



# Sustainability Initiatives

The ANA Group has defined our ideal future from a medium- to long-term perspective, establishing the ANA Group ESG Commitments to continue to grow together with society. We aim to achieve sustainable growth and enhance corporate value through strategies from a global and long-term perspective, striving to resolve social issues through our businesses.



## The ANA FLYING HONU Charter Flight

We conducted a sightseeing flight using the Airbus A380 ANA FLYING HONU. Passengers enjoyed the feeling of traveling to Hawaii while still in Japan.

▶ P.76 The Power of People in the ANA Group



# ANA Group ESG Management

The ANA Group is committed to addressing the four material issues of the environment, human rights, regional revitalization, and diversity and inclusion (D&I) through our business activities as identified in our ESG management, which takes into consideration the environment (E), social (S), and governance (G). By simultaneously creating social value and economic value, we aim to achieve a sustainable society and increase our corporate value.

In the wake of the COVID-19 pandemic, interest in achieving a better society and passing on a better global environment to future generations post-COVID-19 is growing rapidly. Businesses are also expected to be actively involved in resolving environmental and social issues from a long-term perspective, and the ANA Group will continue to promote ESG management with an eye on the post-COVID-19 era.

In fiscal 2020, to clarify the ANA Group's vision for the future, we formulated and disclosed *ANA Group ESG Commitments* and initiatives to achieve them.

With regard to the environment, one of our material issues, we updated our *2050 Environmental Goals* in April 2021 amid accelerating global trends, particularly in response to climate change. As we have declared that we will achieve carbon neutrality by fiscal 2050, we have formulated new *2030 Environmental Targets* as a roadmap for achieving this goal. We will continue our efforts in the areas of human rights, regional revitalization, and diversity and inclusion (D&I), and will disclose information on our progress as needed.

While placing importance on dialogue with stakeholders, the ANA Group will continue to contribute to achieving a sustainable society by working to resolve social issues through our business activities.

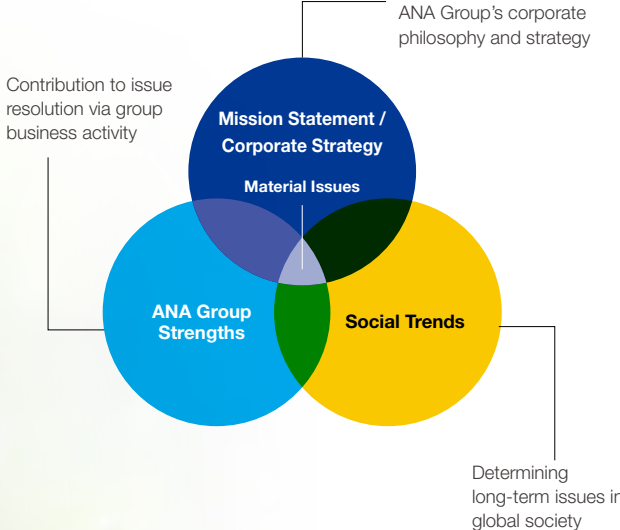
## Identification of Materiality

To identify material issues, we looked for consistency and continuity with our mission statement and corporate strategies, and whether we could contribute to the resolution of these issues through our business activities, based on three perspectives: mission statement and corporate strategy, ANA Group strengths, and social trends.

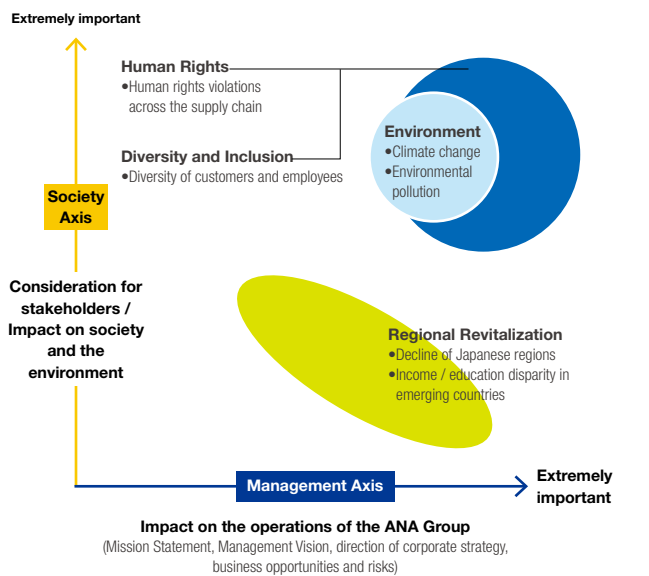
The identified issues were mapped on two axes: the impact on group business (management axis) and the

impact on the environment and society and the level of concern (social axis), and those with a high level of importance and impact were identified as material issues. To scrutinize whether material issues were consistent with global affairs, changes in the environment and social needs, as well as group corporate strategies, we confirm suitability through information collection and dialogue with stakeholders. We then repeat this step as many times as necessary.

### Schematic for Identifying of Materiality



### Materiality Matrix



### The Four Identified Material Issues

			Issue Recognition	
			For the ANA Group	For Society
Environment		P.50	<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		P.58	<ul style="list-style-type: none"><li>Maintaining / improving evaluations through avoiding human rights risk</li></ul>	<ul style="list-style-type: none"><li>Realizing a world that respects human rights</li></ul>
Regional Revitalization		P.60	<ul style="list-style-type: none"><li>Improving profitability by generating new inbound tourism demand</li><li>Maintaining / improving profitability of domestic airline business</li><li>Improving profits of international airline business</li></ul>	<ul style="list-style-type: none"><li>Revitalizing regional economies</li><li>Promoting international exchange</li></ul>
Diversity and Inclusion		P.62	<ul style="list-style-type: none"><li>Improving profitability by generating new demand</li><li>Providing an issue resolution system to strengthen capacity to respond to customers</li></ul>	<ul style="list-style-type: none"><li>Realizing an inclusive society</li></ul>



# ESG Management Promotion Cycle for Simultaneous Creation of Social Value and Economic Value

## ESG Management Promotion Cycle

Through our business, the ANA Group is promoting ESG management to contribute to resolving environmental and social issues and to continue creating value as a company that will be an indispensable part of society in the future. Through dialogue with stakeholders, we are able to understand the latest social needs and changing interests and use this to evaluate the impact on business and society. We then incorporate this information into our management strategies and initiatives. We disclose our progress on our corporate website and through other channels as necessary. At the same time, based on information we disclose, we engage in deeper dialogue with our stakeholders. We also report our progress and confirm the appropriateness of our initiatives in those discussions.

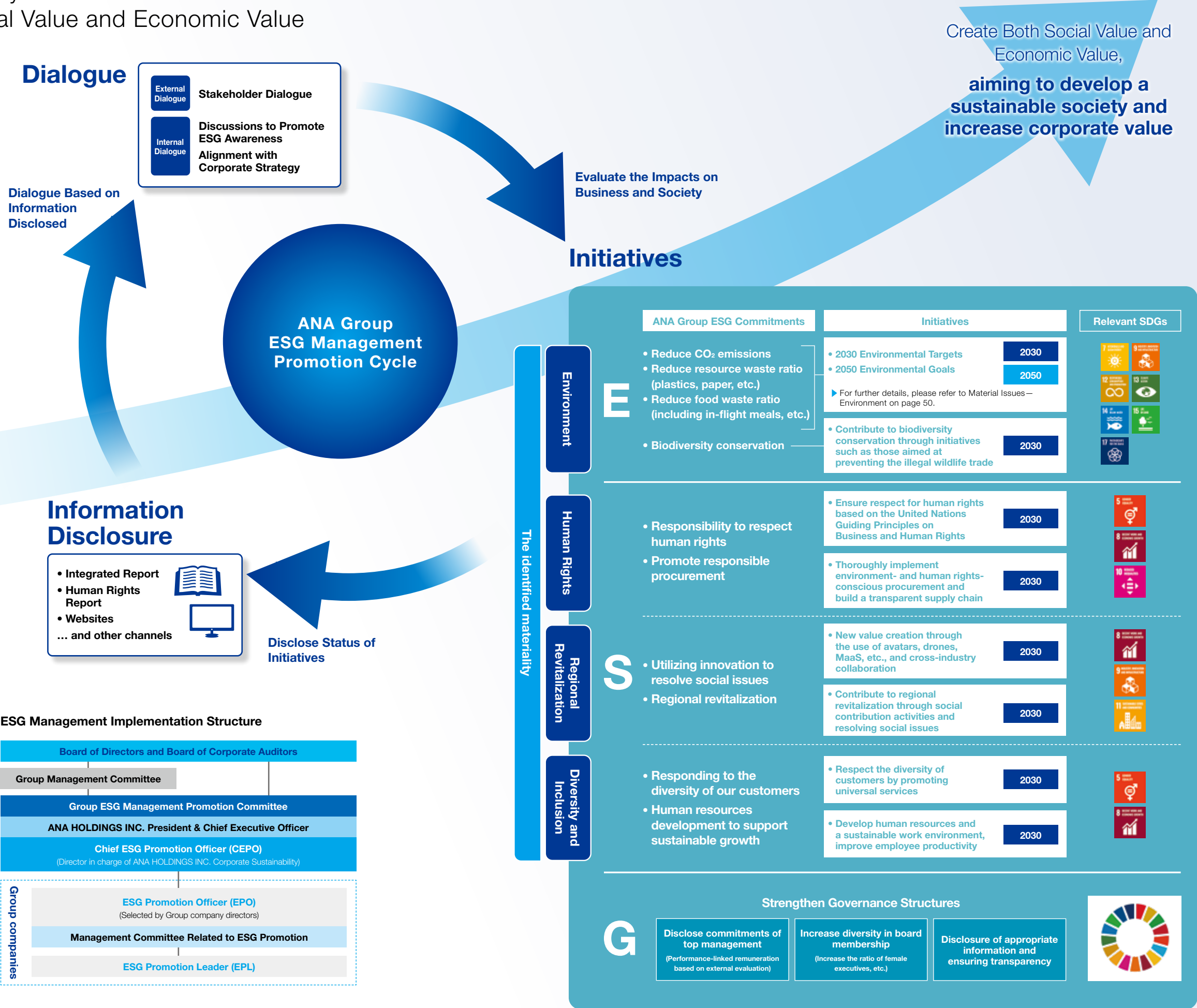
Through a cycle of dialogue, initiatives, and information disclosure, the ANA Group will promote ESG management focusing on material issues to enhance corporate value and contribute to achieving a sustainable society.

## ESG Management Implementation Structure

The ANA Group established the Group ESG Management Promotion Committee 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 (CEPO: Chief ESG Promotion Officer), consists of ANA HOLDINGS INC. and group company directors, executive officers, and the full-time Audit & Supervisory Board members of ANA HOLDINGS INC. The committee discusses core policies and measures related to ESG management.

In addition, important issues directly related to management are discussed at the Group Management Committee and reported to the Board of Directors and the Board of Corporate Auditors. Based on these regulations, each Group company has appointed an ESG Promotion Officer (EPO) as the person responsible for promoting ESG management and participates as a member of the Group ESG Management Promotion Committee, and each Group company and department has an ESG Promotion Leader (EPL) to lead the ESG activities of their respective organization.

Matters discussed, resolved, and reported at the Board of Directors, Group Management Committee, and Group ESG Management Promotion Committee are shared and implemented throughout the entire Group in close collaboration with EPOs and EPLs. We also hold EPL meetings twice a year to share information in a comprehensive manner and promote initiatives at each Group company and department.



# Dialogue with Stakeholders on ESG

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

Main External Discussions

### Dialogues with Experts on ESG

The COVID-19 pandemic has rapidly transformed social values and behaviors. The ANA Group regularly engages in dialogue with experts on ESG issues to understand rapidly changing social trends in a timely manner and respond appropriately. We are enhancing the effectiveness of our activities by incorporating the latest information and findings from these discussions into our strategies.

\* Company names and titles are as of the time of the discussion.

### Dialogue with Experts on the Environment (December 2020)

#### Topic

## ANA Group Medium-Term Environmental Targets

#### Participating Experts


IKEHARA Yosuke  
Climate and Energy Group Leader, Conservation Division, WWF Japan

HIBI Yasushi  
Representative Director, CI Japan and Vice President, Conservation International

#### Main Comments

- Recently, the external environment is changing significantly, and there are many cases where previous assumptions are no longer relevant. It is important to first set a goal and then build a system that can be reviewed and responded to flexibly over a period of three to five years. Showing your stance of emphasizing SBT\*1 not only for CO2 emission reductions but also for natural assets such as water and forests as your stable axis toward setting effective environmental goals. It is also a good idea to lobby for the necessity of carbon credits for the airline industry to achieve zero emissions by involving other stakeholders.
- It is important for The ANA Group to have a robust axis of sustainability and show the world its commitment to environmental goals. The ANA Group can take the initiative to engage with suppliers and encourage positive behavioral change in society.
- Japan often lacks presence in international rule-making processes, which is not only a loss for Japan also a loss for the international community. Proactive engagement by the ANA Group in such processes developing sustainability standards is strongly recommended.

\*1 Science Based Targets (SBT): 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.



### Dialogue with Experts on Business and Human Rights (October 2020)

#### Topic

## Business and Human Rights initiatives

#### Participating Experts (Online)

Paulina Murphy  
World Benchmarking Alliance\*2  
Engagement Director

Neill Wilkins  
Institute for Human Rights and Business\*3

Camille Le Pors  
World Benchmarking Alliance  
Lead Corporate Human Rights Benchmark

#### Main Comments

- ANA started to disclose the attendance rate of board members and the agendas of discussions at meetings in this year's Human Rights Report, which shows ANA's stance to place great emphasis on upholding the issues of Human Rights and ESG. Improving transparency in the information disclosure process is essential for enhancing corporate value, and this disclosure is commendable.
- Since it is not possible to address all issues in human rights risk management at once, I would like to see the effectiveness of the most recently revised procurement policy enhanced by starting with those that require urgent action and gradually developing them.
- We are pleased to know that access to a grievance mechanism\*4 has actually been put into operation. In the future, it will be more important to verify whether the grievance mechanism is properly made known on the frontlines and whether it is easy to access, and to review the issues it might have.

\*2 World Benchmarking Alliance: An index initiative established by the United Nations Foundation, Aviva (a British insurance company), and other organizations. This organization develops benchmark indicators to evaluate company contribution levels to a sustainable society.

\*3 Institute for Human Rights and Business: An international think tank that works in the field of business and human rights and leads efforts in this area. Established in 2009.

\*4 Grievance mechanism: A mechanism that enables the prevention and mitigation of negative impacts on the company throughout the value chain, including suppliers, as well as redress for victims of the negative impact that has occurred.



@ Caux Round Table Japan

### Dialogue with Overseas ESG Investors (December 2020)

#### Topic

## Progress of ESG Management in the ANA Group and Global Trends in ESG Investment

#### Participating Experts

### 1. EOS at Federated Hermes

SUZUKI Sachi  
Associate Director - Engagement

Haonan Wu  
Associate - Engagement

### 2. World Benchmarking Alliance

Camille Le Pors  
Lead, Corporate Human Rights Benchmark

Charlotte Hugman  
Research Analyst on the Climate and Energy Transformation

#### Main Comments

### 1. EOS at Federated Hermes

- The Japanese government has announced a policy to become carbon neutral by the year 2050. Therefore, it is important for Japanese companies to involve the government and industry in their efforts to achieve this goal and take up the challenge.
- Regarding diversity, the number of female managers is steadily increasing but we believe there is still room for improvement, and would like to be informed if there are plans for any ongoing activities. When exercising voting rights, the number of female directors of each company will be judged based on stricter standards than before.

### 2. World Benchmarking Alliance

- If planning on being actively involved in the efforts related to Science Based Targets, it is advisable to refer to the guidance provided by the Science Based Targets Initiative\*5.
- We believe the trend of tightening regulations on due diligence\*6 laws will spread not only to the European region but also to other regions in the future. In terms of due diligence, it will be necessary to identify and disclose information on the risks and impacts of a company's business on society and the environment, in a way that links both environmental and human rights, rather than addressing them separately.

\*5 SBTi (Science Based Targets Initiative): A joint initiative by WWF, CDP, the World Resources Institute (WRI), and the UN Global Compact to achieve reduction targets.

\*6 Due diligence: The process by which a company identifies environmental and human rights risks in its supply chain associated with its business activities and takes preventive and mitigating measures.


Main Internal Discussions

### Internal Discussions to Promote ESG Awareness

We are holding a variety of internal discussions to encourage each employee to understand the importance of promoting ESG management, and to take it as their own business and put it into practice in their daily work. By utilizing an online format, more employees can participate.


### Direct Discussions with Executives (Town Meetings)

Management and employees share an awareness of the need to achieve goals by exchanging opinions on company policies and proposing improvements in products and services. There have been many cases where the opinions and ideas expressed at town meetings have led to new products, services, and activities. (e.g., digitization of papers used by flight crews, solicitation of donated miles to support medical personnel, etc.)



### SDGs Seminar


Seminars are available to all Group employees in an online format. We are learning to think about how we can contribute to the SDGs through our work, and to practice and deepen initiatives familiar to us.



### ESG TOP Discussions with Employees

ANA Group officers ran a TOP discussion on the promotion of ESG management.

After a panel discussion on the latest global trends and the status of initiatives in the departments over which the officers have responsibility, employees and officers participating online had the opportunity to exchange opinions and deepen their understanding of ESG management.





Material Issues

Environment



- 1 Reduce CO<sub>2</sub> emissions
- 2 Reduce resource waste ratio
- 3 Reduce food waste ratio
- 4 Biodiversity conservation

Basic Approach

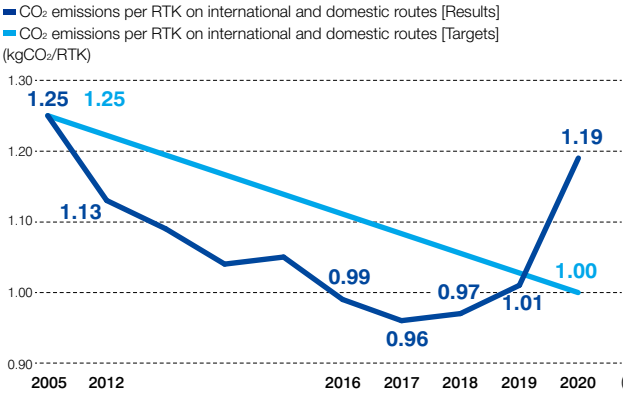
The ANA Group has introduced the *ANA Group Environmental Principles* and the *ANA Group Environmental Policies*. These principles and policies build on the *ANA FLY ECO 2020* medium- to long-term environmental plan from fiscal 2012 to fiscal 2020 and include initiatives for reducing our environmental impact. To resolve environmental problems, we recognize that efforts to reduce our environmental impact and the conservation of biodiversity are important management issues.

In addition to declaring carbon neutrality by fiscal 2050 in our *2050 Environmental Goals*, the ANA Group has formulated new *2030 Environmental Targets* and is making steady progress in our initiatives to reduce our environmental impact.

Past Initiatives ANA FLY ECO 2020 (2012-2020)

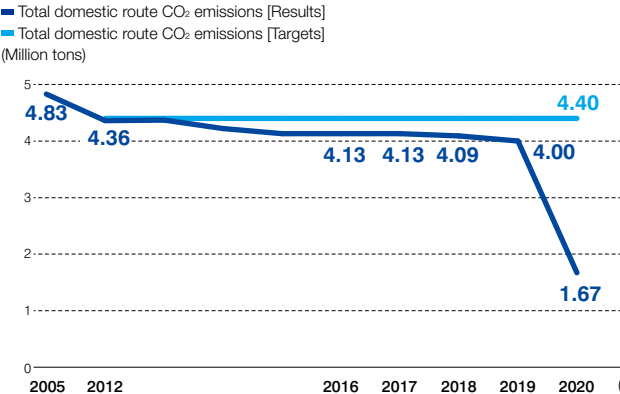
In terms of aircraft operations, we have been steadily achieving our targets since fiscal 2012 by improving flight operations and reducing fuel consumption through the proactive introduction of fuel-efficient aircraft, such as the Boeing 787. In fiscal 2020, due to the impact of the COVID-19 pandemic, we were forced to reduce and cancel flights, resulting in a significant 44% decrease in total CO<sub>2</sub> emissions compared to the previous year.

CO<sub>2</sub> Emissions per Revenue-Ton-Kilometers (RTK) on International and Domestic Route Targets and Results



However, due to a significant decrease in demand, CO<sub>2</sub> emissions per ton-kilometer of paid transportation increased. In terms of the reduction of ground operations CO<sub>2</sub> emissions (other than aircraft operations), we have been successful in our efforts to reduce our per-unit energy consumption for ground operations by 1% annually in accordance with the Act on the Rational Use of Energy.

Total Domestic Route CO<sub>2</sub> Emissions



Per-Unit Energy Consumption for Ground Operations

	2012	2013	2014	2015	2016	2017	2018	2019	2020	(FY)
	-1.0	-0.9	-0.7	-3.1	-4.2	-3.3	-3.9	-9.0	-16.5	(%)

▼ For further details on the targets and results of *ANA FLY ECO 2020*, please refer to: <https://www.ana.co.jp/group/en/csr/environment/goal/#anchor003>





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

ANA Group 2050 Environmental Goals and 2030 Environmental Targets

In July 2020, ANA Group put together our *2050 Environmental Goals* to address environmental issues, including a 50% reduction in CO<sub>2</sub> emissions from aircraft operations by fiscal 2050 (compared to fiscal 2005). In light of the Japanese government October 2020 policy announcement of becoming carbon neutral by the year 2050, the ANA Group has furthered its *2050 Environmental Goals* to include net zero aircraft CO<sub>2</sub> emissions by fiscal 2050 and have put together our *2030 Environmental Targets* as a roadmap to achieve this goal.

To achieve our goal of net zero CO<sub>2</sub> emissions, it is necessary to make improvements to the facilities and the environment surrounding Air Transportation Business, including a stable supply of SAF\*<sup>1</sup> and increased airport infrastructure. Knowing that issues and needs arise as social conditions change, we will periodically examine the issues and revise our targets and plans as needed.

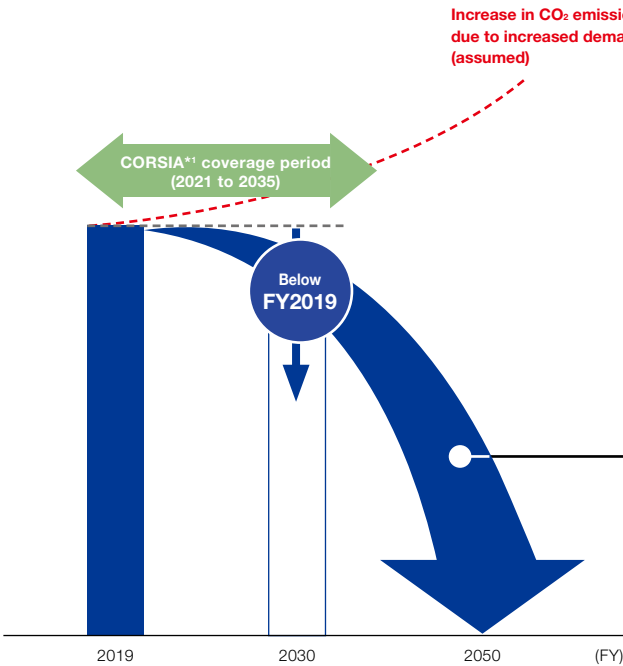
\*1 SAF (Sustainable Aviation Fuel): Aviation fuel that is not produced from fossil fuels but from sustainable sources such as vegetable oils and animal fats.

		FY2030		FY2050
Reduce CO <sub>2</sub> Emissions	<div>Aircraft</div> 	Targets	Below FY2019	Net zero
		Initiatives	<ul style="list-style-type: none"><li>• Use of SAF</li><li>• Adopt new aircraft technologies</li><li>• Improve flight operations</li><li>• Use of emission trading schemes</li></ul>	
		Requirements for Success	<ul style="list-style-type: none"><li>• Stable supply of SAF (volume and price)</li><li>• Adopt new aircraft technologies (Development of electric and hydrogen airplanes, etc.)</li><li>• Development of the CO<sub>2</sub> credit market</li></ul>	
	<div>Non-Aircraft</div> 	Targets	33%+ reduction vs. FY2019	Net zero
		Initiatives	<ul style="list-style-type: none"><li>• Energy conservation and renewal of aging facilities and equipment</li><li>• Use of renewable energy (solar, wind, etc.)</li><li>• Select EVs (Electric Vehicles) and FCVs (Fuel Cell Vehicles) when upgrading airport vehicles</li></ul>	
		Requirements for Success	<ul style="list-style-type: none"><li>• Expansion of renewable energy supply</li><li>• Development of airport infrastructure to convert to EVs/FCVs</li></ul>	
Reduce Resource Waste Ratio (Plastics, Paper, etc.)		Targets	70%+ reduction vs. FY2019	Zero waste ratio
		Initiatives	<ul style="list-style-type: none"><li>• Replace disposable plastics for eco-friendly materials</li><li>• Promote cargo plastic recycling</li><li>• Digitize paper resources (in-flight magazines, timetables, travel brochures, and cargo waybills)</li></ul>	
Reduce Food Waste Ratio (Including In-Flight Meals, etc.)		Targets	Reduce to less than 3.8% (FY2019 waste ratio: 4.6%)	Reduce to less than 2.3% (50% reduction vs. FY2019)
		Initiatives	<ul style="list-style-type: none"><li>• Monitor the disposal of in-flight and domestic airport lounge meals and reevaluate loading capacity</li></ul>	

1 Reduce CO<sub>2</sub> Emissions

Reduce CO <sub>2</sub> Emissions from Aircraft Flight Operations		
	FY2030	FY2050
Targets	Below FY2019	Net zero

ANA Group CO<sub>2</sub> Emissions (image)



The ANA Group is working to address environmental issues and recover and grow our business from the COVID-19 pandemic. To achieve our goal of zero CO<sub>2</sub> aircraft emissions by fiscal 2050, our roadmap *2030 Environmental Targets* is based on the international aviation ICAO/CORSIA guidelines. To reduce total emissions below fiscal 2019 levels, we are focusing on four pillars (1. Use of SAF, 2. Adopt new aircraft technologies, 3. Improve flight operations, and 4. Use of emission trading schemes). From fiscal 2030, we will accelerate our efforts

focusing on the use of SAF. We will achieve our fiscal 2050 goal of net zero CO<sub>2</sub> emissions by continuing to improve flight operations and innovate with the latest technology as well as by focusing on fuels such as electricity and hydrogen.

<sup>\*1</sup> CORSIA (Carbon Offsetting and Reduction Scheme for International Aviation): A carbon offsetting and carbon reduction scheme to reduce CO<sub>2</sub> emissions from international flights and limit the impact of aviation on climate change. Adopted by the International Civil Aviation Organization (ICAO), aircraft CO<sub>2</sub> emission offsetting based on 2019 levels will be mandatory from 2021.

1 Use of Sustainable Aviation Fuel (SAF)

SAF is highly valued in positively contributing to the environment and so the ANA Group has placed its use at the center of our measures to reduce aircraft CO<sub>2</sub> emissions. However, a large gap exists between the global demand for jet fuel and the current supply of SAF. The stable supply of SAF is therefore an issue that requires urgent attention. The ANA Group has been involved with the following initiatives to build a supply chain in anticipation of the increasing demand for SAF.

2011	To support the development of domestic SAF production, we invested in Euglena Co., Ltd. and later participated in a project run by the New Energy and Industrial Technology Development Organization (NEDO)	
2019	Signed an offtake agreement with U.S.-based SAF manufacturer LanzaTech, Inc. Conducted a delivery flight of a new aircraft to Japan using SAF made from exhaust gas produced by LanzaTech, Inc. in collaboration with MITSUI & CO., LTD.	 
2020	Strategic alliance with Finland-based SAF manufacturer NESTE for medium- to long-term supply In cooperation with NESTE, first scheduled flight using SAF departed from Haneda and Narita airports ⇒ <b>Procured commercial-scale SAF from NESTE, scheduled to commence use on regularly scheduled flights from Haneda and Narita airports in summer 2021</b> Toshiba Energy Systems & Solutions Corporation, Toshiba Corporation, Toyo Engineering Corporation, Idemitsu Kosan Co., Ltd., and Japan CCS Co., Ltd. agreed to begin looking into a carbon recycling business model <sup>*2</sup> that recycles CO <sub>2</sub> from exhaust gas and other sources into SAF	 
2021	For the NEDO project, domestically produced SAF manufactured by IHI Corporation was used for regularly scheduled commercial flights from Haneda Airport (June)	

We are currently working together with the public and private sector to build a supply chain and manufacture SAF not only overseas but also domestically by participating in the Japanese government's study group on carbon neutrality by 2050 (such as the study group on aircraft CO<sub>2</sub> reduction).

<sup>\*2</sup> Carbon recycling business model: Power to Chemicals (P2C) is a carbon recycling technology that uses renewable energy and renewable hydrogen to recycle CO<sub>2</sub> into highly valuable materials that positively contribute to the environment. This not only reduces CO<sub>2</sub> emissions but also contributes greatly to the expansion of renewable energy.

2 Adopt New Aircraft Technologies

As the launch customer of the fuel-efficient Boeing 787, the ANA Group owns 74 aircraft (as of the end of March 2021) and is actively introducing state-of-the-art aircraft such as the Airbus A320neo and A321neo. As of the end of March 2021, fuel-efficient aircraft accounted for 72.5% of the group-owned fleet (jet aircraft only). We believe that we can further contribute to the reduction of CO<sub>2</sub> emissions by advancing engine technology to run on fuels such as electricity or hydrogen.

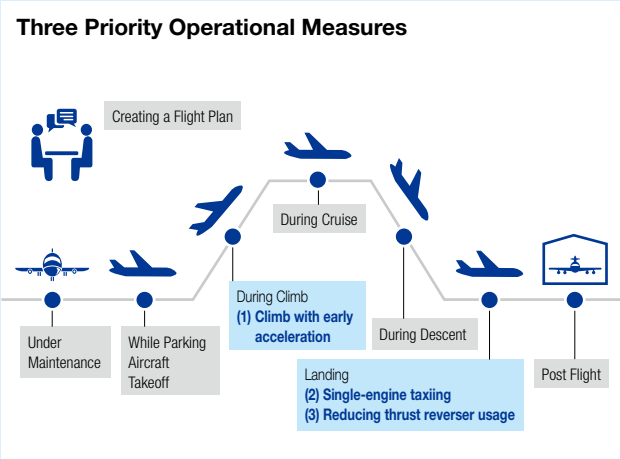
Environment

3

Improve Flight Operations

The ANA Group is implementing initiatives to reduce our environmental impact at each stage of our operations. The Operations Department is managing results from setting the following three priority measures to reduce CO<sub>2</sub> emissions: (1) climb with early acceleration after takeoff, (2) single-engine taxiing, (3) reducing thrust reverser usage. We also implement environmentally friendly operations such as regular engine cleaning to improve combustion efficiency and flight planning by selecting the optimal altitude, speed, and route.

▼ For more information on what we are doing at each stage of our operations, please refer to:  
<https://www.ana.co.jp/group/en/csr/environment/operating/>



4

Use of Emission Trading Schemes

As we will need to offset increased CO<sub>2</sub> emissions from 2021 onward as per ICAO/CORSIA guidelines, we will also utilize emissions trading (purchase of CO<sub>2</sub> emissions credits) for CO<sub>2</sub> emissions that cannot be reduced even after implementing the above measures (1 2 3).

Reduce CO <sub>2</sub> Emissions from All Non-Aircraft Flight Operations		
	FY2030	FY2050
Targets	33%+ reduction vs. FY2019	Net zero

The ANA Group implements appropriate energy management using our energy management system *ANA Eirms* based on our own Energy Management Standard. Companywide, the ANA Group reduced CO<sub>2</sub> emissions by 26% in fiscal 2020 compared to the previous fiscal year. In addition, ANA and ANA Catering Service 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 Economy, Trade and Industry (METI) for the sixth consecutive year since this scheme was established. To achieve net zero CO<sub>2</sub> non-aircraft emissions by fiscal 2050, we will work to reduce energy consumption by fiscal 2030, focusing on the use of electricity and vehicle fuel (gasoline and diesel fuel), which accounts for the majority of our total emissions.

Electricity	We will systematically upgrade our facilities and equipment to energy-saving devices. ANA Blue Base, the ANA Group comprehensive training center, ANA Tonomachi Business Center, and ANA TELEMART Nagasaki Branch Call Center use electricity generated by their own solar power generation, and the use of renewable energy at their facilities reduces CO <sub>2</sub> emissions.
Vehicle Fuel	In addition to deepening energy-saving measures, we are gradually upgrading our airport vehicles to hybrid vehicles (HVs), electric vehicles (EVs), and fuel cell vehicles (FCVs). We will make the switch to EVs and FCVs from all vehicles (ones that use gasoline) by fiscal 2030.

2 Reduce Resource Waste Ratio (Plastics, Paper, etc.)		
	FY2030	FY2050
Targets	70%+ reduction vs. FY2019	Zero waste ratio

The ANA Group promotes the 3Rs (Reduce, Reuse, and Recycle) and is working to reduce our resources waste ratio. We encourage use reduction and recycling, especially of plastics and paper.

Reduce the Use of Plastics

We are replacing disposable plastic products used in airport lounges and on flights with eco-friendly materials such as paper and bio-plastics. From August 2021, we plan to become the first Japanese airline to change the main dish containers for international economy class in-flight meals from plastic to eco-friendly bagasse (stalks

and leaves left over when sugar is refined from sugar cane). This will reduce the amount of in-flight disposable plastic by approximately 30%. We are also encouraging the recycling of vinyl used for cargo packaging, not only to reduce the amount used but also to promote the 3Rs.

Reduce Paper Resources

We are working to reduce the use of paper resources by promoting the digitization of timetables, in-flight magazines, and cargo waybills, as well as optimizing the number of travel brochures.



3 Reduce Food Waste Ratio (In-Flight/Airport Lounge Meals, etc.)		
	FY2030	FY2050
Targets	Reduce to less than 3.8% (FY2019 waste ratio: 4.6%)	Reduce to less than 2.3% (50% reduction vs. FY2019)

The ANA Group is working to reduce our food waste ratio such as in-flight meals.

Reduce Food Waste Ratio In-Flight and at Domestic Airport Lounges

We monitor the waste ratio of in-flight meals on domestic and international flights, and review the number of meals carried in premium class on domestic flights and first and business class on international flights.

We have expanded pre-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.

Going forward, we will reduce our food waste ratio throughout the product life cycle (procurement of ingredients, preparation, meal delivery, and disposal) by thoroughly managing in-flight light dishes between meals and domestic airport lounge meals.

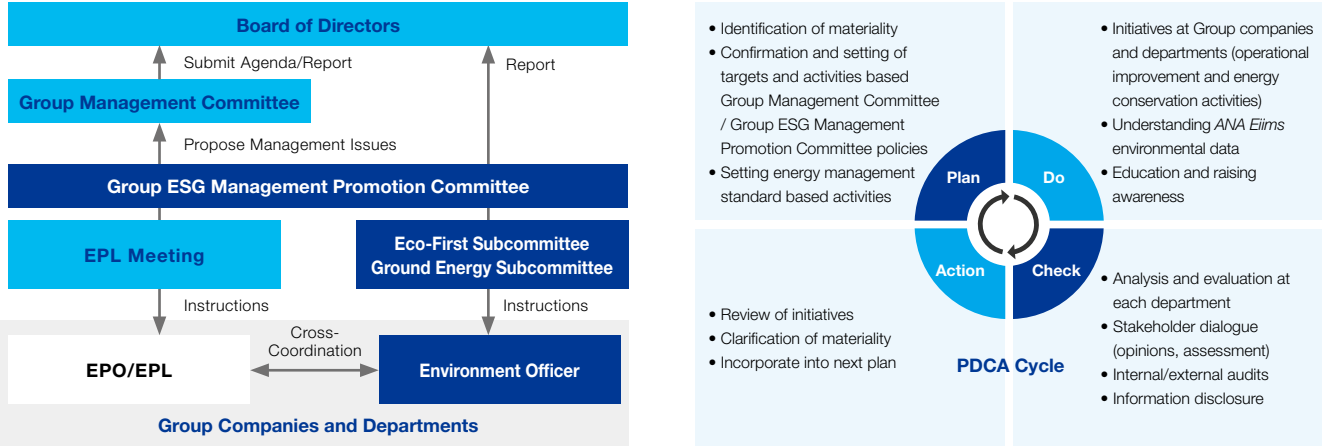


Environment

Implementation Structure

Important policies related to environmental activities are discussed at the Group ESG Management Promotion Committee. In addition, we established two subcommittees to discuss initiatives to reduce our impact on the environment: the Eco-First Subcommittee for initiatives related to aircraft operations and the Ground Energy Subcommittee for non-aircraft operations initiatives. The Eco-First Subcommittee and the Ground Energy Subcommittee are chaired by the General Manager of the Sustainability Promotion Department and are held at least

twice a year with the heads of environmental departments of major Group companies as committee members. In addition to the Group ESG Management Promotion Committee, important matters related to management policy are discussed at the Group Management Committee and submitted to the Board of Directors. We, along with each Group company and department, are promoting initiatives to address environmental issues by implementing PDCA management.



Information Disclosure

**CDP**

In response to investor requests for disclosure, the Carbon Disclosure Project (CDP) assessment is aimed at disclosing information on greenhouse gas emissions and corporate strategies for climate change. Since fiscal 2016, the ANA Group has disclosed greenhouse gas emissions data corresponding to Scope 1, 2, and 3 as defined in the Act on the Rational Use of Energy. This data is verified for accuracy by a third-party agency. Our assessment for 2020 was B. (The industry average is C.)

**TCFD**

In March 2019, the ANA Group became the first Japanese airline to endorse the recommendations of the Task Force on Climate-related Financial Disclosures, established by the Financial Stability Board\*. Based on the revision of Japan's Corporate Governance Code, we will continue to enhance the quality and quantity of information disclosure related to climate change issues as an initiative to address sustainability issues.

\*1 Financial Stability Board (FSB): A body comprising of financial ministries and central banks of each country that is responsible for the supervision of international finance.

**SBT**

The ANA Group has committed to SBT (Science Based Targets) in May 2020 and aims to have it approved within two years. Additionally, to be involved in setting rules for aviation-sector reduction targets, we have joined the WWF (World Wide Fund for Nature)-led SBT Technical Subcommittee, and are helping to create guidance for reduction targets.

Initiatives to Reduce Environmental Impact

Carbon Offset Program

The ANA Group offers the ANA Carbon Offset Program for each class on domestic and international routes. This program is a mechanism that allows passengers to offset the amount of CO<sub>2</sub> emitted by their aircraft. We select offset programs that meet global certification standards.

▼ More details on the project, please refer to:  
<https://www.ana.bluedotgreen.co.jp/en/home>

Eco-First Certified Company

In 2008, ANA became the first in the transportation industry and the first airline to become a certified Eco-First Company. We received this honor in recognition of our environmental initiatives and corporate stance that emphasizes social responsibility. As an environmentally advanced company, we have declared our *Eco-First Promise* to protecting the global environment and are working toward achieving a sustainable society.



4 Biodiversity Conservation

Team Chura Sango Coral Reef Conservation Project in Onna Village, Okinawa

The ANA Group has been working with the Okinawan Environment Ministry and Onna Village since 2004 on Team Chura Sango, a coral reef conservation project, to plant coral seedlings and conduct educational activities in and outside Okinawa Prefecture. The coral reef is facing a crisis due to bleaching caused by rising sea temperatures and feeding damage caused by a large number of crown-of-thorns starfish. To help pay for the coral seedling activities, ANA Mileage Club members are able to donate miles to support Team Chura Sango activities. A record number of 2,287 trees were planted in fiscal 2020, bringing the total to 15,432.



Supporting Amami Oshima, Tokunoshima, Northern Okinawa, and Iriomote Island as World Natural Heritage Sites

Since fiscal 2017, the ANA Group has supported the registration of these areas as World Natural Heritage sites. One of these activities is volunteers helping to control invasive plants that have a significant impact on the Yanbaru National Park ecosystem. In cooperation with the

Environment Ministry, Kunigami Village, and Ogimi Village, we are conducting activities under the guidance of Environment Ministry rangers, mainly in the Tagari district of Ogimi Village, where the damage is worst.



Organizing Seminars to Eradicate the Illegal Wildlife Trade

In March 2018, ANA became the first Japanese airline to sign the Buckingham Palace Declaration, which aims to eradicate illegal wildlife trade as recommended by IATA. Since fiscal 2018, we have been conducting seminars using illegal wildlife trade prevention educational textbooks supervised by ROUTES\*<sup>2</sup> in collaboration with TRAFFIC\*<sup>3</sup>. The fiscal 2020 online seminar was co-hosted with Narita International Airport Corporation for the second consecutive year. A total of 170 employees from ANA Group companies, including airport personnel and overseas branches participated.

\*<sup>2</sup> ROUTES: ROUTES is an international collaborative platform for dealing with criminal activities involving the illegal trade of wild animals.  
\*<sup>3</sup> TRAFFIC: An international NGO that surveys and monitors wildlife trade. Established as a joint project between the WWF and IUCN (International Union for Conservation of Nature)





Material Issues

Human Rights



- 1 Responsibility to respect human rights
- 2 Promote responsible procurement and supply chain management

Basic Approach

The ANA Group has a wide range of business operations which involve various risks to human rights.

The ANA Group is committed to upholding 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. In fiscal 2020, we reviewed our existing procurement policy and formulated a new ANA Group Procurement Policy consisting of the Basic Procurement Policy and the Supplier Code of Conduct. We continue to 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 fiscal 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.



Human Rights Report 2020  
[https://www.ana.co.jp/group/en/csr/effort/pdf/Human\\_Rights\\_Report\\_2020\\_e.pdf](https://www.ana.co.jp/group/en/csr/effort/pdf/Human_Rights_Report_2020_e.pdf)

1 Responsibility to Respect Human Rights

To ensure respect for human rights, in fiscal 2016 and fiscal 2019 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. We are working to prevent the occurrence of risks with regard to the areas we have identified.

Survey on Employment Conditions of Foreign Workers in Japan

To quickly address not only potential but actual human rights risks of foreign workers, in fiscal 2020 we conducted a system-based review on the employment status of foreign workers in the ANA Group and major contractors. By using this summarized data going forward, we will strive to provide a suitable and comfortable work environment. In addition, with the cooperation of a third-party organization (Caux Round Table Japan\*), we have begun operating a grievance process system in accordance with global standards. Going forward, we will continue to work on improving the effectiveness of this system we have established.

\*1 Caux Round Table Japan: A global network of business leaders dedicated to creating a freer, fairer, and more transparent society through business.



Image of the Global Supply Chain Data Management System



Image of the Grievance Process System

▼ 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/)  
[https://www.ana.co.jp/group/en/csr/supply\\_chain\\_management/](https://www.ana.co.jp/group/en/csr/supply_chain_management/)

Prevent the Use of Airplanes in Human Trafficking

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

In fiscal 2020, in collaboration with Narita International Airport Corporation, we worked with related organizations to hold an online seminar on the topic of human trafficking prevention.



Online Seminar

Corruption Prevention

To comply with the anti-bribery laws of countries around the world, we have established the ANA Group Anti-Bribery Regulations which explains these regulations with specific examples. By distributing the ANA Group Anti-Bribery Handbook and conducting e-learning programs, we are working to educate our employees. In fiscal 2020, we conducted online seminars in China and e-learning in the United States.

2 Promote Responsible Procurement and Supply Chain Management

In recent years, human rights issues, such as industrial accidents, have become increasingly serious in the globalized supply chains of companies. In addition to complying with the laws and regulations of each country, companies are required to respect the spirit of internationally recognized standards and principles to contribute to achieving a sustainable society.

Formulation of the ANA Group Procurement Policy

As well as providing safe and secure services, the ANA Group will contribute to the creation of social value through our procurement activities by taking initiative in considering local and global social and environmental issues.

As part of this effort, we have formulated the ANA Group Procurement Policy to promote more sustainable procurement activities throughout the supply chain. Particularly in terms of human rights and the environment, we now request more extensive and detailed information from suppliers compared to our previous ANA Group Purchasing Policy.

ANA Group Procurement Policy

Basic Procurement Policy

Supplier Code of Conduct

Supply Chain Management of In-Flight Meals

In fiscal 2017, the ANA Group became the first Japanese company to join the Bluenumber Initiative\*. We are in the process of registering information on producers and companies involved in in-flight meal ingredients to build a highly transparent food supply chain that includes respect for human rights and environmental conservation in the production process.



Image of Bluenumber Initiative Administration Site

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

Involving Business Partners

In addition to sharing the ANA Group Procurement Policy and international standards on business and human rights with contractors and suppliers, we also provide web-based in-house e-learning programs to further promote understanding of ANA Group activities. We also work together with our business partners to ensure their workplace environments uphold respect for human rights.

Expert Review

Since fiscal 2016, the ANA Group has held regular annual discussions with international human rights experts to obtain advice on ANA Group initiatives to respect human rights. In October 2020, we invited three human rights experts from the Institute for Human Rights and Business\*3 and World Benchmarking Alliance\*4 to evaluate the progress of the initiatives set forth by the ANA Group given the advice received in fiscal 2019. The experts advised us on supply chain management methods and new human rights issues that we should be aware of in the context of the COVID-19 pandemic.

\*3 Institute for Human Rights and Business: An international think tank working in the field of business and human rights and leading efforts in this area. Established in 2009.  
\*4 World Benchmarking Alliance (WBA): The Index Initiative established primarily by the United Nations Foundation and British insurance company Aviva. This organization develops benchmark indicators to evaluate company contribution levels to a sustainable society.

# Regional Revitalization



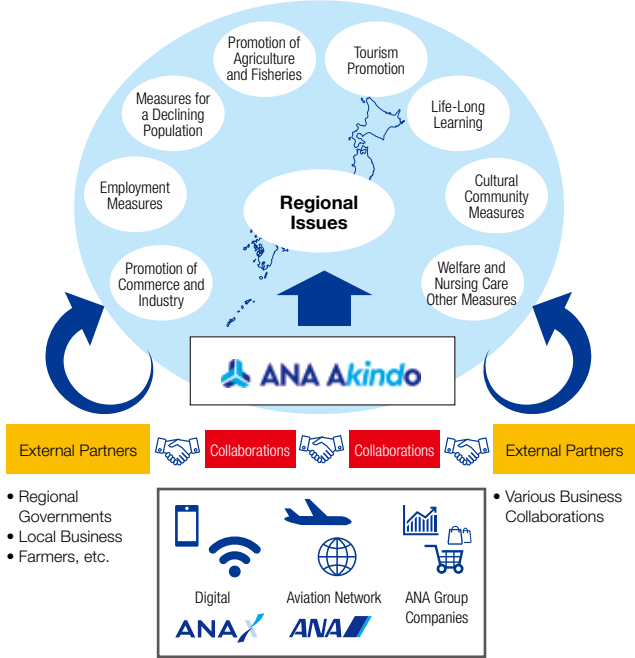
- 1 Utilizing innovation to resolve social issues
- 2 Regional revitalization through social contribution and resolving social issues

## Basic Approach

Regional revitalization is an initiative to overcome the declining population and shrinking regional economy, and to ensure that the region will grow in the future. In addition to air transportation, the ANA Group is developing businesses in many areas that contribute to the local communities, including hometown tax donations, cashless promotion projects, digital advertising using ANA Mileage Club data, and resolving social issues through the *newme* avatar\*1.

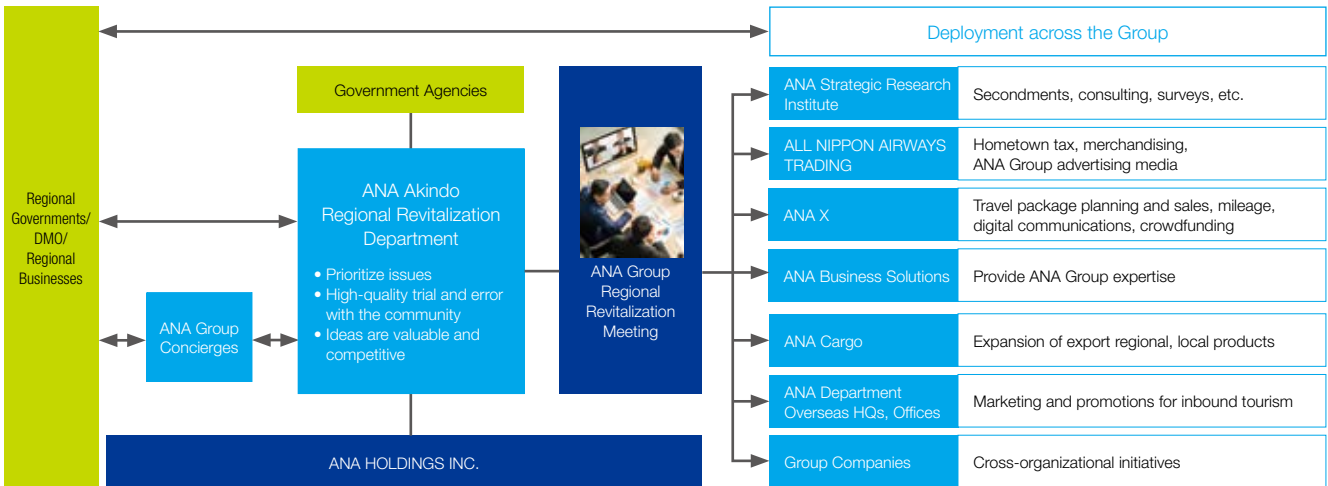
Future businesses will strengthen the relationships we have built with local communities through our airline and travel businesses, and work with local governments, NGOs, NPOs, along with a variety of local companies. These collaborations will address the concerns and issues of local communities, and utilize and apply the strengths and assets of the group while focusing on the promotion of tourism for the sustainable development of local communities. We will take on the challenge of expanding the scope of problems to resolve.

\*1 *newme* avatar: A new means of transportation developed by avatarin Inc, an ANA Holdings start-up that transports a person's consciousness and presence without moving their body. From various devices, users can in real time control *newme* remotely in the location they want to move to, and see, talk, and walk around it.



## Implementation Structure

The Group Regional Revitalization Meeting, organized by the ANA Akindo Regional Revitalization Department, integrates Group companies initiatives organically and promotes itself as a place for value creation and planning that connects with regional issues.



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

## 1 Utilizing Innovation to Resolve Social Issues

To achieve one of our business innovation initiatives, we are providing services with avatar technology that connect users with people, goods, services, and places. From the comfort of their own home, users can see aquarium exhibits and shows, and enjoy shopping at their favorite stores. We can provide future work styles and new services and solutions through the *newme* avatar.

### Case 1 ▶ Decline in Aquarium Visitors: Visit Anytime from Anywhere Using the *newme* Avatar

Business Overview	• Using the <i>newme</i> avatar technology and platform, we have created a system that allows users to visit regional aquariums and facilities from anywhere at any time
Regional Issues	• Big drop in number of regional aquarium visitors • Desire to increase revenues at regional aquariums
Methods	• Using <i>newme</i> avatar technology, develop a new aquarium viewing tool



Children Can Control the *newme* Avatar and Aquarium Guide Remotely

## 2 Contribute to Regional Revitalization Through Social Contribution and by Resolving Social Issues

The ANA Group is working to resolve essential regional issues. Utilizing ANA Group expertise, from the production of agricultural products to branding and market development, we are contributing to improving the attractiveness of primary industries and promoting community-based sustainable cycle practices.

### Case 2 ▶ Save Tangerine Farms!: An ANA Farm Project @ Ehime Prefecture

Business Overview	• ANA will oversee an abandoned tangerine farm and support the entire process from production to processing, distribution, and sales.
Regional Issues	• Need to raise the profile of prefecture specific products and due to lack of sales channels, sales are not increasing • Increase in the number of abandoned farms due to a decrease in the number of successors
Methods	• Expansion of sales channels and branding of prefecture specific products using ANA expertise • Food processing using ANA catering expertise • Dispatch of ANA personnel to farms



### Case 3 ▶ Supporting Community Dreams: Regional Bank Crowdfunding Collaboration

Business Overview	• Using regional bank networks, promote crowdfunding of potential regional Business Seeds*2 for commercialization
Regional Issues	• Desire to commercialize a business idea but lack the financial resources • Need to improve the means of publicizing projects for commercialization
Methods	• Using regional bank networks, identify local businesses that could support commercialization We are working on a regional revitalization project to identify and develop attractive regional commercial products and develop them into a platform. As part of our regional cooperation, we are collaborating with Tajima Bank, Ltd. This collaboration was coordinated by the Kirin no machi Tourism Bureau Association (DMO Japanese Version) for the eastern part of Tottori Prefecture and the western part of northern Hyogo Prefecture. • Provide crowdfunding opportunities through ANA WonderFLY



Web Image of ANA WonderFLY

\*2 Business Seeds: The seeds of business, such as technology, expertise, ideas, and equipment, that a company possesses.



## Diversity and Inclusion



- 1 Responding to the diversity of our customers
- 2 Human resources development to support sustainable growth

### Basic Approach

The ANA Group is promoting diversity and inclusion throughout the group.

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

### Implementation Structure

One pillar of our corporate strategy is the fiscal 2018-2022 Universal Service Strategy, which provides ANA Group services that every customer can enjoy comfortably and with peace of mind. To enhance our universal services, we are expanding services, facilities, and equipment at various points of contact with customers, and promoting the development of human resources who can develop and provide services that respect the needs and diversity of each customer and are attentive to their feelings.

\*1 ANA CX MAP: This map depicts various points of contact between customers and the ANA Group from daily life to post-use.



ANA CX MAP\*1

## 1

### Responding to the Diversity of Our Customers

#### 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 scenario, from pre-departure through arrival.

#### ANA Official Website



- For everyone to be able to use our services comfortably, we have adopted the global standard proposed by W3C\*2 and taken measures to meet the WCAG 2.0\*3 conformance level AA ranking.

#### Assistance Information Registration Service



- By registering the necessary assistance information for boarding in advance, you can complete the reservation process smoothly.

#### Airport (Information)



- Telecommunication Relay Services at counters

\*2 W3C: Abbreviation for World Wide Web Consortium. The name of a non-profit organization that promotes the standardization of web technologies.

\*3 WCAG 2.0: Abbreviation for Web Content Accessibility Guidelines Version 2.0. Guidelines for accessibility of web content.

▶ Please visit our corporate website for more:

[https://www.ana.co.jp/group/en/csr/customer\\_diversity/](https://www.ana.co.jp/group/en/csr/customer_diversity/)

#### Airport (Facilities)



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



- Installation of low counters at 50 airports in Japan



- Expanded deployment of special vehicles (lift buses) to support smooth boarding and disembarking of passengers in wheelchairs or on stretchers.

#### Aircraft



- In-flight wheelchair-accessible restrooms have been installed on small jets (A320neo/A321) in addition to large and medium-sized aircraft.

### Human Resources Development to Drive Barrier-Free Mindset Practices (Service Legacy of Diversity)

We promote human resources development through a variety of educational activities so that each employee can deepen their understanding and practice of people with disabilities.

#### Inclusive and Universal Services Practical Training



- We conduct training for all Group executives and employees to develop employees who understand diversity and can provide support and encouragement in a sympathetic manner.



#### Universal Service Refresher Training



- We conduct regular e-learning sessions throughout the year to raise the level of universal services throughout the group

#### Barrier-Free Mindset Seminar



- We invite speakers from NPOs and universities and paralympians to give lectures as needed.

#### Expansion of ANA's Sora-Pass Classes



- ANA Group employees created a hands-on curriculum that addresses characteristics of disabilities and visit special-needs schools to teach classes to students that are planning school trips on ANA flights to help alleviate the anxieties about air travel.

#### Creation of Hospitality Guidelines



- We established hospitality guidelines for COVID-19 countermeasures.


Diversity and Inclusion

Promoting Universal Services through Group Businesses

Leveraging Strengths for New Value: ANA Wing Fellows Vie Oji (Co., Ltd.)

To achieve a universal environment where all people can lead their lives without feeling inconvenienced, ANA Wing Fellows Vie Oji is developing a consulting business that combines a lively perspective and the spirit of hospitality through collaboration between people with disabilities and staff with customer service experience such as flight attendants. So far, we have provided support for verification and training for ANA Group employees regarding airport facilities and in-flight facilities and services, verification of accommodation facilities, and promotion of employment of visually impaired people. In fiscal 2020, we set up an online system and promoted the creation of an environment based on universal standards that are needed now in the midst of the COVID-19 pandemic.


Web usability consulting\*4



- We conducted accessibility proposals for website construction by visually impaired parties


\*4 Web usability consulting: Helping everyone to obtain information from the web smoothly.

Identification of issues and proposals for countermeasures against COVID-19



- We identified concerns and struggles of people with various disabilities (hearing, vision, wheelchair users, etc.) when using airport facilities and aircraft, and proposed specific countermeasures.

Universal seminar to promote employment of people with disabilities



- Local governments plan and hold seminars for companies to promote the understanding of disabilities and employment of people with disabilities.

Toward Becoming an LGBT Friendly Airline Group

ANA has received the highest rating of “Gold” for the fifth consecutive year in the LGBT index “PRIDE Index 2020” by the voluntary organization work with Pride\*5

Under the ANA Group Diversity and Inclusion Declaration of April 2015, each employee has deepened their understanding of LGBT issues, and we are working to promote a better understanding of these and provide an inclusive workplace environment within the group along with our support for customer diversity.

We are promoting initiatives to achieve an inclusive society by distributing the ANA Group LGBT Awareness Handbook and conducting training programs.

\*5 work with Pride: A voluntary organization that supports the promotion and establishment of diversity management regarding LGBT and other sexual minorities.



2

Human Resources Development to Support Sustainable Growth

We respect diversity in terms of age, nationality, gender, values, disabilities, etc., and promote a variety of human resources-related initiatives so that we can use this diversity as a strength to bring about further change. More details are available on page 72.

Further Promotion of ESG Management

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.

	FY2020 Evaluation	FY2022 Targets	Remarks
<b>DJSI</b> <small>Member of Dow Jones Sustainability Indices Powered by the S&amp;P Global CSA</small>	Selected for inclusion in the World Index and Asia Pacific Index	Same as FY2020	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.
<b>FTSE</b> <small>FTSE4Good</small>	Selected as a component member of FTSE4Good Index	Same as FY2020	Stock index managed by the U.K.-based FTSE. Evaluates the initiatives and results of ESG management based on benchmarks.
<b>MSCI*</b> <small>2021 CONSTITUENT MSCI JAPAN EMPOWERING WOMEN INDEX (WIN)</small>	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 the 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.
<b>CDP</b> <small>CDP DISCLOSURE INSIGHT ACTION</small>	B	A- and above	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.

Issuance of Sustainability-Linked Bonds

In June 2021, we issued Sustainability-Linked Bonds with Sustainability Performance Targets (SPTs) that reflect our efforts in four material issues: Environment, Human Rights, Diversity and Inclusion (D&I), and Regional Revitalization.

If two or more of the four external evaluations regarding ESG described above (selected as SPTs) have not been achieved at the end of fiscal 2022, we will make a donation to a generally certified entity that engages in activities to create positive impacts for the environment and/or society. In addition to the group's own ESG initiatives, we will create an additional positive impact by supporting activities through donations.

In fiscal 2018, we issued Green Bonds as an initiative for environment. In fiscal 2019, we issued Social Bonds as an initiative for D&I. Our Sustainability-Linked Bonds include the perspective of governance (G), as the results of the evaluations will be reflected in officer remuneration. We established targets to be achieved for the themes of environment (E) and social (S), and we aim to achieve these targets by making governance (G) function effectively.

We believe it is the responsibility of the group, which operates globally, to contribute to the achievement of the SDGs through ESG-conscious business activities. By addressing the four material issues appropriately, we strive to enhance our corporate value through the creation of both social value and economic value.



▼ See our corporate website for more details.  
<https://www.anahd.co.jp/group/en/pr/202105/20210519.html>