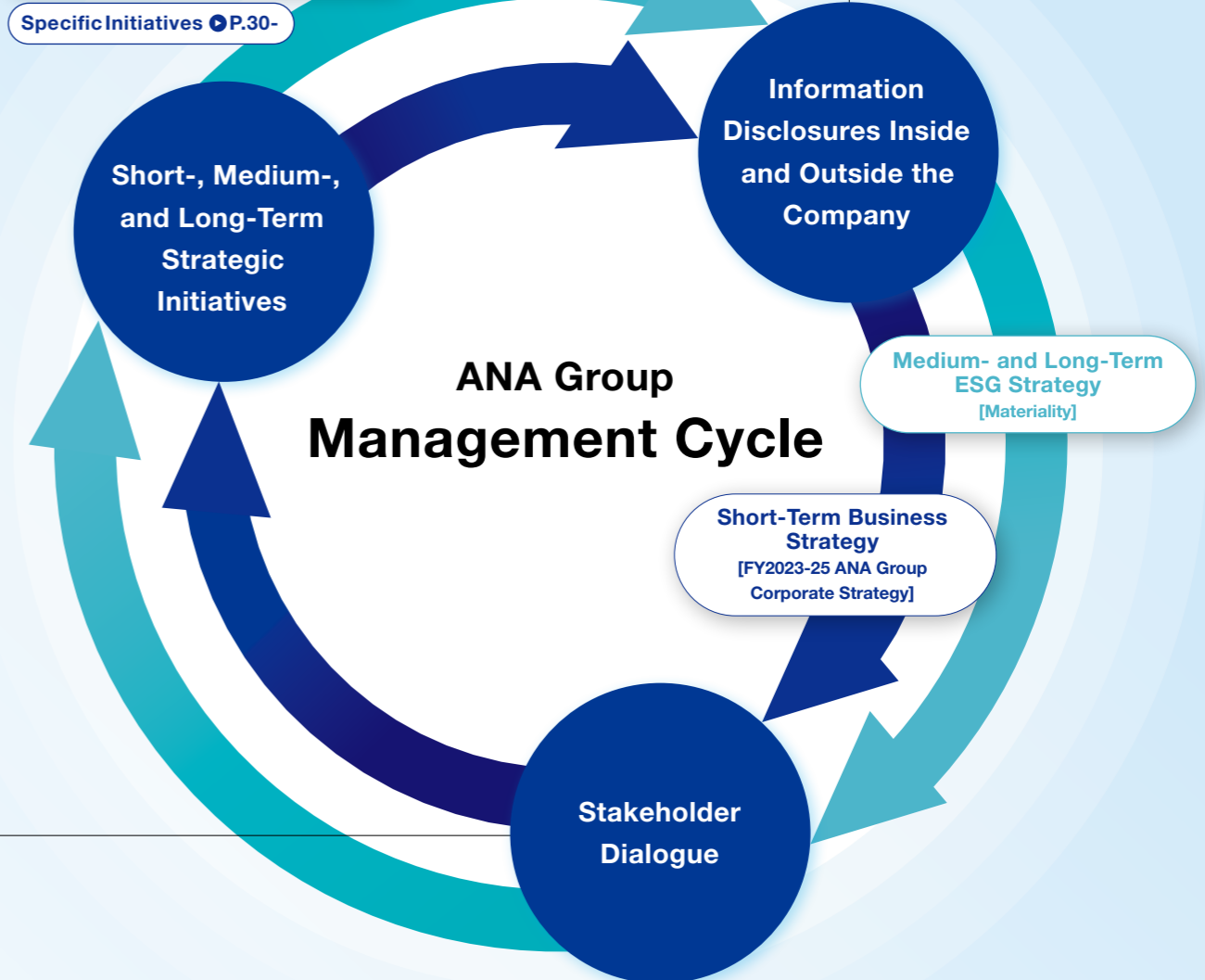
Recent Improvements

- ✓ **Redefined route distance**
Changed unit revenue and yield for domestic flights from the designated distance* to the great-circle distance to be comparable by the same standards as other companies
- ✓ **Changed method of disclosing information on market conditions in our financial results presentation materials**
Changed sensitivities to fuel, exchange rates, and market conditions to show hedged-in sensitivities
- ✓ **Enhanced disclosure information in line with the TCFD recommendations**
Disclosed financial impact (medium term and long term) and related calculation metrics to indicate the scale of impact on our business in more detail

* Designated distance by the Ministry of Land, Infrastructure, Transport & Tourism (based on actual flying routes)



Specific Initiatives P.30-



Responsible Dialogue with Stakeholders

The ANA Group Management Strategy cycle begins with dialogue with internal and external stakeholders. Our strategies incorporate the latest information and insights gained through dialogues to ensure we understand the impact that changes in social conditions have on our business. We then engage in efforts based on our understanding of societal demands and expectations.

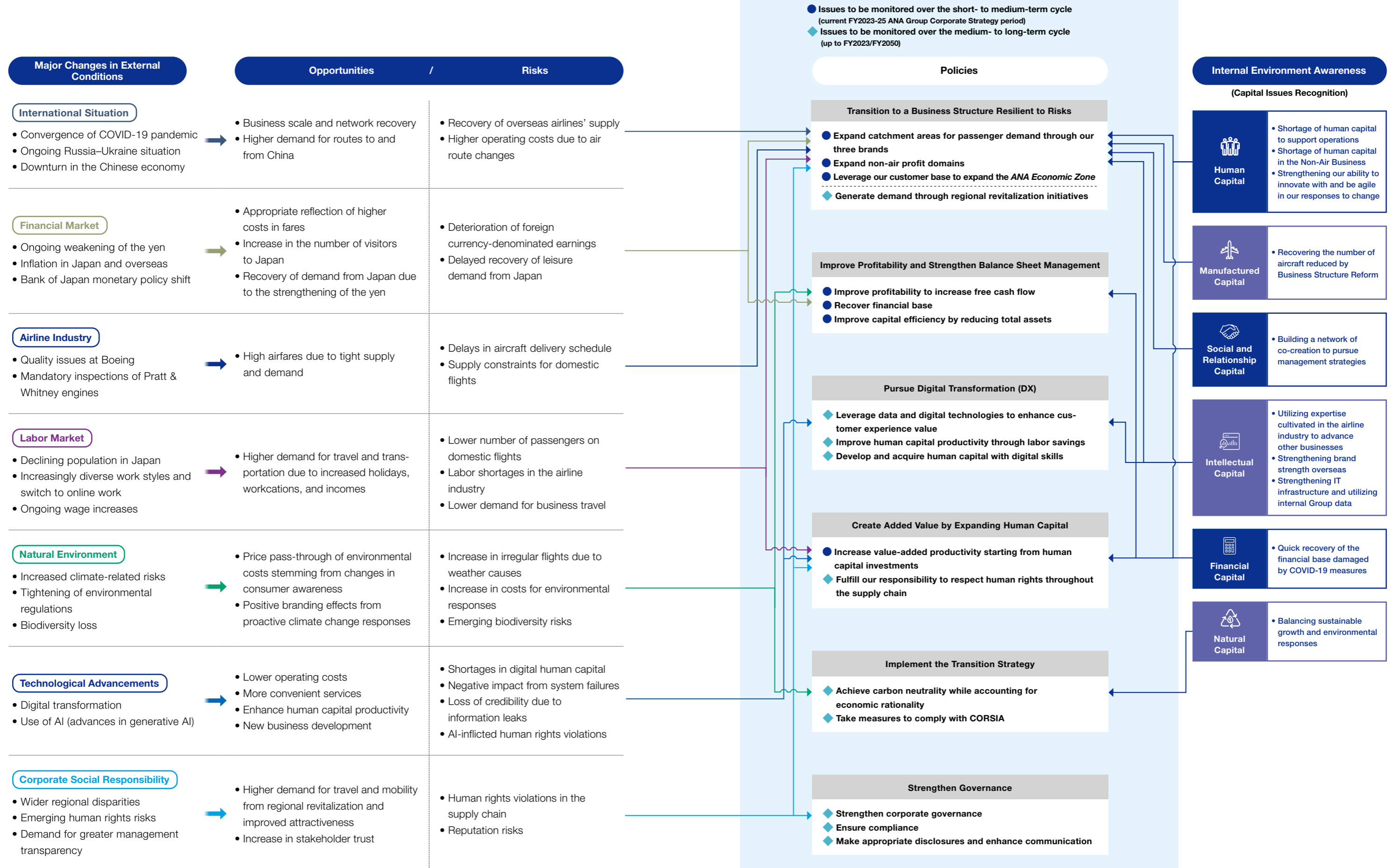


The Group also holds dialogues with internal and external stakeholders through information disclosures to ensure these efforts are appropriate. This two-way communication holds us accountable and ensures we maintain management transparency.

Responsible Dialogue with Stakeholders during FY2023 P.110

Major Dialogues on ESG Management in FY2023 P.106

Economic Condition Analysis



Major Target KPIs in Response Measures

Strategic Management Issues	Major Initiatives	References	Major KPIs			
Transition to a Business Structure Resilient to Risks	<ul style="list-style-type: none"> Expand catchment areas for passenger demand through our three brands Expand non-air profit domains Leverage our customer base to expand the ANA Economic Zone 	<ul style="list-style-type: none"> Optimize airline portfolio Expand cargo business (to accommodate the consolidation of NCA) Appropriate resource allocation Facilitate customer excursions in air and non-air services 	Business Strategy P.30	Profitability FY2025 Operating revenues: ¥2,320 billion Operating income: over ¥200 billion Operating income margin: over 8.6%	Safety Credit rating: Maintain A rating Shareholders' equity ratio: approx. 37%	Efficiency FY2025 ROA: 6-7% ROE: 11-12%
	<ul style="list-style-type: none"> Generate demand through regional revitalization initiatives 					
Improve Profitability and Strengthen Balance Sheet Management	<ul style="list-style-type: none"> Improve profitability to increase free cash flow Recover financial base Improve capital efficiency by reducing total assets 	<ul style="list-style-type: none"> Increase earnings per share (EPS) Repay interest-bearing debt on a consistent basis Maintain and improve credit ratings Invest in growth with due consideration for financial discipline Consider strengthening shareholder returns over the medium term 	Message from the CFO P.18 Financial Strategy P.40	By FY2030 Operating income margin: over 10% EPS: over ¥330	Medium Term Shareholders' equity ratio: 45% level	By FY2030 ROA: 8% or higher ROE: 12% or higher
Pursue Digital Transformation (DX)	<ul style="list-style-type: none"> Leverage data and digital technologies to enhance customer experience value Improve human capital productivity through labor savings Develop and acquire human capital with digital skills 	<ul style="list-style-type: none"> Upgrade app functions Engage in labor savings in airport operations Develop new businesses using avatars, the metaverse, drones, etc. Strengthen training programs for digital transformation human capital 	DX Strategy P.42	FY2025 FY2023-2025 IT investment amount: 1.5x (vs. FY2020-2022) Digital human capital: 1.6x (vs. FY2022) Amount of data utilized: 4x (vs. FY2022)		
Create Added Value by Expanding Human Capital	<ul style="list-style-type: none"> Increase value-added productivity starting from human capital investments Fulfill our responsibility to respect human rights throughout the supply chain 	<ul style="list-style-type: none"> Strengthen team spirit Enhance employee resourcefulness with professional skills Foster an organizational culture that encourages change Create comfortable workplaces for employees Build transparent supply chains 	Materiality People P.46 Human Capital Strategy P.48 DEI: P.56 Human Rights: P.58	FY2025 Value-added productivity index: +15% (vs. FY2018) ANA's Way Survey average score: 4.03/5 Number of dialogues held by management: 1,200 Number of public applications within the group: 1,200 Number of Change Makers (Leaders of change trained): 300 (cumulative) Turnover rate: -0.5 pt (vs. FY2020)	As Early as Possible in the 2020s Ratio of female managers: 30%	
Implement the Transition Strategy	<ul style="list-style-type: none"> Achieve carbon neutrality while accounting for economic rationality Take measures to comply with CORSIA 	<ul style="list-style-type: none"> Improve flight operations and upgrade to more fuel-efficient aircraft Utilize sustainable aviation fuel (SAF) Use emission trading schemes Use negative emissions technologies Disclosures based on TCFD and TNFD recommendations 	Materiality Environment P.60 Transition Strategy P.62	FY2030 Carbon emission from aircraft operations: net 10%+ reduction (vs. FY2019) Replace 10% or more of fuel used with SAF Ratio of fuel-efficient aircraft (for jets): approx. 90%		FY2050 Aircraft CO ₂ emissions: net zero
Strengthen Governance	<ul style="list-style-type: none"> Strengthen corporate governance Ensure compliance Make appropriate disclosures and enhance communication 	<ul style="list-style-type: none"> Improve the effectiveness of the board of directors Increase opportunities for dialogue between management and stakeholders 	Corporate Governance P.84	As Early as Possible in the 2020s Ratio of female directors: 30%		

Business Strategy

In the FY2023-25 ANA Group Corporate Strategy, we have three pillars as strategic themes. Through the promotion of each strategy, we aim to build a basis for growth and transition to a full-fledged growth phase by transforming our business model toward the realization of our vision by fiscal 2030.

Toward a Full-Scale Growth Trajectory



By FY2030
Achieve Our Management Vision
Uniting the World in Wonder

Transform Business Models

Business Strategy Three Pillars

1 Maximize profit in airline business

- 1) Optimize multi-brand



- 2) Expand the Cargo Business

3 Expand the ANA Economic Zone

- 1) Increase the attractiveness of our content
- 2) Interconnectivity between the everyday and the extraordinary

2 Expand non-airline profit domains

- 1) Practice appropriate resource allocation

FY2023-FY2025
FY2023-25 ANA Group Corporate Strategy (Announced February 2023)
Build a Basis for Growth

Reduced Business Scale to Get through COVID-19

Financial Strategy

- 1 Restore financial base to pre-COVID-19 levels
- 2 Reduce total assets

FY2020 to FY2022

Business Structure Reform (Announced October 2020)

Establish a Resilient Business Structure

FY2022 Achieved profitability

Operating income ¥120 billion

FY2021 Reduced fixed costs significantly

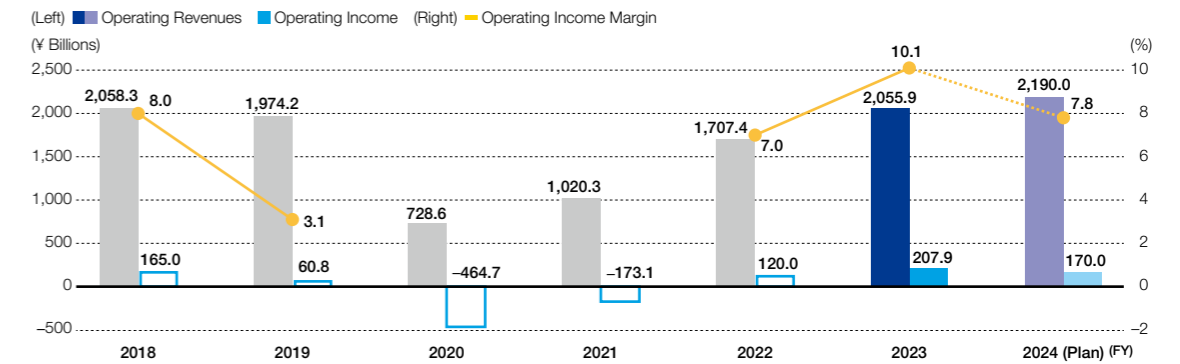
¥255 billion decrease vs. FY2019

FY2020 Reduced Resources

Retired 28 aircraft early

Review of FY2023 Results and Plan for FY2024

Consolidated Operating Revenues and Operating Income



FY2023 Results in Review

Having maintained and improved unit prices through yield control and captured recovering passenger demand on both international and domestic routes, we posted operating income of ¥207.9 billion, a new record-high by a wide margin.

Capture demand at high unit prices, particularly in the Passenger Business

Record revenues for the ANA International Passenger Business

Consistent and detailed cost management, even as we increased capacity

Controlled fixed costs to levels below pre-COVID-19 (FY2019)

Record-high operating income

FY2024 Plan Key Points

We anticipate a recovery in demand in the Passenger and Cargo Businesses, planning for record-high operating revenues. At the same time, we expect an increase in costs, which we controlled throughout the COVID-19 pandemic. Our operating income plan calls for ¥170 billion, a year-on-year decrease but higher than before the pandemic.

Demand recovery continues, reaching record levels

- 1 International Passenger Business +¥25.8 billion
- 2 Domestic Passenger Business +¥24.0 billion
- 3 International Cargo Business +¥28.4 billion, etc.

Increase due to a negative rebound, etc., after the COVID-19 pandemic

- 1 Tax reductions, exemptions, subsidies → Reduced or terminated
- 2 Maintenance expenses → Increase in maintenance for various engines
- 3 Investments in human capital → Improved productivity and stronger response to labor shortages

Profit continues at high levels exceeding pre-COVID-19

Changes in the Environment since Publishing the ANA Group Corporate Strategy

The pace of ASK growth in the Passenger Business has been slower than expected due to the prolonged Russia-Ukraine situation and the PW1100G engine inspections.

In addition, we must respond properly to new opportunities in the Cargo Business and upward cost pressures.

Environmental Changes

Delayed recovery of capacity due to continued detours around Russia

Conclusion of the NCA share acquisition agreement

Inflation in Japan and overseas, labor shortages

ANA Group Response

Maintained and improved high unit prices through yield control

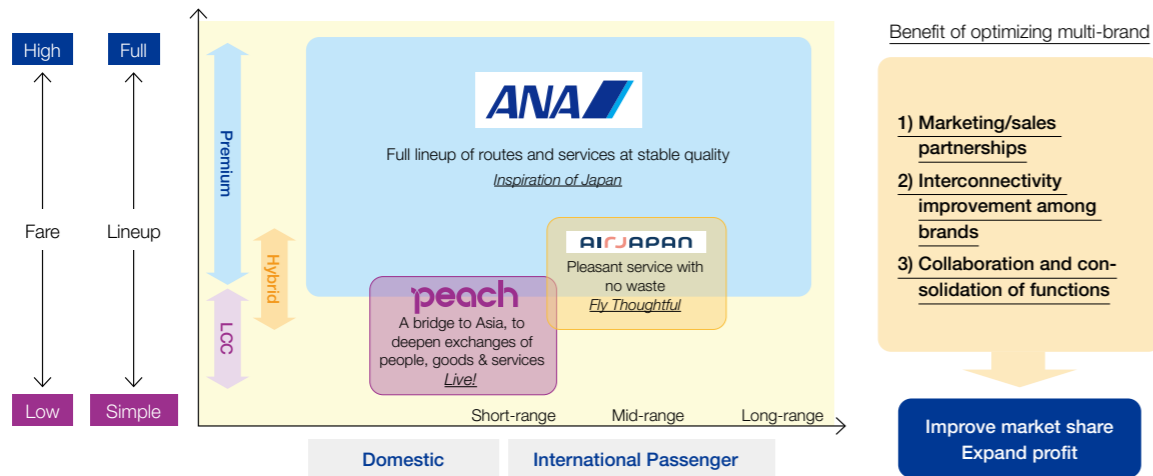
Rapid consolidation and post-merger strategy development (scheduled finalization: March 31, 2025)

Appropriate fare revisions, investments in human capital

1. Multi-brand Strategy

Inaugural AirJapan Flight Signals the Launch of a Three-brand Strategy. Aiming to Increase Profits through Greater Market Share

Positioning by Brand



In FY2023-25 ANA Group Corporate Strategy, we are aiming to maximize profits in the airline business and advancing a multi brand strategy with ANA, Peach and AirJapan. The new AirJapan brand began operations in February 2024, bringing the Group's total number of brands to three. We intend to win market share and maximize profits through an optimized portfolio, responding to changing needs and behaviors in the wake of the COVID-19 pandemic. Each of these three brands will play a role according to differences in fares, product lineup, and target customer. We intend to execute the brand concept of each company in a way that covers demand globally.

The three companies developed a joint air transportation plan in fiscal 2023 to optimize our route network. Other efforts to improve migration among brands through marketing and sales include reservation screen transitions and linking ANA Mileage with Peach Points and AirJapan flight vouchers.

We intend to adjust service routes, schedules, the number of flights, etc., while collaborating in aircraft procurement and maintenance, pursuing greater coordination and functional integration among brands to maximize profitability in our airlines business under the ANA Group Corporate Strategy.

Brand Definitions

	Segment	Major Airports	Brand Concept	Targets	Value Provided
	Full-Service Carrier	Haneda Narita	Top-tier mobility on the strength of a full lineup of routes and services, offered with consistent quality	<ul style="list-style-type: none"> Business/leisure from Japan Wealthy people from abroad, etc. 	<ul style="list-style-type: none"> Premium quality One of the world's largest networks to/from Japan Contribution to the global environment and society
	Low-Cost Carrier (LCC)	Kansai Narita	An airline serving as a bridge across Asia to further the exchange of people, goods, and services, while inspiring human emotion	<ul style="list-style-type: none"> Leisure and VFR* Leisure segment of 20-30 year olds Inbound travel demand from Asia destinations 	<ul style="list-style-type: none"> Reasonable and acceptable prices Simple and easy-to-use systems Easy travel, unique programs
	Hybrid Airline	Narita	A new kind of air travel based on Japanese concepts and quality	<ul style="list-style-type: none"> Leisure and VFR Inbound travel demand from Southeast Asia and other countries 	<ul style="list-style-type: none"> Fare levels competitive with LCCs Service levels to suit all preferences New levels of comfort Japan quality

* VFR: Visiting Friends and Relatives

ANA Message from the President



Fiscal 2023 was favorable for both international and domestic passenger operations. Strong inbound travel demand to Japan and domestic leisure demand reflected the reclassification of COVID-19 to a Category 5 infectious disease. We are truly delighted to welcome back so many customers, and I want to express my deepest gratitude for everyone's tremendous support.

Fiscal 2024 will mark a turnaround point in the FY2023-25 ANA Group Corporate Strategy, which we designed to put the company on a firm footing toward a return to a growth trajectory. We are committed safety as a social responsibility. At the same time, we will accelerate our transformation to increase earnings and enhance corporate value, leading to a leap forward in fiscal 2026 and beyond.

We believe there is room to expand our customer base from overseas in the Passenger Business by increasing the ANA brand recognition internationally. With the opening of the Haneda-Milan, Haneda-Stockholm, and Haneda-Istanbul routes scheduled before the COVID-19 pandemic, we expect to grow our route network for the ANA brand. Our three airlines—ANA, Peach, and AirJapan—will examine the best way to optimize the group network over the medium to long term.

In the Cargo Business, we will leverage our strength as a combination carrier that owns both passenger and freighter aircraft, and we will continue to focus on capturing demand

related to automobiles and semiconductors—our main major commodities—as well as demand for special cargo and other high-priced commodities generally considered difficult to transport. We plan to construct Cargo Building No. 8, our largest cargo facility, in the cargo building area at Narita Airport in October 2024. We will consolidate the cargo terminals currently dispersed across six locations to create a highly efficient and competitive system with state-of-the-art equipment and improved productivity.

The ANA brand stands for high quality, as evidenced by our highest rating of 5-Star from SKYTRAX for 11 consecutive years. As we maintain this quality, we will look toward automation and self-service to meet needs and maximize customer experience value through digital technology, in addition to adding value of the type only possible through human services. We also aim to improve productivity and creativity by investing even more in our people, the source of value-added creation, and improving employee engagement.

Having overcome the COVID-19 pandemic, we are confident that our efforts were not in error. Momentum is building throughout the Company for a further leap ahead. We will continue to work for rapid change through the spirit of venture that has guided us since our founding, acting with speed and using the new value we gained from the pandemic for *Uniting the World in Wonder*.

1. Multi-brand Strategy

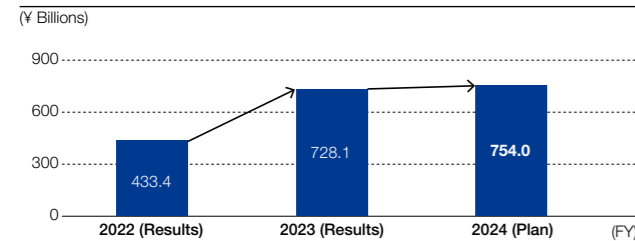


ANA Brand (International Passenger)

Fiscal 2024 Strategy Key Points

- 1) Maintain high yields by optimizing passenger mix (focus more on demand to/from Japan than connection)
- 2) Increase capacity on European routes by 30% year on year and expand route network Routes to Munich and Paris (daily), route to Vienna (resume), routes to Milan, Stockholm, and Istanbul (new)

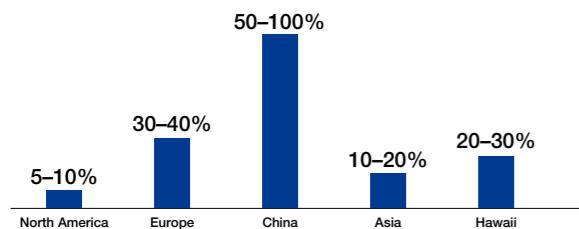
Operating Revenues



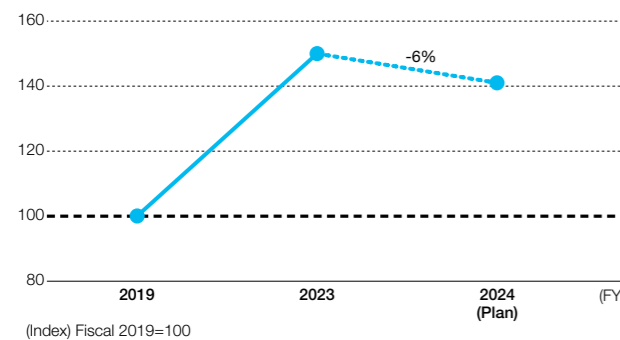
Market Outlook

Supply-Demand Balance Beginning to Ease

Seat supply for routes to/from Japan in Fiscal 2024 (YoY growth; ANA forecast)



Yield Performance



Yield remained higher than planned in fiscal 2023 with strong passenger demand, resulting in a significant increase in operating revenues year on year.

The fiscal 2024 market outlook calls for an increase in the supply of seats on routes to and from Japan across all routes, while supply-demand balance is expected to ease.

The ANA policy calls for increasing the composition ratio of passengers to and from Japan, where the unit cost is relatively high, optimizing passenger mix and maintaining yield.

We also plan to expand our route network by increasing capacity on European routes by approximately 30% compared with fiscal 2023. These routes have been slow to recover due to the situation in Ukraine and Russia. Specifically, we will convert the existing Munich and Paris routes to a daily service and resume the Vienna route, which had been suspended due to COVID-19. We will also open three new destinations in Milan, Stockholm, and Istanbul, beginning with the winter schedule in fiscal 2024. Our aim here is to increase revenue by expanding our network for European routes.

We are in the process of applying for antitrust immunity (ATI) approval for a joint venture with Singapore Airlines. This joint venture would strengthen our network in Asia, where airline demand should grow in the medium to long term. Through efficient route planning in Asia and Oceania (including Singapore, India, and Australia), improved connections at transit points, and a standard fare structure, we aim to increase revenues while improving customer convenience.

ATI Approval for a Joint Venture with Singapore Airlines

We received conditional ATI approval from the Ministry of Land, Infrastructure, Transport and Tourism in April 2024 for joint ventures between Japan and Singapore and between Japan and other eligible countries*. We also filed an application for ATI approval with the Singaporean authorities, and our application is currently under review.

We plan to apply for ATI approval in other countries in due course.

* Other eligible countries: Australia, India, Indonesia and Malaysia

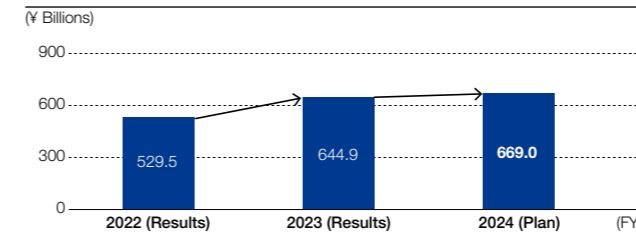


ANA Brand (Domestic Passenger)

Fiscal 2024 Strategy Key Points

- 1) Strengthen capture of passenger numbers, focusing on strong leisure demand
- 2) Implement fare increases, planning for unit price to increase +5% compared to pre-COVID-19

Operating Revenues



Fiscal 2023 revenues increased year on year, mainly due to strong leisure demand.

We expect fiscal 2024 revenues to exceed fiscal 2023 as we continue to capture leisure demand and maintain unit prices above pre-COVID-19 levels.

We expect business demand to remain at approximately 70% of the pre-COVID-19 levels, while leisure demand should continue to exceed pre-COVID-19. ANA will coordinate with Peach to build an optimal route network for capturing strong demand.

In addition, certain fares were already raised at the end of March 2024. Our plan calls for an increase in revenue of approximately ¥9.0 billion, including an approximately 5% hike in FLEX and other high-priced fares. By seeking appropriate fares based on demand for each route and flight, we will achieve a unit price level approximately 5% higher than pre-COVID-19.

Point 1

(Plan Assumptions)

Leisure demand expected to remain strong

Business Demand vs. pre-COVID-19 Approximately 70%

Leisure Demand vs. pre-COVID-19 100%-plus

Point 2

(Plan Assumptions)

Fare Revisions

Increased select fares** by approximately 5%** beginning March 31

Revenue Increase ¥9.0 billion

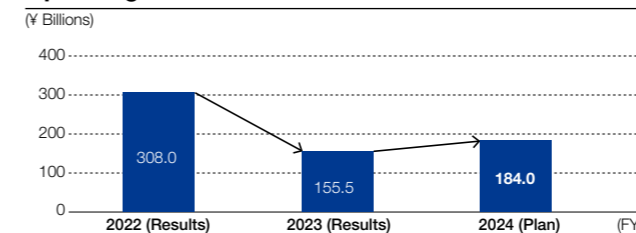
*1 Premium fares, FLEX fares, shareholder benefits, business tickets, etc.
*2 Reduced on certain fares and routes

International Cargo Business

Fiscal 2024 Strategy Key Points

- 1) Capture recovering demand of major commodities by passenger flights (belly) and freighters
- 2) Reform Cargo Business strategy after finalizing NCA share exchange

Operating Revenues



Fiscal 2023 revenues were lower year on year as the supply-demand balance normalized with the continued decline in demand for major commodities.

Performance should recover gradually in fiscal 2024 with a recovery in demand for major commodities, particularly automobile- and semiconductor-related. Leveraging the strength of a combination carrier with both cargo and passenger flights, we plan to optimize our route network and space for freighter and passenger aircraft to best capture recovering demand. We expect to maintain unit price at a higher level year on year by capturing special cargo using wide-body freighters and by capturing high unit price merchandise through the highest levels of transportation quality.

We expect the effective date of the acquisition of shares of Nippon Cargo Airlines to be March 31, 2025, once the examination of the business combination by the relevant authorities has been completed. We continue making arrangements to finalize the transaction as quickly as possible.

Point 1

(Plan Assumptions)

Increased demand for major commodities

Automotive-related Restored production lines

Semiconductor-related Gradual recovery from 2H

Point 2

Continue to maintain high unit price

More than twice pre-COVID-19 (2019)

vs. FY2023 Approximately +10%

1. Multi-brand Strategy

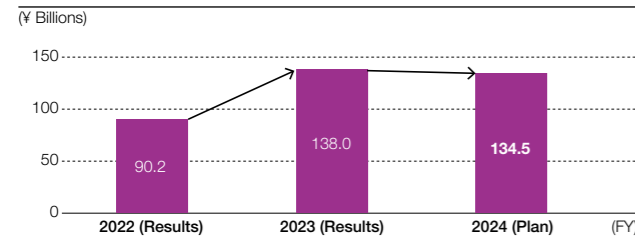


Fiscal 2024 Strategy Key Points

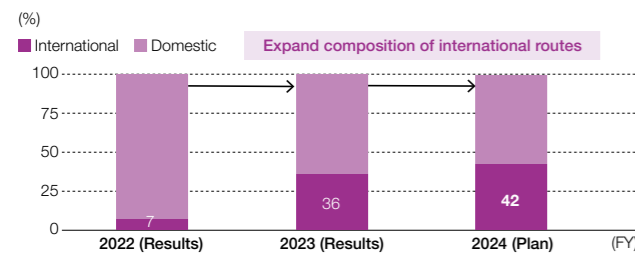
- 1) Contribute to group profits by expanding the composition of international routes, particularly in East Asia
- 2) Improve operations and service quality (e.g., on-time departures)

Revenue Plan

Operating Revenues



Assumptions: ASK Composition



By capturing strong inbound travel demand and domestic leisure demand in fiscal 2023, we posted revenues significantly higher year on year. We also posted a full-year operating income for the first time in five fiscal years.

We plan to expand the composition of international routes in fiscal 2024, particularly to East Asia. With the prospect of increased market competition, including additional capacity, we plan to lower unit prices year on year. However, we aim to maximize revenue by capturing the strong demand for inbound travel to Japan through improved operations and service quality, as well as measures to stimulate demand.



peach Message from the President



In fiscal 2023, we recovered from the COVID-19 pandemic, supported by the most robust market conditions and demand experienced since our founding. We endeavored to maximize revenues on domestic routes by stimulating demand, particularly leisure and VFR demand. On international routes, we resumed the Haneda-Shanghai and Kansai-Shanghai routes in May 2023, increased flights on the Narita-Taipei route in June, and resumed flights on the Kansai-Kaohsiung route in August. By expanding routes, adding flights, and increasing the allocation of resources to international routes, we captured the strong inbound travel demand to Japan.

Peach celebrated our 12th anniversary in March 2024. We created a new vision based on our past accomplishments, proclaiming a flight full of respect for everyone as a new step forward. Our goal is to make air travel easy and comfortable for all, helping make that journey part of a cherished memory for our customers, not just a way to travel from point A to point B. That is our desire.

We take on the challenge to create new customer value through unique initiatives only available to and possible by Peach. To continue to evolve and grow, we will strive to satisfy more customers through new Peach value, expanding our Asian destinations further as a bridge between Asia and Japan as stated in our corporate philosophy.

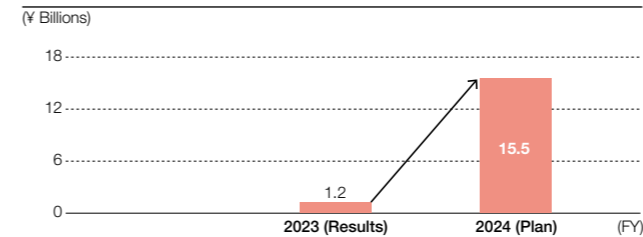


Fiscal 2024 Strategy Key Points

- 1) Increase flight frequencies to major inbound markets in South Asia and elsewhere
- 2) Strengthen competitive advantage by leveraging superior products and services while stabilizing operations quality

Revenue Plan

Operating Revenues



Point

Open new routes and add more flights to existing routes

- 1) Narita-Singapore route (launched April 26; five flights per week)
- 2) Narita-Seoul route changed to daily service (April 29)
- 3) Narita-Bangkok route changed to daily service (April 30)

AirJapan began operations in February 2024 as a new brand of the ANA Group. We plan for approximately ¥15.5 billion in AirJapan operating revenues in fiscal 2024.

As a hybrid airline, we aim to optimize the group's overall portfolio by differentiating from the ANA and Peach brands, basing our strengths in comfort and affordable fares that surpass those of our competitors.

In fiscal 2024, AirJapan will operate three routes with a two-plane fleet, focusing on attracting strong demand from passengers visiting Japan.



AIRJAPAN Message from the President



On February 9, 2024, AirJapan began operations as a new brand utilizing mid-body Boeing 787 aircraft to serve the future growth markets of Southeast Asia. We created highly competitive service, including Japanese-style boarding music, in-flight meals highlighting the appeal of food from various regions of Japan, and seats that emphasize comfort. And while we obsess with cabin space to the most minute detail, we offer three types of reasonable fares to meet passenger travel styles.

Our first route was Narita-Bangkok. Subsequently, we added Narita-Incheon and Narita-Singapore. Overseas customers account for approximately 80% of the Bangkok route and 70% of the

Singapore route, and we have captured new demand for the ANA Group. The AirJapan brand will continue to capture strong inbound travel demand, and over the medium term, we will expand routes gradually in pace with fleet growth.

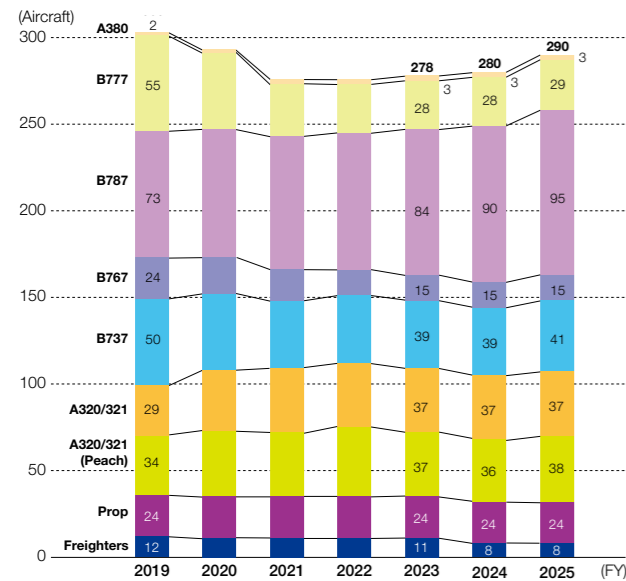
We have encountered certain operational issues since we began service. However, our employees have pulled together to improve ground handling and systems to stabilize operations quality. We will continue to prove our value as the airline of choice by offering experiences, products, and services of the type which AirJapan can be proud.

In addition to the AirJapan brand, we are responsible for certain ANA brand international routes. We endeavor to create an organizational culture in which every employee aspires to take on new challenges, and I tell our employees that we must master playing on both sides of the ball. Many of our employees come from diverse backgrounds, and in fiscal 2023 we hired our first mid-career employees. AirJapan will continue to hire flight crew, flight attendants, and mid-career employees in fiscal 2024, all of whom we expect to contribute to maximizing ANA Group earnings by exercising their talents.

1. Multi-brand Strategy

Fleet Strategy

Number of Aircraft by Model

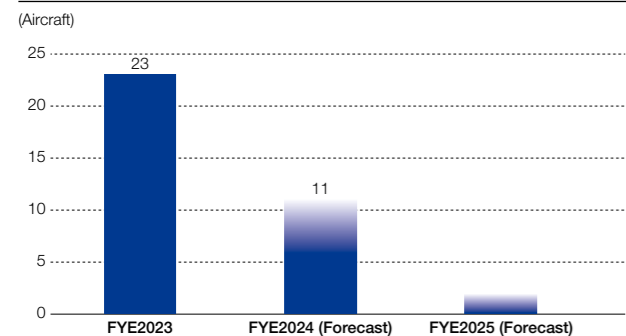


We reduced our fleet through Business Structure Reform during the COVID-19 pandemic, mainly in terms of wide-body aircraft and curbing fixed costs. However, between fiscal 2023 and fiscal 2025 we plan to add mid- and wide-body aircraft, consisting of 15 aircraft including Boeing 787-10 (for domestic and international routes) and Boeing 787-9 (for international flights). In fiscal 2025, we plan to add a Boeing 777-9, the flagship of our international fleet, and a Boeing 737-8 (MAX), a smaller aircraft.

We continue to reduce our environmental footprint by adopting fuel-efficient aircraft.

In other matters, the discontinuation of SpaceJet development delayed the upgrade of next-generation regional jets (under 100 seats). We will consider the direction and timing of the next available narrow-body aircraft/regional jet from the perspective of a changing environment and the profitability of the Domestic Passenger business.

Number of Grounded A320/321neo Aircraft



Our Airbus A320/321neo aircraft were idled due to Pratt & Whitney PW100G engine inspections. To deal with this situation, we intend to take measures that include deploying mid- and wide-body aircraft on certain routes operated using the A320/321neo. This approach means we will not be able to optimize aircraft allocation to meet demand for the foreseeable future. We are resolving the number of idle aircraft over time, and we continue discussions with the engine manufacturer to resolve the issue as soon as possible.

Introducing the Boeing 787-10, Next-Generation Flagship for Domestic Routes

In March 2024, the ANA Group became the first Japanese airline to operate Boeing 787-10 aircraft with specifications for domestic routes in Japan. With the longest fuselage (68.3 m) in the 787 series, this latest model aircraft boasts a total of 429 seats (28 premium class and 401 economy class seats), combining low fuel consumption and excellent transport capacity. The Boeing 787-10 offers environmental performance and comfort, offering passengers comfortable and confident air travel.



2. Life Value Business / 3. Expansion of the ANA Economic Zone




Initiatives to Expand the Life Value Business

	Profit Growth in Core Businesses	New Business Development
Travel Services	<ul style="list-style-type: none"> ① Build a Travel as a Service (TaaS) platform ② Shift from packaged sales to seamless single-product sales ③ Leverage alliance strategy to expand service lineup (lodging, secondary transportation, experiences, etc.) ④ Improve UI/UX and upgrade recommendation functions 	<ul style="list-style-type: none"> ① Completed ¥7.7 billion in funding from nine companies by July 2024 ② Develop the AI <i>Omotenashi</i> avatar for customer service operations ③ Accelerate proof-of-concept tests with strategic partners (ANA, Yamada HD, LIXIL, etc.) ④ General sales are planned to begin in 2026; IPO planned for fiscal 2027
Trade and Retail	<ul style="list-style-type: none"> ① Strengthen retail business profitability (retail stores and duty-free stores) through DX ② Grow the scale of the electronics business to capture the expansion phase in the semiconductor market ③ Enter the space-related business by leveraging Airline Group expertise ④ Create new businesses through business and capital alliances 	<ul style="list-style-type: none"> ① Prepare for operations during the EXPO 2025 OSAKA, KANSAI, JAPAN ② Coordinate with related parties to begin commercial operations during fiscal 2026 ③ Established a structure in Japan to commercialize with Joby Aviation of the U.S. ④ Partner with real estate operators and large retailers to develop facilities at origin and destination sites

ANA Future Frontier Fund, ANA Group's First Corporate Venture Capital (CVC) Fund!

In April 2024, we and Global Brain established a corporate venture capital (CVC) fund, "ANA Future Frontier Fund L.P." We will accelerate open innovation transcending national and corporate boundaries by investing in promising startups from around the world. Areas of investment represent a wide range of specialties: (1) next-generation mobility (air mobility, drones, MaaS, space, etc.); (2) customer base utilization businesses (fintech, NFT, data analytics, etc.); (3) carbon neutrality (SAF, DAC, carbon offset, etc.); and (4) aviation service and operations (AI, robotics, etc.). By enlisting the help of startups, we aim to create new businesses, strengthen existing businesses, and improve the efficiency of airline services and operations. We must improve in areas where we cannot necessarily improve with our own resources and assets alone if we are to capture new revenue opportunities.

Mechanisms to Encourage Customer Migration and Expand the ANA Economic Zone

	Progress to Date	Future Actions
Gate App	<ul style="list-style-type: none"> ① Relaunched the ANA Mileage Club App as the ANA Economic Zone Gate App ② Includes mini apps that seamlessly connect ANA Group services* * ANA, ANA Pocket, ANA's Hometown Tax, Travel CUBE, ANA Mall, etc. 	<ul style="list-style-type: none"> ① Add/upgrade original, attractive mini apps ② Expand cross-selling between air/non-air businesses ③ Generate advertising revenues with registered user growth
New EC Mall	 <ul style="list-style-type: none"> ① Launch a mall offering everyday items beyond travel-related products ② Pursue an attractive product lineup through the best mix of direct management and partnerships ③ Expanded from 23 stores (at time of launch) to 111 stores as of June 30, 2024 	<ul style="list-style-type: none"> ① Expand the number of stores and attract large stores ② Improve UI/UX to focus on purchase flow ③ Optimize data-driven recommendations
New Payment Function	<ul style="list-style-type: none"> ① Significantly expanded payment functions as a wallet in the ANA Economic Zone ② Payment equates 1 mile to 1 yen, helping create a world in which people live in a mileage-based ecosystem * Charge: Credit card, bank account, ATM, miles; Payment: iD, Visa touch, online 	<ul style="list-style-type: none"> ① Diversify recharging and payment methods ② Accumulate and use purchasing data to encourage migration ③ Minimize customer churn rate by reducing lost mileage
Examples of Migration within the Group	 ANA FACILITIES CO.LTD. <ul style="list-style-type: none"> • Began directing users to the overseas travel insurance sales site from the completion screen of the international flight reservation function on ANA Sky Web • Sell small, short-term insurance products within ANA Pay/Pocket 	 ANA Akindo <ul style="list-style-type: none"> • Add mini app within the ANA app for Hometown Tax donations • Redesign ANA Aozora Ichiba (website selling local products) and open as the MeGourmet store in the ANA Mall

Message from the Executive Officer



TSUDA Yoshiaki

ANA HOLDINGS INC.
Executive Vice President
Director of Future Creation,
ANA Economic Sphere

We formulated a new ANA Group Corporate Strategy for the first time in five years since our return to a growth trajectory in the wake of the COVID-19 pandemic. The three pillars of this strategy are (1) Maximize profit in airline business; (2) Expand non-airline profit domains, and (3) Expand the ANA Economic Zone for sustainable growth. The Future Creation Department, responsible for accelerating progress in non-air profit domains, will lead the ANA Group through enthusiastic team management toward achieving our management vision, *Uniting the World in Wonder*. Beyond building momentum, we will develop new businesses rapidly with a future orientation unbound by past experience or standards. To ensure the achievement of this vision, we will provide comprehensive support in the idea creation, proof-of-concept testing, market feasibility study, launch, and revenue stabilization phases.

The other pillars of our strategy are to expand the ANA Economic Zone as quickly as possible and create a world in which people live in a mileage-based ecosystem. To this end, we began preparations during the COVID-19 pandemic with ANA X to expand functions and encourage the use of the Gate App, ANA Mall, and ANA Pay functions. For ANA Group companies to maximize the use of this ANA Economic Zone platform, we must develop a business environment while seeking bold solutions to issues having high management impact. Such issues include capital investment, systems development, securing human capital, and operational structures.

Embracing the venture mindset passed down in the ANA Group since our founding in 1952 with two helicopters, we will pursue open innovation with startups and other business partners, doing our utmost to create new value. I urge you to look forward to how the ANA Group's business portfolio will change in the future.

Financial Strategy

Recover Financial Base

		FY2023-25 ANA Group Corporate Strategy Build basis for growth		FY2026 and beyond Full-scale growth
		FY2023 Results	FY2025 Forecast	Medium-Term Direction
Recover financial base	Liquidity on hand	¥1,257.8 billion	¥800.0 – ¥900.0 billion	¥500.0 billion
	Interest-bearing debt	¥1,482.0 billion	¥1,050.0 billion	Control in light of an optimal capital structure
Reduce total assets	Shareholders' equity ratio	29.3%	Approximately 37%	Shareholders' equity ratio to 45%
	Credit rating (R&I)	Recover A rating (A-)	Maintain A rating	Acquire A flat

While we are making steady progress in recovering our financial base, we have not made any major changes to our previously announced financial strategy. Our approach to the allocation of management resources in the FY2023-2025 ANA Group Corporate Strategy will continue to emphasize financial discipline, while steadily generating free cash flow as we invest conscientiously and maintain stable dividends to shareholders. Shareholders' equity will increase through profit accumulation as we repay interest-bearing debt using free cash flow and cash on hand, creating strong financial resilience.

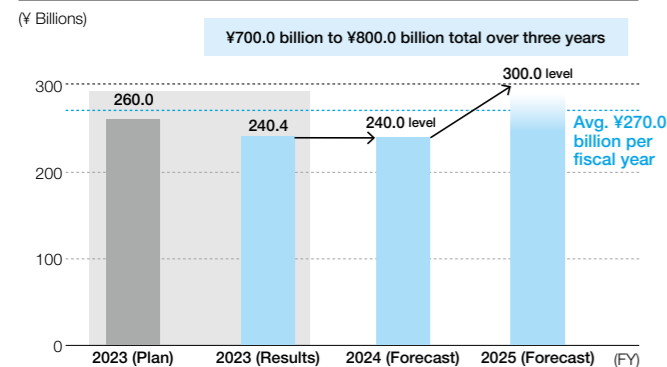
International Business expansion in the post-COVID-19 growth phase will be indispensable. In the same vein, we must

assume a reasonable risk of performance fluctuations based on the characteristics and scale of the business. In addition to the working capital required for normal operations and funds to repay debt and make investments, contingency reserves should include funds for advanced ticket sales and funds to cover fixed cost expenditures until other funds are procured. Based on these considerations, we estimate that the appropriate level of liquidity on hand over the medium term is ¥500 billion.

Some investors have said that current liquidity on hand may be excessive. We will lower this balance gradually to the ¥500 billion level through the repayment of subordinated loans, scheduled for fiscal 2025 and later.

Capital Expenditure Plan

Capital Expenditures



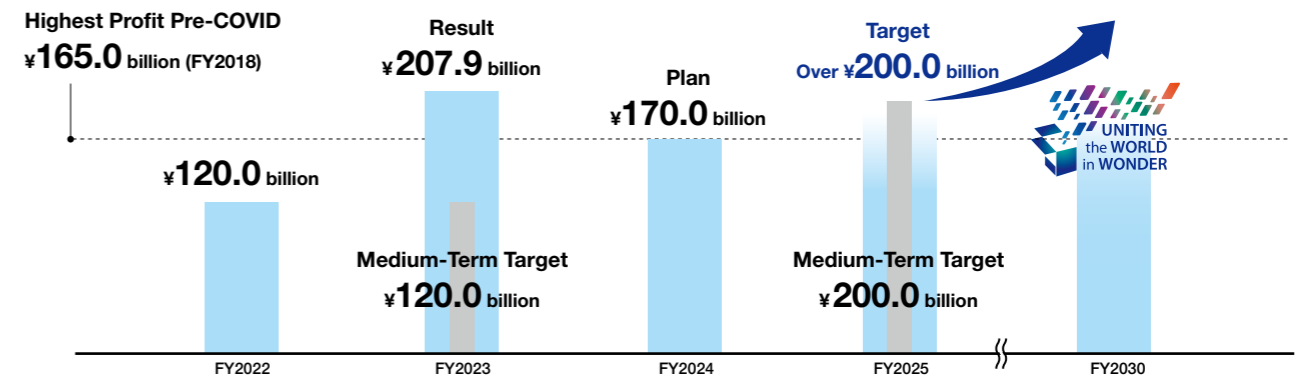
The timing of certain investments planned for fiscal 2023 will be postponed to fiscal 2024 or later due to the delay in the receipt of some aircraft. We expect the total over the three years from fiscal 2023 to fiscal 2025 to be around ¥700 billion to ¥800 billion, well within the range of the original plan.

Value Creation Goals

Future Profitability Goals

		FY2023 Results	FY2024 Plan	Medium-Term Direction
Profitability	Operating Revenues	¥2,055.9 billion	¥2,190.0 billion	Global Top-Tier Profitability
	Operating Income	¥207.9 billion	¥170.0 billion	
	Net Income	¥157.0 billion	¥110.0 billion	
	Operating Income Margin	10.1%	7.8%	Over 10%
	EBITDA	¥350.2 billion	¥319.0 billion	Above Pre-COVID-19 Level
	EPS	¥335.1	¥234	
Capital Efficiency	ROA	6.1%		Over 8%
	ROE	16.5%		Over 12%

Consolidated Operating Revenues



Last, let's look at our value creation goals.

We aim to achieve record-high consolidated operating income of ¥200 billion in fiscal 2025 by recovering capacity to roughly pre-COVID-19 levels.

We will continue to maintain a high level of profit as we strengthen our non-financial approach to medium- and long-

term growth, including human capital and the environment.

Fiscal 2030 is the target year for achieving our new management vision. The ANA Group will work as one to return to a growth stage, supporting our aim to be a global top-tier airline in terms of profitability and financial strength.

DX Strategy



Achieving Our DX Vision

In this age of volatility, uncertainty, complexity, and ambiguity, companies must think about conducting business with a constant awareness of the use and transformation of digital technologies. Companies cannot afford to be bound by the status quo or perceived reality, but should instead work with an eye toward the kind of world we want to create or change.

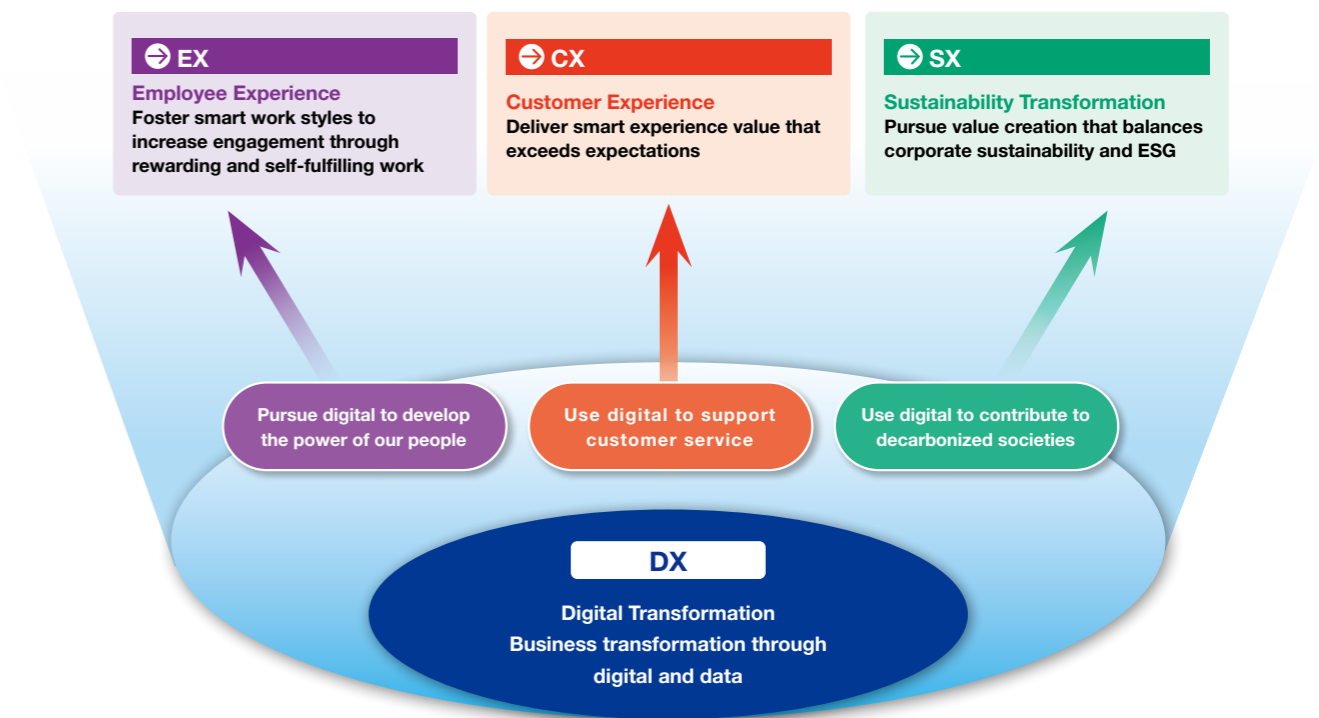
The ANA Group formulated the DX Vision to define our ideal future in relation to digital transformation (DX). We seek business transformation that creates a sense of wonder not only through reformed internal business processes but also through digital technologies and data. In this way, we aim to improve employee experience (EX) through smarter work styles, customer experience (CX) by exceeding expectations, and sustainability transformation (SX) by balancing corporate sustainability and ESG compliance.

The current ANA Group Corporate Strategy covers fiscal 2023 through fiscal 2025. This strategy emphasizes strengthening our capacity to transform, including groupwide data management and the recruitment and developmental support of technology-literate human capital ("digital talent"). These two elements are critical for the group to achieve new value in the real-world transportation of people and goods and expanding our virtual and digital businesses by adapting to changes in society. The use of data is of particular importance in this context. We plan to integrate data collected from the

management, marketing, and operations areas of our business, utilizing the data across the group, instead of hoarding data in vertical silos. This shift to data-driven business models will help us acquire new customers and expand the ANA Economic Zone.

In the past, we stated that DX is one important element in our management foundation. To respond properly to the various environmental changes surrounding the airline industry, we must redefine DX as the center of our corporate strategy, moving boldly forward to transform our businesses. We must engage in the following three specific measures to ensure the competitiveness of the ANA Group: (1) Smart travel (maximize customer experience value by leveraging customer data and enhancing human services based on scene characteristics); (2) Operational sophistication (achieve business process reforms through the fusion of real and virtual); and (3) Concrete digital strategy that multiplies the power of people (improve productivity and enhance competitiveness by using digital technology and focusing on tasks that only people can perform).

While we continue to strengthen our DX infrastructure, we are accelerating the transformation in our operations and businesses as we seek to achieve our DX Vision and the goal beyond: *Uniting the World in Wonder*.



DX Vision

DX Infrastructure

The aim of the FY2023-25 ANA Group Corporate Strategy is to enhance our DX infrastructure through three initiatives: recruiting and developing digital talent, data usage, and IT investment.

In pursuing DX, we must not only secure specialized human resources but also develop human resources capable of using digital technology effectively in every department. We must improve the digital literacy of all employees and create new value by combining these business and digital skills. In fiscal 2022, the ANA Group established an education system for digital skills, called ANA Digital Resonance, to **recruit and develop digital talent** within the group.

The program is designed in particular to develop Digital Leads, who will lead business transformation in every operating department through digital and data. In addition to basic knowledge, the program offers two courses for problem-solving using digital data in specific business scenarios. Instructors from the ANA Digital Transformation Office guide participants through approximately three months of training, after which participants are ready to solve problems independently and create new value in their respective departments. As of the end of fiscal 2023, approximately 70 individuals have graduated, including representatives from group companies. We aim to expand the scope of DX in our businesses through continuing efforts.

We also improve digital literacy targeting various levels of employees, holding discussions on the use of AI among management and sharing examples of DX initiatives with all group employees.

In addition to hiring new graduates and specialized mid-career professionals, we secure digital talent by actively identifying and training people with digital backgrounds already within the group. These plans and measures are progressing in line with plans.

In terms of **data usage**, we are looking to use BlueLake, adopted in 2022, at an even more advanced level. As the ANA Group data usage platform, BlueLake provides dashboard



Digital Lead training

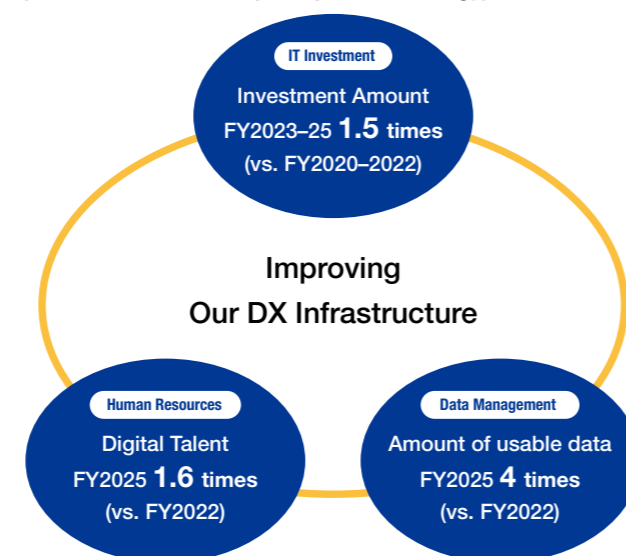
functions, advanced analysis tools, data extraction, and other functions. A team of young employees led development, which they completed in about four months. We established an agile team of in-house data engineers and scientists to expand the data that currently works to connect various systems and support their use based on the needs of each department.

As a result of these efforts, we increased the amount of data available for use across the group as of the end of fiscal 2023 by 2.5 times compared with fiscal 2022. And we are making steady progress toward creating a data-driven decision-making cycle.

One example of how data visualization using BlueLake speeds up the decision-making cycle is our ability to visualize the number of customer reservations and confirm the gap between expected demand and sales via the BlueLake dashboard. We are conducting truly data-driven decision-making, with members of the same department making decisions based on data and a shared understanding. We will continue to expand data available to pursue business transformation at a more sophisticated level based on multi-faceted analysis and data use.

We increased **IT investment** by 1.3 times compared with fiscal 2020 through fiscal 2022. These investments include an enterprise system upgrade project to integrate our international and domestic passenger services systems and make systematic improvements to customer experience value, productivity, and other initiatives. As we continue to improve our DX infrastructure, we will create value through group synergies resulting from digital and data, evolving ANA Group data-driven management.

Major Initiatives to Improve Our DX Infrastructure (FY2023-25 ANA Group Corporate Strategy)



Major Initiatives

→ ANA App Redesign

We redesigned the ANA app in November 2023. The My Booking screen redesign provides smoother access to all information related to boarding. The app improved three function buttons (“Seat,” “Check-In,” and “Mobile Boarding Pass”) to display more quickly depending on status of the customer. In addition, the app offers personalized recommendations based on customer interests and concerns.

The ANA Digital Hangar (ADH) team drove this major upgrade through agile development. The team focused on rapid function development, moving from hypothesis to implementation while focusing on customer experience value.

We will continue to evolve ANA Smart Travel to maximize customer experience value and provide smooth and stress-free travel for all.



→ Ground Handling Operations Automation and Mechanization

The ANA Group is building a mechanism to support airport operations to secure human resources necessary for airport work. These mechanisms aim to improve the attractiveness of work and encourage innovation, leading to smaller, more resilient operational structure.

As part of this effort, we have conducted demonstration tests for the practical use of uncrewed transport. The tests involve using a self-driving towing tractor (truck used to move cargo onboard aircraft) at Haneda Airport, where the cargo shed and terminal are separated by a long distance and cargo transportation requires significant labor. Current testing focuses on autonomous driving Level 4*. We aim for practical implementation at Haneda Airport by the end of 2025, once we verify economic feasibility and other matters.

We will continue to reevaluate the roles of people and technology from top to bottom, making the most of automation and mechanization in airport ground handling operations to raise productivity. At the same time, we will dig deeper to improve work of the type only people can do, maximizing customer value while raising the sense of reward and job satisfaction among employees. Ultimately, we expect these efforts to increase the attractiveness of the airline industry even further.



* Autonomous driving level 4: All driving operations are automated across a limited area that meets specific driving environment conditions.

→ Using AI to Optimize In-Flight Meal Loading

Reducing food waste and improving customer satisfaction are important topics related to in-flight meal loading.

The ANA Group adopted a system to collect data from various systems related to in-flight meals, using AI to predict the optimal number of meals to be loaded. This program helps us minimize waste related to in-flight meals, while ensuring flexibility to meet diverse passenger needs and sudden schedule changes. The approach has been particularly effective for ANA domestic premium class, where the number of passengers often fluctuates until the last minute. Using AI also aids the efficiency of information gathering and forecasting. We expect to improve forecasting accuracy further as we accumulate more data.

We continue to pursue value creation that balances corporate sustainability and ESG, utilizing ANA Group digital data across a broad range of settings.



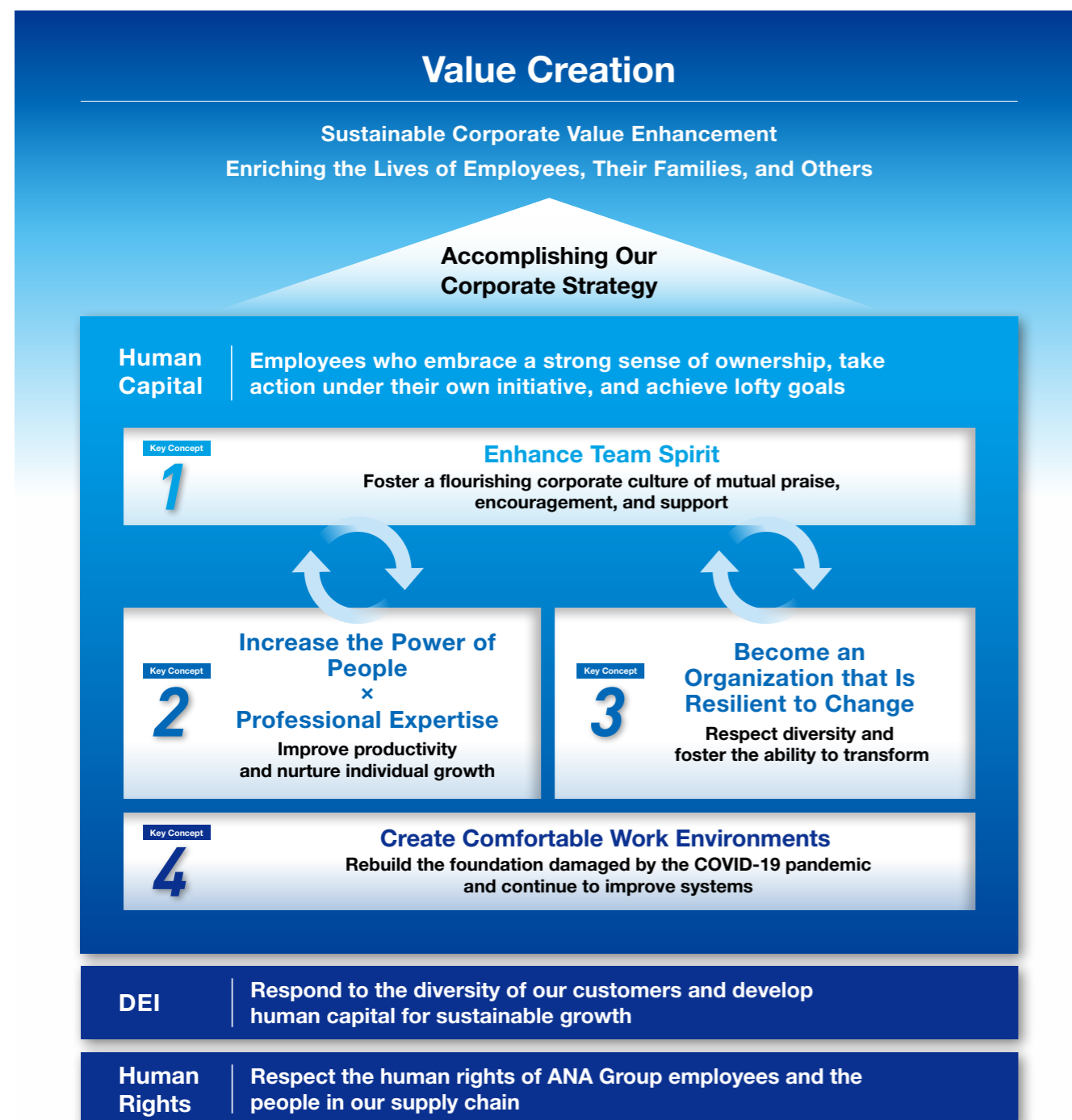
Basic Approach

We define people as a materiality at the ANA Group (human capital, DEI, and human rights).

Our aim is to create a virtuous cycle of value-added creation through investments in human capital to maximize the power of our people and teamwork, the true sources of value creation. In this way, we will seek sustainable corporate value enhancement.

Further, diversity, equity, and inclusion (DEI) is a groupwide effort under which we develop human capital for sustainable growth and to respond to the diversity of our customers.

Meanwhile, ANA Group business operations have the potential to impact the human rights of a variety of stakeholders. We take appropriate measures to respect the human rights of group employees as well as the rights of people in our supply chain.



Message from the CHO

We create a strong ANA Group by enhancing the individual sense of ownership and motivation to achieve.

NAOKI Yoshiharu

Executive Vice President, Representative Director
Group Chief Human Resource Officer (CHO)

In addition to being an ANA HOLDINGS director, I began serving as head of Group Corporate Strategy and Group CHO in fiscal 2023. Having a single director in charge of corporate strategy and human capital strategy is an effective way to link both strategies, and we have already embarked on activities to strengthen this link.

At the beginning of the fiscal year, the Human Resources Department and Corporate Planning Department collaborated in further discussions on issues related to people and organizations for accomplishing our corporate strategy. We received advice from investors and experts, revisiting the linkage with our human capital strategy. Based on these discussions, we implemented an action plan to strengthen our human capital, the source of the ANA Group value. This plan reflects management-level discussions on what makes human capital management at the ANA Group unique and what measures we should take.

The strengths of our group are the power of our people—the high level of expertise and skills in aviation and our desire and attitude to bring smiles and joy to customers—and the power of our organization—teamwork that transcends job descriptions and other organizational barriers to produce results through collaboration. To accelerate our management approach that leverages these strengths, Group Representative Director, President and CEO Shibata communicates the cycle of added value creation beginning with investments in human capital to employees to raise awareness.

First, we invest in human capital to improve employee engagement, enhance the individual sense of ownership, and raise the motivation to achieve. The consistent pursuit of basic quality and improved productivity by all ANA Group employees working toward the same goal results in customer satisfaction and stakeholder trust, leading ultimately to increased social and economic value. In the process of these activities, we must amplify the mindset of taking the next action, helping every employee experience the joy, confidence, and conviction of his or her own growth and contribution. In this way, employee success results in a sustainable value creation cycle.

One way we put this cycle in motion is through higher wages, which had been controlled during the COVID-19 pandemic. We raised bonuses and increased base wages for a second consecutive year. We also invest in a wide range of human capital initiatives, including improved benefits and training programs. While costs will increase in the short term, we told our employees that we cannot survive or raise wages sustainably without increasing profits. Productivity improvements and value-added creation are how we will ensure profit growth over the medium term.

To this end, our management team listens to employees and ensures meaningful dialogue to gain a firm grasp of information from the front lines, reporting back to the front lines the results of employee input. We will create a resilient ANA Group by fostering environments in which employees embrace a strong sense of ownership and contribute through their talents.

Human Capital Strategy

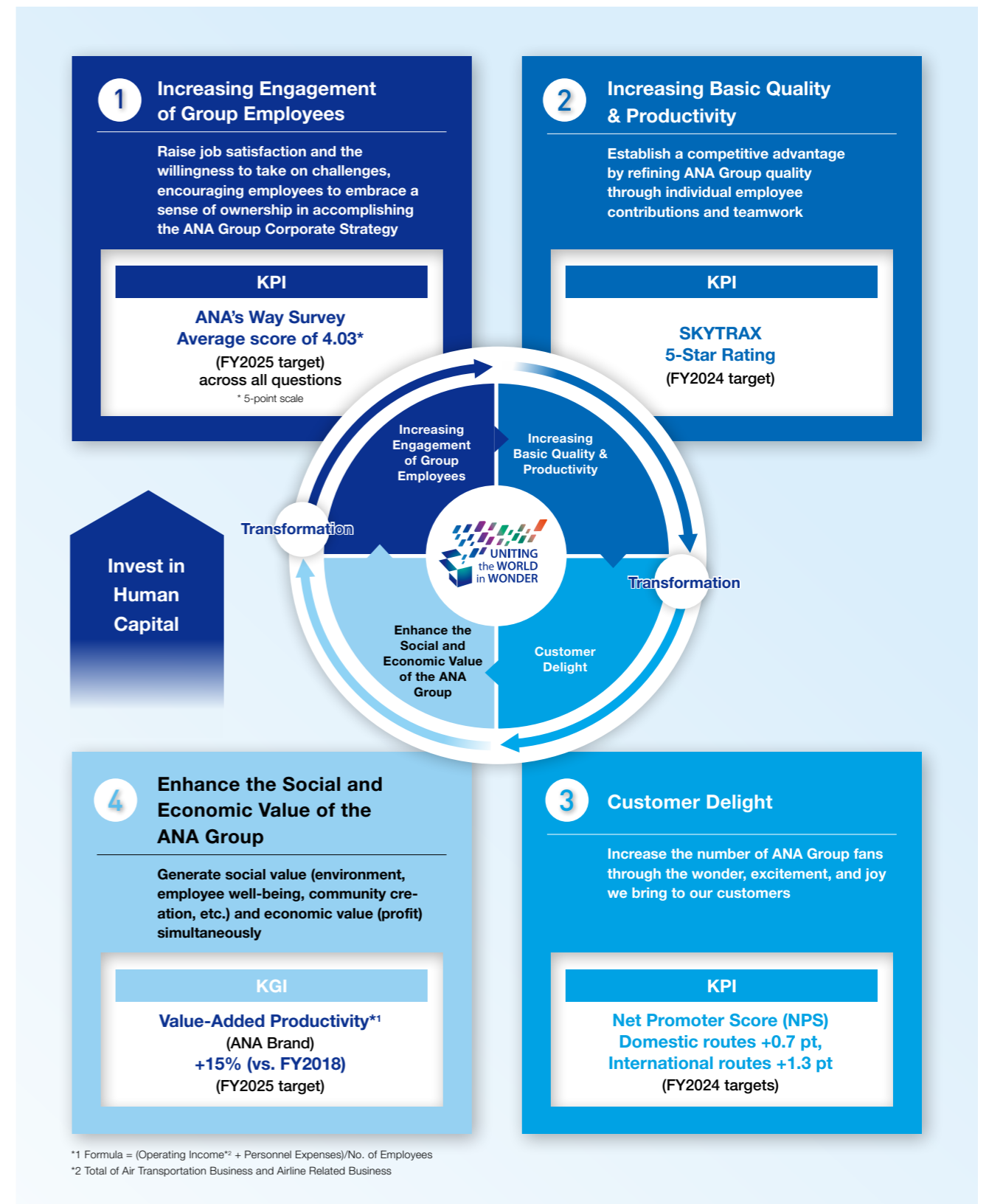
Human capital is the greatest asset of the ANA Group. We intend to improve productivity and enhance engagement, beginning with investments in human capital. The goal of these measures is to maximize the value of every employee, increasing corporate value (social and economic value) over the medium to long term. To this end, we will step up human capital strategy initiatives and ensure the reliable advancement of the value creation cycle.

The ultimate goal of our human capital strategy is to achieve the sustainable enhancement of corporate value (social value and economic value), as well as to enrich the lives of our employees, their families, and all others involved with the ANA Group. Every employee will embrace a strong sense of ownership, take action under their own initiative, and achieve lofty goals.



The Cycle of Value Creation Begins with Investments in Human Capital

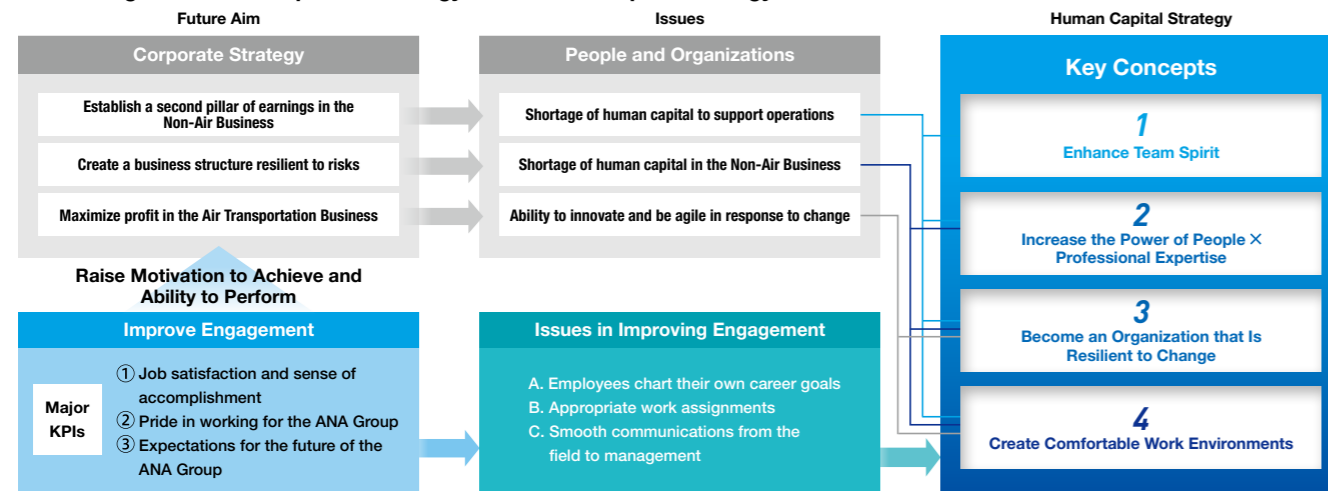
Through investments in human capital, we encourage every ANA Group employee to embrace transformation and contribute to a virtuous value creation cycle unique to the ANA Group.



Identify Issues Related to People and Organizations, and Define Human Capital Strategy Keys

We identified issues related to human capital and strategy execution to increase the practicability of our corporate strategy. We also identified issues related to increasing engagement based on an analysis of employee awareness surveys. Through these activities, we defined priority issues to address through our human capital strategy.

The Linkage between Corporate Strategy and Human Capital Strategy



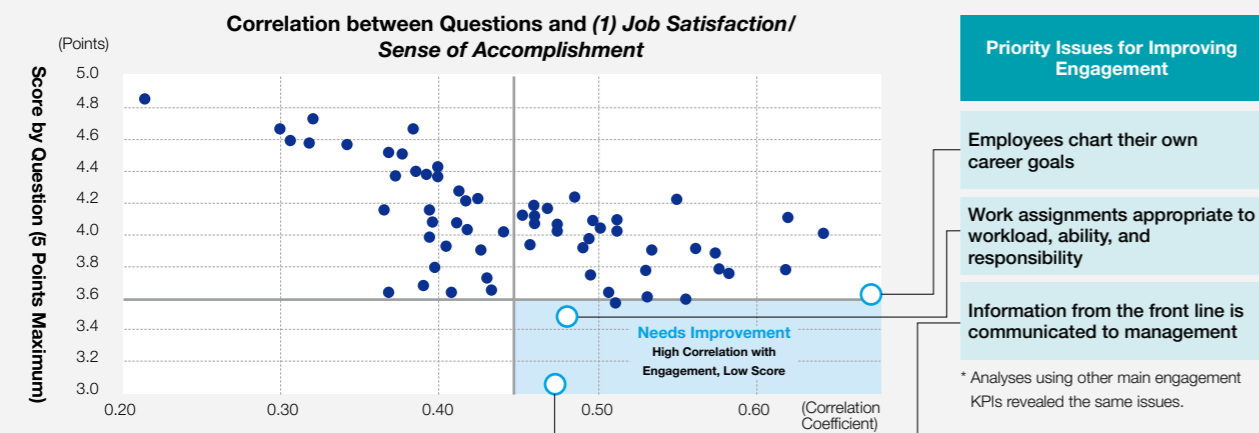
FY2023 ANA's Way Survey (ANA Group Employee Engagement Survey)

- [Survey Overview] Total of 46 ANA Group companies, 35,280 respondents (95.9% response), and 68 questions
- [Survey Results]
- We expect the overall score to remain high, although this year's results were slightly lower than fiscal 2022.
 - Our major KPI scores related to engagement are also trending high.

	2019	2020	2021	2022	2023	
Average Score, All Questions	3.80	3.90	3.97	3.96	3.95	
Major Engagement KPIs*	(1) Sense of job satisfaction and accomplishment in current work	3.74	3.75	3.68	3.75	3.80
	(2) Pride in working for the ANA Group	4.09	3.84	3.99	4.05	4.05
	(3) Positive expectations for the future of the ANA Group	-	-	3.61	3.82	3.87

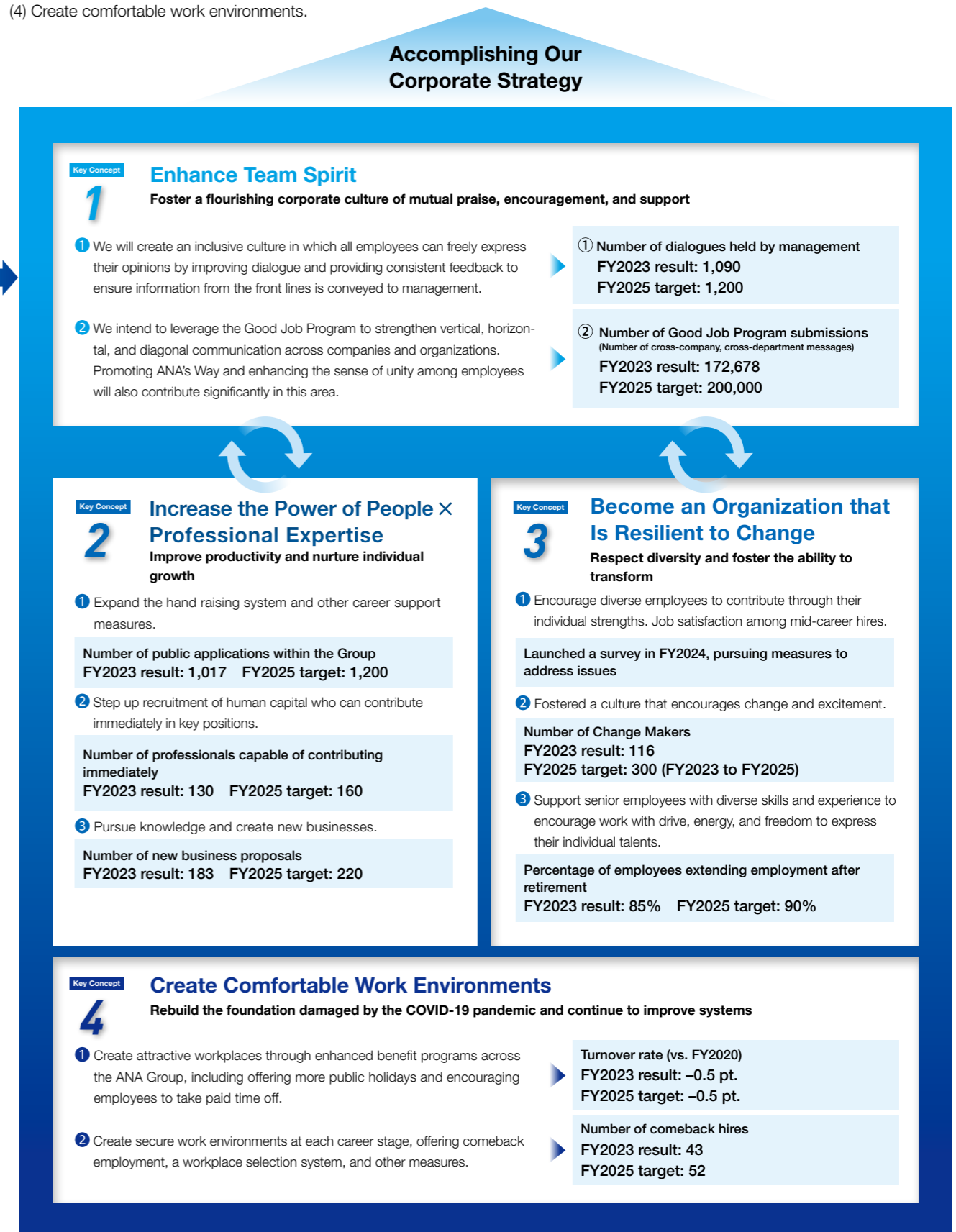
* An analysis based on the results of past employee engagement surveys confirms the high correlation between job satisfaction and sense of accomplishment and pride in working for the ANA Group with revenue and profit per employee.

Correlation between Main Engagement KPIs and Questions in the ANA's Way Survey



Human Capital Strategy Priority Measures and Main KPIs

To accomplish our corporate strategy, we engage in four measures that leverage the ANA Group's greatest strengths: (1) Enhance team spirit, (2) Increase the power of people x professional expertise, (3) Become an organization that is resilient to change, and (4) Create comfortable work environments.



Key Concept 1: Enhance Team Spirit
Foster a flourishing corporate culture of mutual praise, encouragement, and support

1 We will create an inclusive culture in which all employees can freely express their opinions by improving dialogue and providing consistent feedback to ensure information from the front lines is conveyed to management.

2 We intend to leverage the Good Job Program to strengthen vertical, horizontal, and diagonal communication across companies and organizations. Promoting ANA's Way and enhancing the sense of unity among employees will also contribute significantly in this area.

① Number of dialogues held by management
FY2023 result: 1,090
FY2025 target: 1,200

② Number of Good Job Program submissions (Number of cross-company, cross-department messages)
FY2023 result: 172,678
FY2025 target: 200,000

Key Concept 2: Increase the Power of People x Professional Expertise
Improve productivity and nurture individual growth

1 Expand the hand raising system and other career support measures.

2 Step up recruitment of human capital who can contribute immediately in key positions.

3 Pursue knowledge and create new businesses.

Number of public applications within the Group
FY2023 result: 1,017 FY2025 target: 1,200

Number of professionals capable of contributing immediately
FY2023 result: 130 FY2025 target: 160

Number of new business proposals
FY2023 result: 183 FY2025 target: 220

Key Concept 3: Become an Organization that is Resilient to Change
Respect diversity and foster the ability to transform

1 Encourage diverse employees to contribute through their individual strengths. Job satisfaction among mid-career hires.

2 Fostered a culture that encourages change and excitement.

3 Support senior employees with diverse skills and experience to encourage work with drive, energy, and freedom to express their individual talents.

Launched a survey in FY2024, pursuing measures to address issues

Number of Change Makers
FY2023 result: 116
FY2025 target: 300 (FY2023 to FY2025)

Percentage of employees extending employment after retirement
FY2023 result: 85% FY2025 target: 90%

Key Concept 4: Create Comfortable Work Environments
Rebuild the foundation damaged by the COVID-19 pandemic and continue to improve systems

1 Create attractive workplaces through enhanced benefit programs across the ANA Group, including offering more public holidays and encouraging employees to take paid time off.

2 Create secure work environments at each career stage, offering comeback employment, a workplace selection system, and other measures.

Turnover rate (vs. FY2020)
FY2023 result: -0.5 pt.
FY2025 target: -0.5 pt.

Number of comeback hires
FY2023 result: 43
FY2025 target: 52

Examples of Initiatives Supporting Priority Measures

Key Concept 1 Enhance Team Spirit

Dialogue between the Field and Management

The ANA Group places great importance on providing more opportunities for dialogue between management and employees around the world. Every year, Group companies and divisions hold dialogues based on a selected topic.

In fiscal 2023, we fostered deeper dialogue on topics selected by management, as well as topics related to employee job satisfaction and actions to achieve our new management vision.

In fiscal 2024, we will pursue dialogue on the topic of

maximizing the power of ANA Group people and organizations, strengthening initiatives related to the power of our people and teamwork—the sources of value creation—toward achieving sustainable corporate value enhancement. We encourage an inclusive culture in which all employees express their opinions freely. We accomplish this culture by strengthening dialogue and providing consistent feedback to ensure information from the front lines is communicated to management.



Key Concept 1 Enhance Team Spirit

Good Job Program

We launched the Good Job Program in 2001 as a tool to foster a culture of mutual appreciation and respect. Through this program, colleagues send messages to each other related to efforts in day-to-day operations.

In fiscal 2023, the ANA Group as a whole sent 870,000 messages through this program.

We emphasize the number of cross-company, cross-department messages as a KPI indicating enhanced team spirit. In fiscal 2023, the number of such messages was 172,678.

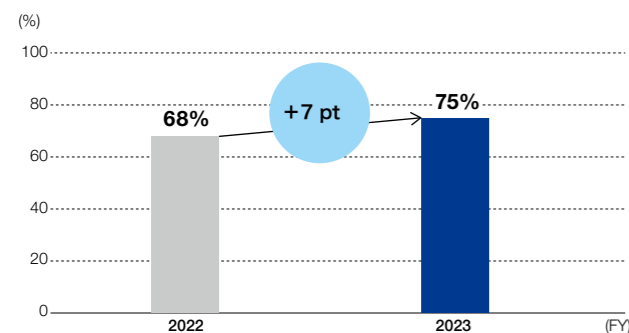
The Good Job Program includes a mechanism for expressing appreciation and well wishes to those whose affiliation or name is unknown. We counted 3,617 such messages in fiscal 2023.

We use these experiences as content for internal newsletters and videos.

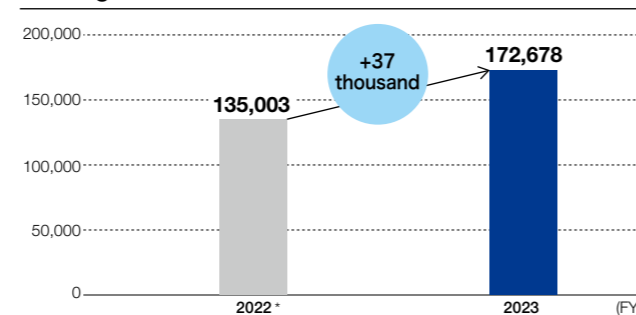
We will continue a broad range of initiatives to foster teamwork, which we consider an ANA Group strength.



Good Job Program Utilization Rate



Number of Cross-Company, Cross-Department Messages



* Fiscal 2022 results since July, when we began tracking results.

Key Concept 2 Increase the Power of People × Professional Expertise

Open Recruitment within the Group

We are adding more transfer opportunities through open recruitment within the group as a means to help ANA Group employees plan and accomplish their career goals.

Through open recruitment and other opportunities to experience a transfer, employees gain a variety of experience and a deeper understanding of other businesses. These transfers foster stronger inter-company cooperation and the development of human capital across the group.

In addition, ANA offers more transfers through open recruitment for employees to take on challenges in new business areas and deepen their expertise. Last fiscal year, we added

open recruitment for manager and section manager level positions to encourage career development at middle management positions and higher.

As part of the ANA Group Management Vision, *Uniting the World in Wonder*, we offer *Wonder x Concurrent In-House Internships** to support growth and relearning through diverse work experiences.

* An open recruitment for human capital allowing employees to work concurrently in another department for up to four days per month (period varies by department; maximum six months as a general rule)

Examples of Wonder x Concurrent In-House Internships

Head office/ center staff work experience	Participants learn planning and coordination skills, build personal networks, and develop a vision for their future careers.
Project work experience	Participation in relatively short-term projects, taking on the challenge to produce clear outputs and grow professionally.
Skills acquisition	Acquire skills and knowledge that will lead to self-directed career development and expertise.

Key Concept 4 Create Comfortable Work Environments

Health Management

In February 2024, the ANA Group became the first Japanese airline to publish a health white paper, the ANA Group Health White Paper. This white paper serves as a medium to consolidate and disseminate information on health management.

We disclose and communicate progress in each policy and initiative under the ANA Group FY2023–29 Medium-Term Health Management Plan. In this way, we pursue health management in the group and draw nearer to achieving our 2030 vision of embodying *Anshin, Attaka, Akaruku-genki!* (Trustworthy, Heartwarming, Energetic!) and becoming the No. 1 company in Japan that values employee health.



▶ ANA Group Health White Paper 2023 (in Japanese only) https://www.ana.co.jp/group/csr/human_resources/health_care/pdf/ana_report.pdf

Initiatives to Enhance the Power of People and Teamwork

ANA's Way Awards

What Are the ANA's Way Awards?

We increase engagement by awarding initiatives that act in accordance with the ANA Group action guidelines, ANA's Way, and that contribute to value creation and brand strength based on selection criteria.

We present awards to cases of new value creation through the power of our people and teamwork, which are strengths of the ANA Group. Publicizing the awards widely across the Company encourages others to take action toward achieving our management vision.

We received 393 applications from Japan and 99 from overseas in fiscal 2023. A total of 15 initiatives won awards across each of the five categories* under ANA's Way.

* Safety, Customer Orientation, Social Responsibility, Team Spirit, and Endeavor.



Fiscal 2023 Awards

Customer Orientation Award

Model reproduction of an airplane idea drawn by an elementary school student!

An Unforgettable Summer Memory: ANA Magic through Inter-Division Collaboration, Attracting a Following

A public relations department staff member posted an airplane design (creatively original aircraft livery and in-flight service idea) received from an elementary school student on the Company's internal social media. The post attracted many likes and comments from employees.

Moved by the efforts, aircraft mechanics proposed to invite the child to an ANA Blue Hangar Tour, which quickly gained support from several other departments.

After the tour, the child received a model plane based on his drawing as a surprise souvenir gift. ANA received a thank-you email from the child, who said he now loves ANA even more and hopes to work as a mechanic or in other airplane support duties in the future.



Fiscal 2023 Awards

ANA's Way Spirit Award (Team Spirit/Endeavor)

Monetizing ANA Knowledge

Development and Sales of an Aviation Maintenance Tool

This initiative was an example of value creation based in the high ANA maintenance quality, borne of unrelenting efforts and aspirations. As the airline with the largest number of Boeing 787 aircraft orders, the ANA Group has developed strengths in maintenance of these aircraft. This initiative was responsible for leveraging our experience to have a maintenance tool we developed included in the Boeing maintenance manual as a standard tool, contributing to improved safety and quality for the airline industry as a whole.

Securing the exclusive rights to manufacture and sell this mandatory tool, ANA Group affiliate FARWEST protected the design of the tool and monetized the tool for sale to other companies. This initiative overcame a number of obstacles through cross-organizational collaboration beyond the borders of the ANA Group organization.



Future Creation Project

Toward Achieving Our Management Vision

The ANA Group strives to create a corporate culture that seeks change as we pursue our Group Management Vision—*Uniting the World in Wonder*—and grow powerfully in this new era. The Future Creation Project serves as the core of these activities to create a future of excitement. Under this project, Change Makers selected from each group company and workplace coordinate with ANA's Way Ambassadors to solve workplace issues and take on new challenges.

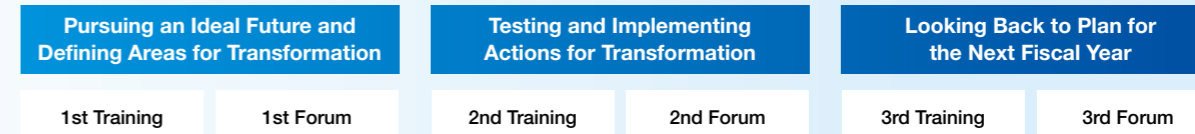
Change Makers Drive Transformation

We selected 116 Change Makers from group companies in fiscal 2023.

After a year of training and participation in forums, these Change Makers envision an ideal future based on discussions within their respective organizations, identifying issues and implementing workplace actions to achieve these ideals.

We drove a push for action through leadership skills and mindset training from outside instructors, the sharing of activities and mutual concerns, mutual support to solve issues, and more.

Change Makers Training Program



Improve the execution of transformation activities through a cycle of mindset and knowledge acquisition, practice, and refinement

Change Makers share a recognition of issues in each workplace and exchange opinions actively to create relationships that transcend organizational boundaries and drive a movement for transformation throughout the ANA Group. Fiscal 2024 Change Makers have begun activities, and the movement of transformation continues to face organizational challenges,

handed down from generation to generation.

The ANA Group works toward an exciting future for employees, customers, and society through a corporate culture in which every employee creates value through change and action.

Taking Responsibility for the Future of the ANA Group by Creating Attractive Airports



TAJINAKA Eri
ANA Operations Support Center Administration & Development

TANAKA Takuya
ANA Fukuoka Airport Co., Ltd. General Administration Department

IKAWA Takumi
ANA Chubu Airport Co., Ltd. Corporate Planning Department

A total of 20 Change Makers from 11 ANA Group airport operating companies and the ANA Operation Support Center came together as *Airport Team ANA* to have honest discussions, share airport-related issues, and discuss how to make ANA a company encouraging long-term employment.

Through a year of activities, members came to understand the indispensable nature of human relationships for solving issues and improving engagement. One outcome of these activities was the Attractive Airport Development Project, launched in fiscal 2024 with the support of our entire organization.

We will continue to work with our colleagues to heighten the attractiveness of work at airports, creating environments in which every one of our more than 10,000 Airport Team members works with drive and energy.

Diversity, Equity, and Inclusion (DEI)

1 Understanding and Addressing Diversity

Gender Equality: Diversifying Decision-Making Bodies

The ANA Group aims to reach a 30% or higher ratio of female executives and managers as early as possible by 2030. We take action to review personnel and support systems, build capacity, and foster awareness to ensure diversity in group decision-making, as well as aid the autonomous growth of employees.



	Ratio of Female Executives	Ratio of Female Managers
ANA Group*1	11.8% (+1.4%)	20.3% (+1.0%)
ANA	23.4% (+7.1%)	20.2% (+0.9%)

As of June 2024 (year-on-year change)

Certain group companies, such as ANA, obtained the highest level of certification under the "Eruboshi" Certification. This certification is based on the Act on Women's Participation and Advancement in the Workplace established by the Ministry of Health, Labour and Welfare.

Diverse Work Styles: Increasing the Percentage of Employees Taking Paternity Leave

The ANA Group develops systems that help enhance the lifestyles of employees in various ways, such as through balancing work with childcare and/or nursing care.

The ratio of male employees taking childcare leave is increasing through our efforts to promote understanding among supervisors and workplaces, in addition to the employees themselves. Our three-day paid childcare leave was previously available only at certain companies. By offering this leave to the entire group and encouraging male employees to participate in childcare, we work to support the lives and fulfillment of employees and their families.



Fiscal 2023
Percentage of Employees Taking Childcare Leave
69.8%*1 (FY2022: 57.3%)

Fiscal 2023
Percentage of employees taking either or both childcare leave or the three-day parental leave
95.9%*1 (FY2022: 90.7%)

LGBTQ+: Respect for Diversity of Sexuality

In 2022, we established the Basic Policy on Respect for Diversity of Sexuality (LGBTQ+) and work to improve workplace environments and promote understanding of these issues. Efforts include expanding our partner system and addressing discrimination. We also launched Ally*2 activities in fiscal 2023, with approximately 380 employees involved in awareness-building activities as Ally members.



Participating in Tokyo Rainbow Pride 2024 as an ally activity

In addition, 37 group companies were awarded a rating of Gold in PRIDE Index 2023*3, an evaluation index for corporate actions related to LGBTQ+. ANA has received this award for eight consecutive years.

Employment of People with Disabilities

ANA Group Disability Development takes the lead in the ANA Group in empowering employees with disabilities. The department promotes the employment of such individuals throughout the group, cooperating daily with staff members from each group company who are also working to promote the employment of persons with disabilities.

Efforts of the department are based on the ANA Group 36K-Employee Kickoff code of conduct for the employment of people with disabilities, established in 2015. Such efforts include improving the hardware and software of working environments for such individuals while raising awareness through various learning materials and awareness seminars. The ANA Group employs over 900 employees with disabilities as of June 1, 2024, with each group company dedicated to achieving the legally mandated number of employees. We are committed to improving workplaces by creating environments that encourage each person to demonstrate their strengths and play active roles.

Employment rate of people with disabilities as of June 1, 2024*4
2.67%

All 38 group companies achieved the legally mandated number of employees with disabilities

*1 Total of 38 companies: ANA HOLDINGS INC. and 37 companies subject to our management rules

*2 Ally: Those concerned for the environment of sexual minorities and offer support by deepening their own understanding

*3 Organized by work with Pride

*4 Total of ANA HOLDINGS INC., ANA, and qualified ANA Group companies

2 Universal Services

As customer values diversify and the social environment changes, continuing to be chosen and trusted by all customers is crucial for the future growth of the ANA Group. We will continue to accelerate initiatives aimed at providing world-class inclusive and universal services in an effort to fulfill our responsibility as a public transportation entity and build a sustainable inclusive society in which everyone can live together.

Creating a Comfortable Environment for All (Tangible Initiatives)



Web Accessibility

We implement measures to comply with WCAG 2.1, a global standard of the W3C, and Level AA of JIS X 8341-3:2016, a Japanese Industrial Standard, to ensure everyone has comfortable access to our website.



Check-in Counters

Room-type low counters at five major domestic airports including Tokyo (Haneda) and Osaka (Itami)

* Installation of low counters at the check-in counter of other airports



Telecommunication Relay Service (Provided at the Check-in Counter)

We introduced Telecommunication Relay Services* at counters for customers with hearing impairments (located at major domestic airports).

* Operators provide simultaneous sign language and voice interpretation for customer interactions with airport staff.



Self-Driving Electric Wheelchairs

We introduced PiiMo self-driving electric wheelchairs at Narita Airport to enhance the convenience of wheelchair users at the airport.

Developing Human Resources to Respect Customers Diversity (Intangible Initiatives)



ANA Sorapass Class

The ANA Group continues to visit schools for special needs education to teach a hands-on curriculum that addresses characteristics of disabilities for students that are planning school trips through ANA flights.



Barrier-Free Hearts Seminars

We conduct seminars that invite speakers with disabilities and experts in the field to facilitate participants' understanding of disabilities and help establish an inclusive society.



Elderly and Pregnant Simulations (for Directors and Employees)

ANA strives to improve our universal services by implementing hands-on experiences to encourage our directors and employees to make active efforts to deepen their personal understanding of people who need special assistance.



Employee Education

We provide training for all ANA Group employees in line with the April 2024 Revision of the Act for Eliminating Discrimination against Persons with Disabilities.

Human Rights

Basic Approach

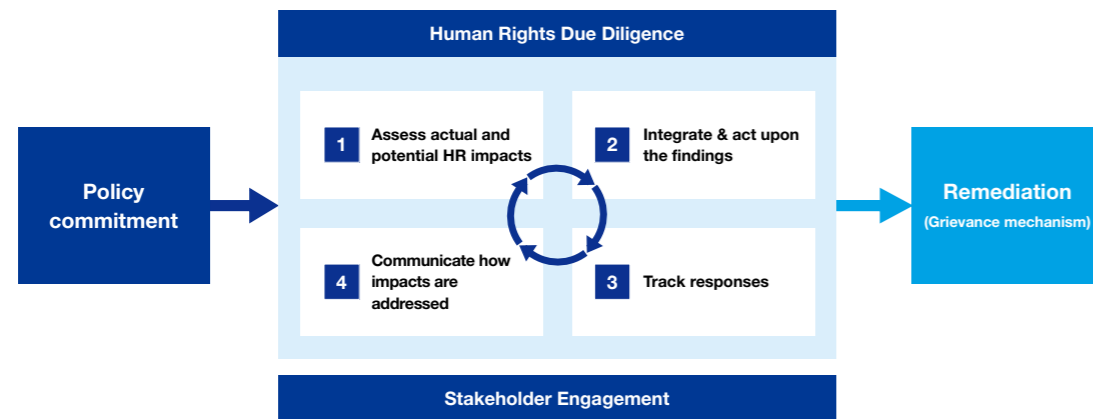
The ANA Group has a wide range of business operations which have the potential to impact the human rights of our stakeholders. The ANA Group established a management system (cycle) for human rights in accordance with the global standards provided in the United Nations Guiding Principles on Business and Human Rights.

The FY2023-25 ANA Group Corporate Strategy also includes a commitment to respecting human rights in the supply chain.

We believe it is important to listen to the voices of rights-holders* through the human rights due diligence process and the grievance mechanism and take appropriate response measures. We are committed to furthering our efforts to respect human rights based on engagement with rights holders.

* Rights-holders are individuals or social groups that have particular entitlements in relation to duty-bearers (state or non-state including enterprises), and they may be affected by enterprises' activities (e.g., employees, business partners, customers, and communities).

▶ Visit the following website for information on all our initiatives: **Human Rights Report 2023** https://www.ana.co.jp/group/en/csr/effort/pdf/Human_Rights_Report_2023_e.pdf



Commitment and Raising Awareness through Policies

We established the ANA Group Human Rights Policy in April 2016 and revised the policy in July 2023.

▶ **ANA Group Policy on Human Rights** https://www.ana.co.jp/group/en/csr/effort/pdf/humanrights_e.pdf

1 Assess Actual and Potential HR Impacts

In 2016, the ANA Group conducted a human rights impact assessment of the potential human rights risks posed by the ANA Group's business activities in all its business areas and countries where it flies.

In light of changes in the international environment surrounding business and human rights as well as changes in the ANA Group's business environment and business portfolio, we believed it was necessary to reconsider our priority human rights themes and conducted a human rights impact assessment in 2022.

Our efforts included holding the Human Rights and Environmental Due Diligence Workshop to discuss and confirm themes throughout the Company. We took into account new human rights risks and established five new human rights topics based on the potential issues identified in the workshop.

Priority Human Rights Themes

- Theme 1: Respect the Human Rights of Migrant Workers Working at Contractors and Vendors in Japan and Overseas
- Theme 2: Identify Human Rights Issues and Environmental Burdens in the Supply Chain
- Theme 3: Prevent the Use of Airplanes in Human Trafficking
- Theme 4: Protect Customer Information and Give Consideration to Privacy
- Theme 5: Respect Human Rights When Providing AI, Metaverse and Other Services



Human rights impact assessment discussion conducted in 2022

2 Integrate & Act upon the Findings | 3 Track Responses

Case Study on Priority Human Rights Theme 1: Respect the Human Rights of Migrant Workers Working at Contractors and Vendors in Japan and Overseas

The ANA Group works to prevent risks related to the major human rights themes we identified. We work with CRT Japan, a third-party organization, on Theme 1 through the following cycle. We also hold dialogues with sending organizations to establish safe and secure employment channels.

1 Survey on the employment status of foreign workers working at group companies and partner companies to which we outsource work

We leverage the system to confirm the employment status of foreign workers (e.g., number of persons, nationality, and status of residence).

2 Conduct direct questionnaire surveys of foreign workers

Based on the results of the employment status survey, we gather vocal feedback through questionnaires targeting specified skilled and technical intern trainees, who face a generally higher latent risk among foreign workers. Surveys are conducted online based on the Dhaka Principles for Migration with Dignity (Dhaka Principles), which are international norms for protecting the human rights of foreign workers.

3 Face-to-face interviews of foreign workers

Should survey results raise any concerns, we speak with company managers and hold face-to-face interviews with workers to confirm the situation. We then work with contractors to improve issues identified during the process and conduct follow-up evaluations.

4 Disclose Information to External Parties

• ANA published the Human Rights Report in fiscal 2023 detailing our efforts to date.

▶ **Human Rights Report 2023** https://www.ana.co.jp/group/en/csr/effort/pdf/Human_Rights_Report_2023_e.pdf

• Our statement is based on the UK Modern Slavery Act 2015 and the Australia Modern Slavery Act 2018.

• Our CSO participated in a session of the 12th United Nations Forum on Business and Human Rights held in November 2023 and introduced the initiatives of the ANA Group.

• Our active engagement with rights-holders was highlighted as a good practical example of company efforts on the UN Global Compact Business & Human Rights Navigator (a website that showcases efforts by companies around the world to better understand and address the human rights impacts of their operations and supply chains).

▶ **UN Global Compact Business & Human Rights Navigator** <https://bhr-navigator.unglobalcompact.org/>



Human Rights Report 2023 cover

Remediation (Access to Remedy)

Ninja, a grievance mechanism that commenced operation in November 2020, is a contact point for receiving complaints. Ninja receives a wide range of reports from workers regarding not only violations of human rights but also various complaints and concerns. To date, we have received 18 complaints, and responded to each within two weeks. In our response, we stated whether there was an existing policy concerning the matter and who the person in charge was, and we took necessary actions for each case.

Responsible Procurement Activities

ANA established the ANA Group Procurement Policy in 2020 to promote more sustainable procurement activities throughout the supply chain. We request extensive and specific detailed information from suppliers in accordance with the Supplier Code of Conduct, especially in terms of human rights and the environment.

In 2024, we introduced polo shirts as the uniform for ground handling staff at 11 airports in Japan. This was the first time in 20 years that the Company introduced new uniform items. The decision to introduce polo shirts was based on a vote of 1,500 employees after conducting interviews with actual working staff regarding their desired functions and designs.

These shirts are made using recycled polyester with the raw material derived 100% from fibers of used uniforms and clothing. ANA is committed to responsible procurement activities that consider the environment and human rights. We reflect the ANA Group Procurement Policy in our contracts with suppliers. We also conduct pre-production audits, focusing on not only quality but also labor standards, health and safety, and other aspects.



Operations at an audit of a local sewing factory



Basic Approach

The ANA Group contributes to the creation of prosperous and sustainable societies while sharing our concern for the Earth with people around the world. Ensuring the sustainability of the Earth is essential to the security of humankind. Natural capital is said to be the root of this security. Today, this natural capital is threatened by two major crises: climate change and the loss of biodiversity. We who live on Earth must ensure the sustainability of the planet.

In the fight against climate change, we recognize that reducing greenhouse gas emissions is an urgent and important issue for sustainable business growth and social contribution. Equally important are the efforts to protect the global environment, including biodiversity conservation and the effective use of resources. With this understanding, the ANA Group formulated the ANA Group Environmental Policies, the ANA Group Biodiversity Policy, and the 2050 Environmental Goals. As we balance medium- to long-term corporate aspirations with short-term business growth, we work strategically to achieve environmental goals under these policies, aiming for sustainable corporate value enhancement.

To ensure the enjoyment of air travel for future generations, the ANA Group will evolve into an entity that helps preserve the global environment. We continue to face environmental challenges and engage in transparent information disclosure regarding the environmental impact of our operations and the progress of our efforts to preserve natural capital. And we will continue to deliver a world of wonder in air travel by creating prosperous, sustainable societies, providing value that exceeds customer expectations.

ANA Group Environmental Policies

The ANA Group believes that sustainable business stands on a healthy global environment. We recognize that responding to climate change, the effective use of limited resources, biodiversity conservation, and other efforts to preserve the global environment are serious management concerns. Accordingly, we aim to be the environmental leading airline group, serving as an example through all ANA Group business activities.

[ANA Group Environmental Policies](https://www.ana.co.jp/group/en/csr/environment/policy/)

ANA Group Biodiversity Policy

As we state in our Environmental Policies, the ANA Group considers the achievement of environmental goals to resolve environmental issues and biodiversity conservation to be serious management concerns. We are committed to avoiding or minimizing negative impacts of our business activities on the natural environment and human rights, endeavoring to conserve and restore the natural environment (nature positive).

[ANA Group Biodiversity Policy](https://www.ana.co.jp/group/en/csr/regional_creation/biodiversity/)

Progress in Medium- and Long-Term Environmental Targets and Fiscal 2023 Results

The ANA Group strives to reduce the environmental impact of our operations by setting the ANA Group 2050 Environmental Goals (including net zero CO₂ emissions) and 2030 Environmental Targets, which serve as milestones toward fiscal 2050. We manage progress in comparison with fiscal 2019 results to achieve these medium- and long-term environmental targets.

		Initiatives	Targets		FY2023 Results
			FY2030	FY2050	
Reduce CO ₂ Emissions	Aircraft	<ul style="list-style-type: none"> Improve flight operations Adopt new aircraft technologies Decarbonize aircraft fuel by using SAF*1 Use negative emissions technologies (NETs) Use emission trading schemes 	Net 10%+ reduction vs. FY2019 (Net emissions: 11.1 million tons or less) Replace 10% or more of fuel used with SAF	Net zero*2	15.1% reduction*3 (Emissions: 10.47 million tons) Less than 0.1%
	External Environment Necessary for Achieving Goals	<ul style="list-style-type: none"> Stable supply of SAF (volume and price) Adopt new aircraft technologies (development of electric and hydrogen airplanes, etc.) Establish an environment for the emissions trading market 			
	Non-Aircraft	<ul style="list-style-type: none"> Enhance energy efficiency and upgrade aging facilities and equipment Use renewable energy Procure electric vehicles (EVs) and fuel cell vehicles (FCVs) when upgrading airport vehicles 	33%+ reduction vs. FY2019	Net zero	21.4% reduction
	External Environment Necessary for Achieving Goals	<ul style="list-style-type: none"> Expansion of renewable energy supply Development of airport infrastructure to convert to EVs/FCVs 			
Reduce Resource Waste Ratio (Plastics, Paper, etc.)	<ul style="list-style-type: none"> Switch from single-use plastics to paper and reusable materials for in-flight meal containers Establish an in-house recycling scheme for plastic film used in cargo transportation 	70%+ reduction (Waste generated vs. FY2019)	Zero waste ratio	49.0% reduction	
Reduce Food Waste Ratio (Including In-Flight Meals, etc.)	<ul style="list-style-type: none"> Monitor the disposal of in-flight and domestic airport lounge meals and optimize the number of meals loaded using in-flight pre-order service, etc. 	Less than 3.8% waste ratio (FY2019: 4.6%)	Less than 2.3% waste ratio (50% reduction vs. FY2019)	4.3%	
Conserve Biodiversity	<ul style="list-style-type: none"> Conduct educational activities aimed at eradicating illegal wildlife trade in air transportation Engage in environmental conservation activities aimed at biodiversity conservation, etc. 				

For more details about medium- and long-term environmental targets, please visit: <https://www.ana.co.jp/group/en/csr/environment/goal/>

*1 SAF (sustainable aviation fuel): Aviation fuel that is not produced from fossil fuels but from sustainable sources such as vegetable oils and animal fats

*2 The balance of CO₂ emissions that cannot be reduced over the entire life cycle will be eliminated through technologies, etc., that physically remove CO₂ from the atmosphere

*3 Includes reductions due to flight suspensions and lower frequency caused by COVID-19

Non-Financial Information Disclosure

CDP

We disclose information on corporate strategies for CO₂ emissions and climate change.

In 2023, ANA HOLDINGS was the only airline group to be selected as a CDP Climate Change A List Company for two consecutive years.



Science Based Targets Initiative (SBTi)

Science based targets are greenhouse gas reduction targets based on scientific evidence consistent with the Paris Agreement. In November 2022, we became the first airline in Asia to receive SBTi certification for our greenhouse gas emission reduction targets.



Disclosures Based on TCFD and TNFD Recommendations

We analyze risks and opportunities that climate change poses to the ANA Group businesses. Based on these analyses, we identify the nature-related impacts, dependencies, risks, and opportunities in connection with ANA Group businesses, disclosing this information in line with the TCFD and TNFD frameworks. (See P.70 for more details)

Transition Strategy



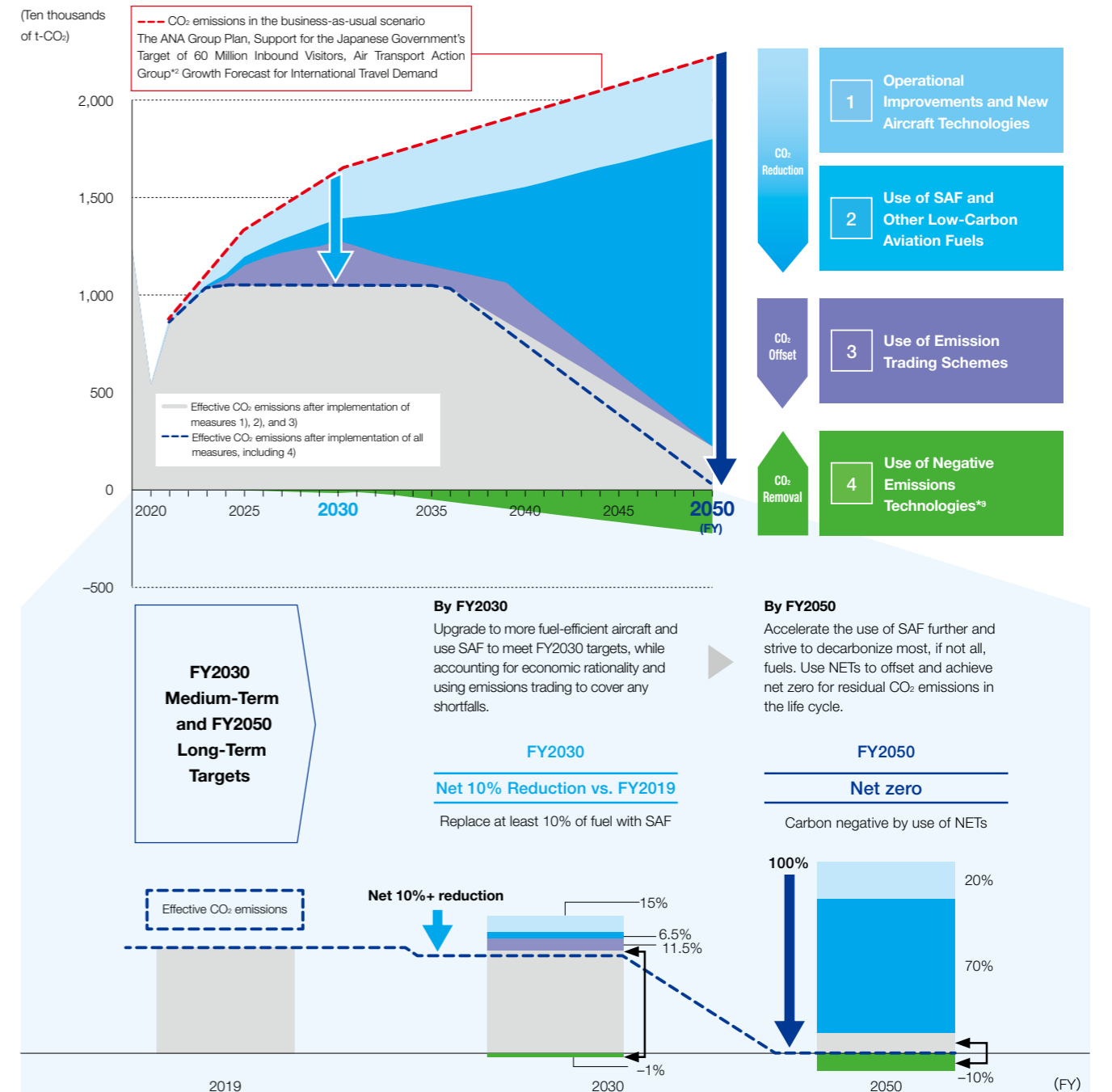
1 Reduce CO₂ Emissions

Reduce CO₂ Emissions from Aircraft Operations

We have developed transition scenarios to achieve ANA Group environmental targets for fiscal 2050. To achieve our medium- to long-term environmental targets for 2030 and 2050, we crafted a strategy involving exploring new technologies and balancing economic rationalities. The first phase of ICAO's CORSIA (voluntary participation) began in January 2024, and we are working diligently to comply with regulations on the international aviation sector. In the domestic airlines market, ANA HOLDINGS began participating in the GX League in fiscal 2024. Not only are we taking on the challenge of reducing our own emissions but we are also creating value in the broader market by contributing to supply chain-wide initiatives.

*1 GX League: A gathering of companies, working together with government and academic institutions, aiming to achieve sustainable growth in the present and future by taking on the challenge of green transformation (GX) through joint initiatives. The goal of the GX League is to achieve carbon neutrality and social change by 2050.

Transition Strategies to Achieve Long-Term Environmental Goals for FY2050



**2 Air Transport Action Group: A research group on sustainability in the airline industry, with involvement from the International Air Transport Association (IATA), aircraft manufacturers, and others
**3 Negative emissions technologies (NETs)

1 Operational Improvements and New Aircraft Technologies

All departments involved in safe flight operations work together on measures to reduce CO₂ emissions in daily operations. In parallel, we are making progress in decarbonization and fuel efficiency improvements, upgrading to more fuel-efficient aircraft as part of the ANA Group Corporate Strategy.

Improving Flight Operations

Based on our transition strategy, we defined set fuel savings through improved flight operations as a management objective. In fiscal 2023, we built a new system and mechanisms to encourage fuel optimization, mainly in flight operations and flight crew divisions. We identified climbing with early acceleration and flap retraction during takeoff, reducing thrust reverser usage after landing, and single-engine taxiing-in as particularly effective efforts among flight operation measures. Engine washing, reducing total aircraft weight, and prioritizing fuel-efficient aircraft are also priorities among the more than 10 daily efforts we implement. We manage, analyze, and verify the results of each initiative to visualize our CO₂ emission reductions. Following the PDCA cycle allows us to reduce CO₂ emissions further through information sharing with on-site departments (flight operation and flight crew divisions), in reports at officer meetings, via promotion projects, and through other organizational activities. Every initiative reflects the accumulation of our efforts to reduce environmental impact while adhering to on-time performance and safety. In fiscal 2023, we reduced our environmental impact by an equivalent of 30 round-the-world flights (21,912 t-CO₂, assuming a Boeing 787-9). This new systematic collaboration among group employees plays an important role in our transition strategy.



Natural Phenomena and Airlines

For airlines, countermeasures against natural phenomena are inseparable from safe aircraft operations. For example, accurately forecasting the impact of typhoons on operations at each airport prior to making decisions on operational policies is a challenge. Calculations depend on the skills (tacit knowledge and experience) of the individual and the topographical characteristics of the area in question, and such analyses take time. In response to these challenges, the operation department compiled and analyzed past weather analysis data, quantifying tacit knowledge into formal organizational knowledge. By incorporating these figures into our flight operation system and improving the accuracy of our forecasts, we reduced the number of flight cancellations caused by typhoons in fiscal 2023 when compared to the conventional process. Operating necessary flights safely during available time slots, we minimized irregular operations (diversions or returning to the airport of departure due to bad weather). Our efforts not only reduced the burden on customers but also reduced fuel consumption (estimated 9.2 tons versus fiscal 2019) and CO₂ emissions (estimated 28 t-CO₂).

This series of initiatives was recognized with the Group CEO Award in the ANA's Way AWARDS held by the ANA Group. We will continue with measures to deal with natural phenomena in our pursuit of even safer operations and answers to environmental issues.

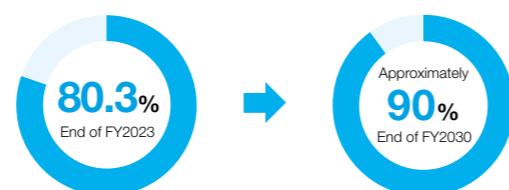
Adopting New Aircraft Technologies

In the midst of recovery and expansion, we are upgrading our fleet to more fuel-efficient aircraft. By fiscal 2030, we will have more than 100 Boeing 787 series aircraft in operation, representing more than 35% of our fleet. We plan to raise this ratio of fuel-efficient aircraft as early as possible.

In addition, we participate in a Public-Private Committee on New Technologies toward Decarbonization of Aircraft, sponsored by the Ministry of Economy, Trade and Industry. Through participation in the Aircraft Industry Subcommittee, we work to grow Japan's aircraft industry and reduce the industry's environmental impact. We are also part of a joint research project with an aircraft manufacturer on the development of technology to fly on hydrogen and electric power. Working with Airbus

on a joint research project to develop hydrogen aircraft and infrastructure, we share information on advanced technologies and tackle issues related to the adoption of hydrogen aircraft. At the same time, we collaborate with Boeing on research into electric, hybrid, hydrogen, and other new propulsion systems.

Fuel-Efficient Aircraft Ratio



2 Use of SAF and Other Low-Carbon Aviation Fuels

The core of the ANA Group strategy to achieve decarbonization is the use of low-carbonization aviation fuels, including SAF.

As we must accelerate efforts through public-private partnerships and throughout our entire supply chain, we work with stakeholders even more closely to establish a supply chain and ensure a stable supply of SAF.

Ensuring a Stable Supply of SAF and Promoting Wider Adoption

Public-Private Councils for the Promotion of SAF Deployment

The ANA Group 2030 Medium-Term Environmental Targets include reducing CO₂ emissions by 10% compared to fiscal 2019. To achieve this goal, we must create a business environment for SAF refueling in Japan. Through public-private consultations, including relevant ministries and agencies and supply-side entities (e.g., oil wholesalers), the decision was made for supply-side entities to ensure sufficient SAF production capacity and a supply chain for raw materials. Budgetary measures were passed to provide investment support for SAF production facilities by the government and tax credits based on production volume. The legal system design is under study toward establishing a system for the stable supply of SAF at internationally competitive prices.

Tokyo Metropolitan Government Support Project for Commercialization of Biofuel Utilization Project to Reduce CO₂ Emissions on the Haneda-Hachijojima Route through the Use of SAF

The ANA Project to Reduce CO₂ emissions on the Haneda-Hachijojima Route through the use of SAF was selected by the Tokyo Metropolitan Government as an official project to Promote Business Development through the Use of Biofuels. We began using SAF on the route in December 2023. By reducing CO₂ emissions on routes traveling through the Tokyo metropolitan area (Haneda-Hachijojima route) through the use of SAF, we promote SAF usage and contribute to decarbonization in connection with the Tokyo metropolitan government's goal to halve carbon emissions by fiscal 2030.



ACT FOR SKY, an Inter-Industry Collaboration to Promote Domestic SAF

ACT FOR SKY aims to create an industry-academia-government movement of collaboration and action, transcending industry boundaries to commercialize, promote, and expand domestically produced SAF. Since its launch on March 2, 2022, the initiative has expanded to include not only companies building the domestic SAF supply chain but also government agencies and academic institutions. As of July 2024, the total number of participants has grown to 44 organizations.

For more details regarding ACT FOR SKY (in Japanese only), please visit: <https://actforsky.jp>

Expanding SAF Procurement Options Overseas

Strengthening Partnerships

- In fiscal 2020, ANA began a strategic alliance with Finland-based SAF manufacturer NESTE for medium- to long-term SAF supply, purchasing, and importing on a commercial scale for use on scheduled flights departing from Haneda and Narita airports.
- In December 2022, the ANA Group and the Japan Overseas Infrastructure Investment Corporation for Transport & Urban Development (JOIN) signed a memorandum of understanding (MOU) to collaborate on a project that aims to manufacture and procure SAF overseas. Under this MOU, JOIN will expand opportunities to invest in SAF-related projects overseas while ANA will expand SAF procurement options.
- In January 2023, the ANA Group signed an MOU with Raven SR of the United States and ITOCHU Corporation for SAF procurement. Raven SR manufactures SAF from municipal solid waste and other waste materials, which means a stable supply of SAF should be possible in the future.
- During fiscal 2024 and beyond, ANA will consider procuring ethanol-based SAF produced by LanzaJet in the U.S. for use on flights departing from the U.S.

Efforts to Form a Market Promoting the Use of SAF

SAF Utilization Visualization Guideline Summary

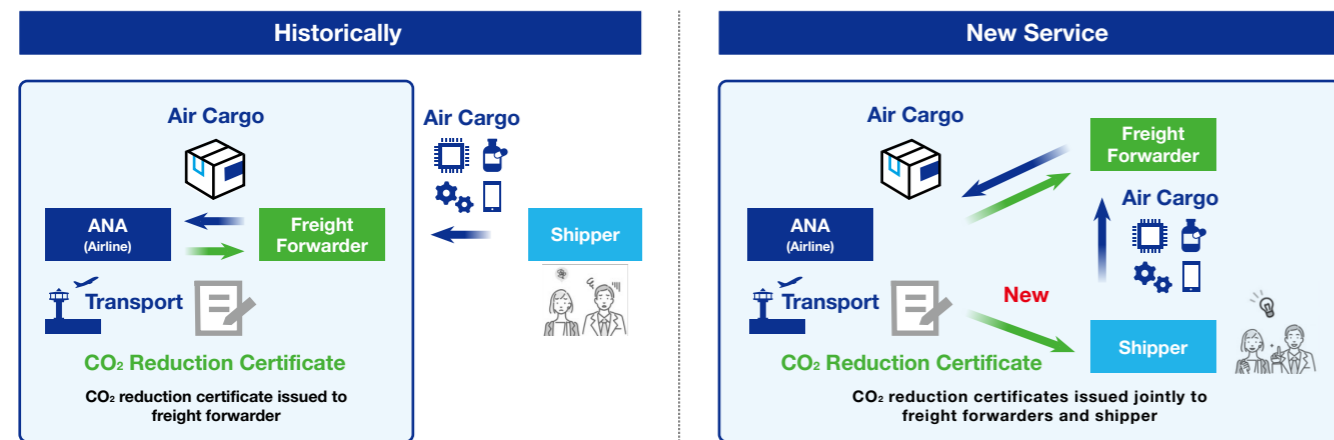
The air transportation industry had no accepted method for assessing Scope 3 emissions. Parties have been calling for unified guidelines, since the air transportation and SAF supply chain is unique in its involvement of numerous companies across industries. ANA participates in the new SAF Usage Assessment Task Group established by the SAF Logistics Working Group overseen by the Ministry of Land, Infrastructure, Transport and Tourism. Through discussions with related industries, the SAF Usage Visualization Guideline Framework was established in March 2024 to summarize the principles (scope, applicable conditions, etc.), calculation methods, certifications, and other basic matters related to Scope 3 assessment in air transportation.

SAF Flight Initiative

In September 2021, ANA, together with companies that use airplanes for business trips and cargo transportation, launched the SAF Flight Initiative. This partnership is a program aiming for a sustainable future by visualizing CO₂ emissions (Scope 3) throughout the supply chain and promoting the widespread use of SAF. ANA issues certificates to companies that participate in this program, certifying CO₂ reductions achieved on ANA-operated flights. As of March 2024, 20 companies have participated in the program, and we continue to invite new companies to join.



In September 2023, the Cargo Program for cargo transport was expanded to shippers, facilitating the allocation of Scope 3 emissions reductions to shippers based on actual transportation results (weight, distance, etc.) from freight forwarders to shippers. With the growing social momentum to reduce Scope 3 emissions, we began issuing CO₂ reduction certificates in response to requests from shippers who use air cargo.



Historically, CO₂ reduction certificates have been issued to freight forwarders who deal directly with airlines. With the growing social momentum to reduce Scope 3, we have been receiving requests for CO₂ reduction certificates from the cargo owners who entrust their air cargo to freight forwarders.

In response to requests, we will also issue new CO₂ reduction certificates to shippers based on transportation records from freight agents to shippers. Our efforts help shippers reduce their Scope 3 emissions, achieve their environmental goals, and enhance their corporate value by boosting their products' value.

3 Use of Emission Trading Schemes

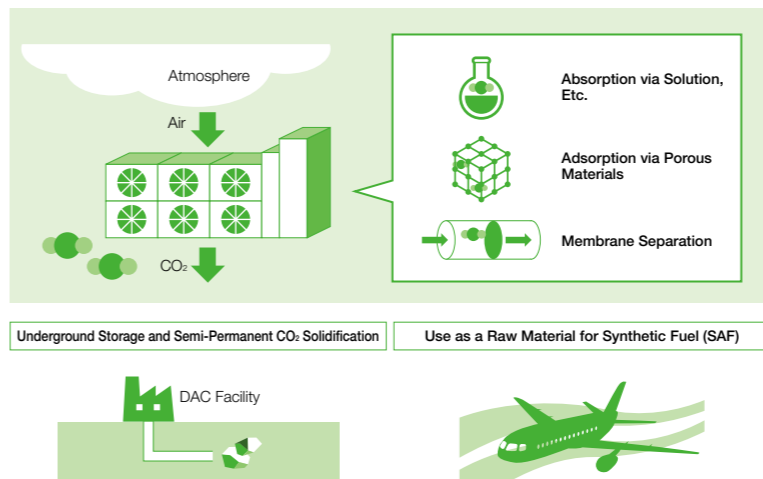
We intend to reduce CO₂ emissions from flight operations through operational improvements, technological aircraft innovations, and low-carbon aviation fuels such as SAF. In the short to medium term, we are looking into the use of CO₂ emissions trading schemes in consideration of business continuity. We plan to use high-quality carbon credits that not only address climate change but also mitigate negative impacts on biodiversity and human rights, while also offering benefits such as economic contributions to local communities. During the first phase of CORSIA, which began in January 2024, we plan to purchase emissions credits that meet ICAO standards to fulfill our obligation to offset CO₂ emissions from international flights.

4 Use of Negative Emissions Technologies (NETs)

For the remaining emissions not covered by SAF and other fuel reductions, we intend to achieve net zero emissions by 2050 through NETs. These technologies include direct air capture (DAC), which captures and removes CO₂ directly from the atmosphere.

In March 2022, ANA signed a basic agreement with Climeworks, a Swiss start-up working on DAC. Under this agreement, we began researching high-quality, permanent CO₂ removal technology. In August 2023, we became the first airline in the world to sign a procurement contract with 1PointFive of the United States. 1PointFive is building a DAC plant in Texas, U.S.A., which is expected to begin commercial operations by the end of 2025. ANA plans to procure more than 30,000 tons of carbon dioxide removal (CDR) credits over three years beginning 2025.

DAC Conceptual Diagram



1PointFive is committed to reducing global temperature rise by 1.5 °C by 2050 through decarbonization solutions, including Carbon Engineering's DAC technology, AIR TO FUELS™ technology, and geological storage hubs.

AIR TO FUELS™ is a registered trademark of Carbon Engineering Ltd.



1PointFive's DAC Plant (Courtesy of 1PointFive)

Presenting at U.S.–Japan Civil Aviation Symposium 2023



MATSUSHITA Tadashi addressed U.S.–Japan Civil Aviation Symposium 2023, sponsored by the Japan Transport and Tourism Research Institute in Washington, D.C. Mr. Matsushita, executive vice president (Industrial & Government Relations,

GX), highlighted the ANA Group's proactive approach to aviation decarbonization in the U.S.

In his presentation, Mr. Matsushita emphasized that achieving sustainability in the airline industry requires all stakeholders—including airlines, fuel suppliers, airports, governments, and customers—recognize and address sustainability issues. He also indicated that ANA looks forward to government cooperation on aviation decarbonization to ensure a level playing field for all airlines.

For more details about U.S.–Japan Civil Aviation Symposium 2023, please visit: <https://www.jttri.or.jp/english/events/2023/symposium231005.html>

GOBLEU Project: ANA and JAXA Collaborate to Expand Greenhouse Gas Observations

Since 2009, the Japan Aerospace Exploration Agency (JAXA) has recorded global greenhouse gas increases using the greenhouse gases observing satellite (GOSAT), dubbed *IBUKI*. On the other hand, aircraft flying at lower altitude than satellites can obtain more detailed data than satellites. In 2020, ANA and JAXA began collaborating on the *GOBLEU Project* to use aircraft for remote observations on the distribution of atmospheric components on the Earth's surface, expanding the scope of greenhouse gas observations. In addition to measuring greenhouse gas emissions, observations also measure photosynthesis, or the

absorption of CO₂ by plants. The new observation method developed for this purpose was reported at the Global Stocktake at COP28, and is expected to contribute to outcomes under the Paris Agreement. The ANA Group will continue to cooperate in this initiative, believing that understanding greenhouse gases will play a major role in protecting the future of the Earth.



▶ For more details about the **GOBLEU Project**, please visit: <https://en.ana-spaceproject.com/>

▶ Initiatives to Reduce Environmental Impact

Carbon Offset Program

Since fiscal 2019, the ANA Group offers the ANA Carbon Offset Program for each class on domestic and international routes. This program is a mechanism that provides customers with opportunities to offset the amount of CO₂ emitted by their aircraft. Our selection of offset programs are based on global certification standards. ▶ For more details, please visit: <https://www.ana.bluedotgreen.co.jp/en/home>

Eco-First Certified Company

In 2008, ANA became the first in the transportation industry and the first airline to become a certified Eco-First Company. We received this honor in recognition of our environmental initiatives and corporate stance that emphasizes social responsibility, and we continue to work toward the creation of sustainable societies.

▶ For the **Eco-First Promise (in Japanese only)**, please visit: https://www.ana.co.jp/group/csr/environment/pdf/eco_first_2203.pdf



Reduce Non-Aircraft CO₂ Emissions

The ANA Group implements appropriate energy management using our energy management system, ANA Eims, based on our own Energy Management Standard. ANA and ANA Foods (specified business operators under the Act on the Rational Use of Energy) received the Excellence in Energy Efficiency Award (S Class) certification under the Act on the Rational Use of Energy from the Ministry of Trade, Economy and Industry. ANA has received S Class certification for nine consecutive years since the establishment of the classification system. To achieve net zero CO₂ non-aircraft emissions by fiscal 2050, we will work to reduce fiscal 2030 energy consumption from main sources by 33% compared with fiscal 2019, focusing on the use of electricity and vehicle fuel (gasoline and diesel fuel), which accounts for the majority of our total emissions.

Major Initiatives

Low-Carbon Airport Vehicles

In addition to replacing airport vehicles with electric (EV), fuel cell (FCV), and hybrid (HV) vehicles, we pursue low-carbon initiatives, including vehicle fuel conversion to biodiesel fuel. In fiscal 2019, the ANA Group introduced Japan's first remote-controlled EVs (manufactured by Mototok of Germany) for towing passenger aircraft. The vehicles were first put in use at Saga Airport and several other airports, including Osaka International Airport and Central Japan International Airport. In fiscal 2023, the ANA Group installed the group's first rapid charger at Haneda Airport in the restricted zone of the domestic service area. We began proof-of-concept tests to identify operational issues in the conversion of aircraft ground support equipment (GSE) vehicles to EVs. Our tests focus on towbarless tow tractors and EV towing tractors (luggage and cargo container transportation), which we adopted in fiscal 2023. In the future, we plan to introduce EVs for belt loaders (loading luggage into cargo holds) and high-lift loaders (loading and unloading containers). We also began proof-of-concept tests at Haneda Airport for renewable diesel fuel in fiscal 2024. We expect biodiesel to be an alternative fuel for renewable diesel vehicles. The ANA Group will accelerate efforts through these tests to decarbonize airports, aiming for the best mix of EVs and biofuel use in the low-carbonization of our fleet.



Proof-of-concept EV towing tractor test

2 Reduce Resource Waste Ratio (Plastics, Paper, etc.)

The ANA Group pursues the 3Rs (Reduce, Reuse, Recycle) + R (Renewable) to reduce our resource waste ratio.

Reduce the Use of Plastics

We continue to replace plastic products used in airport lounges and on flights with renewable materials. ANA changed the containers for entrees on international flights to plant-derived materials, and now uses paper straws, wooden cutlery, and wooden stir sticks, reducing the amount of disposable plastic used on board by about 40%, or about 475 tons (fiscal 2023).

Reduce Paper Resources

In May 2023, we began renovations of security checkpoints and boarding gate turnstiles for domestic flights to phase out paper-based security certificates, boarding information.

We are also reducing the use of paper resources through digital publishing and other services for passengers to view magazines and newspapers on their own mobile devices.

- ▶ For more about **paper resource reduction at airports, security checkpoints, and boarding gates**, please visit: https://www.ana.co.jp/en/jp/guide/boarding-procedures/checkin/domestic/boarding_2023/?tabitem=asw-tab__item-box-2
- ▶ For more about the **TSUBASA -GLOBAL WINGS in-flight magazine**, please visit: <https://tsubasa.ana.co.jp/>

Major Initiatives

Environmentally Friendly Amenity Kits

In January 2024, we began offering amenity pouches in collaboration with ETTINGER, a British royal warrant. We eliminated the plastic package used in packaging amenity kits in favor of paper strips made of FSC-certified paper.

This move reduced single-use plastics by approximately 1.7 tons per year (compared to fiscal 2019). In addition, the plastic cover used to package cosmetics inside the pouch contains biomass materials.

▶ For more details, please visit our official website: <https://www.ana.co.jp/en/jp/brand/ana-future-promise/>



3 Reduce Food Waste Ratios (In-Flight, Airport Lounge Meals, etc.)

We reduce food waste ratios in in-flight meals and other channels.

Major Initiatives

Pre-Order Meal Service

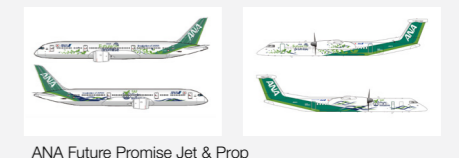
ANA offers a service to passengers on international flights to pre-order preferred menu options, a lighter meal service, or no meal service for more freedom and comfort in-flight. In March 2024, we redesigned our menu under the supervision of the chef of THE CONNOISSEURS. This new menu is included in the pre-order menu in business class on some Southeast Asian routes departing from Japan.

We will continue to offer options to meet customer needs and reduce food waste ratios.

- ▶ For more about the **first class meal pre-order service**, please visit: https://www.ana.co.jp/en/jp/guide/flight_service_info/int-service/f/meal-pre-order/
- ▶ For more about the **business class in-flight meal pre-order service**, please visit: https://www.ana.co.jp/en/jp/guide/flight_service_info/int-service/c/meal-pre-order/

▶ ANA Future Promise

The ANA Group's ANA Future Promise is a movement toward continued corporate growth to contribute to the achievement of the SDGs together with our customers and society (Promise), aiming for sustainable growth (Future). In recognition of our efforts, we received the Minister of Land, Infrastructure, Transport and Tourism Award at the 31st Grand Prize for the Global Environment Awards. In addition to the ANA Future Promise Jet (special livery), we introduced the ANA Future Promise Prop (DHC-8-400) in October 2023, which also features the ANA Future Promise special livery. We pursue ESG management under the ANA Group Corporate Strategy, supporting regional revitalization, using renewable in-flight service items, improving flight operations, and engaging in other measures.



ANA Future Promise Jet & Prop

Disclosures Based on TCFD and TNFD Recommendations

In March 2019, the ANA Group became the first Japanese airline to endorse the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

In December 2023, the ANA Group endorsed the recommendations of the Taskforce on Nature-related Financial Disclosures (TNFD), registering as an early adopter.

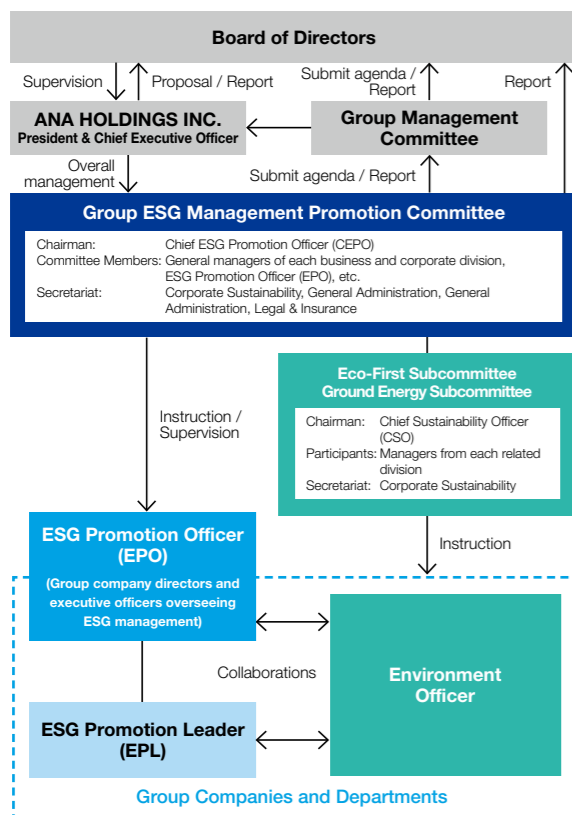
We disclose information on the risks and opportunities that climate change poses to group business, as well as nature-related impacts, dependencies, risks, and opportunities related to group businesses. Our disclosures conform with the four categories recommended by the TCFD/TNFD recommendations: governance, strategy, risk management*, and metrics and targets. Moving forward, we will strive to enhance disclosures, aiming to integrate climate-related and nature-related information while referencing international sustainability disclosure standards.

* Since the TNFD also emphasizes nature-related impacts, the recommended disclosure is "risk and impact management."

Governance

The Group ESG Management Promotion Committee convenes four times a year to discuss important policies and measures related to environmental issues such as climate change and biodiversity. The Committee is overseen by the President & Chief Executive Officer and chaired by the Chief ESG Promotion Officer, the director in charge of group ESG management. Important matters related to corporate strategy are discussed at the Group Management Committee and submitted to the Board of Directors. The Board of Directors sets groupwide management policies and goals, including those related to environmental issues, while supervising the management and business execution of each group company.

The ANA Group Procurement Policy includes our



response to climate change and biodiversity.

The ANA Group Procurement Policy consists of the Basic Procurement Policy and the Supplier Code of Conduct, and refers to the UN Guiding Principles on Business and Human Rights, the International Bill of Human Rights (Universal Declaration of Human Rights), and other international norms related to human rights and labor. We actively encourage the understanding and cooperation of all related companies by emphasizing these policies in decisions to hire and monitor suppliers subsequent to engagement.

Furthermore, ESG management promotion status is objectively and multilaterally monitored to achieve sustainable growth as a company and enhance corporate value over the medium to long term. Here, we employ evaluation indicators such as CO₂ emissions volume and external ESG evaluation, which are also reflected in officer remuneration.

Examples of Climate Change and Biodiversity Issues Brought Before/Reported to the Board of Directors

- Establishment of various environmental policies and medium- to long-term environmental targets, as well as their annual results
- Disclosures based on TCFD and TNFD recommendations
- Formulation of a transition scenario to achieve medium- to long-term environmental targets
- Incorporation of climate change response into the FY2023-25 ANA Group Corporate Strategy
- Progress on climate change initiatives

Risk Management

The ANA Group Total Risk Management Regulations provide the basic terms of the group's risk management system in line with the basic policies determined by the Board of Directors. Under these regulations, the Group ESG Management Promotion Committee develops, implements, and monitors the progress of basic policies. Risks related to environmental issues, including climate change and biodiversity, are also handled as key issues within the overall risk management framework.

Refer to P.102 for more on the risk management structure.

Strategy (TCFD)



We analyzed scenarios based on the 4°C and 1.5°C scenarios provided by the United Nations Intergovernmental Panel on Climate Change (IPCC) and the International Energy Agency (IEA). Through this, we identify the risks and opportunities of climate change on our group, assess their financial impact, and explore responses.

In fiscal 2023, we calculated the single-year financial impact for the medium term (fiscal 2030) and long term (fiscal 2050) related to the risks and opportunities identified as having a large financial impact. The calculation method is disclosed on our corporate website.

4°C Scenario:

A scenario in which, by not taking measures to combat global warming beyond the status quo, temperatures rise about 4°C above pre-industrial levels, and risks related to physical changes caused by climate change become apparent

1.5°C Scenario:

A scenario in which a fundamental system transition is achieved, resulting in a temperature increase of less than 1.5°C above pre-industrial levels, and risks related to the transition to a low-carbon economy become apparent

Refer to P.63 for more details on transition strategy.

	Description of Opportunities / Risks	Financial Impact**		Action Plans
		Medium Term	Long Term	
Physical	Risks Increasing Severity and Frequency of Extreme Weather	Large	Large	<ul style="list-style-type: none"> • Establishing a more advanced BCP • Upgrading to disaster-resistant facilities, equipment, etc.
	Changes in Rainfall and Weather Patterns	Medium		<ul style="list-style-type: none"> • Collaborating in research with JAXA • Determining destinations, number of flights, etc., and appropriate reflection in business plans
Transition	Actions to Reduce CO₂ Emissions (Aircraft)			
	-SAF	Large	Small to Large	<ul style="list-style-type: none"> • Making strategic purchase agreements • Strategically investing in the establishment of a system for domestic mass production of SAF, and strengthening public-private and inter-industry collaboration to establish the supply chain • Partially compensating for SAF purchase costs through development of schemes such as the SAF Flight Initiative
	-New Technology	Large	Large	<ul style="list-style-type: none"> • Increased cost of introducing next-generation aircraft (hydrogen, electricity, etc.) • Reduced fuel costs due to fuel efficiency improvements over the medium to long term, and creation of opportunities for technological innovation and priority procurement by investing in DAC** CO₂ removal technologies • Engaging with policymakers and other relevant parties to improve airport infrastructure • Participating in joint research projects with aircraft manufacturers to develop aircraft incorporating new technologies • Strategically investing in the introduction of high quality, permanent CO₂ removal technology
	-Credit	Small to Large	Medium to Large	<ul style="list-style-type: none"> • Increased costs due to the use of credits (price increases due to excess demand for emission credits / increased offsetting) • Procuring CORSIA eligible and high-quality credits • Minimizing cost impact through an optimum combination of SAF and credits
	Actions to Reduce CO₂ Emissions (Non-Aircraft)			
	-Vehicle** Fuel (Diesel oil)	Medium		<ul style="list-style-type: none"> • Increased costs due to replacement with ZEVs** • Reduction in fuel costs and offset costs and labor savings in airport operations due to the development of new technologies such as unmanned autonomous driving • Continuously engaging in and collaborating with policymakers and other relevant business operators to promote the shift to ZEVs and improve airport infrastructure • Procurement and construction of a supply chain for alternative fuels such as next-generation biofuels • Introduction of experimental tests and remote-controlled EVs to switch airport vehicles to EVs
Litigation / Fines / Taxation	Medium		<ul style="list-style-type: none"> • Penalties and fines for failure to comply with laws and regulations in each country • Pressure from stakeholders to delay climate action • Increased costs as a result of higher prices due to the introduction of carbon pricing (carbon taxes, emissions trading) • Appropriately responding to and disclosing information for climate change • Engaging with national governments continuously, in collaboration with industries and other organizations, for relaxation of regulations and tax systems 	
Changes in Consumer Awareness and Preferences	Medium		<ul style="list-style-type: none"> • Securing talent from a younger environmentally sensitive generation and increasing sales due to securing customer trust as a result of proactively addressing climate change to improve brand value • Growing new businesses that do not require physical travel • Increased demand for the reduction of corporate Scope 3 emissions business trips and cargo transportation) • Appropriately responding to and disclosing information for climate change • Identifying needs through ongoing dialogue with society and reflecting these needs in strategies • Developing measures that move forward while acquiring the understanding and cooperation of customers • Diversifying business portfolio • Collaborating with various stakeholders and strategically investing in new business growth (avatars, electric air taxi, drone logistics services) 	
Financing	Medium		<ul style="list-style-type: none"> • Successfully financing through loans and incorporating ESG investment through proactively responding to climate change ahead of the market • Identifying needs through ongoing dialogue with investors and responding appropriately • Information disclosure in accordance with international frameworks 	

*1 Large: ¥10 billion or more per year; Medium: ¥1 billion to ¥10 billion per year; Small: less than ¥1 billion per year

**2 Direct Air Capture (DAC): Technology to capture CO₂ directly from the atmosphere

**3 Airport ground handling vehicles

**4 Zero Emission Vehicles: Vehicles that do not emit CO₂ or other emissions during operation (EVs, FCVs)

▶ For more details about disclosures based on TNFD recommendations, please visit:
https://www.ana.co.jp/group/en/csr/regional_creation/biodiversity/

▶ For more details regarding biodiversity conservation, please visit:
https://www.ana.co.jp/group/en/csr/regional_creation/biodiversity/

Strategy (TNFD)



Disclosure Overview and Initiatives

The TNFD recommendations discuss identifying priority locations and analyzing nature-related dependencies and impacts in business operations. With our latest disclosures, we sought to understand the dependencies and impacts of ANA Group operations on nature.

We continue to identify priority locations in line with TNFD recommendations regarding nature-related dependencies, impacts, risks, and opportunities in direct operations and the upstream/downstream value chains of the group's businesses.

Overview of Dependencies and Impacts

We found that ANA Group businesses depend on the gifts of nature (ecosystem services) from a number of different perspectives. For example, stable aircraft operations depend on a stable climate (regulating services), while certain SAF raw materials and food ingredients for in-flight meals benefit directly from the gifts of nature (provisioning services). Certain routes and regional revitalization projects benefit from the rich biodiversity of the area's food, culture, and other tourism resources, as well as recreational functions (cultural services).

We also learned that while the ANA Group's operations are dependent on the gifts of nature, operations may also have an impact on nature. For example, CO₂ emissions from aircraft operations, as well as noise and light emitted from aircraft and airports, impact the surrounding ecosystem. The disposal of food, plastics, and paper, unintentional involvement in illegal wildlife trade conducted via air transportation, and the accidental introduction and spread of invasive alien species have various impacts on ecosystems.

Overview of Risks

Nature-related dependencies and impacts can lead to risks in many aspects related to the continuity of ANA Group businesses. Just a few of these aspects include SAF and carbon credits, increased costs in the event of difficulties in procuring food ingredients for in-flight meals or stricter regulations on contaminants, decreased revenues due to fewer passengers traveling for tourism to rich natural environments (a distant cause of loss of biodiversity), reputation risk due to lack of action on invasive alien species and illegal wildlife trade, and divestment due to inadequate environmental considerations in water use and wastewater discharge.

Overview of Opportunities

We also analyzed nature-related opportunities in ANA Group businesses.

TNFD opportunity categories are split into those related to business performance and those related to sustainability performance. As opportunities to help restore nature, the ANA Group has held seminars on eradicating illegal wildlife trade, conducts activities to control invasive alien species (e.g., bitter vine in Okinawa), holds an activity to plant coral (Team Chura Sango), and undertakes projects to protect the future of mandarin orange orchards in Ehime, among others.

As opportunities in our own business, we continue to expand route revenues by creating demand through sustainable tourism projects. These sustainable tourism projects also have the effect of contributing to local communities.

Action Plans

This disclosure summarizes current efforts related to nature-related dependencies, impacts, risks, and opportunities identified to date.

After assessing the significance of nature-related dependencies, impacts, risks, and opportunities identified in this report, we will consider stepping up response measures for those deemed most important, utilizing the AR3T Framework* and other relevant frameworks.

* A framework for targeted actions as recommended by SBTs for Nature. The framework consists of four steps: (1) Avoid, (2) Reduce, (3) Restore & Regenerate, and (4) Transform.



Metrics and Targets

The ANA Group formulated the Mid-Term Environmental Targets, working to reduce our environmental impact.

We are currently strengthening our efforts to achieve our goal of net zero CO₂ emissions by fiscal 2050. We strive to mitigate our impact on biodiversity through our business activities while conserving biodiversity through business and social contribution activities.

Please refer to P.63 for more on fiscal 2023 results.

4 Conserve Biodiversity

The 23 action targets included in the 2030 global targets of the Kunming-Montreal Global Biodiversity Framework (GBF) include items in particular where the aviation industry can contribute, including preventing illegal wildlife trade, minimizing the impact of climate change on biodiversity, and reducing food waste. The ANA Group will contribute to the conservation of biodiversity by focusing on these items and working to mitigate negative impacts on natural capital through our business activities.

Initiatives through Business Activities



Avoid, Reduce | Preventing Illegal Wildlife Trade

In March 2018, ANA became the first Japanese airline to sign the Buckingham Palace Declaration, which aims to eradicate illegal wildlife trade. Since then, we have conducted annual seminars on border control measures to prevent illegal wildlife trade in collaboration with the international NGO, TRAFFIC*. To date, seminars have been attended by approximately 940 people, including airport officials and ANA Group employees in Japan and overseas.

* TRAFFIC: An international NGO that surveys and monitors wildlife trade. This NGO was established as a joint project of the World Wildlife Fund and International Union for Conservation of Nature, and the group operates through a worldwide network of bases in ten regions.



Reduce | Food Residue Recycling System

The Narita plant of ANA Catering Service Co., Ltd., which produces in-flight meals for ANA, recycles 100% of food residue from the preparation of in-flight meals for use as compost and feed. The recycling mechanism using vegetables (soft kale) grown with compost from food residue for in-flight meal ingredients received approval as a recycling business plan under the Act on Promotion of Recycling and Related Activities for Treatment of Cyclical Food Resources.

This system, which uses compost derived from food residues to produce safe and secure vegetables, provides vegetables for in-flight meals and contributes to biodiversity conservation through the recycling and reuse of food recycling resources.



Restore & Regenerate | Restoration of Farmland through the Farm Project

The ANA Akindo ANA Farm Project in Ehime Prefecture supports the production, processing, distribution, and sales of mandarin oranges by rehabilitating abandoned mandarin orchards. This project addresses various issues caused by abandoned farmland, including weed growth, pest infestation, and invasion of wild animals, which have a negative impact on surrounding farmland. The project also addresses the issue of potential landslides surrounding farmland.

In cooperation with local authorities and farmers, the project promotes green tourism (travelers stay in rural areas and enjoy nature, culture, and interactions with locals) through the planning and management of monitor tours, workcations, agricultural experiences, etc. In addition, biodiversity conservation efforts to regenerate farmland include the planting of iyokan orange seedlings.



We participate in the TNFD Forum to gain deeper knowledge and enhance disclosures related to the international framework for natural capital-related information disclosure.



We also participate in the Keidanren Initiative for Biodiversity Conservation, and we serve as a standing member company of the Keidanren Nature Conservation Council.



The ANA Group participates in the 30by30 Alliance for Biodiversity, which pursues efforts to achieve the 30by30 targets.



Team Chura Sango (Coral Reef Conservation Project to Preserve Tourism Resources)

In 2004, ANA and other companies in and outside Okinawa launched Team Chura Sango to support the coral conservation activities of the Onna Village Fisheries Cooperative in Manza Bay, Okinawa Prefecture. In 2024, the team will observe its 20th anniversary. The project protects coral from bleaching caused by rising sea temperatures, feeding damage caused by massive outbreaks of crown-of-thorns starfish, and pollution from red clay runoff, thereby preserving the ecosystem of Manza Bay. With the support of the Ministry of the Environment, Okinawa Prefecture, Onna Village, and other government agencies, the team participates in coral seedling production and planting programs held five times a year. As of fiscal 2023, 19,439 coral seedlings have been planted thanks to the participation of 4,433 people. In recognition of these activities, Team Chura Sango received the Fisheries Agency Director's Award in the 2023 National Convention for the Development of an Abundantly Productive Sea.



Please visit our corporate website for more:
https://www.ana.co.jp/group/en/csr/regional_creation/regional_revitalization/

Basic Approach

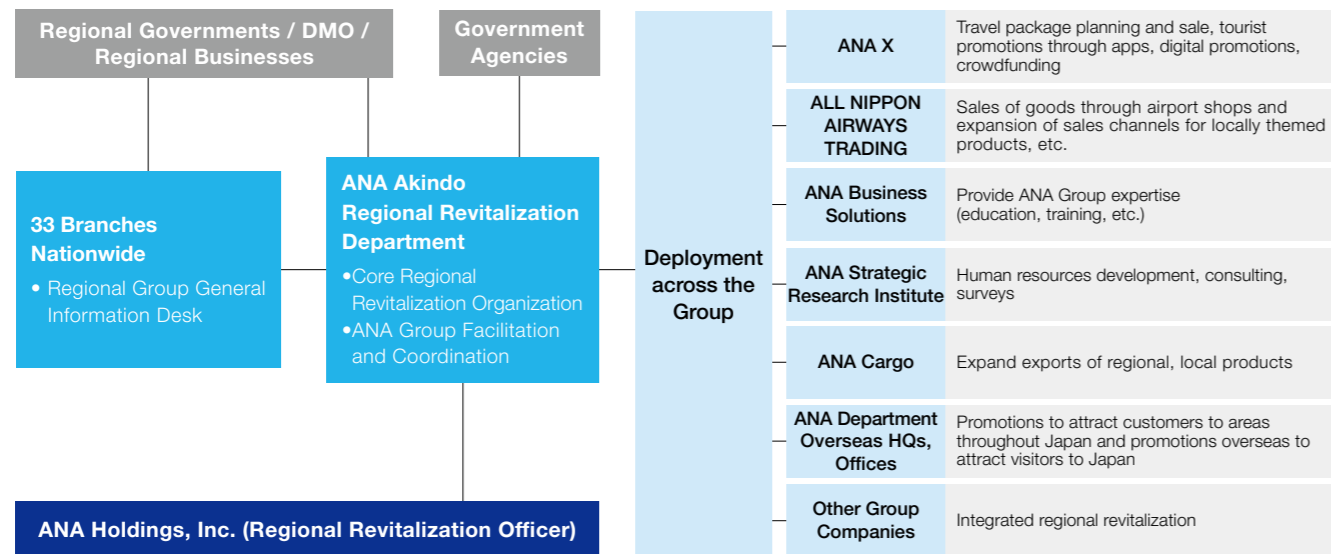
Regional revitalization is an initiative to overcome regional issues such as declining populations, low birthrates, aging demographics, and shrinking economies, as well as to ensure the revitalization of regions going forward.

Beyond air transportation, the ANA Group aims to resolve regional issues while creating new encounters among people, goods, and experiences. We are committed to growing regional fan bases and expanding the number of people with whom we interact and build relationships. Working in unison with local communities is crucial to resolving issues. We create deeper ties with local communities by coordinating with regional representative branches nationwide and building close relationships with local governments and businesses throughout Japan.

Based on the relationships of trust we build with local communities through our Air Transportation and Travel Services businesses, we work to revitalize regions by leveraging the strengths and assets of the ANA Group while making the most of the charms of each region.

Implementation Structure

ANA Akindo leads in regional revitalization, collaborating with group companies and working together with local communities to solve regional issues based on its 33 branches nationwide engaged in community-based activities. The company continues to hold the ANA Group Regional Revitalization Meeting with ANA Group companies, aiming to create an organization that encourages new value creation through group company collaboration. To this end, ANA Akindo also established the Group Regional Revitalization Steering Committee, which consists of executives in charge of each group company, in fiscal 2023.



1 Expanding Regional Development in Cooperation with Local Governments

CASE 1 Expanding ANA Hometown Tax Donation

Regional Issues Addressed	<ul style="list-style-type: none"> Insufficient financial resources due to declining birthrates, aging populations, and declining local economies Create opportunities to communicate the attraction of local products, etc., to outside consumers 	<ul style="list-style-type: none"> Expand the number of people with whom we interact and build relationships
Solution Methods	<ul style="list-style-type: none"> Support local governments in securing new financial resources through donations made through the ANA Hometown Tax Donation website Communicate information and distribute local products, etc., through hometown tax donations Use hometown tax donations to encourage more visitors through fostering interest and the desire to visit 	



CASE 2 Expanding the Number of People Involved in the Community through Workcations

Regional Issues Addressed	<ul style="list-style-type: none"> Declining population Decrease in tourist consumption with fewer tourists 	<ul style="list-style-type: none"> Worker and laborer shortage Decrease in travelers staying overnight
Solution Methods	<ul style="list-style-type: none"> Promote programs to resolve community issues and programs for parents and children Improve reception facilities and environments Make appropriate appeals to urban residents, etc. 	



CASE 3 Leveraging ANA Group Assets to Expand Sales Channels and Increase Product Awareness

Regional Issues Addressed	<ul style="list-style-type: none"> Create opportunities to communicate the attraction of local products, etc., to outside consumers Expand the number of people with whom we interact and build relationships 	<ul style="list-style-type: none"> Establish the brand value of products, developing and raising awareness of this value throughout Japan
Solution Methods	<ul style="list-style-type: none"> Support regional revitalization through the creation of exhibition businesses, storefront businesses, and logistics Collaborate with local businesses in the ANA Specialty Products Development Project to develop new specialty goods Introduce local products at ANA antenna shop Tochi-Dochi Sell local products online through the MeGourmet e-commerce store 	



2 Resolving Regional Issues Through Innovation

ANA pursues regional revitalization through Universal MaaS: Toward the realization of universal and seamless mobility.

This project aims to provide door-to-door transportation, based on the concept of universal design, to create a society in which every person, regardless of disability or age, can move around comfortably. In 2023, the project began implementing full-scale batch support arrangements, as well as universal maps and navigation. These efforts introduce universal services unique to an airline company.



For more information on Universal MaaS, please visit: <https://www.universal-maas.org/en/en>

3 Regional Revitalization through Social Contribution and Resolving Social Issues

CASE 1 ANA Farm Project

Expanding Tangerine Orchards in Ehime Prefecture and New Lemon Orchards in Hiroshima Prefecture

Regional Issues Addressed	<ul style="list-style-type: none"> Growing amount of abandoned land due to the aging of farmers and lack of successors Gaining recognition of and expanding sales channels for products of the prefecture 	
Solution Methods	<ul style="list-style-type: none"> Work with local farmers, governments, and regional banks, etc., to turn abandoned farmland (abandoned fields and rice paddies) into ANA-operated farms Support the Production → Processing → Distribution → Sales chain Expand sales channels and branding for prefectural products utilizing ANA resources; food processing utilizing the resources and expertise of ANA Catering Service Co., Ltd., etc. Contribute to the revitalization of primary industries, expand interchange, and build structures to prevent farmland from being abandoned 	



CASE 2 Tour of MRO Japan's Aircraft Maintenance Plant (Okinawa, Japan) Community-Based Initiatives

Regional Issues Addressed	<ul style="list-style-type: none"> Lack of recognition of secondary industries (airline-related industries) in the prefecture Lack of employment opportunities for local workers 	
Solution Methods	<ul style="list-style-type: none"> MRO Japan* began conducting tours of its aircraft maintenance shop at Naha Airport in May 2022 to increase awareness of Naha Airport and communicate its appeal as a new tourist resource The company will continue to refine its content offerings to expand the number of interactions and relationships <p>* MRO Japan Co., Ltd.: Japan's only company specializing in aircraft maintenance. The company operates in cooperation with Okinawa Prefecture and local businesses to promote local industry.</p>	



ANA Group ESG Management

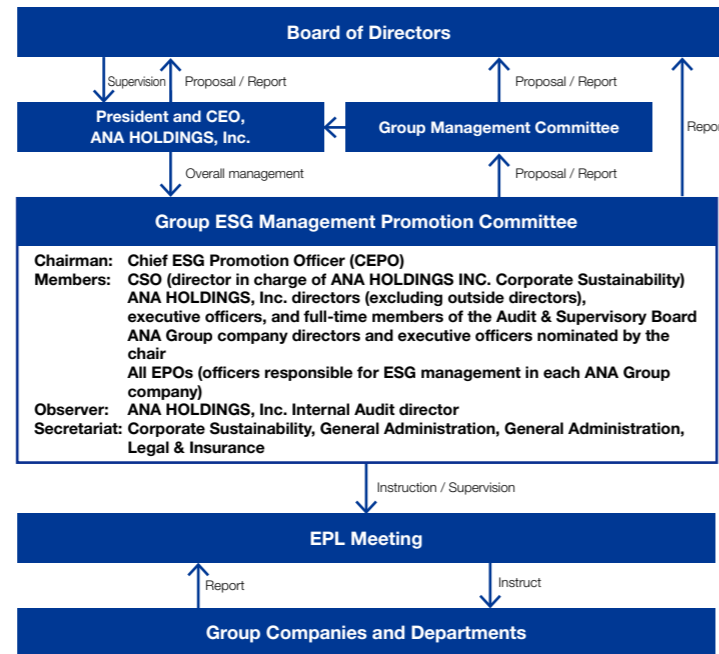
The ANA Group pursues ESG management that considers the environment, society, and governance from a global and long-term perspective transcending the boundaries of the group. In this way, we contribute to resolving environmental and social issues through our businesses and continue to create value that will be an indispensable part of society in the future.

ESG Management Implementation Structure

We established the Group ESG Management Promotion Committee to address various ESG management issues. The committee is overseen by the President & Chief Executive Officer of ANA HOLDINGS INC., and chaired by the Chief ESG Promotion Officer (CEPO), the director in charge of group ESG management. Members include group company directors and executive officers, as well as the full-time Audit & Supervisory Board members. The ESG Management Promotion Committee convenes four times a year to discuss important policies and measures and monitor target progress.

See the following for more information on our ESG management promotion system.
https://www.ana.co.jp/group/en/csr/basic_approach/

ESG Management Implementation Structure



Identification of Materiality

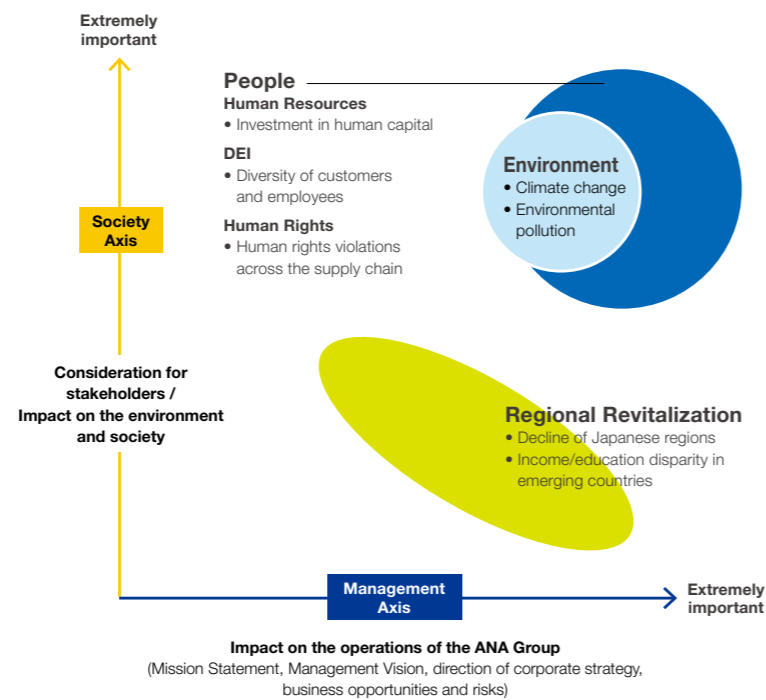
We will aim to resolve group materiality and achieve the simultaneous creation of social and economic value by identifying and incorporating those issues into our business strategies and plans.

We identify materiality through the following process.

- Identify long-term issues facing global society and determine whether these issues are sustainable and consistent with our Mission Statement and corporate strategies
- Analyze whether we can contribute to the resolution of these issues through our business activities from the perspectives of our Mission Statement, corporate strategy, ANA Group strengths, and social trends
- Determine degree of importance and identify materiality by mapping issues on two axes: one representing the impact on group business (management axis), and the other representing the impact on society and the environment, or stakeholder interest (society axis).

For more information, please visit:
<https://www.ana.co.jp/group/en/csr/materiality/>

Materiality Matrix



Identified Material Issues and Specific Initiatives

	Materiality	Specific Initiatives	Relevant SDGs
E Environment	<ul style="list-style-type: none"> Reduce CO₂ emissions Reduce resource waste ratio Reduce food waste ratio Conserve biodiversity 	<ul style="list-style-type: none"> Achieve ANA Group 2030 medium-term targets and 2050 long-term environmental goals Disclose information in line with the TCFD recommendations Contribute to biodiversity conservation through initiatives such as those aimed at preventing wildlife trafficking 	2030 2050 7, 8, 9, 12, 13, 14, 15, 17
S Society	People	<ul style="list-style-type: none"> Respond to labor shortages Cultivate human resources and organizations to achieve transformation Enhance human capital productivity 	2030 9, 10, 12, 13
	Human Resources	<ul style="list-style-type: none"> Enhance ease of work Enhance job satisfaction Succeed and evolve corporate culture 	2030
	Diversity, Equity, and Inclusion (DEI)	<ul style="list-style-type: none"> Develop human resources for sustainable growth Promotion of universal services 	2030 3, 5, 8, 10
	Human Rights	<ul style="list-style-type: none"> Respect human rights Engage in responsible procurement 	2030 8, 10, 15
Regional Revitalization	<ul style="list-style-type: none"> Innovate to resolve social issues Regional revitalization through social contribution and resolving social issues 	2030 New value creation through the use of avatars, drones, MaaS, etc., and cross-industry collaboration Contribute to regional revitalization through social contribution activities and resolving social issues	2030 8, 9, 11
G Strengthen Governance Structures	<ul style="list-style-type: none"> Disclose commitments of top management Increase diversity in Board membership Ensure appropriate information disclosure and transparency 		1, 3, 4, 5, 6, 7, 8, 10, 12, 13, 14, 15, 16, 17