

Management Foundations

The ANA Group works with all stakeholders to strengthen our foundation, aiming to share a variety of values that lead to *Uniting the World in Wonder*. Safety is not only an absolute value and mission of the ANA Group; it is a major premise in all of our corporate activities. We reflect on dialogues with stakeholders, allocate management resources appropriately, make nimble decisions, and communicate our management directions and results. Linking these efforts to further dialogues, we foster trust in the ANA Group. While our three management foundations work independently, they also intertwine and draw strength from each other.



Safety

Safety is the absolute value underlying every ANA Group corporate activity. We are committed to maintaining safety in both aircraft operations as well as in business as a whole to enhance public trust in our group.

Corporate Governance

The ANA Group aims to practice management that contributes to value creation for our various stakeholders, promote sustainable growth, and enhance corporate value over the long term.

Co-Creation with Stakeholders

We build relationships of trust between the ANA Group and society by incorporating information obtained through dialogues with external and internal stakeholders into our management strategies.



▶ Fostering Integrated Management Systems and Safety, Always Holding Safety as the Foundation of Management Culture

Safety is the unequivocal mission of every business in the ANA Group.

Solid Approach to Safety

Safety is the absolute value underlying every ANA Group corporate activity and the foundation of everything we do. Our dedication to safety extends to every part of our group businesses, even beyond our aircraft operations, including cargo, food services, and information. Our everyday efforts to improve safety and our conscientious response to customer expectations build confidence and trust with society.

An environment of mutual understanding and trust forms relationships among employees across various job descriptions to support safe aircraft operations and other aspects of the ANA Group business. In every workplace, we post the ANA Group Safety Principles and Course of ANA Group Safety Action, which are pledges shared by all ANA Group employees.

ANA Group Safety Principles

Safety is our promise to the public and is the foundation of our business.

Safety is assured by an integrated management system and mutual respect.

Safety is enhanced through individual performance and dedication.

Course of ANA Group Safety Action

- (1) Strictly observe rules & regulations, and all actions will be grounded on safety.
- (2) As a professional, place safety as the #1 priority while keeping your health in mind.
- (3) Address any questions and sincerely accept the opinions of others.
- (4) Information will be accurately reported and shared in a timely manner.
- (5) Continuous self-improvement for prevention and avoiding reoccurrence.
- (6) Lessons learned from experiences and increased skills for risk awareness.

ANA Group Medium-Term Policy for Aviation Safety and Security

We formulated the ANA Group Medium-Term Policy for Aviation Safety and Security in advance of 2030, describing five important initiatives to address between fiscal 2023 and fiscal 2025.

The purpose of this policy is to maintain basic quality and safety for growth, even during this period of recovering air travel demand and changes in the environment.

In fiscal 2024, we conducted a review of the previous fiscal year's activities and changes in the environment. Based on this review, we are clarifying how to move forward with key concepts and evolve safety risk management. To this end, we have updated our approach and we will strive to achieve our ideal state in the year 2030.

Key Concepts

1. Foster a positive safety and security culture
2. Develop and maintain skills to support safety
3. Strengthen change management
4. Evolve safety risk management
5. Structure our aviation security management system

ANA Group Safety

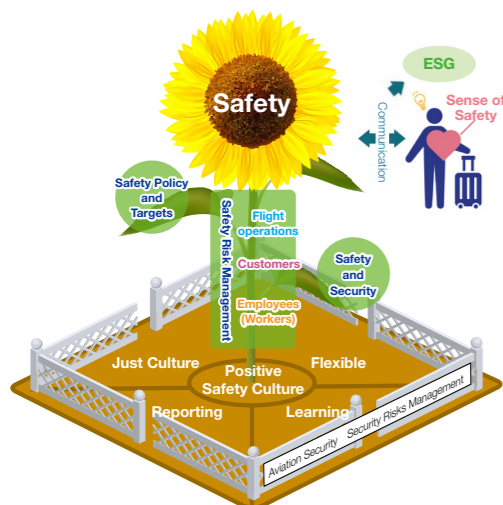
The picture on the left is an image of the ANA Group Safety.

The sunflower represents aviation safety, and the fence represents aviation security to protect the sunflowers from outside agents.

The sunflower and fence stand on the soil that represents our culture of safety and security. We believe that the most important nutrients are the following four cultures.

- Just Culture
- Reporting Culture
- Learning Culture
- Flexible Culture

The ANA Group will strive as one in our unending pursuit of safety and security.



Human Resources Development

Revised Safety Education and Enlightenment Activities

The ANA Group provides education and training to raise employee safety awareness and to help employees exercise behavior in line with the Course of ANA Group Safety Action.

In fiscal 2023, we redesigned the entire safety education program to foster a positive safety culture. In fiscal 2024, we began education and training under this new program. This new program fosters safety culture by helping employees understand the concepts behind safety management systems and gain the ability to think and act independently based on discussions designed to imagine daily operations and act in accordance with safety guidelines. We also designed the content of the education and training to differ according to the position of the learner.



Continuing the Culture of Safety

The ANA Group engages in ongoing education and training programs to preserve the memory of past accidents and hijackings in our pursuit of safety. While emphasizing dialogue between top management and employees and communication among employees, we strive to continue a culture of safety at a broader and more profound level, ensuring every member of our organization to think and act regarding safety from a sense of personal responsibility.

Education Initiatives

ANA Group Safety Education Center (ASEC)

ASEC, located in the ANA Blue Base, provides safety education in which participants learn actively. The experience helps participants practice safe behavior learned at ASEC in the workplace specifically.

Number of Participants
65,738 (cumulative, past five years)

Emergency Aircraft Evacuation Training

Number of Participants
30,065 (cumulative, past five years)



This repeated emergency evacuation training is mandatory for all group employees to support cabin attendants in assisting and guiding passengers in the event

of an aircraft emergency.

In addition, participants discuss actions in emergency situations and reflect on their behavior as ANA Group employees to enhance safety awareness.

Safety and Security Dialogue between Top Management and Employees

Number of Participants
6,447 (cumulative, past three years)



Lectures by senior management on learning from past accidents and hijacking incidents, as well as direct dialogue with ANA Group employees, provide

opportunities to share thoughts and safety and security, examples of best practices in each division, and expanded initiatives in the workplace.

Initiatives for Aviation Safety and Security Promotion Month

July is Aviation Safety and Security Promotion Month for the ANA Group. We use this month as an opportunity to reconfirm the importance of safety and security by, for example, revisiting past accidents and incidents. We also strive to improve safety and quality throughout the ANA Group through initiatives to foster a culture of safety and security while reinforcing the skills supporting safety and security.

Ensuring Safety in Non-Air Operations

Food Safety

The ANA Group introduced the ANA Catering Quality Program (ACQP), from the three aspects of food safety for hygienic in-flight and ANA Lounge meals, the pursuit of delicious quality, and the safe and correct loading and unloading of goods on and off aircraft. Qualified auditors and chefs make regular visits to our catering contractors in Japan and around the world, offering guidance on improvements based on ANA's own strict hygiene standards. We also engage in regular external hygiene audits from third parties based on international standards. Results are reported to the group to maintain and improve quality. The Board of Directors is regularly informed of on issues related to food safety and measures to address food safety.



In-flight meal production



Hygiene training



Information Security

The ANA Group works continuously to ensure the secure handling of information, including personal customer information, as a management issue equally important to flight operations. We designate information to be protected and develop information management rules according to the degree of importance assigned to each type, enhancing safety in the office and other facility environments. System security measures include data encryption, perimeter defense, anti-virus, and endpoint security to achieve defense in depth. We have strengthened countermeasures against phishing, including fake emails pretending to be from ANA domains. Additionally, we have introduced Attack Surface Management (ASM) considering the shift to a cloud environment, and we are monitoring it 24/7. In addition, we created the ANA Group Information Security Management Manual for employees for use across the entire group. We also use handbooks, e-learning, training, and email newsletters to ensure this manual is widely understood throughout the group, and conduct audits to check compliance. Executive personnel attend Cyber Security Response Training on a regular basis. In this way, we are strengthening our information management system and reducing the risk of information leaks from both tangible and intangible perspectives.

Further, we comply with Japan's Act on the Protection of Personal Information, the EU General Data Protection Regulation (GDPR), and other laws and regulations enacted or revised in various countries regarding the protection of personal information. We publish our privacy policy on our corporate website as appropriate.

These initiatives are regularly reported to the management of the entire group through the Group ESG Management Promotion Committee to raise awareness.



Cyber Security Response Training for executive personnel

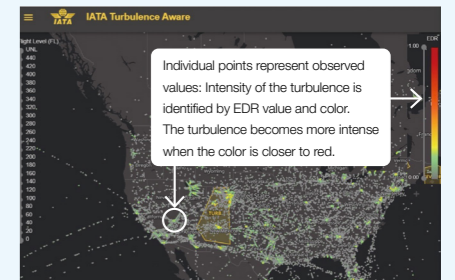
Preventing Injuries Caused by Turbulence

To prevent turbulence from injuring passengers and flight attendants, the ANA Group steps up efforts through a coordinated effort among all parties involved in flight operations. Our efforts focus on three key ideas: avoid turbulence, prepare for turbulence, and avoid injuries.

Flight Path Selection to Avoid Turbulence

We obtain more accurate and detailed turbulence data to help flight crews select appropriate flight paths en route.

In addition to information provided traditionally by flight crews via radio, we use measured turbulence data (EDR: a quantitative indicator of air turbulence) observed by aircraft in flight. In 2023, we were the first Japanese airline to participate in the IATA* Turbulence Aware platform, which shares EDR data. In this way, we share data in real time and access data from participating airlines to ensure safe operations.



EDR data screen
* International Air Transportation Association



Decision-Making and Information Sharing to Prepare for Turbulence

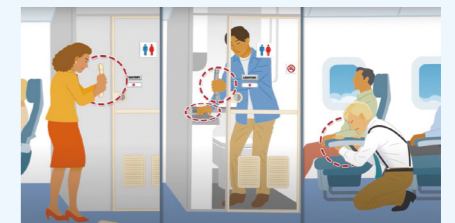
We create environments to prepare for turbulence, with flight crew and flight attendants capable of making decisions that prioritize safety. We also use in-flight announcements to share information with passengers in a timely and accurate manner.

<p>Seatbelt sign on/off</p>	<ul style="list-style-type: none"> We strive to make quick decisions when to turn on or off the seatbelt sign, taking into consideration not only turbulence in the cabin but also experience from the cockpit.
<p>In-cabin safety</p>	<ul style="list-style-type: none"> Even when the seatbelt sign is off, we may employ safety measures (e.g., instructing passengers to wear their seatbelts) if we determine that passengers or cabin crew are in danger due to turbulence. Flight attendants report such situations immediately to the flight crew. When not serving or responding to passengers, flight attendants stays seated on CA seats and wear seatbelts when observing the cabin in case of unanticipated turbulence.
<p>In-flight announcements</p>	<ul style="list-style-type: none"> In-flight announcements provide passengers with an idea of expected turbulence (e.g., timing, duration of turbulence). When the seatbelt sign is on, we inform passengers as quickly as possible to encourage them to pay attention.

Creating Environments to Avoid Injuries

To reinforce safety awareness, we show passengers a safety video in the aircraft to ensure safe behavior when encountering turbulence.

Flight attendants familiarize themselves with the location of handrails, handles, etc., and correct positions for each aircraft type to protect themselves by minimizing the possibility of becoming airborne due to turbulence. In addition, new employee training uses motion mockups (turbulence simulators) to experience the feeling of turbulence and to ensure employees are ready to take immediate action to protect themselves.



In-flight passenger safety video

Take Measures through Continuous Coordination between Departments to Prevent Problems Reactively and Proactively.

The risk of turbulence will only increase in the future with extreme weather and environmental changes. For this reason, the ANA Group considers turbulence countermeasures a priority issue, in safety operations to prevent serious accidents.

The departments that support operations must coordinate efforts, using weather and operational data analysis to pursue even greater reductions in cabin injury risk. In addition, flight crew and cabin crew must work together to ensure the best possible response. Every employee takes independent action appropriate to their position to prevent or eliminate the recurrence of issues in this area.



NAKAMURA Soichi
Corporate Safety,
ALL NIPPON AIRWAYS CO., LTD.

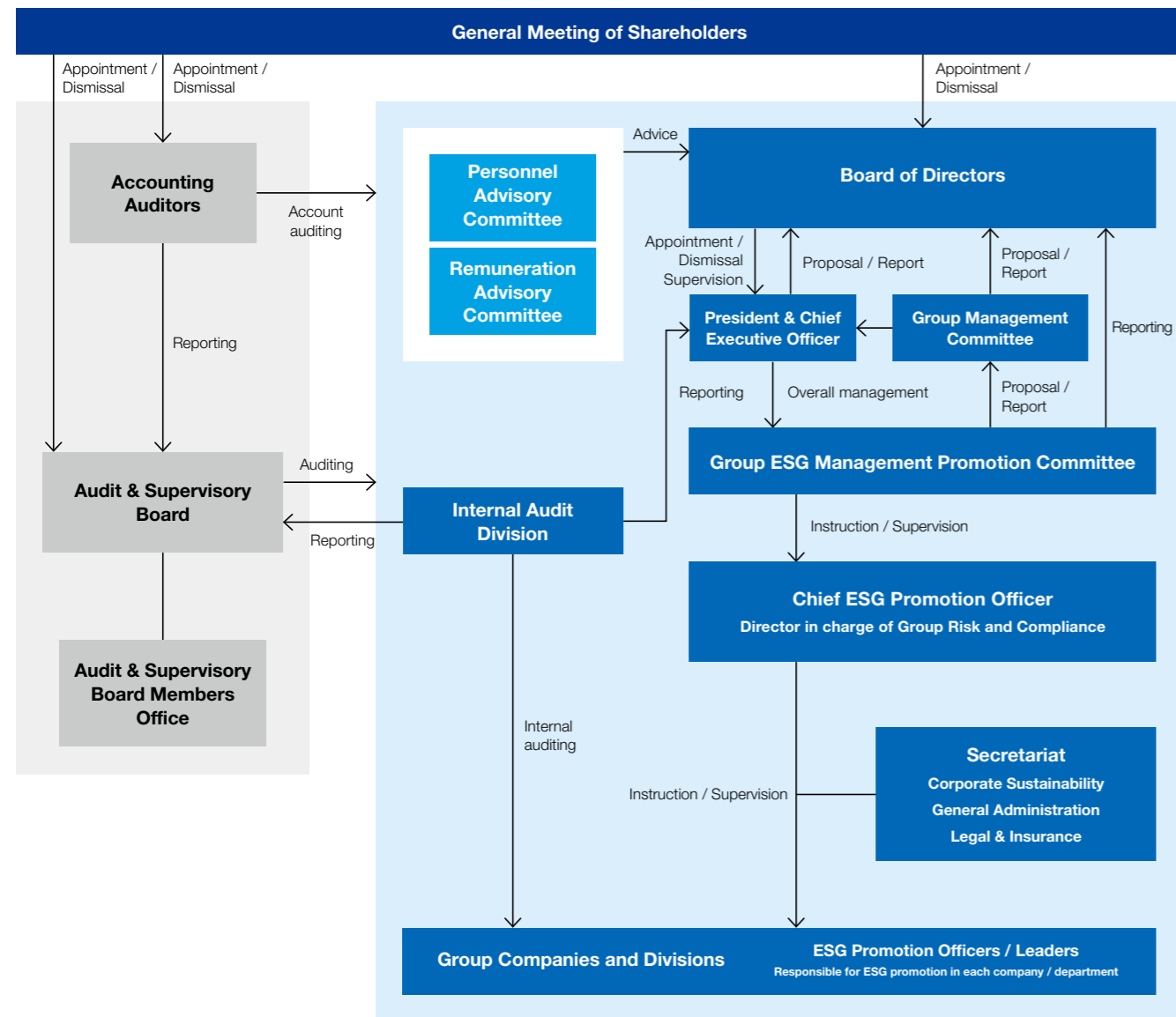
Corporate Governance

Mission Statement

Built on a foundation of security and trust, “the wings within ourselves” help to fulfill the hopes and dreams of an interconnected world.

The ANA Group aims to practice management that contributes to value creation for our various stakeholders in accordance with our Mission Statement and to promote sustainable growth and enhance corporate value over the long term. To accomplish this goal, ANA HOLDINGS INC. plays the lead role in group management for overall policies and goal-setting, pursuing transparent, fair, prompt, and effective decision-making. For this purpose, we have built a corporate governance system and work continuously to enhance governance within the ANA Group.

Corporate Governance System



(As of July 31, 2024)

ANA HOLDINGS Corporate Governance System

Holding Company Structure

The ANA Group has adopted a holding company structure to remain competitive in any challenging business environment. Each group company is guided by experienced and specialized personnel who are delegated authority to operate their respective businesses.

Company with Audit & Supervisory Board Members

The Board of Directors and members of the Audit & Supervisory Board oversee and audit the execution of duties by directors. The group strengthens the supervisory function of the Board of Directors by appointing outside directors. We also strengthen the audit function of members of the Audit & Supervisory Board by appointing full-time outside members.

Corporate Executive Officer System

The group has adopted a corporate executive officer system under which management and executive functions are separated to promote efficient decision-making and to clarify responsibilities and authority in the execution of duties. Under this system, directors supervise management decision-making and the execution of duties, while corporate executive officers conduct day-to-day business.

Board of Directors

Number of Board Members	Term of Office	Number of Meetings*
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Directors **11** **1 year** **13**

(including 4 independent outside directors and 2 female directors) (also applies to outside directors)

Audit & Supervisory Board members **5**

The Board of Directors of ANA HOLDINGS INC. sets groupwide management policies and goals, makes important decisions for group management, and oversees the management and business execution of each group company. The Board of Directors is chaired by the chairman of the board. All directors, including outside directors, and all members of the Audit & Supervisory Board, including outside members, participate in Board meetings.

Group Management Committee

Number of Meetings*

56

Chaired by the President & Chief Executive Officer, the Group Management Committee consists of full-time directors, full-time Audit & Supervisory Board members, and others, and functions as an organization that complements the Board of Directors. The role of the committee is to provide more timely and detailed discussions of management matters.

Advisory Committees

Personnel Advisory Committee

Chairman	Number of Members	Number of Meetings*
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YAMAMOTO Ado **5** **4**

The Personnel Advisory Committee discusses the selection of director candidates and the dismissal of directors, and reports to the Board of Directors. The committee, chaired by an outside director, consists of four outside directors and one inside director to ensure transparency and fairness in the selection process of directors.

Remuneration Advisory Committee

Chairman	Number of Members	Number of Meetings*
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YAMAMOTO Ado **7** **3**

The Remuneration Advisory Committee consists of a majority of outside directors, outside Audit & Supervisory Board members, and outside experts to ensure fair and transparent process of decision-making related to director remuneration. The committee develops the director remuneration system and director remuneration standards based on surveys of director remuneration at other companies provided by outside experts and reports to the Board of Directors.

Audit & Supervisory Board

Number of Members	Term of Office	Number of Meetings*
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Audit & Supervisory Board members **5** **4 years** **13**

(including 3 independent outside Audit & Supervisory Board members) (also applies to outside Audit & Supervisory Board members)

(including 3 independent outside Audit & Supervisory Board members)

To ensure healthy development and to earn greater levels of trust from society through audits, we appoint five individuals to serve as Audit & Supervisory Board members who possess extensive experience and the advanced expertise required to conduct audits.

The Audit & Supervisory Board strengthens the collaboration with the accounting auditors and the Internal Audit Division. The board also exchanges opinions with outside directors on a regular basis.

* The number of meetings held in fiscal 2023

Outside Director Roundtable Discussion

Achieving Sustainable Corporate Value Enhancement
while Exercising Stronger Governance



KATSU Eijiro
Independent Outside Director

YAMAMOTO Ado
Independent Outside Director

KATANOZAKA Shinya
Chairman of the Board
Chairman of the Board of Directors

KOBAYASHI Izumi
Independent Outside Director

MINEGISHI Masumi
Independent Outside Director

► **KATANOZAKA:** When I took over as president in 2015, the Tokyo Stock Exchange had just published the Corporate Governance Code. At that time, we formulated a basic policy, and we incorporated that policy in our Corporate Governance Report after internal discussions. Since that time, we have continued to step up governance to ensure sustainable growth and increase corporate value, responding appropriately to the 2018 and 2021 code revisions. In addition, we strive to strengthen the supervisory function of the Board of Directors by evaluating the effectiveness of the Board on an annual basis, identifying and improving issues. We ask our outside directors to cooperate in this evaluation process to further enhance the soundness and transparency of our management, benefiting from objective supervision and advice. In this roundtable discussion, we invite our outside directors to offer their candid opinions regarding our efforts to strengthen corporate governance and future measures to enhance corporate value further.

Improving the Effectiveness of the Board of Directors

► **KATANOZAKA:** The Board of Directors must play an increasingly important role in strengthening governance to support the enhancement of corporate value. In terms of Board effectiveness, what improvements did you see over the last fiscal year?

► **YAMAMOTO:** In the past, preliminary Board meeting materials were sometimes provided only at the last minute. Last year, we saw significant improvements in how the materials are shared, and we now use iPads to receive information in a timely manner. This method provides time for preparation and more meaningful discussions.

I was also impressed by the seriousness with which the chairperson and the executive side took the opinions and requests of the outside directors. Last year, the outside directors offered numerous comments and made requests regarding new businesses, which led to very active discussions at Board meetings. In that context, things improved significantly.

► **KATANOZAKA:** We received a variety of comments regarding new businesses related to the management of operating companies and matters not previously recognized. Through this experience, we reaffirmed the importance of objective viewpoints. I feel the tremendous significance of insights from outside directors on the perspectives of executive officer business decisions.

Efforts to Strengthen Governance

► **KATANOZAKA:** For outside directors to gain a better understanding of the ANA Group, we provide regular opportunities to visit our front lines, including on-site tours and roundtable discussions with employees. Last fiscal year, outside directors visited the cargo area at Narita Airport. What issues did you notice on-site?

► **KOBAYASHI:** First, I wanted to express my gratitude directly to everyone in the cargo business for their hard work during the COVID-19 pandemic, so the visit was a terrific opportunity. We heard firsthand what it was like to overcome the challenges during that time. The experience was very effective in terms of incorporating the feedback and issues in Board meeting discussions.

After observing everyone in their day-to-day work, I felt the Company needed to invest more in improving the working environment. It was also an excellent opportunity to understand the complexity involved in the cargo loading process. I was reminded of the importance of human resources development and improved working environments, balanced by the Company's budget allocation. Being able to offer specific recommendations based on the site visit was very useful.

► **KATANOZAKA:** I am pleased that our outside directors took the opportunity to express their praise and appreciation for the hard

work conducted during the pandemic. Feedback from employees also indicated that they appreciated the willingness of our directors to listen to their concerns.

As pointed out, we reconfirmed issues such as the current state of several old facilities, the need to improve facilities in light of the increasing number of female employees, the slow pace of IT adoption, and the large number of documents. I was reminded of the importance of receiving feedback from the field and making improvements. As for the cargo area at Narita Airport, we plan to open a new cargo warehouse by the end of this fiscal year. And we hope to make further improvements in operational efficiencies and the work environment.

Toward Stronger Governance Functions

► **KATANOZAKA:** Next, I want to discuss issues we must address to strengthen our governance function. What is your opinion on the overall governance of the Company, including management of Board meetings.

► **MINEGISHI:** Board meetings consist of resolutions, reports, and, most importantly, discussions on strategy. I think the time allocation and agenda-setting for strategy discussions have improved greatly over the past two years. To evolve this process further, the Board of Directors and the secretariat of the Group Management Committee must work together closely to ensure executive officers receive and reflect the perspective of the Board in management strategy. After all, execution is what drives business that enhances corporate value directly. This is why it is essential to establish points of discussion from an external perspective—the Board's perspective, in other words—to address in Management Committee meetings to improve the quality of discussions in these meetings. Doing so will expand the vision at lower layers, instilling a management perspective and resulting in strong governance over the Company as a whole. This approach will also strengthen the quality of Board discussions related to strategy. As outside directors, we want to contribute more to this process.



► **KATANOZAKA:** Thank you. Currently, we give feedback from Board meeting discussions for use in the next Management Committee meeting. The members of the Management Committee include directors from ANA, our operating company, who are also candidates for future directors and executive officers of the holding company, so this is a very important learning opportunity for them. We are working to strengthen communications and collaboration between the secretariats of the two groups.

ANA Group Strengths

► **KATANOZAKA:** Each of you have important positions outside the Company. What do you see objectively as the unique strengths of the ANA Group in comparison to other companies?

► **YAMAMOTO:** I think the ANA Group is a very flat organization internally. I once boarded a jumpseat (an auxiliary seat in the cockpit) on a passenger flight, and I got that impression listening to the conversation between the captain and the co-pilot.

Even in back-office departments, for example, co-workers call each other by name, rather than title, in meetings and emails. This type of atmosphere creates a flat corporate culture naturally. We also have mid-career hires working in a diverse range of workplaces. It's also good to see numerous mid-career hires in key positions.

Something else I want to address is the response to the COVID-19 pandemic. Amid what is regarded as a once-in-a-century crisis, the Company secured funds quickly to ensure survival, and then proceeded to cut costs. Many employees responded positively to external secondments to other companies, municipalities, and organizations, which helped particularly with personnel expenses. Our secondment partners were very willing to take on anyone who was an ANA Group employee. This attitude was the result of the ANA Group's day-to-day relationships with local communities.

► **KATANOZAKA:** That the president and chair of ANA Holdings also conducts on-site visits reflects the flat culture within the Company. President Shibata places great importance on the front lines of the Company, even visiting the night shift of the maintenance shop, for example. Many of our employees have responded very positively to requests for external secondments. These secondments have had a very positive effect on the employees, who acquire a variety of work experiences and values outside the Company. When they return, these employees bring and utilize these new skills in our company.

► **KATSU:** The ANA Group is an unusual organization. First, as Mr. Yamamoto mentioned, the Company has a very flat and frank culture. At the same time, all operations on the front lines relate directly to customer safety, in another sense, the culture is very controlled. The hallmark of a well-disciplined company is the presence of many outstanding leaders. The entire company rallied around the strong leadership of top management in dealing with the pandemic, working together to implement an excellent strategy to overcome the challenges. It is rare to find a company that exercises both control and frankness in this way. The ANA Group also combines frank and disciplined safety management. This is one of the ANA Group's greatest strengths.

► **KATANOZAKA:** As an example of safety measures, in particular, we instituted strict measures to address the issue of pilot alcohol use by expanding the scope to include other work sites and administrative departments across the entire company, inviting experts in to lead study sessions and so forth. This campaign to moderate drinking was well received by parties both inside and outside the Company.

Enhancing Corporate Value over the Medium to Long Term

► **KATANOZAKA:** For my last question, what issues should the Board of Directors discuss in the future to respond appropriately to the various changes in the business environment since the pandemic? What must the Board address to help the Company achieve medium- to long-term growth and enhance corporate value?

► **KOBAYASHI:** The airline industry faced a very difficult situation during the COVID-19 pandemic. Over the past year or two, we have



spent considerable time discussing businesses other than the airline business. Since ANA is still an airline group after all, I think the most important issue is how to develop the airline business in the future. It's especially important to clearly stake out the Company's position in Asia and to expand business in that region. The next group corporate strategy should include in-depth discussions and address this issue in detail.

Next, is the Cargo Business. From the perspective of portfolio strategy, it is very important to determine the strategy that will advance the business with an eye to future market needs, including the current acquisition of Nippon Cargo Airlines.

Last, is ESG compliance, including SAF*. We must accelerate discussions on meeting the challenge based on specific milestones. Of course, we must also reference case studies from advanced ESG countries.

* SAF: Sustainable Aviation Fuel

► **KATANOZAKA:** Yes, I understand. We plan to deepen medium- to long-term discussions about our Air Transportation Business from the customer's perspective, including systems modifications based on future global strategies. SAF is also a very important topic. With your knowledge on the subject, I look forward to discussing more about how we can achieve our environmental goals for 2030.

► **KATSU:** The choice of topics covered at Board meetings is important. Since the core of the ANA Group is the airline, we must dig deep into discussions of the Air Transportation Business. We must also pursue deeper discussions on safety, which is an important foundation for aircraft investment and management toward future growth.

► **KATANOZAKA:** I hope to provide timely information and have discussions on safety, including engine issues, with our outside directors. Aircraft investment is a very important decision. I believe we should incorporate the opinions of outside directors after furnishing them with detailed information on safety and technical capabilities.

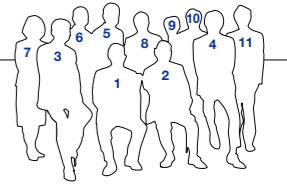
► **MINEGISHI:** A global strategy is imperative for the mainstay Air Transportation Business. The Board should discuss the scale of resources to invest and where to position the business in Japan, in Asia, and worldwide. As a leading airline, ANA must also aim for the world's highest level of productivity. Currently, the airline plans to develop systems for digital transformation, but it is important to ensure that new systems do not cause conflicts with on-site operations. For the Non-Air Business, Board discussions must address strategies to grow around the ANA Economic Zone based on the use of ANA Mileage. Management must decide how to allocate resources to the positioning of each business to optimize the portfolio of the Air Transportation and Non-Air businesses for medium- to long-term growth.

► **KATANOZAKA:** I think the ANA Economic Zone must be defined more clearly in terms of Air Transportation and Non-Air businesses and the migration path to the ANA Economic Zone, including the scale of businesses planned. We should also engage in deeper discussions of potential collaborations with partners to strengthen the base of ANA Mileage Club members, referring to case studies from other companies.

We defined value-added productivity as a new KGI to emphasize value creation throughout the group. I think it is very important for every ANA Group employee to create added value, thereby improving the productivity of the group as a whole. The Board of Directors should review progress in light of these points.

► **KATANOZAKA:** Today, we received specific and valuable opinions about strengthening corporate governance and improving the medium- to long-term value of the ANA Group. We will continue to incorporate the objective opinions and, sometimes, brutally honest perspectives of our outside directors in strategies as we strive for sustainable corporate value enhancement. Thank you for your participation today.





	Name	Position at ANA HOLDINGS	Independent Director	Executive Officer	Assignments	Personnel Advisory Committee	Remuneration Advisory Committee
1	KATANOZAKA Shinya	Representative Director, Chairman			Chairman of the Board of Directors		
2	SHIBATA Koji	Representative Director, President & Chief Executive Officer			Chairman of the ANA Group Management Committee, Head of Group ESG Management Promotion Committee, In charge of the Internal Audit Division Chairman, ALL NIPPON AIRWAYS CO., LTD.	●	●
3	HIRASAWA Juichi	Representative Director, Executive Vice President		●	In charge of Government & Industrial Affairs, Executive Secretariat, Economic Security, Group Procurement		
4	NAOKI Yoshiharu	Representative Director, Executive Vice President		●	Group CHO (Chief Human Resource Officer, Human Resources, and Employee Relations), and Corporate Strategy		
5	INOUE Shinichi	Member of the Board			President & Chief Executive Officer, ALL NIPPON AIRWAYS CO., LTD.		
6	NAKAHORI Kimihiro	Member of the Board, Executive Vice President		●	Group CFO (Chief Financial Officer, Finance, Accounting, and Investor Relations & Business Management)		
7	TANEIE Jun	Member of the Board, Executive Vice President		●	Chairman of Group ESG Management Promotion Committee; In charge of Group Risk and Compliance, Legal & Insurance, General Administration		
8	YAMAMOTO Ado	Independent Outside Director	●			○ Chairman	○ Chairman
9	KOBAYASHI Izumi	Independent Outside Director	●			●	●
10	KATSU Eijiro	Independent Outside Director	●			●	●
11	MINEGISHI Masumi	Independent Outside Director	●			●	●

	Name	Special Knowledge, Experience, and Skills							
		Corporate Management and Long-Term Strategy	Airlines Business and Safety	Human Capital Development and Diversity	Finance and Accounting	Legal and Risk Management	Sustainability	Technology and Innovation	Global Management
1	KATANOZAKA Shinya	●	●	●			●		●
2	SHIBATA Koji	●	●				●	●	●
3	HIRASAWA Juichi	●	●				●	●	
4	NAOKI Yoshiharu	●	●	●					●
5	INOUE Shinichi	●	●	●				●	●
6	NAKAHORI Kimihiro	●	●		●			●	
7	TANEIE Jun	●	●	●		●	●		
8	YAMAMOTO Ado	●	●	●		●			
9	KOBAYASHI Izumi	●		●	●		●		●
10	KATSU Eijiro	●			●	●		●	●
11	MINEGISHI Masumi	●		●			●	●	●

See P.95 for more information on the reasons behind the selection of the skill sets that we expect directors to possess.

Appointment of Directors

Approach to Selection of Director Candidates

Internal Directors	The Company selects directors from among candidates who have impeccable character, extensive experience, broad insight, and advanced expertise. Ideal candidates have the potential to contribute to improved policy-making, decision-making, and oversight befitting a global airline group with widespread businesses centered on the Air Transportation Business. Our selection is also made to ensure diversity in terms of gender, nationality, race, ethnicity, age, and other factors within the scope of the Civil Aeronautics Act and other relevant laws.
Outside Directors	In addition, the group selects a multiple number of outside directors who possess practical viewpoints based on extensive experience in corporate management, or who possess unique global or regional viewpoints. These individuals must be independent from the Company, and able to offer objective and expert opinions based on a sophisticated knowledge of social and economic trends.

Reasons for Appointment of Board Directors

- The following director candidates were selected based on the judgment that their abundant experience, performance, and insight would be crucial to achieving sustainable increases in the group's corporate value.
- These director candidates assumed their positions after being appointed at the 79th Ordinary General Meeting of Shareholders.

	Brief Personal History / Major Concurrent Positions	Reasons for Appointment
Internal Directors	KATANOZAKA Shinya Chairman of the Board 2011: Executive Vice President 2015: President & Chief Executive Officer, Representative Director 2022: Representative Director, Chairman 2024: Chairman of the Board (present) Major Concurrent Positions Outside Director, Tokio Marine Holdings, Inc. Outside Director, Kirin Holdings Company, Limited	KATANOZAKA Shinya has extensive experience in sales, human resources, corporate planning, and other disciplines. He was appointed representative director and president & CEO in April 2015, and he has achieved profit growth for four consecutive years. In addition, he led measures to overcome the business crisis resulting from COVID-19. His efforts include quickly securing liquidity on hand as well as formulating and implementing our Business Structure Reform plan. Mr. Katanozaka served as chairman and chair of the Board of Directors since April 2022, endeavoring to strengthen the functions of the Board by leveraging his extensive experience and achievements over his career. He has continued these efforts as the chair of the Board of Directors since April 2024.
	SHIBATA Koji Representative Director, President & Chief Executive Officer 2020: Member of the Board of Directors 2021: Representative Director 2022: Representative Director, President and CEO (present)	SHIBATA Koji has been involved in sales and international alliances for many years. As a corporate executive officer since June 2020, and as representative director and executive vice president since April 2021, he has been in charge of the planning and execution of the Group Corporate Strategy. As representative director, president & CEO since April 2022, Mr. Shibata has been pursuing group management, always maintaining a global perspective and placing the highest priority on safety. He contributes to strengthening the functions of the Board of Directors by leveraging his extensive experience and achievements over his career.
	HIRASAWA Juichi Representative Director, Executive Vice President 2022: Member of the Board of Directors 2024: Representative Director (present)	HIRASAWA Juichi has been involved with the business planning and planning divisions for many years. From April 2018, he served as an executive officer of ALL NIPPON AIRWAYS CO., LTD., a core subsidiary of the ANA Group, where he was in charge of creating and promoting innovations such as automated airport vehicle operation and MaaS in addition to formulating and implementing the company's Corporate Strategy. Since June 2022, Mr. Hirasawa has served as a senior executive officer at the company, working primarily on industrial policy and other matters. He continues these efforts as the representative director and executive vice president as of April 2024.
	NAOKI Yoshiharu Representative Director, Executive Vice President 2024: Representative Director (present)	NAOKI Yoshiharu has extensive experience in human resources and sales. In April 2019, he was appointed as the executive officer in charge of the human resources division of ALL NIPPON AIRWAYS CO., LTD., a core subsidiary of the ANA Group, where he reviewed the human resources system and worked to develop human capital and improve employee engagement. Mr. Naoki has been in charge of planning and executing the Group Corporate Strategy since April 2024, and has worked in group management as representative director of the Company since June 2024.

	Brief Personal History / Major Concurrent Positions	Reasons for Appointment
Internal Directors	INOUE Shinichi Member of the Board 2022: Member of the Board of Directors (present) Major Concurrent Positions President & Chief Executive Officer, ALL NIPPON AIRWAYS CO., LTD. Chairman of All Japan Air Transport and Service Association Co., Ltd.	INOUE Shinichi was involved in the establishment of Peach Aviation Limited, Japan's first low cost carrier (LCC), and as representative director & CEO, he has achieved rapid growth for the company. In addition, since April 2020, he has overseen the sales division as representative director and executive vice president of ALL NIPPON AIRWAYS CO., LTD., a core subsidiary of the ANA Group. As representative director and president & CEO of the company from April 2022, Mr. Inoue has been pursuing the management of that company with safety as the top priority in order to put it back on a growth trajectory that will see it become a leading global airline.
	NAKAHORI Kimihiro Member of the Board, Executive Vice President 2024: Member of the Board of Directors (present)	NAKAHORI Kimihiro has extensive experience in accounting and finance. He has ensured liquidity on hand during the COVID-19 pandemic and has worked to secure a stable financial base as executive officer since April 2020 and as chief financial officer from April 2022.
	TANEIE Jun Member of the Board, Executive Vice President 2024: Member of the Board of Directors (present)	TANEIE Jun has extensive experience in marketing. As an executive officer since April 2021 and as a senior executive officer since April 2023, she has been working to raise awareness and promote DEI in the Group, making active efforts to communicate initiative progress at conferences in Japan and overseas. Ms. Taneie has also been working on ESG and risk management since April 2024.

	Brief Personal History / Major Concurrent Positions	Reasons for Appointment
Outside Directors	YAMAMOTO Ado Independent Outside Director 2013: Member of the Board of Directors (present)	YAMAMOTO Ado has a wealth of experience and wide-ranging expertise in transportation industry management and as a top executive in an economic organization. At meetings of the Board of Directors, he offers opinions and advice on safety and quality in public transportation organizations, organizational management, human capital strategies, and other matters. Mr. Yamamoto was appointed as a member of the Remuneration Advisory Committee and the Personnel Advisory Committee in June 2016. In June 2020, he was appointed chair of the Remuneration Advisory Committee and Personnel Advisory Committee.
	KOBAYASHI Izumi Independent Outside Director 2013: Member of the Board of Directors (present) Major Concurrent Positions Outside Director, Mizuho Financial Group, Inc. Outside Director, OMRON Corporation	KOBAYASHI Izumi has a wealth of experience and expertise as a representative for private financial institutions and international development and finance institutions, as well as an outside director for other operating companies. At meetings of the Board of Directors, she leverages her background to provide opinions and advice on sustainability, corporate governance, risk management, and other matters. Ms. Kobayashi was appointed as a member of the Remuneration Advisory Committee in July 2013 and a member of the Personnel Advisory Committee in June 2016.
	KATSU Eijiro Independent Outside Director 2020: Member of the Board of Directors (present) Major Concurrent Positions President, Representative Director and Executive Officer, Internet Initiative Japan Inc. Outside Director, Nippon Television Holdings, Inc.	KATSU Eijiro has a wealth of experience and expertise as a government official, including his tenure as Vice Minister of Finance and his extensive experience in ICT company management. He leverages this experience to provide opinions and advice on corporate strategies, investment management, and risk management. Mr. Katsu was appointed as a member of the Remuneration Advisory Committee and the Personnel Advisory Committee in June 2020.
	MINEGISHI Masumi Independent Outside Director 2020: Member of the Board of Directors (present) Major Concurrent Positions President, CEO and Representative Director of the Board, Recruit Holdings Co., Ltd. Outside Director, Konica Minolta, Inc.	MINEGISHI Masumi has led numerous new businesses to success at Recruit Co., Ltd. (now Recruit Holdings Co., Ltd.). Since April 2012, he has contributed to a significant increase in the corporate value of the same company as representative director and president & CEO through mergers and acquisitions of overseas companies. He leverages his extensive experience as a company manager in consumer and service industries to provide opinions and advice on business portfolios, new business development, investment management, and other matters. Mr. Minegishi was appointed as a member of the Remuneration Advisory Committee and the Personnel Advisory Committee in June 2022.

Management Members: Audit & Supervisory Board Members As of July 31, 2024

Approach to Selection of Candidates for Audit & Supervisory Board Member

Audit & Supervisory Board Members

To ensure healthy development and to earn greater levels of trust from society through audits, the Company appoints individuals to Audit & Supervisory Board members from both inside and outside the Company who possess extensive experience and the advanced expertise required to conduct audits. Our selections do not consider gender, nationality, or other factors. The Company appoints at least one individual who possesses appropriate levels of knowledge related to finance and accounting.

Outside Audit & Supervisory Board members are selected from among candidates who have advanced levels of knowledge in a variety of areas and who are independent of the ANA Group. These individuals include candidates who are well-versed in corporate management, candidates who have sophisticated knowledge of social and economic trends, and candidates who have advanced knowledge in finance, accounting, or legal matters.



KANO Nozomu*
Outside Audit & Supervisory Board Member



FUKUZAWA Ichiro
Audit & Supervisory Board Member



KAJITA Emiko
Audit & Supervisory Board Member



OGAWA Eiji*
Outside Audit & Supervisory Board Member



MITSUHASHI Yukiko*
Outside Audit & Supervisory Board Member

* Independent Audit & Supervisory Board members

Reasons for Appointment of Audit & Supervisory Board Members

FUKUZAWA Ichiro and KAJITA Emiko were elected at the 79th General Meeting of Shareholders.

		Reasons for Appointment
Audit & Supervisory Board Members	FUKUZAWA Ichiro Audit & Supervisory Board Member	FUKUZAWA Ichiro has extensive experience in accounting, finance, and investor relations. He has served as chief financial officer since April 2017, working to secure a stable financial base for the group and for implementing efficient capital restructuring and other financial strategies. Mr. Fukuzawa also took prompt measures to secure liquidity on hand during the COVID-19 pandemic. Since April 2022, he has served as representative director and senior executive vice president and has been in charge of planning and executing the Group Corporate Strategy and other matters. Mr. Fukuzawa has a wealth of experience and knowledge in finance, accounting, and group management.
	KAJITA Emiko Audit & Supervisory Board Member	KAJITA Emiko has extensive experience in in-flight services and customer departments. Ms. Kajita has extensive knowledge and experience in the Air Transportation Business, safety, operational quality, and services. She has also been involved in ESG management, enhancement of risk management, and other matters as director and executive vice president since June 2023.

Mr. OGAWA Eiji was elected at the 77th General Meeting of Shareholders.

Mr. KANO Nozomu and Ms. MITSUHASHI Yukiko were elected at the 78th General Meeting of Shareholders.

Name	Independent Directors	Remuneration Advisory Committee	Special Knowledge, Experience, and Skills			
			Airlines Business and Safety	Finance and Accounting	Legal and Risk Management	Sustainability
KANO Nozomu	●	●		●	●	
FUKUZAWA Ichiro			●	●		
KAJITA Emiko			●		●	●
OGAWA Eiji	●			●	●	
MITSUHASHI Yukiko	●				●	●

Selection and Dismissal of Director and Audit & Supervisory Board Member Candidates

Reasons for Skill Set Selection

The following are the reasons behind the selection of the skill sets that we expect directors and Audit & Supervisory Board members to possess.

Skills	Reasons for Selection
Corporate Management and Long-Term Strategy	In order to enhance corporate value through sustainable growth of the group, members of the Board who have abundant experience and knowledge on corporate management as well as creation and performance of long-term corporate strategies are necessary.
Airlines Business and Safety	In order to enhance corporate value through the growth of the Air Transportation Business, which is the core business of the group, members of the Board who have knowledge and experience in the relevant business and who are equipped with skills and expertise to promote deep understanding in safety, i.e. the core foundation of management, and wide acceptance of safety in corporate culture.
Human Capital Development and Diversity	In order to enhance corporate value through an increase in competitive power of the group, members of the Board who have skills and expertise to maximize individual capacities through training of human capital and to improve the engagement of employees as well as those who are capable of management of various human capital are necessary.
Finance and Accounting	In order to enhance corporate value through efficient fund management of the group, members of the Board who have skills and expertise to achieve accurate financial reports and build-up of strong financial basis and to make well-balanced decisions based on growth investment and shareholder returns are necessary.
Legal and Risk Management	In order to enhance corporate value through stable business operation of the group, members of the Board who have in-depth knowledge of relevant laws and regulations, skills and expertise for proper corporate governance system, and risk management capabilities are necessary.
Sustainability	In order to enhance corporate value by way of attaining sustainable society through the group business, members of the Board who are knowledgeable in environmental issues, human rights issues, and other social issues, and who also have skills and expertise to promote resolution of the same are necessary.
Technology and Innovation	In order to enhance corporate value through technical innovation of the group, members of the Board who are knowledgeable in up-to-date air transportation technology concerning maintenance and flight operations, and those who have skills and expertise to promote efficient business operation using digital technology as well as innovation and new business are necessary.
Global Management	In order to enhance corporate value through global business development of the group, members of the Board who have in-depth understanding in global markets and who have abundant experience and expertise in ways of living, culture and business at overseas are necessary.

Succession Plan

We recognize the importance of succession plans for the president, directors, and other senior management for the survival of the company and the sustainable enhancement of corporate value. We select candidates for senior management and train these employees based on the knowledge, skills, and other areas required for such positions.

We established the Personnel Advisory Committee to guarantee transparency and fairness in the selection of candidates. The committee is chaired by an outside director and consists of four outside directors and one internal director. The committee discusses the succession plan for the president and representative director, the knowledge, skills, experience, and other requirements of senior management, and the appointment and assignment of officers. The committee also reports to the Board of Directors for the board to make final decisions on representative directors. Candidates and succession plans for executive officers and certain department heads are also reported and shared with the Personnel Advisory Committee.

Initiatives to Strengthen Governance Structure

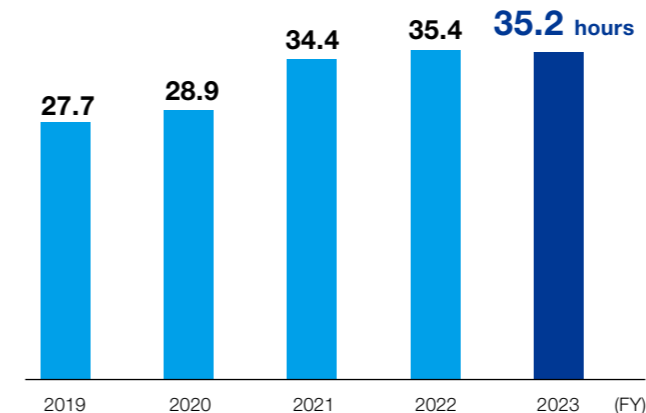
		Before FY2013	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024			
		Before transitioning to the holding company structure (~March 2013)	After transitioning to a holding company (April 2013-)														
Corporate Governance Code trends			Corporate Governance Code formulation					Corporate Governance Code revision			Corporate Governance Code revision						
Fundamental Policy on Corporate Governance			Fundamental Policy on Corporate Governance enactment					Fundamental Policy on Corporate Governance revision									
Board of Directors' composition	Directors	2001 Introduced executive officer system 2003 Shortened the term of office of directors (from two years to one year) 2006 Reduced the number of directors in the Articles of Incorporation (from 40 to 20)	10 • 7 internal directors (7 male, 0 female) • 3 outside directors (2 male, 1 female)									11 • 7 internal directors (7 male, 0 female) • 4 outside directors (3 male, 1 female)	11 • 7 internal directors (6 male, 1 female) • 4 outside directors (3 male, 1 female)				
	Audit & Supervisory Board Members		5 • 2 internal members (2 male, 0 female) • 3 outside members (3 male, 0 female)											5 • 2 internal members (2 male, 0 female) • 3 outside members (2 male, 1 female)	5 • 2 internal members (1 male, 1 female) • 3 outside members (2 male, 1 female)		
Organizational format		2005 Established the CSR Promotion Committee 2011 Renamed to the CSR Promotion Committee	Established the Remuneration Advisory Committee Renamed to the Group CSR Promotion Committee		Established the Personnel Advisory Committee Renamed to the Group CSR Risk Compliance Committee						Renamed to the Group ESG Management Promotion Committee						
Improve the effectiveness of the Board of Directors	Enhanced medium- and long-term discussions						Began effectiveness evaluation	Reorganized agenda items and reviewed operating rules and regulations	Extended meeting time (from two to three hours)	Established a special meeting for reports and Q&A separate from Board meetings for medium- to long-term management issues	Established a strategy discussion category dedicated to medium- to long-term discussions						
	Enhanced input opportunities for outside directors		Explained all proposals to outside directors prior to the Board of Directors' meetings as a general rule					Conducted annual town meetings between employees and outside directors in the current business divisions		Established forums to explain management issues at major group companies from directors in charge Held annual discussions among financial statement auditors and outside directors							
Officer remuneration		2004 Abolished retirement benefits	Established the share remuneration plan			Adopted non-financial indicators as KPIs for officer remuneration											

Major Agenda Items for the Board of Directors (Fiscal 2023)

1. Items Related to General Meetings of Shareholders <ul style="list-style-type: none"> Proposals to be submitted to General Meetings of Shareholders for approval 	8. Items Related to Disposal and Receipt of Important Assets <ul style="list-style-type: none"> Aircraft procurement, sales, and leases System investment and capital investment
2. Items Related to Directors, Corporate Executive Officers, the Board of Directors, etc. <ul style="list-style-type: none"> Selection of director candidates and corporate executive officers Results of the evaluation of the effectiveness of the Board of Directors Policies for officer remuneration 	9. Investment-Related Matters <ul style="list-style-type: none"> Acquisition of shares of Nippon Cargo Airlines
3. Items Related to Financial Results <ul style="list-style-type: none"> Financial results and earnings forecasts Reports from group companies Evaluations in the capital markets 	10. Items Related to Major Debts <ul style="list-style-type: none"> Financing plans Bond issuances
4. Items Related to Shares and Capital <ul style="list-style-type: none"> Disposal of treasury stock 	11. Items Related to Corporate Governance <ul style="list-style-type: none"> Changes in medium-term environmental targets due to updated transition scenarios Compliance with the Modern Slavery Act of the UK and Australia Internal audit plans and results reports Group ESG Management Promotion Committee report Valuation of cross-shareholdings
5. Items Related to Organizational Restructuring	12. Other Items <ul style="list-style-type: none"> Discussions on new business creation Progress of metaverse business Status report on strategic investments Net Promoter Score (NPS) survey results ANA's Way Survey (employee awareness survey) results Personnel Advisory Committee report Remuneration Advisory Committee report
6. Items Related to Personnel and Organizations	
7. Items Related to the Company and Important Subsidiaries <ul style="list-style-type: none"> Discussions regarding business and other risks and risk ANA brand / Peach / AirJapan business plans Current status and issues at domestic partner airlines Discussions on management resource allocation Review of marketing and sales function reorganization 	

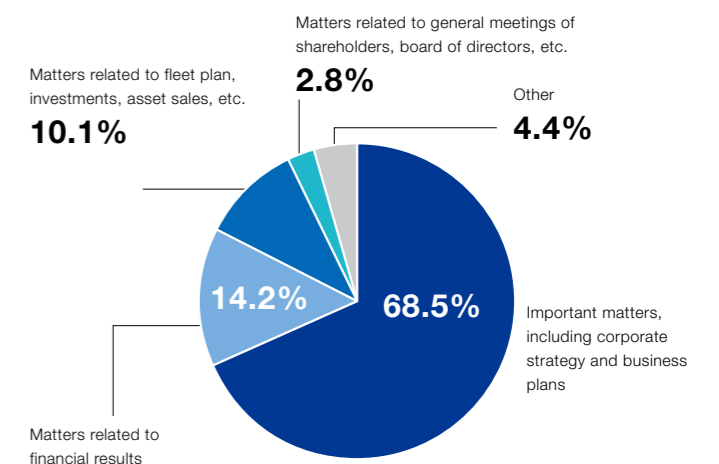
Changes in Board Meeting Length

Since we began encouraging more substantial discussions in Board meetings, the annual total time devoted to Board meetings has increased over the last several years.



Discussion by Agenda Topic (Fiscal 2023)

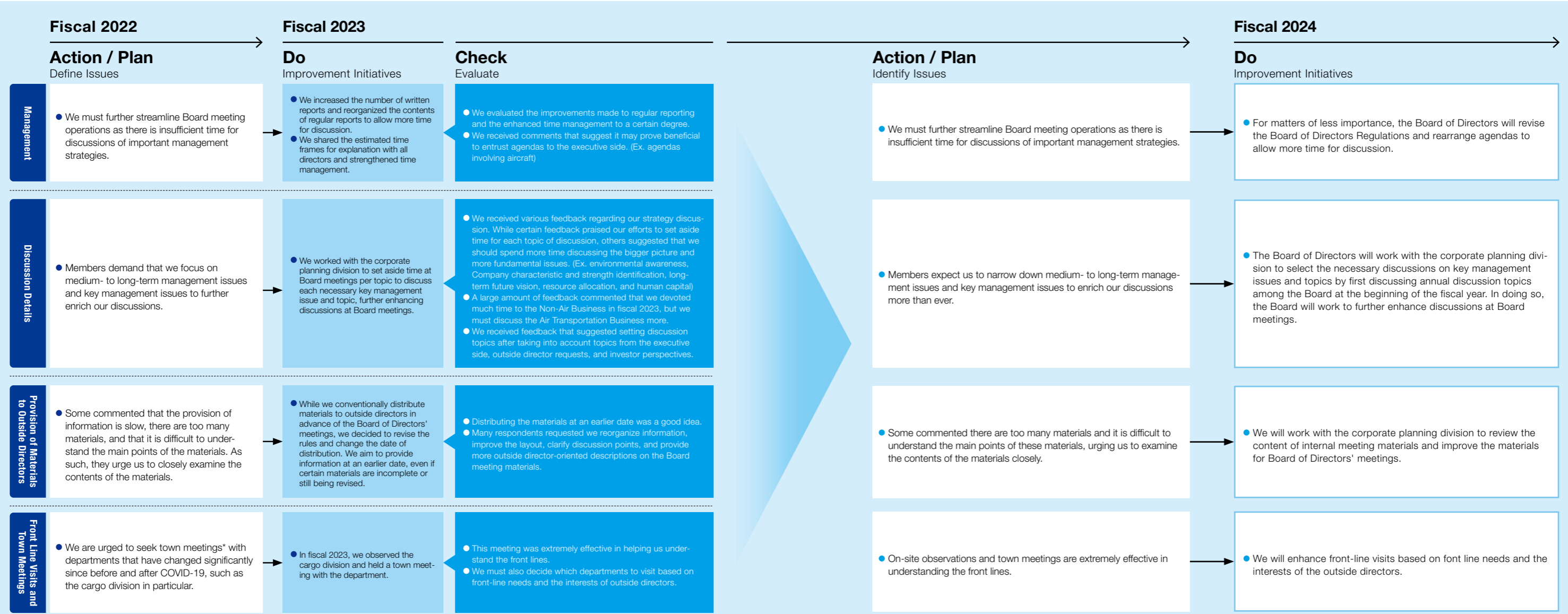
We encourage active discussions of corporate strategy at Board meetings, selecting major related topics about which to exchange opinions from medium- to long-term perspectives.



Efforts to Improve the Effectiveness of the Board of Directors

The Company believes that it is important for directors themselves to enhance the effectiveness of the Board of Directors, while constantly considering the state of the Board of Directors and governance. At least once each year we analyze, evaluate, and discuss the overall effectiveness of the Board of Directors, and work to address issues identified during this process. Through the PDCA cycle, in which we again address and evaluate those issues at the end of each fiscal year, we work to improve the functions of the Board.

We conducted an evaluation of the effectiveness of the Board of Directors in fiscal 2021 with the help of a third-party organization to further enhance board objectivity and transparency. This evaluation confirmed the efficacy of the Board of Directors. In fiscal 2023, we decided to conduct another efficacy evaluation, following the fiscal 2022 evaluation. (We plan to continue third-party assessments of board effectiveness about once every three to five years.)



* Dialogue between officers and employees

Cross-Shareholdings

We believe that it is essential to maintain and strengthen collaborative relationships with our business partners for further growth and development of group businesses. The ANA Group, consisting mainly of our Air Transportation Business, engages in cross-shareholding when we deem such holdings to contribute to improved corporate value over the medium to long term from the viewpoint of continuing smooth business, maintaining business alliances, and growing profits through strengthening business relationships.

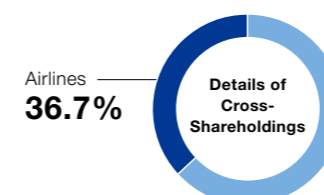
Every year, the Board of Directors conducts a comprehensive review of individual cross-shareholdings. The Board

evaluates the significance of holdings and the benefits and risks associated. If, as a result of a comprehensive review, ANA determines that the evaluation results will continue to be low for a certain period of time and further will not contribute to sustainable growth over the medium to long term, we will reduce our holdings in said stock.

ANA HOLDINGS owns shares in 30 publicly traded companies as cross-shareholdings for other than pure investment purposes. The total amount on the balance sheet of these shares as of the end of fiscal 2023 is ¥99,168 million.

Equity Alliances with Airlines

The total amount of shares of airlines owned by ANA HOLDINGS on our balance sheet is ¥36,396 million, which accounts for 36.7% of our cross-shareholdings. The purpose of these holdings is as described on the right.



(1) PAL HOLDINGS, INC. (Parent Company of Philippine Airlines)

- Strengthen strategic partnership with PAL HOLDINGS, INC. through a wide range of business alliances, including code-share and mileage program alliances, the dispatch of directors, and outsourcing of airport operations.

(2) Vietnam Airlines JSC

- Pursue strategic partnership with Vietnam Airlines through a wide range of business alliances, including code-share and mileage program alliances, the dispatch of directors, and outsourcing of airport operations.

(3) Star Flyer Inc.

- Pursue strategic partnership with Star Flyer through a wide range of business alliances, such as code-sharing, the dispatch of directors, and outsourcing of airport operations.

(4) Skymark Airlines Inc.

- Pursue strategic partnership with Skymark Airlines through a wider range of business alliances such as outsourcing maintenance work.

Director and Audit & Supervisory Board Member Remuneration

1. Basic Policies for Director Remuneration

The basic policies for director remuneration are as follows.

- We set compensation at a level commensurate with the role and responsibility of each position.
- This will contribute to the enhancement of medium- to long-term corporate value.
- We will incorporate stock-based compensation that allows us to share profits with our shareholders.
- A Remuneration Advisory Committee, chaired by an outside director and consisting of a majority of outside directors, will be established to ensure a fair and transparent decision-making process.

2. Procedures for Determining Remuneration

The Board of Directors decides director remuneration after deliberation of the details, taking into account reports by the Remuneration Advisory Committee. The total amount of director remuneration shall be within the scope of the amount approved at the Ordinary General Meeting of Shareholders.

3. Remuneration Advisory Committee [P.85](#)

4. Remuneration System

(1) Internal directors

In addition to a fixed basic remuneration, remuneration for directors includes an annual variable performance-linked bonus and long-term incentive stock option plan as a means of providing healthy incentives for pursuing sustainable growth for the Company.

The ratio of fixed basic remuneration and bonus / stock options for total remuneration is 1:0.67 fixed to variable if annual

performance targets have been accomplished. The ratio of variable remuneration ranges from 0.0 to 0.92 times according to the degree of achievement for annual performance targets.

a. Bonuses

We use net income, safety, customer satisfaction, and employee satisfaction as indicators that reflect the performance and basic quality for a single fiscal year. Bonuses are determined based on the scores of each indicator.

b. Stock-based Compensation

We use ROE, Non-Airline Business and ANA Economic Zone indicators, ESG evaluation indicators, and a productivity indicator as indicators of improved corporate value over the medium to long term and of sustainable growth. Stock-based compensation is determined based on the scores of each indicator.

(2) Outside directors

Remuneration for outside directors consists of fixed compensation (monthly compensation) without a performance-linked portion. This compensation encourages outside directors to exercise their supervisory functions from an independent standpoint.

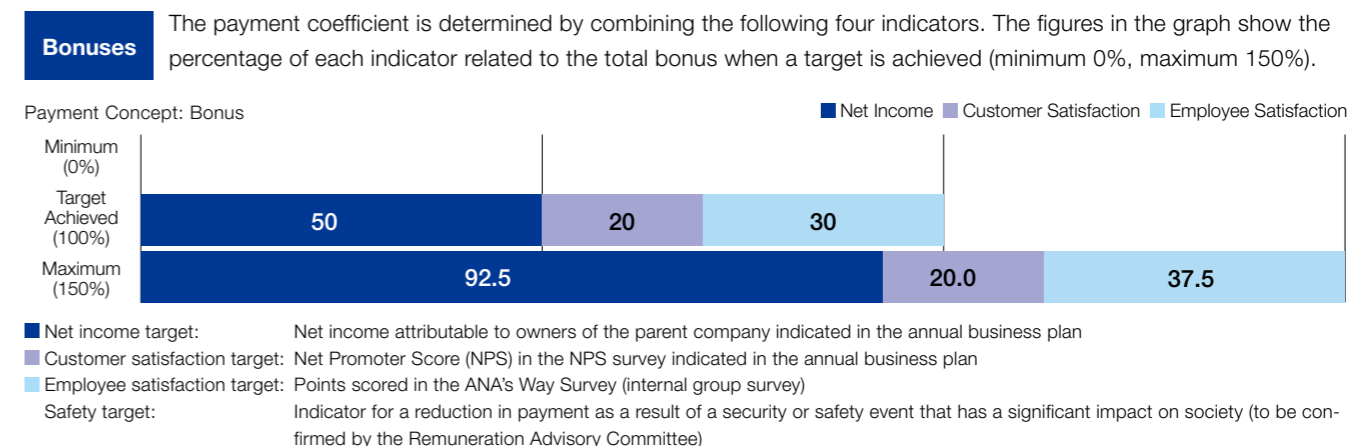
(3) Audit & Supervisory Board members

Remuneration for both inside and outside Audit & Supervisory Board members consists of fixed compensation (monthly compensation) without a performance-linked portion. This compensation encourages those members to exercise their supervisory functions from an independent standpoint.

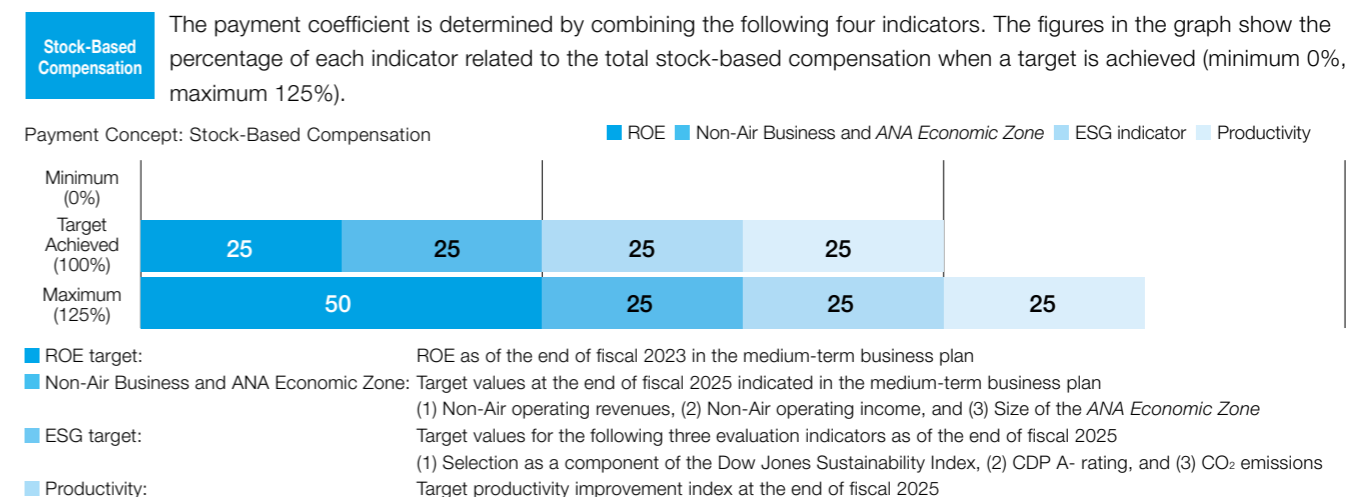
Remuneration levels for members of the Audit & Supervisory Board are determined in line with remuneration at other companies and in consultation with outside experts.

Calculation Method

Performance-linked remuneration for internal directors is calculated based on the following approach.



We paid out 75% of the targeted bonus in fiscal 2023.



Conceptual Diagram for the Officer Remuneration System

		Fixed	Variable		Remuneration limits
Ratio		1	0.67 ^{*1}		
Remuneration		(1) Basic remuneration	(2) Bonus (short-term performance-linked)	(3) Stock-based compensation (long-term incentive)	
Payment criteria	Internal directors	Payment according to title, etc.	Measure for fiscal year results according to various criteria Net Income Safety Customer Satisfaction Employee Satisfaction	Evaluate contributions to corporate value over the medium to long term Return on Equity (ROE) Non-Air Business and ANA Economic Zone indicators ESG indicator Productivity	Annual total for (1) and (2) is limited to a maximum of ¥960 million Per resolution at the 66th Ordinary General Meeting of Shareholders, held on June 20, 2011 (3) Annual maximum of 40,000 shares^{*2} Per resolution at the 70th Ordinary General Meeting of Shareholders, held on June 29, 2015
	Outside directors	Uniform payment for all members	—	—	
	Audit & Supervisory Board members	Payment according to status as full-time or part-time	—	—	—
Payment method		Monthly (cash)	Annually (cash)	Multi-year evaluation ^{*3}	

*1 The Company determined to pay within a range from 0.0 to 0.92 times according to the degree of achievement for annual performance targets.

*2 It was resolved at the 70th Ordinary General Meeting of Shareholders of the Company, held on June 29, 2015, that the maximum amount of share remuneration per year would be 400,000 points per fiscal year (400,000 shares of Company common stock). However, the number of shares is based on before the reverse stock split on October 1, 2017, and includes 40,000 points (40,000 shares of Company common stock) after the reverse stock split.

*3 Upon retirement, stock-based compensation is granted during a term of office will be delivered in the form of shares (or partly in cash equivalent to the amount when converted to market value) through the stock delivery trust.

Fiscal 2023 Director and Audit & Supervisory Board Member Remuneration

Segment	Number of persons eligible	Total amount of remuneration, etc. (¥ millions)	Total amount by type (remuneration, etc.) (¥ millions)		
			Basic remuneration	Bonuses	Stock-based compensation
Directors	11	601	379	81	140
(Outside directors)	(4)	(60)	(60)	(—)	(—)
Audit & Supervisory Board members	6	144	144	—	—
(Outside Audit & Supervisory Board members)	(4)	(69)	(69)	(—)	(—)
Total	17	745	523	81	140

Notes:

1. The table above includes one outside Audit & Supervisory Board member who resigned as of the end of the 78th Ordinary General Meeting of Shareholders, held on June 27, 2023.
2. We estimate and record share remuneration for directors during the period under review, with a three-year evaluation period from fiscal 2023 to fiscal 2025.
3. It was resolved at the 66th Ordinary General Meeting of Shareholders of the Company, held on June 20, 2011, that the maximum amount of remuneration of directors per year would be ¥960 million. There were 17 directors (including two outside directors) as of the close of this Ordinary General Meeting of Shareholders. It was resolved at the 70th Ordinary General Meeting of Shareholders of the Company, held on June 29, 2015, that the maximum amount of share remuneration per year would be 400,000 points per fiscal year (400,000 shares of Company common stock). However, the number of shares is based on before the reverse stock split on October 1, 2017, and includes 40,000 points (40,000 shares of Company common stock) after the reverse stock split. There were seven directors (excluding outside directors) as of the close of this Ordinary General Meeting of Shareholders.
4. It was resolved at the 74th Ordinary General Meeting of Shareholders of the Company, held on June 21, 2019, that the maximum amount of annual remuneration for Audit & Supervisory Board members per year would be ¥180 million. There were five Audit & Supervisory Board members as of the close of this Ordinary General Meeting of Shareholders (including three outside Audit & Supervisory Board members).
5. The amounts listed above are rounded down to the nearest million yen.

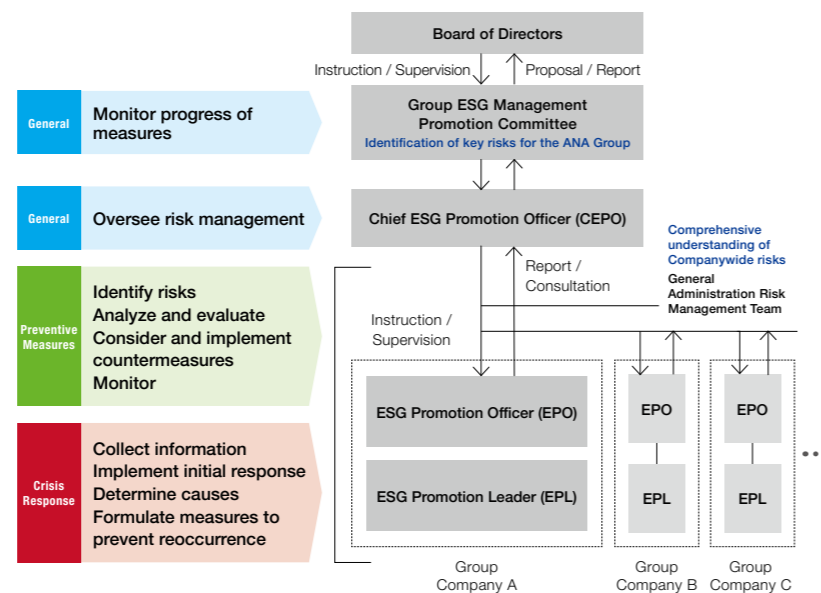
Risk Management

▶ Preserve Corporate Value through Safe and Reliable Business Operations

The ANA Group takes steps to identify, analyze, and appropriately address risks with the potential to impact management severely. In addition, we have developed groupwide frameworks to minimize the impact of risks and prevent reoccurrence in case risks materialize.

Risk Management Structure

The Group ESG Management Promotion Committee monitors progress of measures in accordance with the ANA Group Total Risk Management Regulations, which stipulate the basic terms of the group's risk management system. Under the Chief ESG Promotion Officer (CEPO), who is responsible for the promotion of ESG management (promotion of risk management and information security), each group company has established a risk management system by having in place an ESG Promotion Officer (EPO) as responsible for promoting it and an ESG Promotion Leader (EPL) to actively promote it. Each EPL assumes a role to conduct risk management (risk prevention) operations according to plans, and takes swift action while working with Group General Administration in the event of a crisis.



Major Initiatives

Share Information with EPLs

We provide newly appointed EPLs with organizational risk management training.

During regular meetings, EPLs share case studies and provide instructions on measures that need to be strengthened. Under this system, EPLs provide instructions and responses within their respective companies.

Business Continuity Plan (BCP)

We formulated the ANA Group Basic Business Continuity Policy in preparation for responding to disasters. This policy ensures the safety of customers and all ANA Group directors and employees, minimizes the impact on management and on society as a whole, and resumes normal business operations as quickly as possible. This policy is an all-hazard type policy not restricted to specific disasters, and specific measures are being discussed at each group company. The Ministry of Land, Infrastructure, Transport and Tourism established guidelines that address building airports resistant to natural disasters. Under these guidelines, ANA conducts inspections and reinforcements of airport facilities and equipment for flooding and power outages. Additionally, we participate in emergency drills sponsored by the Civil Aviation Bureau or the airport management company to prepare for disasters. In this way, we ensure prompt responses in the event of an emergency.

Security Export Control*

The ANA Group exports the parts, apparatuses, and other articles necessary for aircraft maintenance to overseas airports and aircraft maintenance centers. We recognize that certain articles have the potential to be used as weapons. Accordingly, we practice rigorous security export control of exported articles and their related technologies. We established regulations and structures regarding security export control, and strictly maintained them through annual audits and training. We not only target exporting divisions that work in direct export but also divisions that are involved with custom clearances and other export-related processes.

* Security export control is a term that refers to all regulations placed on exports from Japan by the Foreign Exchange and Foreign Trade Act.

Information Security

Under the ANA Group Security Management Manual, we construct and maintain groupwide regulations, in addition to an information security control system. Through this system, we work to enhance system functionality and implement security measures in accordance with policy.

More detail regarding the key issue of privacy governance (protection of personal information) follows on the next page.

Data & Privacy Governance

The personal data entrusted to us is handled with the strictest care and is protected and managed in accordance with the laws and regulations of various countries, including Japan's Personal Information Protection Act. Also, in the utilization of personal data for the expansion of the ANA Economic Zone, we are continuously strengthening our mechanisms and systems to protect privacy in consideration of ethical appropriateness.

Privacy Governance Fundamental Policy and Principles of Conduct

The Fundamental Policy and Principles of Conduct are formulated with the intention that ANA Group employees all together sincerely respect our customers to maintain safety and security in the management and utilization of personal data entrusted to us, similarly in the operation of flights.

▶ Details related to the Privacy Governance Fundamental Policy and Principles of Conduct https://www.ana.co.jp/group/en/csr/risk_management/privacy_governance/

Fundamental Policy

The ANA Group respects the needs and rights of each individual customer and protects their privacy by handling the important personal data entrusted to us in a lawful and appropriate manner.

- To achieve our vision of "Uniting the World in Wonder" through inspiration and empowerment:

While creating a "World where people can live on miles = the ANA Economic Zone", we act with sincerity and respect for our customers in the utilization of personal data, not simply by complying with laws and regulations, but by proactively aligning our approach to privacy with social demands and quickly evolving times.

- To continue to uphold the ANA Group's promise of "Security and Trust":

With the same philosophy of safety for flight operations, each and every employee always bears in mind the safety and security of our customer data when handling personal information, and the ANA Group as a whole continuously improves the mechanisms and systems in place to enhance privacy protection.

Principles of Conduct

- Ensure the security of all personal data handled by the ANA Group.
- Create new value by utilizing personal data in a privacy-conscious manner to bring smiles and joy to our customers.
- Ensure transparency in data utilization and fulfill our social responsibility.
- Be aware of our philosophy and policies regarding privacy protection all the time and make every effort to pursue proper privacy governance.
- Be committed to protecting the privacy of our customers around the world.

Organizational Structure for Privacy Protection

The Group ESG Management Promotion Committee discusses core policies and measures in accordance with the ANA Group Personal Information Protection Rules. The Chief ESG Promotion Officer (CEPO) is responsible for overseeing the personal information protection operations within ANA Group. Also, each group company has its own privacy protection system in place by appointing the ESG Promotion Officer (EPO) as a Chief Officer for Personal Information Protection, and the ESG Promotion Leader (EPL) as a Personal Information Protection Officer.

▶ Details related to the Organizational Structure for Privacy Protection https://www.ana.co.jp/group/en/csr/risk_management/privacy_governance/

Major Initiatives in Privacy Governance

Ensure the security of all personal data

Ensuring thorough information security: The ANA Group strives to ensure confidentiality, integrity, and availability by improving information system functions, taking security measures through multilayered defenses and implementing thorough security measures to protect customers' personal data from external cyberattacks and other threats.

Utilizing personal data in a privacy-conscious manner

PIA (Privacy Impact Assessment): PIA is a system to evaluate how businesses and services that utilize customers' personal data may affect their privacy. In order to identify and mitigate privacy risks, the ANA Group conducts PIAs at the planning stages of targeted businesses and services as well as prior to the release of systems.

Ensure transparency

We disclose our internal structure and initiatives regarding privacy governance on various reports such as the Annual Report and our corporate website. Furthermore, we are exploring ways to provide easy-to-understand explanations to our customers regarding the utilization of their personal data and mechanisms that enable customers to proactively control their own information.

Education and awareness-raising

We conduct education to ensure that each and every employee understands the importance of privacy protection and the proper handling of personal data. We also engage in awareness-raising activities through providing up-to-date information and FAQs on privacy and data protection by our internal website to foster a culture of constantly being conscious of our privacy protection principles and policies.

Strengthening governance with a global perspective

Compliance with laws and regulations in each country: We regularly revise our privacy policies and internal regulations and ensure appropriate compliance with the Amended Act on the Protection of Personal Information of Japan as well as changes in regulations in various countries such as the United States, Europe, China, and Thailand.

Checks and audits: We conduct inspections of the handling of personal data and regular self-assessments by departments and companies concerned are also performed. Additionally, internal audits are conducted by the Audit Department, taking a fair and objective standpoint.

Incorporating an external third-party perspective: We incorporate the perspectives of outside experts and continuously exchange opinions with other companies that have advanced privacy protection initiatives.

Cybersecurity Measures

ANA is designated as a critical infrastructure provider in Japan by the National Center of Incident Readiness and Strategy for Cybersecurity (NISC). We implement defense in depth in accordance with the guidelines formulated by related ministries. We monitor our security system 24 hours a day, 365 days a year. The use of intelligence (early warning information on cyberattacks) is extremely effective against cyberattacks as they become more sophisticated and cunning. The ANA Group utilizes preventive measures such as the Aviation ISAC (Information Sharing and Analysis Center) and the Transportation ISAC JAPAN, as well as dark web research. We also introduced the Zero-Trust concept to defend against attacks and ensure reliability by checking with the person operating the system, the equipment generating the communication, and system processing.

In light of recent cybersecurity incidents at other companies, there is a growing need to strengthen not only the ANA Group security measures but also the defense of our entire supply chain. We will strengthen cooperation with related ministries, Keidanren (Japan Business Federation), and other related agencies to spread awareness of the need to strengthen security.

Our top material issue is to address the visualization of the IT assets of each company in the ANA Group supply chain. We identify issues and vulnerabilities through managing attack surfaces, which are points of external attack at each group company. Any issues and vulnerabilities discovered are prioritized and kept closely informed, communicated, and consulted so that each group company can take the necessary countermeasures. The ANA Group IT

Chart (a management document uniquely created by the ANA Group to monitor the IT usage status of each group company (e.g. OS and other versions of systems used, whether or not security screening is carried out, software license expiry dates, etc.)) is used to strengthen governance. Furthermore, as an organization above the ASY-CSIRT (ANA Systems-Computer Security Incident Response Team, a team that responds to security incidents when they occur), which handles security incidents on ANA systems, the ANA Group CSIRT has been established to handle security incidents that occur at each ANA Group company, and the system is being strengthened.

Information security advisories and refresher training materials are regularly posted on our website for employees to help develop security human resources, and we raise employee awareness of security through daily operations and Plus Security training. The development of human resources specializing in security is an urgent issue. In addition to continuing to hire experienced personnel, we work to develop security supervisory personnel by recruiting transfers from other departments and having them attend specialized security training.

As for our legal correspondence, we sequentially respond to privacy laws and regulations in each country. In Japan, we work closely with the national government, Keidanren, and other related organizations to promote the various IT systems and cybersecurity measures required by the Economic Security Promotion Act.



Enhancing Measures for Increasingly Severe Natural Disasters

In recent years, natural disasters have occurred across a wide range of regions, including such disasters as frequent earthquakes and damage caused by record-breaking rainfall in linear rainbands. In response, the ANA Group engages in various measures to strengthen our disaster response capabilities.



Disaster simulation training

In terms of theoretical education, we conduct disaster prevention e-learning for employees throughout the ANA Group, teaching preparation in times of non-emergencies and how to act in the event of a disaster.

In addition, we conduct practical training for BCP managers across the ANA Group using disaster simulations.

In the more practical aspects of preparedness, we installed large storage batteries at major sites to prepare against the loss of commercial power. We continue to implement other measures to prevent the flooding of power supplies and terminal devices.

Through theory and practice, we strive to raise the level of ANA Group disaster response capabilities, creating environments for business continuity even in the event of a natural disaster.

➤ Maintain Corporate Value by Enhancing Internal Systems and Further Instill Our Mission Statement

The ANA Group is taking steps to minimize exposure to legal risks and prevent incidents that could diminish corporate value.

Compliance Implementation Structure

The ANA Group has developed a compliance structure based on the ANA Group Compliance Regulations to promote compliance with laws, regulations, and other standards related to business activities. Under the Group ESG Management Promotion Committee, an advisory entity to the Board of Directors, we strive to strengthen awareness of compliance throughout the entire group. We appointed an ESG Promotion Officer (EPO) as the person responsible for promoting compliance at each group company, and an ESG Promotion Leader (EPL) to drive compliance at each workplace.

Major Initiatives

Legal Compliance Education

We conduct a variety of educational programs for every group executive and employee to acquire correct knowledge of and exercise appropriate judgment related to various laws and regulations. We hold regular seminars on contract practices, labor practices, and laws and regulations related to air transportation, improving our familiarity with business-essential knowledge. Seminars on competition law and air transportation laws for group executives and employees working overseas are also available, focusing on minimizing legal risks globally. We also conduct seminars tailored to topics and contents that reflect the needs of each group company and/or department to foster a more legal-related competence. In addition to conducting online seminars, we maintain a global learning environment for group executives and employees to learn about various laws and regulations by posting educational materials and explanatory videos on our intranet.

Information Dissemination

Our compliance website, available on the corporate intranet, includes codes of conduct that outline the actions to be commonly followed by all group executives and employees. In addition, we specifically outline employee do's and don'ts, and provide educational materials on our website for in-house training and other purposes.

We also post manuals and guidelines on various laws and regulations to the appropriate website, providing an infrastructure where group executives and employees have access to such information at any time. In addition, we established a simple way for group executives and employees to ask questions from the website on legal issues of their business. This allows us to support them in making appropriate decisions in compliance with said laws and regulations.



Compliance website

Internal Reporting System

Based on the ANA Group Rules for Handling Internal Reporting, we have set up a point of contact (ANA Alert) both inside and outside the group (via a law firm) to collect compliance-related information and resolve any issues. The reporting system is available to all group executives, employees, and temporary personnel involved in the group's business. ANA Group retirees and executives and employees of our business partners may also use the reporting system. We protect the privacy of the whistleblower and relevant parties, and assure that no punitive measures will be taken against those that seek consultation or cooperate in confirming facts. This enables us to obtain internal risk-related information promptly and aids in self-correction. A new report form allows employees to report directly from the whistleblower website on the intranet for improved convenience, and the number of reports is on the rise. In fiscal 2023, there were 273 reports within the group, and the system has spread throughout the group as a reliable and effective whistleblowing system.



ANA Alert Poster

Compliance Survey of Group Companies

This annual survey consists of self-evaluations on compliance with relevant laws and regulations to assess issues pertaining to each group company and to the entire group. We conduct follow-ups with each company based on survey results as necessary to resolve any issues.

Co-Creation with Stakeholders

The ANA Group regularly engages in dialogue with external experts on ESG issues to understand social trends in a timely manner and make flexible management decisions. In addition to compliance with global laws and norms, we enhance the effectiveness of our activities by incorporating the latest information and findings from these discussions into our strategies. In addition, we hold a variety of internal discussions to help each employee understand the importance of promoting ESG management and put it into practice in their daily work. Our relationships with internal and external stakeholders help build trusted relationships throughout the ANA Group.

External Dialogue

Major Dialogues during Fiscal 2023

October 19, 2023	<p>United Nations Development Programme (UNDP) Sean Christopher Lees, Bangkok Regional Hub Business and Human Rights Specialist</p> <hr/> <p>World Benchmarking Alliance Jill van de Wall, Research Analyst</p>
November 29, 2023	<p>UBS Antonia Sariyska, UBS CIO Sustainable Investing Analyst, Executive Director Mineko Ikehashi, Senior Client Advisor, Executive Director</p>
December 4, 2023	<p>EIRIS Foundation Peter Webster, CEO of EIRIS Foundation</p> <hr/> <p>Church Commissioners for England Daniel Neale, Responsible Investment-Social Themes Lead, Church of Commissioners for England Angus Sargent</p>
December 5, 2023	<p>HSBC Sachi Suzuki, HSBC Investment Stewardship</p> <hr/> <p>Amundi Asset Management Patrick Haustant, ESG Analyst, Amundi Asset Management in Paris</p>
December 6, 2023	<p>Federated Hermes Haonan Wu, Manager-Engagement, Federated Hermes Limited.</p>
February 27, 2024	<p>ERM Japan Ltd. Yasushi Hibi, Consulting Partner Shiori Saeki, Consulting Associate</p>
March 22, 2024	<p>Yukari Takamura, Professor, Institute for Future Initiatives, The University of Tokyo</p>

Highlighted Comments from External Experts

General Comments

- I look forward to seeing how the ANA Group creates a story around its analysis of qualitative and quantitative scenarios that consider the ideal behavior of a company as required by society in the year 2050. The time frame will be 10 years or so to outline how efforts to resolve human rights and environmental issues will affect corporate financial statements.
- If companies are to achieve their ESG strategies, they must not only work on ESG strategies independently but also demonstrate initiative by lobbying industry and government.

Environment

- A movement is growing worldwide to legislate sustainability information disclosure. In moving forward with disclosures in accordance with ISSB and SSBJ requirements, a company must establish and explain its own targets. In addressing climate change, considerations of sustainability across the life cycle, or the entire value chain, and disclosures related to the same, will be a significant issue, and the efforts of companies in this context will be monitored closely.
- Decarbonization efforts in a nation such as Japan will require shared environmental values across the entirety of the social infrastructure, beyond just the aviation sector.
- Given that SAF accounts for a mere 0.24% of the aviation industry's fuel procurement at present, there are some doubts whether the industry will achieve net zero emissions by 2050. ANA can differentiate itself from other airlines by highlighting its efforts, including alternative measures to counteract doubtful voices. In addition to SAF, I commend the Company for their efforts in direct air capture (DAC), crew operational improvements, and other areas.
- Early adoption of and information disclosure related to TNFD recommendations will lead to enhanced corporate value. I think the ANA Group should address both direct and indirect impacts of its air transportation operations on biodiversity. It is also important to analyze and recognize issues that are difficult for the ANA Group to resolve alone.



Dialogue with Prof. Yukari Takamura

Human Rights

- It is important to ensure that initiatives with rights holders reach the level of engagement, rather than just a superficial effort in human rights due diligence. For example, procurement activities should consider that even buying from "certified" producers may not be sufficient if the certification body itself is not functioning properly. These types of cases require direct engagement with the producer.
- The ANA Group conducted a human rights impact assessment in 2022 and reconfirmed key human rights topics. It would be better to clarify whether human rights risks are reviewed on an ongoing annual basis. When disclosing progress, it is helpful when companies tell a story of how they identify rights holders and address issues in accordance with the human rights due diligence process. Specific examples of engagement are also helpful.



Dialogue with UNDP and World Benchmarking Alliance

Internal Dialogue

Dialogue with Overseas Branch Employees to Promote ESG Management

We shared information with local employees in Asia, North America, and Europe about our various ESG management-related initiatives in face-to-face settings to raise individual awareness. Specifically, we fostered a deeper understanding of the importance of non-financial requirements for companies, our efforts to decarbonize by 2050, respect for human rights in the supply chain, and the role each department should play in ESG management. We believe these dialogues created environments in which each individual will participate with a sense of ownership. We continue to provide opportunities for internal and external employee education on the importance of ESG management.



Dialogue with employees

ANA Group DEI Forum and DEI Month 2023

The DEI Forum was held for the 9th time since its establishment in 2015. The forum aims to accelerate DEI promotion in the workplace from a management perspective and strengthen organizational capabilities by improving engagement and productivity. The theme for 2023 was "Walk the Walk." This theme expressed our desire that every employee take a step forward with action toward achieving our new management vision, *Uniting the World in Wonder*. On the day of the event, we held discussions with guests from outside the Company and employee panelists on topics including how management can utilize diversity and balancing work and nursing care. Discussions focused on what each individual can do to walk (take one step forward) toward creating workplaces that embrace DEI. Beginning in fiscal 2023, the month before the forum has been designated as DEI Month. We conducted programs including seminars on nursing care, LGBTQ+ issues, and experiencing different cultures by serving food from various countries in the Company cafeteria so that participants can casually experience DEI.



Scene from the ANA Group DEI Forum

A total of approximately 3,800 ANA Group executives and employees participated in the DEI Forum and DEI Month.

Internal Dialogue

Outside Director Town Meeting Initiatives

Fiscal 2023 Topics

Changes Stemming From Cargo Division Initiatives during the COVID-19 Pandemic and Challenges / Future Strategies

Since fiscal 2018, the ANA Group has been providing opportunities for town meetings in which outside directors can engage in direct dialogue with managers across various group departments. The purpose of these meetings is to gain a deeper understanding of the group's business and corporate culture, and to assist in the future management of the Board of Directors. We held dialogues in fiscal 2023 between the cargo division, the department responsible for our Cargo Business, and outside directors. We shared the efforts of the cargo division in supporting our business performance despite the decline in passenger demand due to the COVID-19 pandemic. We also share current challenges and future strategies.

Our Initiatives

Fiscal Year	Division	Department Name
Fiscal 2018	Maintenance	The Engineering & Maintenance Center, Each Group Maintenance Company
Fiscal 2019	Flight Operations	Flight Operations Center
Fiscal 2020	Marketing	CX Management Office
Fiscal 2021	Human Resources	Group Human Resources Strategy Department
Fiscal 2022	Cabin	Inflight Services Center
Fiscal 2023	Cargo	Cargo Marketing & Services



Topic 1 Initiatives in the Cargo Division during the COVID-19 Pandemic

Q How did the group respond to the plummeting passenger demand, strong cargo movements in the cargo business for semiconductors and other products, the ocean transport congestion, and increased air cargo demand?

How was the business environment?

- How did the group respond to the rapid increase in cargo demand facing a shortage of laborers and other such issues?
- Passenger flights declined resulting in redundant staff in the passenger division. Therefore, we deployed airport staff to the cargo division to handle import operations and administrative procedures.
- We also changed our sales approach. The airport division collaborated with the sales division to load cargo at each point in trilateral transportation. This eliminated the need for re-sorting at the Narita Airport transit point and improved operational efficiency.
- While employees in the passenger division were unable to work and faced temporary leave or external secondments, the employees in the cargo division were too busy to take time off.
- Did the department receive any words of encouragement or messages from upper management?
- Management sent messages throughout the entire Company saying, "The cargo division powers the ANA Group." Our division also received a lot of encouragement from inside and outside the Company, motivating us to continue.

What changed after the pandemic?

- Demand in the cargo division is more volatile than the passenger division. Demand soars every few years, making it crucial for the division to stay alert and communicate strategically with customers.
- Flight operations, maintenance, pilots, and other divisions became extremely cooperative during the pandemic, working with a better understanding of the cargo business. Building relationships and collaborating with other divisions is an asset to the cargo division.
- Emergencies such as the COVID-19 pandemic can occur at any time, so having a portfolio of businesses that support each other (e.g., a portfolio for the passenger and cargo divisions) would be a good idea. Remember, cargo is a crucial business that keeps moving when the movement of people stops.

Topic 2 Challenges in the Cargo Business

Q What do you think of the current challenges?

Automation and Digital Transformation (DX) Challenges

- Is most cargo loading and unloading handled with manual labor?
- Loading and unloading is manual labor, even overseas. We use AI to automate loading plans; however, loading processes are still performed using manual labor. This bottleneck in automation is due to the fact that the cargo itself is not uniform. We will closely monitor future trends in technological development.
- We will introduce automated guided vehicles (AGVs) at the New Cargo Building No. 8. We plan to use AGVs to move cargo to storage areas after unloading with forklifts. This use of AGVs will automate the process of locating and moving cargo.
- It is my understanding that cargo airwaybills and accompanying documents are paper-based and use human resources extensively. Do you have room to systematize and improve workflow going forward?
- We strive to digitize this system, but it requires cooperation with forwarders and customs, making it difficult for individual companies to handle alone. We will make preparations on our end, but this is an issue we must face in the industry as a whole.
- It is better to backcast customer needs for automation and DX.

Human Capital Challenges

- The industry as a whole is facing difficulties in recruitment and securing human capital is a challenge. We support skill development and personal growth to prevent turnover, but what can we do to make the Company more attractive?
- ANA should establish a system that rewards those who produced results. In addition to creating a culture that recognizes individuals who take the right action, we should also offer those individuals some type of compensation.
- I feel the Company (including the sites and head office departments that handle cargo) lacks knowledge and experience in semiconductor manufacturing equipment and other special cargo, compared to other companies. It is important to enhance human capital development and placement to compete with competitors going forward.
- We lack DX human capital who understand the business and systems, and can define business requirements. We must consider whether to hire these resources or train them in-house going forward.



Topic 3 Future Cargo Strategies

Q How will you work to establish the SmartCargo Model medium-term cargo strategy?

Competitiveness of Customer Value

- What do you hope to accomplish with the SmartCargo Model? And how will you provide new value to customers?
- We must enhance company competitiveness of high unit cost special cargo transportation. One example of such transportation is the transport of COVID-19 vaccines. Public trust in our company to transport pharmaceuticals has increased.
- We will build efficient operations through DX. In special cargo, we will also form a professional unit with employees with various skills and experience to capture cargo demand by providing customers with quality and time-saving value.
- We should view improving time and cost from the customer's point of view. Improvements of about 10% will not exceed customer switching costs.
- Many trucks line up at the entrances and exits of cargo buildings. Wouldn't it benefit customers if increased efficiency at the Company led to reduced numbers of trucks, shortened wait times, and other benefits?
- I think it would be beneficial to concentrate on high unit price special cargo. Quality can be a competitive advantage, but focusing on quality can be viewed as egotistic of the Company and makes it extremely difficult to gain customer appreciation. It would benefit

the company if DX created services and reproducible models that improve productivity for customers.

Nippon Cargo (NCA) as a New Group Member

- What are the expectations and challenges that NCA faces in becoming a member of the group?
- Our freighters operate mainly between Asia, China, and Japan, but mainstream logistics are from Asia and China to Europe and the United States. Rather than procuring wide-body aircraft internally to fly to Europe and the U.S., we decided that it would be better that NCA become a member of the group, complementing each other's strengths and weaknesses. We expect to face various challenges in our future work together, but we will strive to overcome such obstacles by working together toward the big targets.
- NCA has a high level technology for handling large amounts of cargo with forklifts, and we plan to utilize this technology in our special cargo handling. We must consider how to improve operational efficiency going forward, as the ANA and NCA cargo buildings at Narita Airport are far apart.

Responsible Dialogue with Stakeholders

The ANA Group conducts business activities through our relationships with stakeholders. We engage in ongoing dialogue with stakeholders to build trust and offer peace of mind. As we do so, we increase the effectiveness of our strategies by incorporating the opinions and requests of stakeholders into our businesses.

Major Dialogues during Fiscal 2023

Dialogue with Shareholders and Investors	The 79th Ordinary General Meeting of Shareholders (held on June 27, 2024)			Financial Results Presentations, Corporate Strategy Briefing Sessions, Small Meetings (for institutional investors, analysts)	
	No. of attendees	1,067 people	Voting rights exercise ratio 62.7 %		9 times
	Dialogues with institutional investors, and analysts 284 times (131 in Japan, 153 overseas)				
Communication with Our Employees	Town Meetings				
	First half	No. of sessions 581	Participants 7,917 people		
	Second half	No. of sessions 522	Participants 9,991 people		
Dialogue with Experts	Environment	Human rights	ESG evaluation organizations		
	2 times	1 time	6 times		
Dialogue with Business Partners	Contract food production suppliers		Discussions with food production suppliers for private-brand production		
	35 companies We inspected, audited, and observed contract food production supplier facilities. These suppliers mainly produce in-flight meals and airport lounge meals.		9 companies We held discussions with private-brand food production suppliers to improve quality. ANA Catering Service Co., Ltd.		
Dialogue with Communities	ANA Aviation Classes				
	No. of classes	10	Total participants:	632 people	
The ANA Aviation Class is a program for local residents to learn more about ANA Group jobs (pilots, cabin attendants, ground staff, etc.) through easy-to-understand presentations and dialogue with employees representing various job descriptions.					



External Recognition

Inclusion in ESG Indexes, etc. As of July 2024

- CDP Climate Change A
- Dow Jones Sustainability World Index
- Dow Jones Sustainability Asia Pacific Index
- FTSE4Good Index
- FTSE Blossom Japan Index
- FTSE Blossom Japan Sector Relative Index
- MSCI Japan Empowering Women Index (WIN)
- MSCI Japan ESG Select Leaders Index
- MSCI Japan ESG Leaders Indexes
- The S&P Global Sustainability Yearbook 2024 - Top 5% S&P Global CSA Scores
- EcoVadis Sustainability Rating - BRONZE



Quality

- SKYTRAX World Airline Star Rating (ANA Group, 2023)
 - Awarded 5-Star for the 11th consecutive year
- SKYTRAX World Airline Awards (ANA Group, 2023)
 - World's Best Airport Services
 - World's Cleanest Airline
 - Best Airline Staff Service in Asia
- CIRIUM The On-Time Performance Awards (ANA Group, 2023)
 - Asia-Pacific: No. 1



Management Strategy

- Ministry of Economy, Trade and Industry
 - DX Certification
 - Job Rainbow (ANA) D&I AWARD
 - BEST Workplace 2023
 - work with Pride (37 group companies)
 - PRIDE Index 2023 Gold Award
 - Ministry of Health, Labour and Welfare
 - "Platinum Kurumin" Certified by the Ministry in Recognition of Providing Superior Childcare Support (ANA, ANA AIRPORT SERVICES Co., Ltd.)
 - "Kurumin" Certified by the Ministry (Overseas Courier Service Co., Ltd., ANA CHUBU AIRPORT CO., LTD., ANA Akindo Co., Ltd., ANA TELEMART CO., LTD., ANA Systems Co., Ltd., ANA FACILITIES CO., LTD., ANA X Inc., ANA NARITA AIRPORT SERVICES CO., LTD.)
- Ministry of Health, Labour and Welfare Company Promoting Women's Participation and Advancement in the Workplace
 - "Eruboshi" Certification (ANA, ANA Systems Co., Ltd., Overseas Courier Service Co., Ltd., ANA TELEMART CO., LTD., ANA X Inc., ANA KANSAI AIRPORT CO., LTD., ALL NIPPON AIRWAYS TRADING CO., LTD., ANA Aero Supply Systems Co., Ltd., Air Japan Co., Ltd., ANA Akindo Co., Ltd., ANA Cargo Inc., ANA NARITA AIRPORT SERVICES CO., LTD.)
 - Nippon Kenko Kaigi, Ministry of Economy, Trade and Industry
 - Certified Health and Productivity Management Recognition Program 2024 (ANA HOLDINGS INC.)
 - Certified Health and Productivity Management Organization Recognition Program 2024 (23 group companies, of which 10 companies are White 500, 1 company is Bright 500)



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