

# Sustainability Initiatives

The ANA Group strives to resolve social issues through our business activities to keep growing together with society. We establish a long-term vision for ourselves, executing our strategies steadily to improve corporate value sustainably.

What Does the ANA Group DNA Mean to You?

お客様や仲間への感謝を常に忘れず

私たちの強いチームワークで、

安全と安心をお届けしていきます。

Always remembering to be thankful to our customers and colleagues, and engaging in strong teamwork to deliver safety and security.

Yoko Kobayashi  
ANA  
Cabin Attendant

## ANA GROUP ESG MANAGEMENT

### The Social Environment Surrounding the ANA Group

Various social issues exist around the world, including global warming and climate change, energy resource shortages, increasing ocean plastic waste and microplastics, poverty, and child labor. More voices are calling for a response from not only national and local governments but also from private-sector companies. Examples include the CO<sub>2</sub> emissions reduction goals set under the Paris Agreement and the SDGs, which are global common goals to be achieved by 2030.

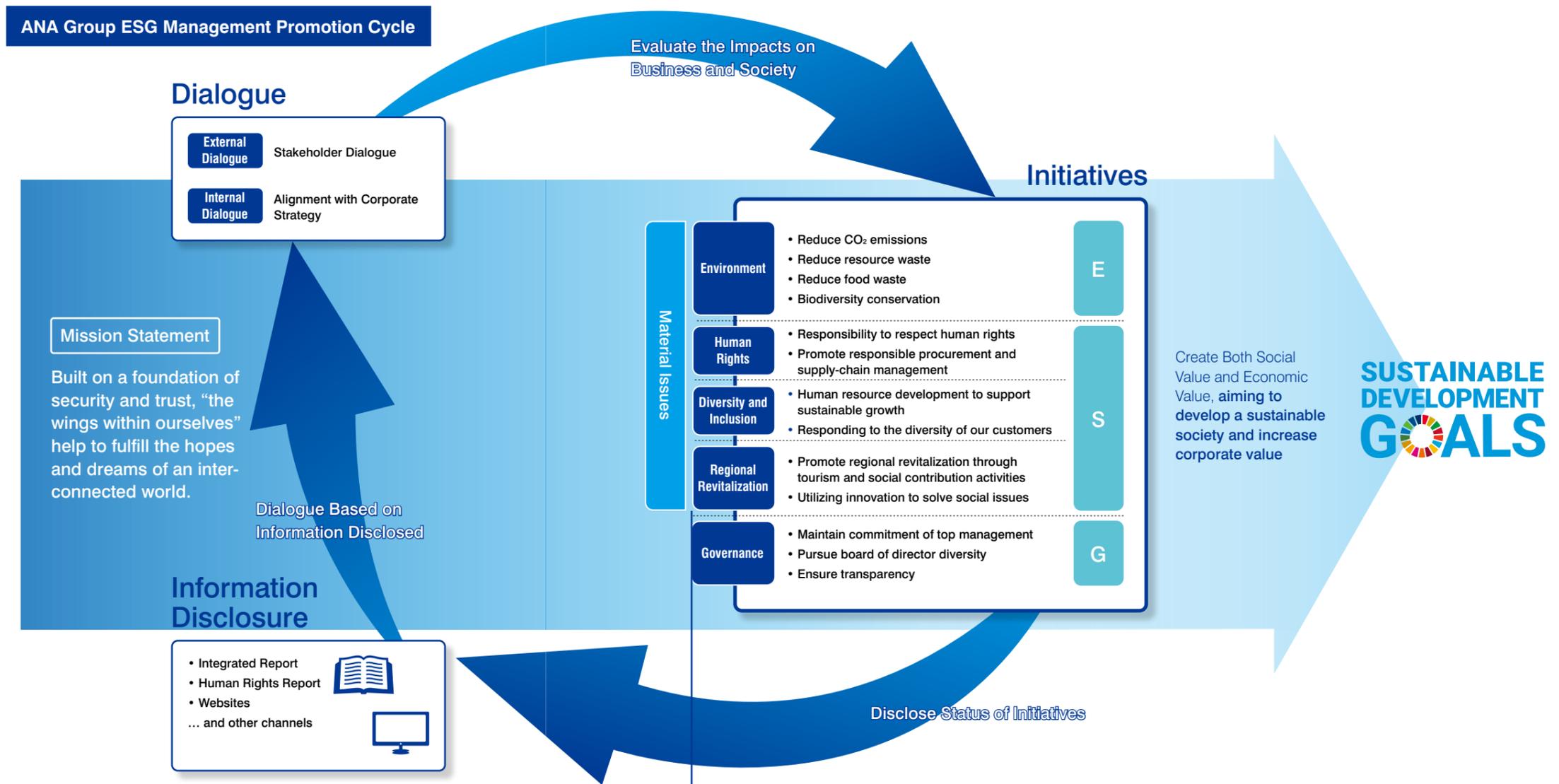
Especially over the past several years, the issue of climate change has attracted global attention, and CO<sub>2</sub> is considered to be one of the causes of global warming. The central business of the ANA Group is air transportation. Therefore, we must address the impact of our business activities on the environment and society, including reduction of CO<sub>2</sub> emissions from flight operations. In addition, the Air Transportation Business is susceptible to external factors, such as natural disasters, terrorism, and the spread of infectious disease. Creating stability in our global environment and social circumstances is critical for our business operations.

### The ESG Management Promotion Cycle for Sustainable Growth

Having gained an understanding of the surrounding environment, the ANA Group pursues ESG management to become an indispensable part of society in the future, to grow continually as a company, and to create value.

We identify social demands through dialogue with stakeholders, and then align our corporate strategy with these requirements, evaluating the impact on business and society. Finally, we incorporate these requirements into corporate initiatives. We disclose the status of our initiatives on our corporate website and through other channels as necessary. At the same time, we engage in regular dialogue with stakeholders based on information we disclose. We also report our progress and confirm the appropriateness of our initiatives in those dialogues.

We pursue ESG management through a cycle of dialogue, initiatives, and information disclosure. Here, our aim is to develop a sustainable society and to increase corporate value.

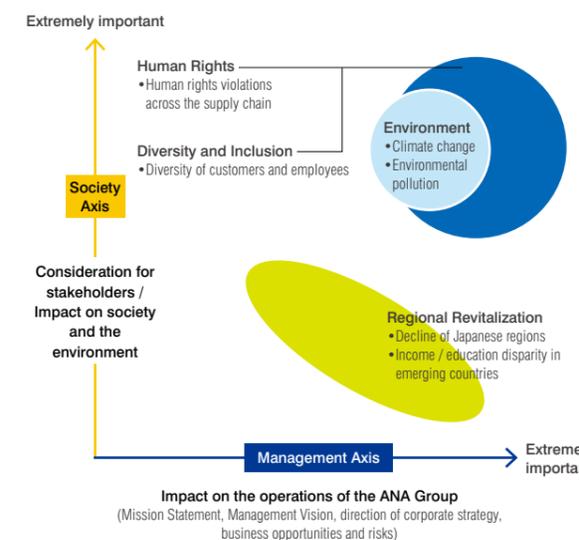


### ANA Group Material Issues in ESG Management

We aligned the social demands identified through dialogue with stakeholders with our corporate strategy. After evaluating the impact on business and society, we identified four material issues, and we have been engaged in addressing these issues through our business activities.

In fiscal 2015, we identified three material issues: the environment, diversity and inclusion (D&I), and regional revitalization. In fiscal 2016, we added human rights as a fourth material issue. In fiscal 2019, we established the ANA Group ESG Commitments. At that time, we held dialogues with experts and conducted management-level discussions to confirm that these four material issues would continue to be material issues for the ANA Group.

### Materiality Matrix



### Rationale for Identification as Material Issues

		For the ANA Group	For Society
Environment	P54	<ul style="list-style-type: none"> <li>Controlling fuel costs</li> <li>Controlling the costs of future emission trading schemes</li> <li>Maintaining / improving evaluations by avoiding environmental risk</li> </ul>	<ul style="list-style-type: none"> <li>Reducing environmental footprint</li> </ul>
		Human Rights	P58
Diversity and Inclusion	P60		
		Regional Revitalization	P64

## FURTHER PROMOTION OF ESG MANAGEMENT

▼ Please visit our corporate website for more details on ANA Group ESG Commitments  
<https://www.ana.co.jp/group/en/csr/commitment/>

### Developing ANA Group ESG Commitments

To become an indispensable part of society in the future and to grow continually, the ANA Group must address environmental and social issues through our business activities from a long-term perspective.

We strive to solve material issues related to the environment, human rights, D&I, and regional revitalization. To further promote ESG management from a long-term perspective, we developed ANA Group ESG Commitments based on the following three viewpoints. We will continue to address these issues in achieving our commitments.



### 1 Commitments to Be Achieved by 2050

Reduce CO<sub>2</sub> emissions from aircraft flight operations by 50% (compared to 2005)
Environment

Year	Domestic	International	Total
2005	~4.8	~3.0	~7.8
2019	~4.0	~7.5	~11.5
2050 (Target)	0	~3.9	~3.9

Address the environment from the following four viewpoints.

**(1) Adopt new technologies**  
 Move forward in introducing fuel-efficient aircraft and improved engines, including the Boeing 787 and Airbus A320neo / A321neo models, developed through new technology.

**(2) Improve flight operations**  
 Reduce fuel consumption by improvements in aircraft flight operation, regularly cleaning the inside of the engine, and reducing the weight of equipment installed.

**(3) Introduction of sustainable aviation fuel (SAF)**  
 Continue to introduce SAF produced from sustainable sources, such as vegetable oil, animal fat, and waste biomass.

**(4) Utilize emission trading schemes (purchase CO<sub>2</sub> emissions credit)**  
 Reduce CO<sub>2</sub> emissions globally by purchasing CO<sub>2</sub> emission credit generated by lower CO<sub>2</sub> emissions in businesses other than aviation. To prevent a further increase of CO<sub>2</sub> emissions in and after 2021, plan to use market mechanisms in addition to initiatives described in (1) to (3) above.

Eliminate CO<sub>2</sub> emissions from all non-aircraft flight operations by 2050
Environment

Delve deeper into energy conservation measures and pursue a shift to renewable energy sources. At the same time, plan to introduce hybrid vehicles (HVs), electric vehicles (EVs), and fuel cell vehicles (FCVs) for use in airports, while upgrading existing equipment in our facilities and buildings to more energy-efficient models over time.

Reduce our resource waste ratio to zero and reduce food waste, including in-flight meals, by 50%
Environment

Promote the 3Rs (reduce, reuse, and recycle resources, such as plastic and paper). Reduce food waste throughout the product life cycle (food material procurement, preparation, delivery, and disposal).

### 2 Commitments to Pursue on an Ongoing Basis through 2030, the Final Target Year for the SDGs

<div style="background-color: #0070C0; color: white; padding: 2px; display: flex; justify-content: space-between;"> <span>Responsibility to respect human rights</span> <span>Human Rights</span> </div> <p style="font-size: x-small; margin-top: 5px;">Based on the United Nations Guiding Principles on Business and Human Rights, make every effort to promote the respect of human rights.</p>	<div style="background-color: #0070C0; color: white; padding: 2px; display: flex; justify-content: space-between;"> <span>Promote responsible procurement and supply-chain management</span> <span>Environment / Human Rights</span> </div> <p style="font-size: x-small; margin-top: 5px;">Manage and promote environment-conscious procurement with respect to human rights and build a fair and transparent supply chain.</p>	<div style="background-color: #0070C0; color: white; padding: 2px; display: flex; justify-content: space-between;"> <span>Utilizing innovation to solve social issues</span> <span>Regional Revitalization</span> </div> <p style="font-size: x-small; margin-top: 5px;">Provide new value through avatars, drones, MaaS*, etc., and cooperate with different industries.</p> <p style="font-size: x-small; margin-top: 5px;">* Mobility as a Service (MaaS): Integration of various forms of transport services into a single mobility service on demand.</p>
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### 3 Matters for Which We Provide Disclosure and Report Results on a Continued Basis

<div style="background-color: #0070C0; color: white; padding: 2px; display: flex; justify-content: space-between;"> <span>Human resources development to support sustainable growth</span> <span>Diversity and Inclusion</span> </div> <p style="font-size: x-small; margin-top: 5px;">Develop human resources and a sustainable work environment in which employees raise their productivity and contribute to sustainable corporate growth.</p>	<div style="background-color: #0070C0; color: white; padding: 2px; display: flex; justify-content: space-between;"> <span>Responding to the diversity of our customers</span> <span>Diversity and Inclusion</span> </div> <p style="font-size: x-small; margin-top: 5px;">Respect the needs and diversity of each customer, and promote universal services in both products and services.</p>
<div style="background-color: #0070C0; color: white; padding: 2px; display: flex; justify-content: space-between;"> <span>Biodiversity conservation</span> <span>Environment</span> </div> <p style="font-size: x-small; margin-top: 5px;">Contribute to biodiversity conservation by promoting and enhancing measures to prevent illegal wildlife trade.</p>	<div style="background-color: #0070C0; color: white; padding: 2px; display: flex; justify-content: space-between;"> <span>Regional revitalization</span> <span>Regional Revitalization</span> </div> <p style="font-size: x-small; margin-top: 5px;">Contribute to regional revitalization through social contribution activities and by solving social issues.</p>

FURTHER PROMOTION OF ESG MANAGEMENT

Process to Establish ANA Group ESG Commitments

We developed the ANA Group ESG Commitments in three steps: (1) Identify social demands; (2) Categorize and prioritize social demands to develop commitments; and (3) Verify appropriateness and finalize commitments.

The first step is to identify social demands through regular dialogue with stakeholders (Step 1). The second step is to identify ESG issues related to our businesses and develop ANA Group ESG Commitments (Step 2). The third step is to verify the appropriateness of the commitments through dialogue with ESG investors and to finalize commitments in the Group Management Committee (Step 3).

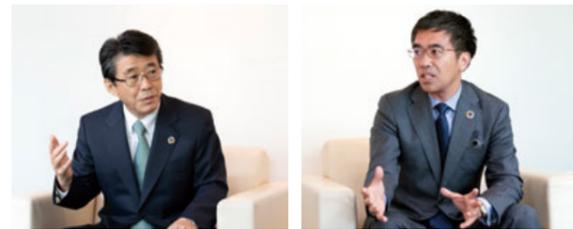


Identify Social Demands through Dialogue with Stakeholders

When developing the ANA Group ESG Commitments, we engage in dialogue with ESG experts to understand the social expectations and requirements of the ANA Group.

More details are available on our corporate website.  
<https://www.ana.co.jp/group/en/csr/communications/discussion/>  
<https://www.ana.co.jp/group/en/csr/communications/dialogue/>

Dialogue Regarding the SDGs



Shinya Katanozaka  
ANA HOLDINGS INC.  
President & Chief Executive Officer

Norichika Kanie  
Keio University Graduate School of  
Media and Governance Professor

Dialogue with ESG Investors

Participating Organizations

- Hermes Equity Ownership Services (Hermes EOS)
- Corporate Human Rights Benchmark (CHRB)



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Dialogue Regarding the Environment

Participating Organizations

- WWF Japan
- Conservation International Japan
- IATA JAPAN



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Dialogue Regarding Business and Human Rights

For more, see P59

Participating Organizations

- The Danish Center for Human Rights
- Institute for Human Rights and Business
- World Benchmarking Alliance (WBA)



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Management Level Discussions

We discussed and developed the ANA Group ESG Commitments in our Group Management Committee. This committee operates under the chairmanship of the president and consists of full-time directors and full-time Audit & Supervisory Board members.

The Group Management Committee discussed the social demands identified through dialogue and the ESG issues related to our businesses as identified by our corporate sustainability and other relevant operation departments in accordance with our Mission Statement and in consideration of the impact on our business and society.

ANA Group Management Committee Deliberations

2019	July	• Identifying the latest social trends and investor trends
	August	• Understanding social demands and requirements of the ANA Group • Suggesting ESG issues related to our businesses
	November	• Suggesting ANA Group ESG Commitments for the ANA Group based on social demands
2020	February	• Revisiting commitments and suggesting implementation structure

Verifying Targets with Our Stakeholders

To objectively verify the appropriateness of the ANA Group ESG Commitments developed within the Group Management Committee, we held more dialogues with the ESG investors who helped us first identify social demands. We received opinions on the appropriateness of commitments and future information disclosure.

ESG Investors Participating in Dialogues

- Hermes EOS (Hermes Equity Ownership Services)
- CHRB (Corporate Human Rights Benchmark)

Finalizing the ANA Group ESG Commitments

The Group Management Committee again discussed and then finalized the ANA Group ESG Commitments after confirming the appropriateness of commitments with ESG investors. The final ANA Group ESG Commitments were reported to the board of directors.

Opinions at the Board of Directors' Meeting

- The board recommended that per-unit reduction should also be addressed in tandem with social trends for total CO<sub>2</sub> reduction.
- The board noted that ESG management is being driven by Europe. The Group should not simply adopt European-style ESG, but rather strike a balance on a case-by-case basis and in reflection of Japanese values.

## DIALOGUE WITH EXPERTS ON ESG

The COVID-19 pandemic has changed social values and behavior. We conducted an interview with ESG experts to better understand social trends and respond appropriately.

These interviews consisted of questionnaire responses, rather than face-to-face meetings, considering safety. We will continue to engage in dialogue with stakeholders to understand and identify social demands.

<b>Topics</b>	Expectations and concerns required of the ANA Group due to changes in consciousness after the spread of COVID-19
<b>Implementation Period</b>	June to July 2020

### Summary



**Hiroshi Ishida**  
Executive Director, Caux Round Table Japan

In order to achieve the medium and long-term goals set by the ANA Group, ANA Group will continue to focus on medium to long-term trends and follow the ESG-related efforts which include the respect for human rights, environmental considerations, etc. In addition, we expect that it will be possible to build a resilience business model by absorbing the change in social value due to the impact of COVID-19 in the long-term trend.

Under the COVID-19, it is important for the ANA Group to pursue transparency in the process of identifying new ESG issues and to develop a “Quality Relationship” with the aim of improving reliability with ESG-related investors.



**Camille Le Pors**  
Lead, Corporate Human Rights Benchmark, World Benchmarking Alliance

In the context of the COVID-19 crisis, companies are expected to put adequate measures in place to make sure that they manage human rights risks connected to the pandemic. This should include at a minimum a commitment from the company to respect human rights in this crisis and a clear allocation of responsibility inside the company to ensure that this is achieved in practice. It is crucial for companies to take necessary steps to identify, assess and manage the human rights risks connected to the COVID-19 crisis through a robust human rights due diligence process. For a company with a large supply chain like ANA Group, adopting responsible purchasing practices to protect suppliers should be a priority. Companies are also expected to provide effective remedy, including the availability of grievance mechanisms through which complaints related to COVID-19 concerns can be made without the fear of retaliation.

More than ever, the COVID-19 crisis shows the need for sustainable, inclusive development and provides the opportunity to ‘build back better’: making society and the economy more resilient by protecting fundamental human rights, aligning short-term economic interests with long-term needs, and ensuring continued momentum on the SDGs.



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**Rishi Sher Singh**  
Specialist in Global Value Chains

It is appreciated that ANA Group is committed to the UN Guiding Principles (UNGPs) through its Human Rights policy, training and Human Rights Due Diligence (HRDD). With social distancing here to stay for coming month HRDD process will be tested, due to tough business environment and limited in-person engagement (with employees, suppliers and rights holders) in the value chain. Particularly, impacts on travellers will be due to with travel restrictions, increased sanitisation, social distancing at airports as well as inside the aircrafts. Some rights holders\* will be more impacted than the others, thus it will be important to keep re-evaluating needs and Human Rights risks in ANA's value chain.

\* Rights-holders: People impacted directly by corporate activities, etc.



**Puvan Selvanathan**  
Chair, Blunumber Foundation and Former Member of the UN Working Group on Business and Human Rights

The world today is a different place: are we still a global society?

*I believe our ‘new normal’ will be different because—perhaps for the first time in our lives—we will try not to lose what we have found.* How ANA Group copes with the shift to a smaller global travel and hospitality sector will be a case study for how to keep sight of what matters. Those parts of the business that were in the shadows will now fall into the light. The decisions on what to cut and what to keep will require close examination of what was wasteful and what was valuable.



**Yasushi Hibi**  
Vice President, Conservation International

The COVID-19 pandemic provided an unexpected temporary reduction in CO<sub>2</sub> emissions and other environmental impacts. Companies that return to their old ways of doing business and cannot transform may be disqualified by society in the post-COVID-19 world. As such, 37 companies and 28 industry groups in Europe have joined the Green Recovery Alliance\*. The ANA Group post-COVID-19 recovery shall pursue the concept of *Do No Harm* to avoid returning to the pre-COVID-19 CO<sub>2</sub> emission level, and to further efforts towards *Net Zero* of all negative environmental and social impacts, not just carbon emissions. ANA Group shall take advantage of this window of opportunity to become a leader in green recovery and sustainability, and to commit as early as possible to the stakeholders, especially the future generations.

\* Green Recovery Alliance: An informal alliance of political leaders, civil society groups and NGOs, CEO and business associations, and the European trade union confederation. This alliance promotes the EU post-pandemic recovery plan, accelerating the transition toward climate neutrality and healthy ecosystems.

DIALOGUE WITH EXPERTS ON ESG



©WWF Japan

**TOBAI Sadayosi**

Chief Executive Officer  
WWF Japan

More and more governments around the world are adopting the Green Recovery policies, looking ahead to the post-COVID-19 world. More than ever, businesses are being asked to improve sustainability.

WWF has raised *Green and Just Recovery*, Wildlife Exploitation, and Land Use and Food Systems as important social issues, suggesting the need to review approaches in these areas. The ANA Group is expected to show a long-term post-COVID-19 airline business plan that is consistent with the requirements by the Science Based Targets Initiative\* so as to reframe its efforts to reduce greenhouse gases and realize a zero-carbon society. Also, the ANA group is expected to expand measures against illegal trade as a means to prevent infections from animals. Further, it should use resources wisely by reducing and reusing plastics, as well as by sourcing palm oil, timber, paper, and other resources through sustainable means.

\* Science Based Targets Initiative: Science Based Targets is a collaborative initiative among the WWF, CDP, World Resources Institute (WRI) and the UN Global Compact. The initiative encourages companies to adopt emissions reduction targets in line with what the latest climate science says is necessary to limit global warming to well below 2°C above pre-industrial levels.



**Masaru Arai**

Chair, Japan Sustainable Investment Forum (JSIF)

One of the issues investors are currently focusing on is how companies support, diversify and maintain a sustainable supply chain. It highlights the importance of employment, health, safety, work styles, and satisfaction of employees of the group and supply chain companies are also crucial issues. Besides, investors are paying attention not only to data security but also to data governance, because AI-based analysis and utilization of customer and employee data requires a partnership with the external parties.

As the global aviation industry is expected to remain in a tough situation for a while, I hope the ANA Group will re-question what it can do and find new growth opportunities as a resilient company in the Post-COVID-19 era.

**Being a Company Indispensable to Society in the Post-COVID-19 World**



**Chikako Miyata**

Senior Vice President,  
Director of Corporate Sustainability  
ANA HOLDINGS INC.

The ANA Group is being affected by the COVID-19 pandemic in significant ways. However, the direction in which we promote ESG management from a long-term perspective will remain unchanged after we overcome this crisis. We aim to become a resilient company by listening to and accurately understanding the social demands of the post-COVID-19 world.

We will reflect the input of experts in our strategic initiatives. We also continue to aim to create a sustainable society (contribute to the SDGs) and increase corporate value by identifying social demands through ongoing dialogue with stakeholders and by implementing measures appropriately.

**Using External Evaluations Related to ESG**

Results of the four following external evaluations have provided us with an objective and multifaceted understanding of ANA Group ESG management. We intend to reflect these results in officer remuneration.

	FY2019 Evaluation	FY2022 Targets	Remarks
<p><b>DJSI</b> MEMBER OF <b>Dow Jones Sustainability Indices</b> In collaboration with </p>	World Index Asia Pacific Index Selected as a component member	Maintained status as noted (left)	Stock index developed jointly by U.S.-based S&P and Switzerland-based RobecoSAM. Evaluates corporate sustainability from the perspectives of economy, environment, and society.
<p><b>FTSE</b> </p>	Selected as a component member of FTSE4Good Index	Maintained status as noted (left)	Stock index managed by U.K.-based FTSE. Evaluates the initiatives and results of ESG management based on benchmarks.
<p><b>MSCI</b> 2020 CONSTITUENT MSCI JAPAN EMPOWERING WOMEN INDEX (WIN)</p>	Selected as a component member of the Japan Empowering Women Index (WIN)	Selected as a component member of the Japan ESG Select Leaders Index	Stock index managed by U.S.-based MSCI. An index based on the performance of stocks around the world from various perspectives. Examines and evaluates corporate commitment to ESG.
<p><b>CDP</b> DISCLOSURE INSIGHT ACTION</p>	B	A-	External evaluation for institutional investors managed by a U.K.-based NPO. Analyzes the corporate impact of CO <sub>2</sub> on the environment and climate change, evaluating the company's responses.

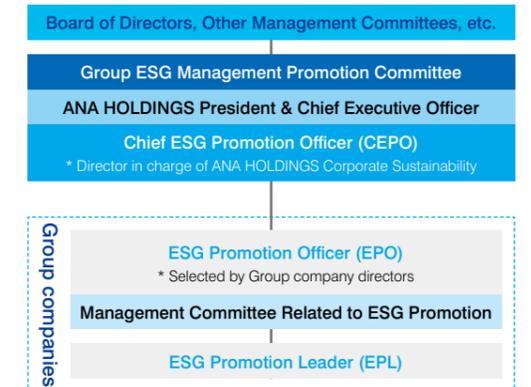
\* THE INCLUSION OF ANA HOLDINGS INC. IN ANY MSCI INDEX, AND THE USE OF MSCI LOGOS, TRADEMARKS, SERVICE MARKS OR INDEX NAMES HEREIN, DO NOT CONSTITUTE A SPONSORSHIP, ENDORSEMENT OR PROMOTION OF ANA HOLDINGS INC. BY MSCI OR ANY OF ITS AFFILIATES. THE MSCI INDEXES ARE THE EXCLUSIVE PROPERTY OF MSCI. MSCI AND THE MSCI INDEX NAMES AND LOGOS ARE TRADEMARKS OR SERVICE MARKS OF MSCI OR ITS AFFILIATES.

**ESG Implementation Structure**

We established the Group ESG Management Promotion Committee (which was renamed from the Group CSR / Risk Management / Compliance Committee in April, 2020) in accordance with Group ESG Management Promotion Committee Regulations. This committee, which operates under the guidance of the president and under the chairmanship of the director in charge of corporate sustainability, consists of ANA HOLDINGS and Group company directors, executive officers, and the full-time Audit & Supervisory Board members of ANA HOLDINGS. The committee establishes core policies, formulates proposals, and deliberates matters related to ESG management. After deliberations, important issues are elevated to the board of directors, the Audit & Supervisory Board, and the Group Management Committee.

Each Group company has an appointed ESG promotion officer (EPO) to oversee ESG and ESG promotion leader (EPL) to lead the ESG activities of their respective organization.

**ESG Implementation Structure**



MATERIAL ISSUES

# Environment



## ANA Group ESG Commitments

- Reduce CO<sub>2</sub> emissions from aircraft flight operations by 50% (compared to 2005)
- Eliminate CO<sub>2</sub> emissions from all non-aircraft flight operations by 2050
- Reduce our resource waste ratio to zero and reduce food waste, including in-flight meals, by 50%
- Continue initiatives toward conservation of biodiversity



## Basic Approach

The ANA Group has introduced the ANA Group Environmental Principles and the ANA Group Environmental Policies. These principles and policies build on the ANA FLY ECO 2020 medium- to long-term environmental plan from fiscal 2012 to fiscal 2020 and include initiatives for reducing environmental impact. We recognize that global environmental issues, including climate change and biodiversity conservation, are quintessential management tasks, and we will continue striving to reduce our environmental impact.

In fiscal 2020, the final year of ANA FLY ECO 2020, we have formulated long-term targets looking ahead to the year 2050. We are proceeding with the formulation of a medium-term environmental plan leading to the year 2030 to help us achieve these long-term targets.

## Global Trends

The aviation industry is heavily dependent on fossil fuels, with approximately 2% of all CO<sub>2</sub> emitted around the world said to be generated from the aviation field.

In recent years, there has been a growing sense of crisis about climate change issues, and the aviation industry is accelerating its efforts to reduce CO<sub>2</sub>.

The Paris Agreement was adopted at the 2015 United Nations Climate Change Conference (COP21).

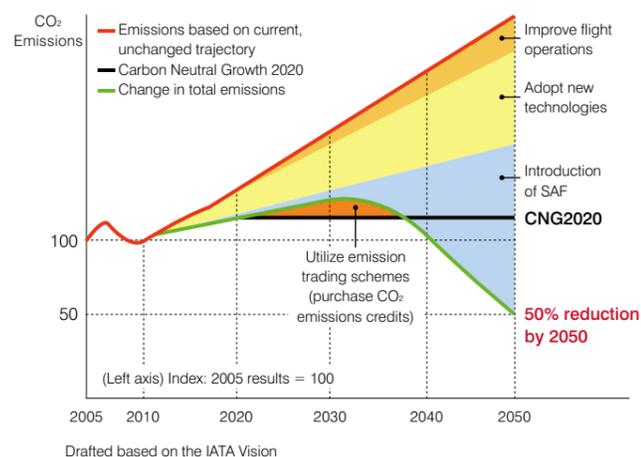
Prior to this, Carbon Neutral Growth 2020 (CNG2020) had been adopted in the aviation sector following a resolution of the 2010 ICAO (International Civil Aviation Organization) Assembly. The target of CNG2020 is to keep the global net carbon emissions from international aviation from 2021 at the same level.

Additionally, the International Air Transport Association (IATA) has set the ambitious goal of reducing CO<sub>2</sub> net carbon emissions by 50% by the year 2050 compared to 2005.

Other initiatives have advanced across the industry to curb CO<sub>2</sub> emissions. These initiatives include the adoption in the

2016 ICAO Assembly of the Carbon Offsetting and Reduction Scheme, which is a scheme for achieving the CNG2020 goal.

### CO<sub>2</sub> Emissions Forecast and Reduction Targets



## Information Disclosure on Response to Climate Change



Disclosure of information on corporate strategies for CO<sub>2</sub> emissions and climate change.



Disclosure of information analyzing the risks and opportunities posed by climate change to our business.

### Science Based Targets (SBT)

Greenhouse gas reduction targets based on scientific evidence consistent with the Paris Agreement. The ANA Group declared our commitment to the SBTs in May 2020. We are participating in a technical subcommittee creating reduction targets and rules for the aviation sector.

Please visit our corporate website for more:  
<https://www.ana.co.jp/group/en/csr/environment/>

## Progress Report: ANA FLY ECO 2020 Medium- to Long-Term Environmental Plan for FY2012–2020

**Reduction of 20%** (vs. Fiscal 2005 levels) in CO<sub>2</sub> emissions per revenue ton-kilometers on international and domestic routes

Fiscal 2005: 1.25 kgCO<sub>2</sub>/RTK  
 Fiscal 2019: 1.01 kgCO<sub>2</sub>/RTK

Limit total domestic route CO<sub>2</sub> emissions to **under 4.4 million tons** / year on average

Fiscal 2019: Limited to **4.0 million tons**

Reduce ground operations energy consumption by **1% annually** on an intensity basis (compliance with the Act on the Rational Use of Energy)

Fiscal 2019: **9.1% reduction** vs. previous fiscal year

Complete implementation of noise control measures for international and domestic flight aircraft

Fiscal 2019: **100%** Compliance with ICAO Chapter 4 Noise Standard for all aircraft (including leased aircraft)

Complete implementation of air pollution control measures for international and domestic flight aircraft

Fiscal 2019: **100%** Compliance with ICAO Emission Standards for all aircraft (including leased aircraft)

## Initiatives to Curb CO<sub>2</sub> Emissions

### Adopt New Technologies

#### Introduction of Fuel-Efficient Aircraft

The ANA Group is actively introducing state-of-the-art aircraft to reduce CO<sub>2</sub> emissions from aircraft. These aircraft include the Boeing 787 and Airbus A320neo / A321neo, which feature excellent fuel efficiency. As of the end of March 2020, fuel-efficient aircraft accounted for 70.3% of the Group fleet. The ANA Group is also a launch customer for the Boeing 787. Consisting of 73 aircraft, our Boeing 787 fleet is the largest among the world's airlines.

#### Introduction of Lightweight Cabin Seats

We adopted aircraft seats developed jointly with Toyota Boshoku Corporation on domestic routes. These seats allow us to reduce weight in-cabin by 195kg across all aircraft versus traditional specifications. In turn, this weight reduction has led to a reduction of approximately 15kl in annual fuel consumption per aircraft.



### Improve Flight Operations

#### 1 Save fuel through flight crew initiatives

- Reduce climbing resistance by raising flaps earlier after takeoff
- Maintain engine RPMs at only the necessary levels during thrust reverser use after landing
- Shut down one engine during post-landing taxi
- Adopt / implement continuous descent approach and expand the number of eligible airports

#### 2 Save fuel by optimizing flight routes

#### 3 Save fuel in airport, equipment operations

#### Use single-engine taxiing and reduce usage of thrust reversers

While still ensuring safety, we can reduce the use of thrust reversers during landing, limiting engine output, and taxiing on the ground with a single engine after landing. These measures will lead to reduced CO<sub>2</sub> emissions.

#### Engine cleaning

We can restore engine performance through regular cleaning of inside components using water. This maintenance has been proved to lower the combustion temperature of the engine, improve fuel efficiency, and reduce CO<sub>2</sub> emissions by approximately 1%.



## ENVIRONMENT

## Introduction of Sustainable Aviation Fuel (SAF)

To prevent increasing CO<sub>2</sub> emissions for 2021 and beyond, the ICAO Assembly adopted the use of renewable aviation fuels other than the conventional fossil fuels. This development requires the use of SAF, jet fuel made from sustainable sources such as vegetable oil, animal fat, and waste biomass. Considering the SAF life cycle, it is preferable that SAF be locally produced for local consumption. Therefore, we are pursuing efforts toward the adoption of SAF together with relevant institutions and businesses inside and outside Japan for stable production both domestically and overseas.

In October 2019, ANA received delivery at Haneda Airport of a new Boeing 777-300ER from the manufacturer's Everett plant (Washington State, U.S.A.). This aircraft uses exhaust gas-derived SAF manufactured by U.S.-based LanzaTech. For this flight, ANA not only purchased and used SAF but also took the lead in transporting SAF from the factory, mixing the fuel, inspecting quality, and refueling. In this way, we acted as the main player throughout the supply chain.

IATA-Hosted SAF Symposium Lecture  
(New Orleans, U.S.A.)

The IATA hosted the SAF Symposium in New Orleans in November 2019. As a panelist, ANA stated that we would work with governments, related institutions, and businesses to ensure the stable production of SAF in Japan as well.

Utilize Emission Trading Schemes (Purchase CO<sub>2</sub> Emissions Credits)

We are exploring the potential for using ICAO-approved programs to trade emission credits (purchase CO<sub>2</sub> credits), since it will become mandatory to offset increased CO<sub>2</sub> emissions on and after 2021. We recognize that these credits are also an effective method for offset reduction.

## Initiatives in Non-Aircraft Operations

Based on energy management standards established uniquely for and by the ANA Group, we reduced CO<sub>2</sub> generated outside of aircraft operations by 4.4% compared with the previous fiscal year. We achieved this result by upgrading Group-owned and leased facilities with energy-saving equipment and by using renewable energy, including solar power generated in-house. In fiscal 2020, we began purchasing and expanding our use of electricity from renewable sources.

ANA, ANA Catering Service Co., Ltd., and ANA Foods Co., Ltd. received the Excellence in Energy Efficiency Award (S Class) certification under the Act on the Rational Use of Energy of the Ministry of Trade, Economy and Industry for a fifth consecutive year.

## Initiatives to Reduce Environmental Impact

## Carbon Offset Program

In response to customer feedback, the ANA Group now offers the ANA Carbon Offset Program by class on domestic and international routes. This program is a mechanism to offset the amount of CO<sub>2</sub> emitted by aircraft. We have chosen projects to support via this program that meet certain certification standards (J-VER, VCS, Gold Standard CER).

## Initiatives as an Eco-First Certified Company



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

One specific initiative recognized was our work to reduce environmental impact by recycling resources. Our efforts here include waste separation (glass bottles, PET bottles, and cans) generated on all international flights arriving in Japan.

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## Reduce Food Waste

We have expanded in-flight meal reservations in First Class and Business Class sections of our international flights. This service helps us meet passenger requests for in-flight meals and eliminate the need to load extra meals. This service improves customer satisfaction, while reducing food waste.

ALL NIPPON AIRWAYS TRADING Co., Ltd. contributes to the reduction of food waste by donating surplus food and beverage inventories resulting from the replacement of in-flight products for sale on domestic routes. Donations are made to Second Harvest Japan\*, a certified NPO.

\* Japan's first food bank, collecting foods that would otherwise become food loss and delivering it to people in need

## Exchanging Disposable Plastics for Eco-Friendly Materials

By the end of fiscal 2020, approximately 70% of the total weight of all disposable plastic products used in-flight and in airport lounges will be eco-friendly materials, such as paper and bio-plastics. In addition, ANA supports the *Plastics Smart* campaign sponsored by the Ministry of the Environment, and we are engaged in further initiatives in this area.



## Taking Action for Biodiversity

## Initiatives for Environmental and Ecosystem Conservation

The ANA Group continues to be engaged in environmental conservation activities. Group employees participate in activities that include the ANA Forest of the Heart project in Minami Sanriku, Miyagi Prefecture, as well as invasive plant control activities at Yambaru National Park in Okinawa Prefecture, the *Team Chura Sango* coral reef conservation project in Onnason Village, and more.

In 2018, ANA signed the Buckingham Palace Declaration, a statement aimed at eradicating illegal wildlife trade. That same

year, in collaboration with TRAFFIC\*1, ANA created an educational program in partnership with ROUTES\*2, and we offer education programs both inside and outside the Company. In December 2019, we held a workshop for airport staff in collaboration with NARITA INTERNATIONAL AIRPORT CORPORATION.

## Support for the Keidanren Declaration of Biodiversity

In June 2020, we announced our support for the Revision to Declaration of Biodiversity by Keidanren and Action Guidelines toward the realization of a sustainable society through the construction of a world that coexists with nature (a society in harmony with nature).

\*1 TRAFFIC: An NGO that surveys and monitors wildlife trade. A joint venture between the World Wildlife Fund (WWF) and the International Union for Conservation of Nature (IUCN). TRAFFIC sponsors activities through a global network, mainly through bases in ten countries. <https://www.traffic.org/>

\*2 ROUTES: Abbreviation of Reducing Opportunities for Unlawful Transport of Endangered Species. ROUTES is an international collaborative platform for dealing with criminal activities involving the illegal trade of wild animals. The organization implements a variety of programs, mainly in countries / regions where illegal transactions occur frequently.



Education program booklet



Workshop on eradication of illegal wildlife trade

## MATERIAL ISSUES

## Human Rights



## ANA Group ESG Commitments

- Responsibility to respect human rights: Based on the United Nations Guiding Principles on Business and Human Rights, make every effort to promote the respect of human rights.
- Promote responsible procurement and supply-chain management: Manage and promote environment-conscious procurement with respect to human rights and build a fair and transparent supply chain.

## Basic Approach

The ANA Group has been working to ensure human rights in accordance with the global standards provided in the United Nations Guiding Principles on Business and Human Rights. In April 2016, we established the ANA Group Policy on Human Rights. We based this policy on the International Bill of Human Rights (the Universal Declaration of Human Rights and the two International Covenants), the International Labour Organization Declaration on Fundamental Principles and Rights at Work, the Ten Principles of the United Nations Global Compact, and the United Nations Guiding Principles on Business and Human Rights. We also encourage our contractors and suppliers to adopt similar policies.

We will continue human rights initiatives, recognizing that respect for human rights lies at the very foundations of the philosophy of the SDGs.

## Issuing the Human Rights Report

The ANA Group issued our first Human Rights Report in Japan in 2018, aiming to promote communication with stakeholders through active dissemination of our initiatives to respect human rights. The Group has continued to issue these reports annually since then.



## Major Initiatives

In 2016, we conducted a review to identify potential risks to human rights related to business activities across the ANA Group and at all locations where we serve. Our evaluation identified the following four key issues for risk prevention. Note that though we conducted a re-assessment to identify risks in 2019 based on advice from outside experts, we confirmed that there are no changes at present to the four existing key issues, as follows.

## Survey on Employment Conditions of Foreign Workers in Japan

In 2019, we summarized precautions to take when hiring non-Japanese nationals and shared these with the entire Group. Further, we secured the cooperation of an independent third-party institution (Caux Round Table Japan\*) to conduct interviews with contractor-employed foreign workers involved in ground handling services at airports.

In 2020, we will begin to identify employment conditions for foreign workers in the supply chain, leveraging technology systems in the process.

## Strengthen Supply Chain Management of In-Flight Meals

We used our participation in the Blunumber Initiative\*2 (in 2017, ANA HOLDINGS was the first Japanese company to join) to register more than 200 partners and producers connected to the ingredients in our in-flight meals. We also conducted a test registration of more than 2,000 articles.

We seek to build a highly transparent food supply chain that includes respect for human rights and environmental conservation in the production process.

▼ Please visit our corporate website for more:  
[https://www.ana.co.jp/group/en/csr/human\\_rights/](https://www.ana.co.jp/group/en/csr/human_rights/)

## Prevent the Use of Airplanes in Human Trafficking

After conducting training for all ANA cabin attendants, we began a program in April 2019 to report potential cases of human trafficking found in-flight to ground facilities.

In 2020, we conducted another human trafficking prevention program to raise awareness among all ANA cabin attendants. The program covered international protocols, notification procedures from within the aircraft, and other response measures.

## Eradicate Corruption

We emphasize preventive measures in regions considered relatively high-risk among the countries served by the ANA Group.

Following Southeast Asia in 2018, we held seminars on competition and anti-bribery laws in China in 2019 for ANA Group employees and employees on overseas assignments.

## Stakeholder Engagement

## Communication with Our Employees

To deepen an understanding of respect for human rights, we conduct education and awareness activities through in-house training for new employees and newly appointed managers.

In addition, we have been conducting annual e-learning courses for all Group employees as of fiscal 2015. The topic of the fiscal 2019 e-learning course was to *leave no one behind*. The course was available to approximately 44,000 employees, of which 92% participated.

## Involving Business Partners

We inform all contractors and suppliers of the ANA Group Purchasing Guidelines. We work together to ensure their work-place environments uphold respect for human rights.

Note that we are preparing to revise the ANA Group Purchasing Guidelines with the cooperation of third-party institutions to ensure even more *responsible procurement*.

## Local Dialogue Overseas (Thailand)

We recognize that the fisheries industry in Thailand presents potential human rights risks in the ANA Group supply chain.

In June 2019, we visited Thailand for the purpose of understanding the state of migrant workers and learning about the response to issues in the fishing industry. We performed local on-site visits and exchanged views with international institutions, local NGOs, and others.

In October, we visited a company involved in the production of in-flight meals for ANA flights departing from Thailand. There, we conducted interviews about initiatives related to traceability and exchanged views with local NGOs and others.



Exchange of views with local NGOs in October  
 @Caux Round Table Japan

## Regular Reviews from Human Rights Experts

The ANA Group holds advisory meetings with human rights experts on a regular basis. In October 2019, we invited four human rights experts from the Danish Center for Human Rights\*3, the Institute for Human Rights and Business\*4, and the World Benchmarking Alliance\*5 to evaluate the progress of the ANA Group's initiatives given the advice received the previous year.

The experts provided advice for stronger information disclosure, new human rights issues requiring caution, places to improve our management systems, and more.



@Caux Round Table Japan

\*1 Caux Round Table Japan: The Caux Round Table is a global network of business leaders working to realize a fair, free, and transparent society through business.

\*2 Blunumber Initiative: The Blunumber Initiative is a global program to establish food supply chain platforms by Blunumber Foundation.

\*3 Danish Center for Human Rights: The Danish Center for Human Rights was established by the Danish Parliament to gather information and develop tools related to human rights and business.

\*4 Institute for Human Rights and Business: Founded in 2009, the Institute for Human Rights and Business is an international think tank active in the field of business and human rights. This Institute is a leading driver of initiatives in this field.

\*5 World Benchmarking Alliance (WBA): A benchmarking organization established primarily by the United Nations Foundation, Index Initiative, and British insurance company Aviva. This organization develops benchmark indicators to evaluate company contribution levels to a sustainable society.

# Diversity and Inclusion



## ANA Group ESG Commitments

- Human resources development to support sustainable growth: Develop human resources and a sustainable work environment in which employees raise their productivity.
- Responding to the Diversity of Our Customers: Respect the needs and diversity of each customer, and promote universal services in both products and services



## Basic Approach

Population demographics are changing in Japan and our customers continue to diversify globally. In this environment, continuing to be chosen and trusted by customers will be crucial for the future of ANA Group growth.

We will accelerate initiatives aimed at providing world-class inclusive and universal services in an effort to fulfill our responsibility as a public transportation entity and build an inclusive society in which everyone can live together.

## Implementation Structure

One pillar of our corporate strategy is the FY2018–2022 Universal Service Strategy, which calls for us to respect the diversity of each customer and provide ANA Group services that every customer can enjoy comfortably and with peace of mind.

We carry out initiatives to improve our facilities and services, while at the same time, we identify issues in any scenes, from pre-departure through arrival, and implement action plans to improve convenience in every scenario.



## Major Initiatives

### For Customers to Experience Air Travel Comfortably and with Peace of Mind

In July 2019, we launched the “Assistance Information Registration Service” to receive and store information for customers in our ANA Mileage Club member database who need special assistance. The system saves customers the time and effort of providing the details of the assistance required every time they make a reservation. In turn, this facilitates smooth reservation procedures.

#### Information Stored

- Walking ability
- Information on wheelchair to be checked in (manual, electric, foldable or non-foldable, size, spare battery)
- Whether or not you have a visual / hearing impairment
- Medical equipment to be used on board the aircraft
- Assistive equipment to be loaned requiring special arrangement
- Assistance required at the airport or on board, etc.

## Creating an Environment for Customer Comfort (Facility Legacy of Diversity)

We will continue to create services, facilities, and equipment offering even greater comfort and convenience in any scenes, from pre-departure through arrival.

### Websites



Create accessible website environments for all to use, regardless of disabilities

### Airports (Information)



Remote sign-language services at counters / Morph resin wheelchairs

### Airports (Facilities)



Installation of low counters at 50 airports in Japan / Wider boarding gates

### Aircraft



ANA-original in-flight wheelchairs (available in all aircraft) / Wheelchair-accessible restrooms on selected narrow-body aircraft

## Creating a Society with Accessibility for All

Beyond air transportation, ANA plans to leverage MaaS\* as a mechanism to improve accessibility and convenience for all customers. Universal MaaS is a service that enables customers who are hesitant to travel, due to disability, age, or other reason to enjoy travel without stress. The service facilitates seamless transportation by providing information on public transportation fares, barrier-free connection routes, and so on. The system also shares and links customer location information and

necessary assistance information with and among relevant organizations.

In June 2019, ANA started an industry-academic-government joint project with Keikyu Corporation, Yokosuka City, and Yokohama National University. Here, we began proof-of-concept tests for customers traveling in wheelchairs. We will continue to work together with our stakeholders, aiming to launch social implementation by the end of fiscal 2020.



Joint Press Conference



Proof-of-Concept Test

\* Mobility as a Service (MaaS): Integration of various forms of transport services into a single mobility service on demand.

DIVERSITY AND INCLUSION

**Human Resource Development to Drive Barrier-Free Mindset Practices (Service Legacy of Diversity)**

We have implemented a range of initiatives to ensure that every employee embraces a barrier-free mindset in society and that allows us to offer world-class inclusive and universal services.

We are creating skies that value and welcome all people through programs that eliminate fear of air travel for special needs school students, as well as through ongoing education for employees.

**Hands-On Open Seminar for Universal Services**

Participants interact with the elderly and persons with disabilities to learn about issues from the perspectives of those concerned.



**Universal Service Refresher Training**

We provide e-learning education four times every year to raise the level of the universal services pursued by the Group.



**ANA's Sora-Pass Classes**

We provide a Sora-Pass\* class for children who are not used to traveling on aircraft. Here, children learn the boarding process from the airport to the cabin of the aircraft. In 2019, we launched an ANA Sora-Pass class (boarding support class) for students using wheelchairs and students with developmental disabilities. ANA Group employees visit schools and teach classes to students who use ANA flights for school travel to alleviate the anxieties about air travel.

\* Sora-Pass: Air Travel Passport

**Point 1**

**ANA instructors teach classes appropriate to the characteristics of the children's disabilities**

One class is a 60- or 70-minute session. ANA instructors visit schools and teach classes in which students learn the process from boarding to disembarking in the classroom, after which they experience the process for themselves.



**Point 2**

**Experience-based curriculum allowing students to easily understand boarding an aircraft**

Students experience sitting in on-board wheelchairs, security checkpoint procedures, and more.



**Point 3**

**Instructors are current ANA employees**

ANA Group employees who have experience as cabin attendants or ground staff serve as instructors (instructor job experience depends on program content).



**Promoting Universal Services through Group Businesses**

**ANA Wing Fellows Vie Oji: Diverse Human Resources Shine and Excel**

ANA Wing Fellows Vie Oji was established in June 1993 and was accredited as a special subsidiary under the Act on Employment Promotion, etc. of Persons with Disabilities in December 1993. Since then, the company has operated businesses in diverse locations, business types, and with diverse human resources. At the same time, we have pursued diverse work styles in the ANA Group, serving as a leader of diversity and inclusion. Guided by the vision that all employees are valuable, this company contributes to increasing the corporate value of the ANA Group.

**Manufacturing and External Sales Business**



The company provides hospitality and high-quality customer service through a bakery division, convenience store operations center, and the ANA Wonderful Day Café.



The ANA Aoshima Factory produces and sells hand made paper and woodwork products under its own brand name, using raw materials from the Miyazaki area to introduce Aoshima to the world.

**Airline-Related Business**



This business supports the Group through various services, including management of ANA uniforms, mileage-related services, and digital management of aircraft maintenance records.

**Universal Standard Consulting: Leveraging Strengths for New Value**

We established the Universal Standard Consulting business unit in August 2016. The unit provides consulting services to spread the adoption of universal environments inside and outside the ANA Group. The unit suggests high-quality universal standards based on the perspectives and sensibilities of people with disabilities and our own ANA's heartfelt service. Specifically, the unit verifies equipment at airports and on aircraft, as well as organizes workplace environment seminars for ANA Group employees. The unit also inspects hotels and accommodation facilities, in addition to promoting the employment of visually impaired persons.



