



Business Foundations Supporting Corporate Value

We work with ANA Group stakeholders, aiming to share an added value that leads to a brighter future. Today, we are building a foundation for the appropriate allocation of management resources and nimble management decision-making.



ANA's Sky Kitchen: The Excitement of Travel, While Staying Home

ANA began selling international route in-flight meals online. Our managing chef developed a specially designed menu for everyone to enjoy at home.

Safety

Strengthening Safety as a Business Foundation, Passing Down Safety as a Culture

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

Solid Approach to Safety

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

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

ANA Group Safety Principles

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

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

Safety is enhanced through individual performance and dedication.

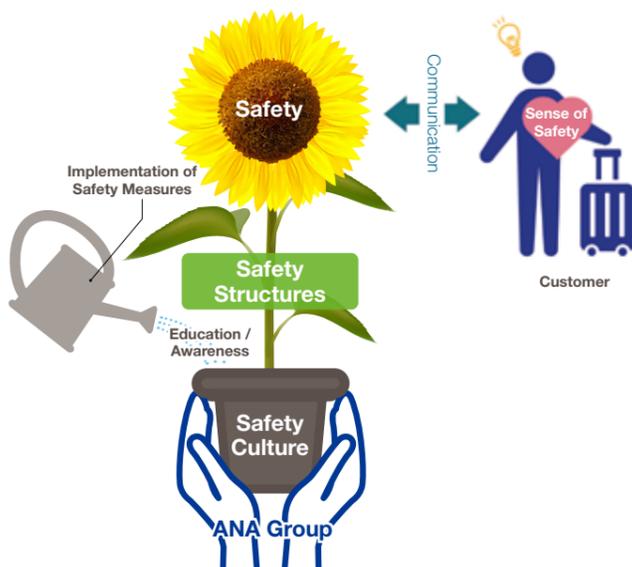
Course of ANA Group Safety Action

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

ANA Group Medium-Term Safety Promotion Plan

In working toward higher levels of safety, we formulated the FY2021-FY2025 ANA Group Medium-Term Safety Promotion Plan as part of our efforts to accelerate the transformation necessary to return to growth, while responding flexibly to the COVID-19 pandemic and a changing environment.

We defined matters of the highest priority as our core safety values, establishing three pillars on which to engage in specific priority actions: (1) Sense of Safety for Our Customers, (2) Safety Structures, and (3) Safety Culture.



Core Safety Values

- (1) Build an organization that is resilient to change and innovation
- (2) Pursue safety based on global standards
- (3) Establish a culture of deep-rooted safety behavior
- (4) Foster core human resources who strive for safety
- (5) Instill confidence in our customers and society regarding ANA Group safety

Priority Actions for Safety (Three Pillars)

1. Sense of Safety for Our Customers

Disclose information and engage in greater dialogue with customers and society regarding our safety efforts as we pursue ESG management

2. Safety Structures

- Work closely with code share, partner airlines to standardize and raise the level of our safety foundation, including safety information, safety rules, safety audits, safety education, and more
- Engage in stronger preventive measures and bring visibility to safety through risk management and SPLs (Safety Performance Indicators)
- Strengthen initiatives in managing the Three Task Categories (First Time Task, Procedure Changes, and Task After Extended Time Gap); provide safety education and awareness activities via online and on-demand technologies

3. Safety Culture

- Share specific examples of safety behaviors that embody safety culture; pursue the practice of safety as a personal responsibility

Developing Human Resources that Embrace and Enhance Safety Culture

The ANA Group engages in ongoing education and training programs to preserve the memory of past accidents and hijackings in our pursuit of safety. To prevent the spread of COVID-19, we currently use online technologies to hand down our culture of safety.

Education Initiatives

ANA Group Safety Education Center (ASEC)

Total number of participants: **8,509** (including online participation)

In 2019, we relocated ASEC to the newly built ANA Group Training Center (ANA Blue Base). Under the three concepts of facing accidents, facing our own feelings, and facing our colleagues, we provide safety education in which participants learn actively, leading participants to practice safe behavior in the workplace.

We established an online training system in July 2020, and all group employees have been taking the courses.



Emergency Aircraft Evacuation Training

Total number of participants: **3,941**

This training is mandatory for all group employees to support cabin attendants, as well as to provide assistance and guidance to passengers in the event of an aircraft emergency.



Safety Forum Conducted by Senior Management

Number of forums: **39** Total number of participants: **4,892** in total

The ANA president & CEO and directors in charge of safety at ANA delivered safety-related lectures and engaged in dialogue with employees online. Participants and leaders discussed and shared thoughts on a wide range of topics.



Initiatives for Aviation Safety and Security Promotion Month

We observe the Aviation Safety and Security Promotion Month every July, holding programs featuring seminars, presentations, and awards related to safety.

We solicited case studies from our front lines, receiving numerous submissions. From the submissions received, we published a total of 16 case studies on our corporate intranet highlighting safety and quality improvement initiatives related to information sharing, deficiency prevention, and recommendations for safe behavior.



Case Studies Published on the Corporate Intranet

16
case studies
shared

Safety

Building Stronger Sustainable Structures for Safety

The airline industry is undergoing major operational changes due to the impact of COVID-19. For our part, we are creating a stronger structure to maintain safety, even as we adopt new and different mechanisms and procedures.

(1) Change Management as a Safety Management Method to Prevent Organizational Errors

We adopted the following safety management methods to prevent organizational errors when changes occur in structures or work flows.

- a. Identify risk factors (hazards) in advance
- b. Verify potential risks that may occur due to hazards
- c. Take measures to reduce risks and then implement change

(2) Managing the Three Task Categories

We engage in consistent management of the Three Task Categories (First Time Task, Procedure Changes, and Task After Extended Time Gap), predicting related risks and taking measures to prevent unsettling events from occurring.

- a. Each individual uses their foresight to anticipate risks
- b. Employees share information on matters identified and respond to risks before beginning work
- c. Employees use the assertion* method to respond appropriately with coworkers
- d. If employees notice something unusual or dangerous, they report it as a near-miss or other spontaneous incident

* Expressing opinions in a constructive and cooperative manner

We strive to achieve safety and innovation through the organizational responses and individual actions noted above.



Ensuring Safety in Non-Air Operations

Information Safety

The ANA Group handles personal customer information in its business. The company is revising its rules and security measures to strengthen personal information management systems and reduce the risk of information leaks, considering this approach to be important initiative as safe flight operations.

ANA has adopted the EU General Data Protection Regulation (GDPR), and the California Consumer Privacy Act. We also engage in a timely manner with other personal information protection measures being addressed in various countries. Further, the company publishes its privacy policy on its corporate website. We also respond appropriately to Japan's revised Act on the Protection of Personal Information, which will take effect in fiscal 2022.

Furthermore, by providing information security training to employees, we protect the safety of information in terms of both tangible and intangible elements.



Poster Depicting Our Approach to Information Safety

Food Safety

The ANA Group introduced the ANA Catering Quality Program (ACQP), from the three aspects of food safety for hygienic in-flight meals, the pursuit of delicious quality, and the safe, and the correct loading and unloading of goods on and off aircraft. Full-time auditors and chefs make regular visits to our catering contracts in Japan and around the world, offering guidance on improvements based on our own strict hygiene standards. We also engage regular external hygiene audits from third parties based on international standards. Results are reported to the group to maintain and improve quality. We also discuss the results regularly at board meetings, where decisions are made on the spot and implemented promptly to correct issues.



Hygiene Audit of the In-Flight Meal Production Facility at Haneda Airport

ANA Group Response to COVID-19

In June 2020, we launched the ANA Care Promise as a commitment to creating an environment that prevents infection and protects the health of our passengers and staff in this time of the new normal. This initiative was the first in Asia to receive the highest COVID-19 Airline Safety Rating of 5-STAR awarded by SKYTRAX of the UK.



Peach employees are also working together on anti-infection initiatives, aiming to create a new standard in the skies.

We will continue sincere efforts to create safety-focused hygienic environments and services to deliver even greater peace of mind to our customers.



Enhanced Hygiene and Cleanliness

Hygiene and cleanliness are the core of our services. To strengthen our commitment even more, we signed a support agreement on hygiene and cleanliness with Nihon Stery, Inc., a company that provides support services to medical facilities. Leveraging their wide range of knowledge and we advice of experts, we will work to create safer and more comfortable air travel to meet the needs of our customers in the post-COVID-19 era.

Major Initiatives

Inspection and Review of Operational Procedures	Disinfectant Selection	Information Communications
Check the status and improve disinfection, sterilization, and other operations at airports, lounges, and in the aircraft. Review and improve manuals.	Advice on the selection of disinfectants, etc., such as alcohol sheets and disinfectant solutions	Advice on the effects, messages, and expressions related to hygiene and cleanliness when publishing information on the ANA websites, social media, etc.

Message from Nihon Stery, Inc.

We began collaborating and helping with ANA Care Promise initiatives in December 2020, leveraging the knowledge and expertise of our group.

This was the first time we took on a project for the safety and hygiene of not only the ANA Group, but also of their customers. We have been determined to make the project a success at all costs. We have experienced the intense passion and dedication of everyone at the ANA Group. ANA Group employees ask many questions regarding the proposals we make based on our expertise. They scrutinize our activities through earnest discussions. We learn more every day as we review initiatives based on evidence and make improvements that match the needs of the front lines of the airline industry. While this challenging environment is likely to last for some time, we will continue to take on challenges together with the ANA Group, co-creating new values in hygiene for the safety and security of customers and employees.



(Left) SUZUKI Takeshi, Manager
(Right) HOTODA Akishige, Deputy General Manager
Nihon Stery, Inc. (H.U. Frontier, Inc.)

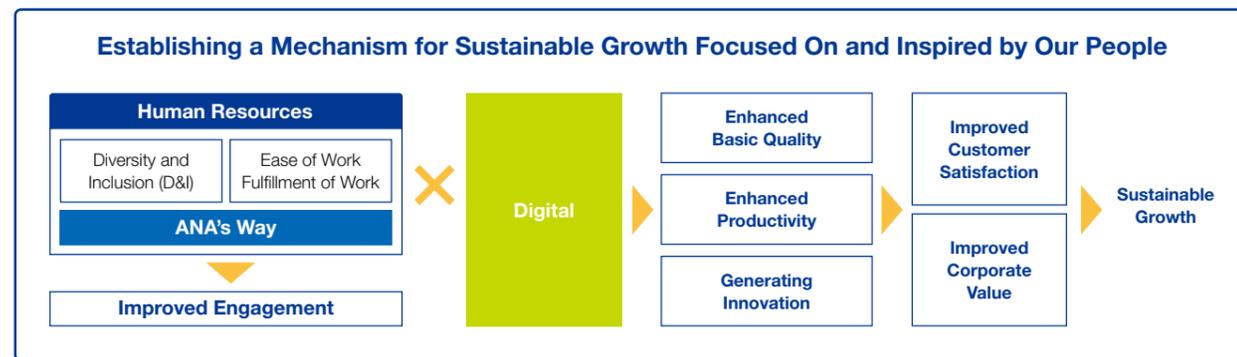
Human Resources

Achieving Sustainable Growth through Human Resources, the Greatest Asset of the ANA Group
We leverage the diversity of our employees to exhibit the comprehensive capabilities of our group.

Basic Approach to Human Resources

Human resources are the greatest asset of the ANA Group. Our people are what allow us to respond to a rapidly changing social environment and pursue *Business Structure Reform*, while continuing to take on the challenge to achieve sustainable growth.

We enhance corporate value through human resources development, as well as systems and frameworks that encourage every employee to demonstrate their individuality and contribute actively, from the day they join the group to the day they retire.



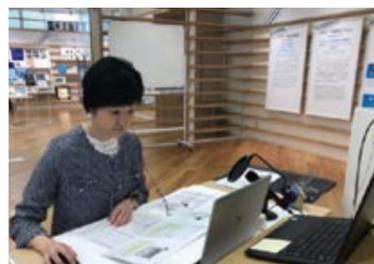
Mechanisms to Pass On the ANA Group Identity

We strive to instill an understanding of our Mission Statement, Management Vision, and ANA's Way as embedded parts of our corporate culture, encouraging organizational and human development for each employee to embody the ANA Group identity.

Promoting ANA's Way

ANA's Day Training

- Share values that resonate with ANA Group employees
- Reflect on past accidents and gain a renewed understanding of safety
- Return to our founding philosophy of *Wakyo* (close cooperation) and "Hardship Now, Yet Hope for the Future"
- Think about the future of the ANA Group with colleagues from other group companies



Good Job Card

- Launched in 2001 as a tool to foster a culture of mutual appreciation and respect
- Messages are sent to colleagues in other group companies or divisions via a dedicated website
- Messages sent in fiscal 2020: 840,000 (ANA Group)



ANA's Way Survey (Employee Satisfaction Survey)

- Conducted once in fiscal 2020 (across 44 companies, response rate: 96.9 %)
- Covered five subjects from ANA's Way and asked questions related to engagement
- Analysis conducted of organizational issues across the group and at each company/division; appropriate response measures considered and implemented



Encouraging Employee Athletes

The ANA Group endorses the *Ath-navi** program, which supports Japanese athletes taking on global challenges. We have hired athletes and support their athletic activities for seven consecutive years since 2014.

A total of 25 athletes (as of July 1, 2021) work in the ANA Group, and we strive to provide an environment in which top athletes can continue to compete with confidence. At the same time, we believe this program fosters a sense of unity among all employees.



OMOTO Rika, ANA

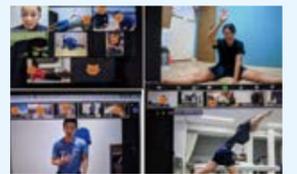
YAMASHITA Jun, ANA

MOTOHASHI Nako, ANA AIRPORT SERVICES Co., Ltd.

* The Japanese Olympic Committee (JOC) provides employment support counseling for top athletes.

ANA Blue Monsters

Due to the COVID-19 pandemic, there have been fewer opportunities for children to play sports. This trend could lead to social issues, including fewer local community sports, an increase in mental and physical imbalances among children, and fewer opportunities to learn about one's own strengths in life. In response to these issues, we launched the ANA Blue Monsters Kids Career Program as a new venture that resolves social issues through sports. Employee athletes are in charge of planning and supervision, providing cross-cultural exchange, dietary education, body core training, and sports strategy training. The program helps kids acquire the skills necessary for both sports and business, fostering the ability for children to pursue their own futures.



Online Training and Education

Diversity and Inclusion (D&I) Promotion

After presenting "The ANA Group Diversity and Inclusion Promise" (D&I Promise) in 2015, we have been promoting D&I as one of the key pillars within our management strategy. We strive for new value creation and sustainable growth by respecting the diversity of our employees, creating an environment in which each employee can maximize their strengths, and fostering a corporate culture in which everyone can work with enthusiasm and motivation.

Women in Leadership

Positive Action Plan

In addition to establishing systems to support diverse work styles according to life stages and career plans, we are working to increase the ratio of female executives and managers, which is an issue in Japanese society.

In March 2021, we reached a deadline for achieving the three numerical targets set in our Positive Action Plan (announced in 2014).

2014–2020 Positive Action Plan (ANA)

Item	Number of female executives	Ratio of female managers	Ratio of female managers in office administration / cabin attendants organizations
Targets	2 or more	15% or more	30% or more
FY2020	6 Achieved	15.8% Achieved	29.2% Not achieved

Participation in International Air Transport Association (IATA) Initiatives

The importance of diversity in management is increasing on a global level, and we are seeing new movements in the airline industry. In November 2020, ANA became the first Japanese airline to join the IATA's *25by2025* Campaign, which is a global initiative to improve female representation in the aviation industry. The goal of *25by2025* is to increase female representation in senior positions and in areas where women are traditionally under-represented, such as flight crew and mechanics, by 25% by 2025.

Human Resources

Future Targets

In June 2021, ANA and the ANA Group set new medium-term goals in regard to women in leadership positions. We aim to achieve women's ratio in senior positions to reach 30% as early as possible in the 2020s.

Although ANA Group companies have different working environments, personnel structures, and male-to-female ratio, we will continue to develop suitable personnel systems and support at workplaces to promote the advancement of women.

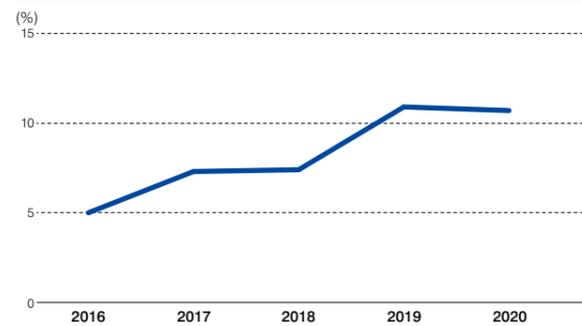
We will also monitor KPIs periodically to confirm the progress and to take proper actions to resolve issues.



Paternity Leave System

The ANA Group encourages flexible and new work styles that allow a diverse range of employees to contribute actively, regardless of gender or generation. We are working to increase the percentage of male employees who take paternity leave, so the burden of housework and childcare can be shared equally among family members. In addition to providing information to eligible employees through the company intranet, handbooks, and seminars, we intend to communicate more effectively to supervisors and workplace colleagues to promote a better understanding of work-life balance.

Percentage of Employees Taking Paternity Leave (ANA)



Groupwide Awareness

In December 2020, we held the sixth ANA Group D&I Forum. Under the theme, "Diversity is a Fact, Inclusion is an Act," 37 CEOs of ANA Group companies shared their views on D&I and led integrated activities together with members of ANA Group D&I Working Team.



ANA Group D&I Initiatives

In response to the global COVID-19 pandemic and rapid changes in our society, the ANA Group is now working on structural reforms together with the transition to new work styles which enables us to provide new value to customers in a more efficient manner.

We believe "Diversity & Inclusion" and "Engagement" are two essential factors when our diverse employees fulfill one's potential with their specialties and capabilities beyond organizational boundaries or attributions.

Our goal is to create a corporate culture that welcomes the new value or the innovative mindset which diversity creates and allows employees to feel equity in the workplace as well.

Our ultimate goal is to provide more safe and delightful experiences for our customers, and to contribute to a better society.



TANEIE Jun
Executive Vice President
Group Diversity & Inclusion Promotion
ANA HOLDINGS INC.

Health Management

The ANA Group made the ANA Group Health Management Declaration in April 2016. Our employees are the engine that drives sustainable growth together with society, and it is our employees who embody the motto, *Trustworthy, Heartwarming, Energetic!* We encourage Quality of Life (QOL) and improved corporate value through employees who engage in their work in physical health, mental health, and passion.

Implementation Structure

The ANA Group has appointed a Chief Wellness Officer who is a director responsible for health management. We also appoint Wellness Leaders at each group company. Through this leadership framework, the ANA Group ensures that group employees, companies, and health insurance associations work in unison for health management. As a result of groupwide efforts, seven companies, including ANA AIRPORT SERVICES Co., Ltd., ANA CHUBU AIRPORT, and ANA OSAKA AIRPORT, were named Certified Health & Productivity Management Organization Recognition Program (White 500) companies in fiscal 2021. Four other companies were named Certified Health & Productivity Management Organization Recognition Program companies, including ANA New Chitose Airport.

▶ P.83 External Recognition

Four Perspectives

The ANA Group aims to maintain and improve the physical and mental health of our employees, creating an environment that encourages long careers. Focusing on Four Perspectives, we engage in regular situational monitoring, while analyzing and responding to positive impacts and challenges.

1 Health Management

- Create an environment for health management throughout the group

2 Safety and Health Initiatives

- Develop safe, secure workplace environments and engage in cross-organizational education activities

3 Mental Health

- Implement related measures groupwide and provide occupational health staff and workplace follow-up

4 Disease Prevention

- Establish and monitor health management indicators
- Strengthen cancer-prevention measures and adopt policies regarding women-specific diseases

Health Maintenance under the COVID-19 Pandemic

The results of our employee health survey reflected concerns by many employees about (1) lack of exercise and physical ailments and (2) mental health. Responding to changes in the living and working environment has become an urgent issue.

Mental Initiatives

As the social environment changes, healthy minds become an even more important factor in the QOL and work. The ANA Group has introduced measures and e-learning courses in line with the four types of mental healthcare described in the Ministry of Health, Labour and Welfare's Guidelines for Maintaining and Improving Workers' Mental Health.



Physical Initiatives

We sponsored various online seminars to alleviate the lack of exercise and to provide more education regarding physical fitness, creating a greater environment for self-management.

- Dietary seminars given by nutritionists
- Seminars on how to prevent injury by developing flexibility
- Special meals delivered in honor of Vegetable Day (August 31), etc.



The Power of People in the ANA Group

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

The phrase, the “wings within ourselves” from our Mission Statement represents the strong desire of each employee to become wings, connecting people, goods, and emotions. In addition to fulfilling our mission as a provider of public transportation, we continue to strive and take on challenges through flexible approaches.



Using the Airbus A380 ANA FLYING HONU and Other Aircraft

While restrictions on travel outside the home and leisure travel continue under the COVID-19 pandemic, we have received many comments from customers who are eager to travel overseas as soon as possible or travel by airplane. The ANA Group sponsored the *Akindo Suggestion Program*, aiming to leverage the wisdom of our employees in raising our top line and delivering to customers their desired products and services, even in the face of COVID-19. The following are a few of the ideas we received that became new projects with the backing of employees from across the group.

① Airbus A380 HONU Sightseeing Charter

We conducted a total of 18 sightseeing flights using the Airbus A380 ANA FLYING HONU (as of June 2021). We began with flights leaving and returning to Narita Airport in August 2020, helping customers enjoy the feeling of being in Hawaii while still in Japan.

Hoping to help our customers create their own special summer memories in the time of COVID-19, we provided Hawaiian-style staging inside the aircraft, a raffle, original souvenirs, and more, offering the excitement and fun of travel on the HONU. The HONU Charter flight was so popular that we continued the project, adding Christmas flights and regional events.



② THE WEDDING with ANA: In-Flight Wedding

We held private THE WEDDING with ANA: Aircraft Weddings in May and June 2021, using an aircraft from ANA international routes.

The wedding package was a joint offering by ANA and SKY WEDDING HANEDA, operated by Hasegawa S.T. The ceremonies began with a bride's entrance and photo session conducted by ANA Group employees at the international terminal. On board the plane, the bride and groom were congratulated on their new start with a marriage certificate signed by the flight crew and a congratulatory message in the style of in-flight announcements by the cabin attendants. We helped create once-in-a-lifetime memories at airports and inside our aircraft cabin space, the closest most can come to overseas travel at this time.



Photo Courtesy of Hasegawa S.T.

③ ANA's Restaurant HANEDA

Between March and June 2021, we used international aircraft (Boeing 777-300ER) parked on the ground to offer customers an opportunity to experience ANA international first and business class service.

Meals and services normally only available on international long-haul flights were recreated in a parked aircraft and offered in the limited-time restaurant.



Secondments Outside the ANA Group

In response to the decline in passenger demand due to COVID-19, the ANA Group formulated our *Business Structure Reform* in October 2020. We designed this plan to become smaller and pass through to the far side of the COVID-19 tunnel, incorporating measures that included protecting jobs. We also expanded secondments outside the group under this plan. Since the initial media coverage, we have received inquiries from many companies and organizations about accepting our employees.

Approximately 1,150 ANA Group employees (as of July 1, 2021) have been seconded to approximately 250 companies and organizations in a variety of fields, including temporary staffing, retail, and telecommunications.

The ANA Group aims to create new value and achieve sustainable growth together with society, leveraging human resources, our greatest asset, to contribute to these companies through individual character and skill, while bringing the job experiences from these companies back to the ANA Group.

Comments from a Seconded Employee

I am currently on secondment to a telecommunications company. Much in the same way that ANA is a public transportation company, telecommunications companies are responsible for the social infrastructure as a public network provider, which I find very rewarding.

Right now, I work in a department that plans employee training, and I am mainly in charge of training according to experience level for career development.

This is my first experience with such work, but with the support of my colleagues, I am learning to think about things more deeply as I consider training objectives and create curriculum. Every day I work harder to make even better materials.

I will continue to contribute to the best of my abilities throughout my secondment period, relying on the training, the experience using work tablets, and the communications skills when meeting new people that I have learned at ANA.



TESHIGAWARA Yui (ANA)

Secondment to a Major Telecommunications Company

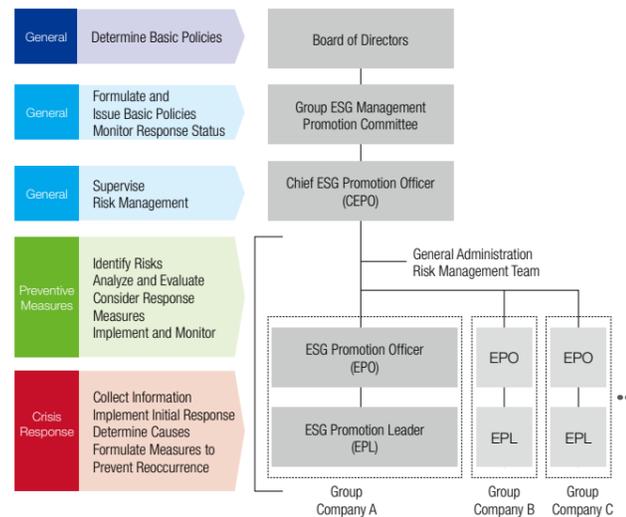
Risk Management

Preserve Corporate Value through Safe and Reliable Business Operations

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

Risk Management Structure

The ANA Group Total Risk Management Regulations provides the basic terms of the group's risk management system. Under these regulations, the Group ESG Management Promotion Committee develops and implements basic policies. These policies are executed in line with the basic policies determined by the board of directors. Each group company / department has established a risk management system. Here, the ESG Promotion Officer (EPO) and the ESG Promotion Leader (EPL) are responsible for promoting and leading risk management operations, respectively. Each EPL assumes a role to conduct risk management (risk prevention) operations according to plans and take swift action while working with the secretariat in the event of a crisis.



Major Initiatives

Share Information With EPLs

We provide newly appointed EPLs with organizational risk management training. During regular meetings, EPLs share case studies and provide instructions on measures that need to be strengthened. Under this system, EPLs provide instructions and responses within their respective companies.

Business Continuity Plan (BCP)

Our BCP details policies and procedures for responding to large-scale disasters to ensure the safety of customers and all ANA Group directors and employees, minimize the impact on management and on society as a whole, and resume normal business operations as quickly as possible.

ANA actively participates in the development of guidelines for Advanced Airport-Business Continuity Plan (A2-BCP) led by the Ministry of Land, Infrastructure, Transport and Tourism (MLIT). These guidelines address building airports resistant to natural disasters and participation is part of our efforts to strengthen cooperation with airport administrators and other stakeholders.

Information Security

The ANA Group updates the group's information security regulations and implements the information security management system. Through this system, we strive to improve information systems functions and implement security measures in line with the policies.

We are currently revising our privacy policies and internal

rules to comply with domestic and international laws and regulations regarding personal information and privacy. We are also preparing to comply with the 2022 revision of Japan's Act on the Protection of Personal Information.

We require every employee to receive e-learning training on the importance of information assets and proper handling, etc. In so doing we ensure compliance with these laws, regulations, and rules for using our information systems. In this way and others, we strive to raise employee awareness of the significance of information and inside and the workplace.

Security Export Control*

The ANA Group exports the parts, chemicals, apparatuses, and other articles necessary for aircraft maintenance to overseas airports and aircraft maintenance centers. Certain articles have the potential to be adapted to create weapons. Accordingly, we practice rigorous security export control of exported articles.

A stringent security export control structure is maintained through once-annual audits and trainings. These activities target divisions that are considered exporters for being directly involved in exporting as well as divisions that are involved due to handling customs clearance and other transportation-related processes.

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

Cybersecurity Measures

The ANA Group is designated as a critical infrastructure provider in Japan by the National Center of Incident Readiness and Strategy for Cybersecurity (NISC). We implement security measures at entrance and exit control, and we have adopted anti virus measures in accordance with the guidelines formulated by the Ministry of Economy, Trade and Industry (METI). We monitor our security system 24 hours a day, 365 days a year. The ANA Group trains security personnel, and we have established the Computer Security Incident Response Team (CSIRT) to ensure swift action in response to any incidents.

Cybersecurity intelligence is most effective when providing early alerts to counter cyberattacks. Therefore, we participate in information sharing organizations, such as the Aviation Information Sharing and Analysis Center (A-ISAC), which consists of airline, aircraft manufacturer, and other members. We also participate in the Surface Transportation Information Sharing and Analysis Center (ST-ISAC). In these ways, we acquire information from internal and external industry sources as early as possible for use in taking preventive measures.

We are working on response measures, understanding that cybersecurity incidents are bound to occur. At the same time, we have adopted a Zero-Trust approach based on TRUST (i.e., communication with trusted people and objects based on authentication) as we pursue digital transformation in ANA Group services and products, including as Mobility as a Service (Maas) and ANA Super app.

In addition, we intend to work even more closely with relevant ministries and agencies, economic organizations such as Keidanren, and private security organizations such as ISAC; to improve security between supply chains in today's society, which is connected across all manner of business industries and sectors.

Responses to COVID-19 (Employee Infection Prevention Measures)

The ANA Group created a response system based on the Crisis Management Manual and the Emergency Response Manual in late January 2020, when the COVID-19 infection began to spread. We have endeavored to prevent the spread of infection. For example, when a physician identifies an employee who is suspected of infection, we notify the relevant employee and employees who are likely to have been in contact, directing them to stay home and wait for instructions from the public health center.

In addition to the above, we continue to implement measures to prevent infection among employees, including the following.

- Inform all group employees immediately of policies and instructions issued by the government and local authorities; implement response measures completely
- Ensure all group employees have an understanding of COVID-19
- Ensure employees comply with maintaining safe physical distances, wearing masks, and washing and disinfecting hands
- Provide masks, gloves, protective eyewear, etc.
- Install alcohol disinfectant, sterilization sheets, acrylic panels, etc., in offices
- Make a habit of avoiding the Three Cs (Closed spaces, Crowded places, and Close-contact settings)
- Check employee health on a consistent basis before reporting to and starting work
- Explore ways to work without coming to the office (e.g., remote work)
- Segregate members into teams and avoid contact between teams to minimize the impact of an outbreak
- Ensure there is no discrimination against infected employees or employees suspected of having been infected

On June 13, 2021, the company began COVID-19 vaccinations for employees. Employees involved in international flight operations were the first to be vaccinated, followed on a voluntary basis by employees, contractors, and employees at affiliated companies.



Workplace Vaccinations (Haneda Airport)



Conference Room Equipped with Alcohol Disinfectant, Sterilization Sheets, and Acrylic Panels

Compliance

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

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

Compliance Implementation Structure

The ANA Group has developed a compliance structure based on the ANA Group Compliance Regulations to promote compliance with laws, regulations, and other standards related to business activities. Under the Group ESG Management Promotion Committee Regulations, each group company and department appoints an ESG Promotion Officer to drive compliance at each company and an ESG Promotion Leader to drive compliance at each workplace. In this way, we ensure stronger awareness of compliance throughout our group.

Major Initiatives

Legal Compliance Education

We conduct a variety of educational programs for every group executive and employee to acquire correct knowledge of and exercise appropriate judgment related to various laws and regulations. We hold regular seminars on contract practices, labor practices, and laws and regulations related to air transportation, improving our familiarity with business-essential knowledge. Seminars on competition law, anti-bribery law, and air transportation for group executives and employees working overseas are also available, focusing on minimizing legal risks globally. We also sponsor seminars tailored to topics and contents that reflect the needs of each group company and/or department to foster a more legal-related competence. Due to the impact of COVID-19 in fiscal 2020, we shifted to online training from the conventional class sessions, which made it easier for overseas participants to attend.



Online Seminar

Information Dissemination

To spread awareness of compliance throughout the ANA Group, we distribute e-mail and other newsletters on topics related to revisions to laws and regulations, as well as points of caution regarding labor and contract practices. We also post manuals and guidelines for various laws, regulations, and rules on the compliance website on our intranet. In this way and others, we provide an infrastructure where group executives and employees have access to such information at any time. The website also accepts questions from employees regarding laws and regulations, helping group executives and employees make appropriate decisions in compliance with laws and regulations.



Compliance Website (Company Rules)



Compliance Website (Questions for the Legal & Insurance Department)

Initiatives to Prevent Harassment

We provide various training and education programs to prevent workplace harassment including training for newly appointed managers. In addition, we established the ANA Group Harassment Prevention Regulations in response to the June 1, 2020 enactment of the Revised Comprehensive Promotion of Labor Measures Act, which stipulates mandatory measures to prevent power harassment. In addition, we provide harassment education through e-learning for all group executives and employees, and aim to deepen the correct understanding of harassment, and to create more comfortable work environments throughout the group.



E-Learning Materials

Strengthening Cooperation with Group Companies and Overseas Branches

To strengthen the compliance structure across the entire group, we have clarified the points of contact between our Legal & Insurance Department, Group companies, and ANA overseas branches, building and operating a structure facilitating two-way communication.

Compliance Survey of Group Companies

Surveys on compliance at group companies are conducted once each year. The survey consists of self-evaluations on compliance to relevant laws and regulations as to assess issues pertaining to each group company and to the entire group. We conduct follow-ups with each company based on survey results as necessary to resolve any issues.

Internal Reporting System

Based on the ANA Group Rules for Handling Internal Reporting, we have set up a point of contact (ANA Alert) both inside and outside the group (via a law firm) to collect compliance-related information and resolve any issues. The reporting system is available to all group executives, employees, and temporary personnel involved in the group's business. ANA Group retirees and executives and employees of our business partners may also use the reporting system. We protect the privacy of the whistleblower and relevant parties, and assure that no punitive measures will be taken against those that seek consultation or cooperate in confirming facts. This enables us to obtain internal risk related information promptly and aids in self-correction. In fiscal 2020, there were 192 reports within the group, and the system has spread throughout the group as a reliable and effective whistleblowing system. We are the first company in the airline industry (at the time of registration on April 9, 2021) to be certified under the Whistleblowing Compliance Management System (Self-Declaration of Conformity)* of the Japan Consumer Affairs Agency as a business in compliance with whistleblowing compliance certification standards. These standards are based on the Guidelines for Private Business Entities Regarding the Development and Operation of Whistleblowing Systems Based on the Whistleblower Protection Act. We will continue to maintain a reliable and effective whistleblowing system to prevent situations that may lead to a decline in corporate value.

* Whistleblowing Compliance Management System (Self-Declaration of Conformity) is a system introduced by the Japan Consumer Affairs Agency in February 2019. Under this program, businesses evaluate their own whistleblowing systems in light of the certification standards set by the agency, and apply for registration of the results with the designated registration body. Registered businesses will be authorized to use the WCMS (Whistleblowing Compliance Management System) logo mark.



WCMS Certificate of Registration



ANA Alert Poster (in Workplaces)

Responsible Dialogue with Stakeholders

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

Major Dialogues during Fiscal 2020

Dialogue with Shareholders and Investors	The 76th Ordinary General Meeting of Shareholders		Financial results presentations (for institutional investors, analysts)
	No. of attendees 447	Voting rights exercise ratio 62.9%	4 times (teleconferences)
Communication with Our Employees	Dialogue with institutional investors/analysts		Broadcasts of ANA Group officer messages to employees
	266 times (122 in Japan/144 overseas) (262 teleconferences/online meetings, 4 in-person meetings)		44 times Content: Activity policies, response to COVID-19, sustainability initiatives, financial reporting, etc.
Dialogue with Experts	ANA Group officer town meetings		ESG investors
	No. of meetings 1,667	Participants total: Approx. 32,000 people <small>* Numbers include online interactions</small>	2 times (once via questionnaire)
Dialogue with Business Partners	SDGs seminar (online)		Human rights
	No. of Meetings 40	Participants 2,083 people	1 time
Dialogue with Communities	Procurement policy briefings		Environment
	7 times		2 times
Dialogue with Communities	Participation in community volunteer activities (ANA NARITA ANA, AIRPORT SERVICES Co., Ltd.)		ESG investors
	No. of activities 36	Group employee participants: Approx. 310 people Volunteer cleanup, aviation classes, crime prevention, etc.	2 times (once via questionnaire)

External Recognition

Inclusion in ESG Indexes, etc.

- Dow Jones Sustainability World Index
- Dow Jones Sustainability Asia Pacific Index
- S&P Global Sustainability Awards 2021 - Gold Class
- FTSE4Good Index
- FTSE Blossom Japan Index
- MSCI Japan Empowering Women Index (WIN)*

Member of
Dow Jones Sustainability Indices
Powered by the S&P Global CSA



2021 CONSTITUENT MSCI JAPAN EMPOWERING WOMEN INDEX (WIN)

Sustainability Award
Gold Class 2021
S&P Global

Quality

- SKYTRAX COVID-19 Airline Safety Rating (ANA)
—Awarded first 5-STAR status in Asia
- FlightGlobal Decade of Airline Excellence Award 2020 (ANA)
—Airline Excellence Award for the Asia-Pacific Region



Management Strategy

- Japan Institute of Information Technology 38th IT Awards IT Award for Excellence (Customer and Business Functions)
- Ministry of Health, Labour and Welfare "Platinum Kurumin" Certified by the Ministry in Recognition of Providing Superior Childcare Support (ANA, ANA AIRPORT SERVICES Co., Ltd.)
- Nippon Kenko Kaigi, Ministry of Economy, Trade and Industry Certified Health and Productivity Management Organization Recognition Program 2021 –White 500– (ANA HOLDINGS INC., ANA AIRPORT SERVICES Co., Ltd., ANA OSAKA AIRPORT CO., LTD., ANA CHUBU AIRPORT CO., LTD., ANA KANSAI AIRPORT CO., LTD., ANA OKINAWA AIRPORT CO., LTD., ANA TELEMART CO., LTD., ANA Wing Fellows Vie Oji Co., Ltd.)
- Nippon Kenko Kaigi, Ministry of Economy, Trade and Industry Certified Health and Productivity Management Organization Recognition Program 2021 (ANA CHITOSE AIRPORT CO., LTD., ANA AIRPORT SERVICES Co., Ltd., ALL NIPPON AIRWAYS TRADING Co., Ltd., ANA Systems Co., Ltd.)
- Ministry of Economy, Trade and Industry DX Certification Noteworthy DX Companies 2021
- work with Pride PRIDE Index 2020 Gold Award (ANA)



Other

- Japan Sports Agency Sports Yell Company 2021 (ANA, ANA TELEMART)
- Tokyo Metropolitan Government Tokyo Metropolitan Government Sports Promotion Model Company (ANA, ANA TELEMART)



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Corporate Governance

Mission Statement

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

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

ANA HOLDINGS Corporate Governance System

Holding Company Structure

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

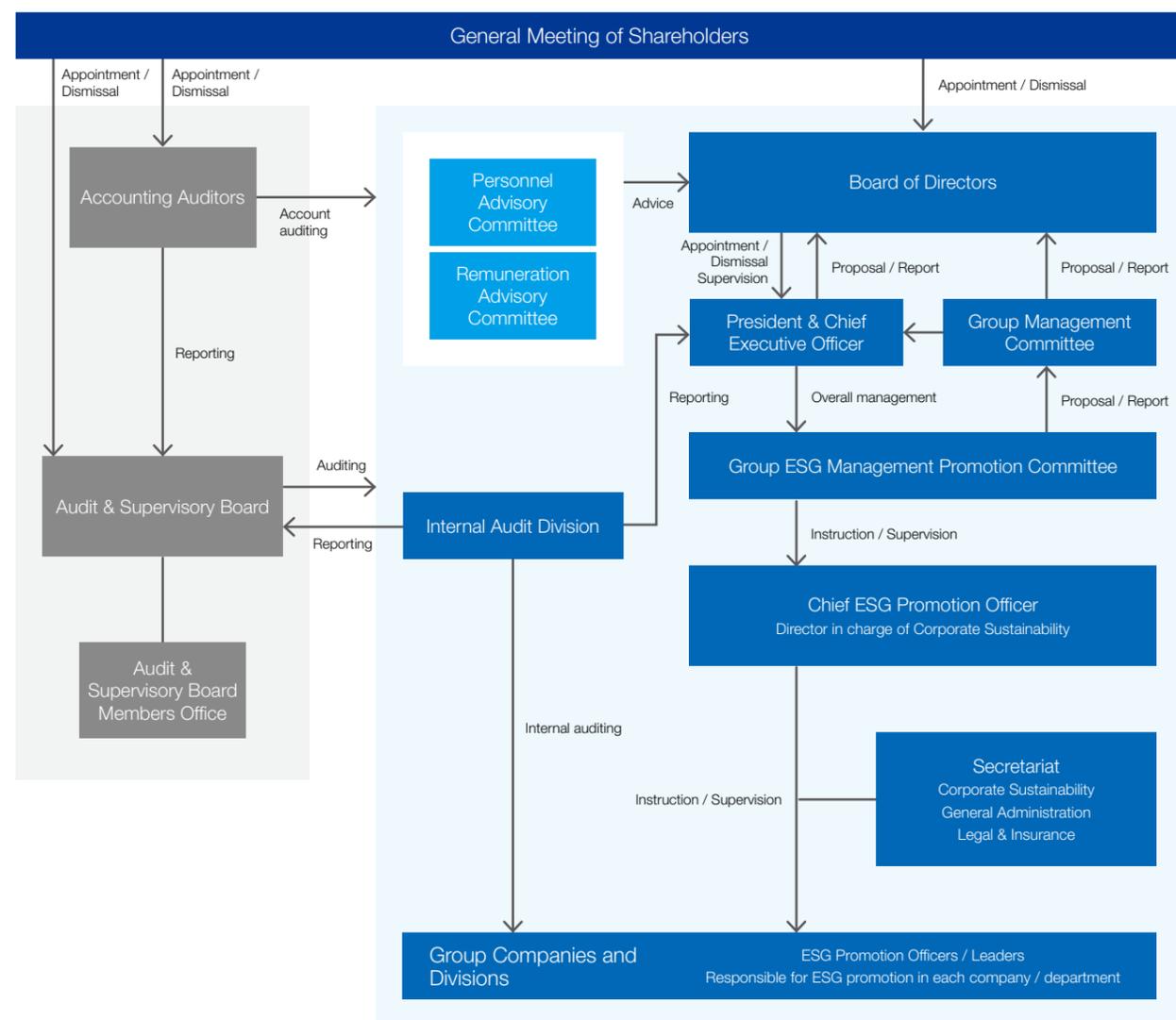
Company with Audit & Supervisory Board Members

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

Corporate Executive Officer System

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

Corporate Governance System



(As of July 31, 2021)

Board of Directors

Number of Board Members	Term of Office	Number of Meetings*
Directors 10 <small>(including 3 independent outside directors and 1 female director)</small>	1 year <small>(also applies to outside directors)</small>	12

Audit & Supervisory Board members **5**

The board of directors of ANA HOLDINGS INC. sets groupwide management policies and goals, while also overseeing the management and business execution of each Group company. The board of directors is chaired by the chairman of the board. All directors, including outside directors, and all members of the Audit & Supervisory Board, including outside members, participate in board meetings.

Group Management Committee

Number of Meetings*

79

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

Advisory Committees

Personnel Advisory Committee

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

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

Remuneration Advisory Committee

Chairman	Number of Members	Number of Meetings*
YAMAMOTO Ado	6	3

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

Audit & Supervisory Board

Number of Members	Term of Office	Number of Meetings*
Audit & Supervisory Board members 5 <small>(including 3 independent outside Audit & Supervisory Board members)</small>	4 years <small>(also applies to outside Audit & Supervisory Board members)</small>	13

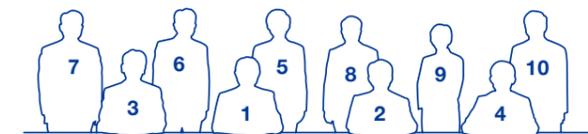
* The number of meetings held in fiscal 2020.

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

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

Management Members: Directors

As of July 31, 2021



	Name	Independent Directors	Brief Personal History	Position and Assignments	Special Knowledge, Experience, and Skills						
					Corporate Management, Experience as Leader	Airlines Business, Safety	Personnel, Human Resources Development	Finance, Accounting	Legal, ESG, Risk Management	Technology, Innovation	Global and Long-Term Strategy
1	ITO Shinichiro		2004: Executive Vice President 2017: Chairman of the Board (present)	Chairman of the Board Chairman of the Board of Directors	●	●	●				●
2	KATANOZAKA Shinya		2011: Executive Vice President 2015: President & Chief Executive Officer, Representative Director (present)	President & Chief Executive Officer, Representative Director Chairman of the ANA Group Management Committee, Head of Group ESG Management Promotion Committee, In charge of the Internal Audit Division	●	●	●				●
3	SHIBATA Koji		2020: Member of the Board of Directors 2021: Representative Director (present)	Executive Vice President, Representative Director In charge of Corporate Strategy, Corporate Communications and Branding, Facilities Planning, Digital Design Lab, Okinawa Region		●				●	●
4	HIRAKO Yuji		2015: Member of the Board of Directors (present)	Member of the Board of Directors (President & Chief Executive Officer, ALL NIPPON AIRWAYS CO., LTD.)	●	●		●			●
5	TAKADA Naoto		2017: Member of the Board of Directors (present)	Executive Vice President Chairman of Group ESG Management Promotion Committee; In charge of Legal & Insurance, General Administration, Corporate Sustainability, Government & Industrial Affairs and Executive Secretariat		●	●		●		
6	FUKUZAWA Ichiro		2019: Member of the Board of Directors (present)	Executive Vice President Chief Financial Officer, In charge of Procurement		●		●			●
7	MITSUKURA Tatsuhiko		2021: Member of the Board of Directors (present)	Executive Vice President In charge of Group IT Management, Human Resources Strategy, D&I Promotion		●	●			●	
8	YAMAMOTO Ado	●	2013: Member of the Board of Directors (present)	Outside Director	●	●	●		●		●
9	KOBAYASHI Izumi	●	2013: Member of the Board of Directors (present)	Outside Director	●			●	●		●
10	KATSU Eijiro	●	2020: Member of the Board of Directors (present)	Outside Director	●				●	●	●

Appointment of Directors

Approach to Selection of Director Candidates

- Internal Directors**

The Company selects directors from among candidates who have impeccable character, extensive experience, broad insight, and advanced expertise. Ideal candidates have the potential to contribute to improved policy-making, decision-making, and oversight befitting a global airline group with widespread businesses centered on the Air Transportation Business. Our selection is made without regard to gender, nationality, or other such factors, and falls within the scope of the Civil Aeronautics Act and other relevant laws.
- Outside Directors**

The group selects a multiple number of outside directors who possess practical viewpoints based on extensive experience in corporate management, or who possess unique global or regional viewpoints. These individuals must be independent from the Company, and able to offer objective and expert opinions based on a sophisticated knowledge of social and economic trends.

Reasons for Appointment of Directors

- The following director candidates were selected based on the judgment that their abundant experience, performance, and insight would be crucial to overcoming the management crisis caused by the current COVID-19 pandemic and for achieving sustainable increases in Group corporate value.
- These director candidates assumed their positions after being appointed at the 76th Ordinary General Meeting of Shareholders.

	Major Concurrent Positions	Reasons for Appointment
ITO Shinichiro Chairman of the Board Chairman of the Board of Directors	Outside Director, Mitsui Fudosan Co., Ltd.	ITO Shinichiro has extensive experience in sales, human resources, and other disciplines. After being appointed president & CEO in April 2009, he guided the ANA Group through the challenging business environment left in the wake of the Lehman Shock, introducing management reforms, and expanding the group's revenue base to support a successful performance recovery. Since April 2015, Mr. Ito has served as chairman and chairman of the board of directors, working to strengthen the functions of the board by promoting proceedings that encourage free, open-minded, and constructive discussions and exchange of opinions.
KATANOZAKA Shinya President & Chief Executive Officer, Representative Director	Vice Chair, Keidanren (Japan Business Federation) Outside Director, Tokio Marine Holdings, inc.	KATANOZAKA Shinya has extensive experience in sales, human resources, corporate planning, and other disciplines. He was appointed representative director and president & CEO in April 2015. Under his uncompromising stance on safety, he has established a stronger foundation for Group business management. At the same time, the group has implemented a growth strategy, achieving a profit growth for four consecutive years. While always maintaining a global perspective, he has endeavored to strengthen the decision-making and supervisory functions of the board of directors. In addition, Mr. Katanozaka moved immediately to secure liquidity on hand in the wake of the outbreak of COVID-19, and took the lead quickly in putting together the <i>Business Structure Reform</i> plan in coordination with stakeholders to lead the group back to a growth trajectory.
SHIBATA Koji Executive Vice President, Representative Director	Outside Director, Japan Airport Terminal Co. Ltd. Outside Director, Airport Facilities Co., Ltd.	SHIBATA Koji has been involved in sales and international alliances for many years. As a corporate executive officer since June 2020, and as representative director and executive vice president since April 2021, he has been in charge of the planning and execution of Group Corporate Strategy, pursuing Group management and providing appropriate support to the president & CEO in promoting <i>Business Structure Reform</i> . Mr. Shibata contributes to strengthening the decision-making and supervisory functions of the board of directors by leveraging his extensive experience and achievements over his career.
HIRAKO Yuji Member of the Board of Directors	President & Chief Executive Officer, ALL NIPPON AIRWAYS CO., LTD. Chairman of All Japan Air Transport and Service Association Co., Ltd.	HIRAKO Yuji has been involved in sales and finance divisions for many years. In April 2017, he was appointed president & CEO of ALL NIPPON AIRWAYS CO., LTD., a core subsidiary of the ANA Group. Since that time, he has guided the company with an uncompromising stance on safety and a focus on global business by leveraging his extensive knowledge of the international airline business, leading the company toward becoming the world's leading airline. Mr. Hirako contributes to strengthening the decision-making and supervisory functions of the board of directors by leveraging his extensive experience and achievements over his career.

	Major Concurrent Positions	Reasons for Appointment
TAKADA Naoto Executive Vice President		TAKADA Naoto has been involved in the employee relations, industrial policy, and public relations divisions for many years. Since April 2019, he has been in charge of the human resources division as a corporate executive officer, working on Group human resources development and other matters. Since April 2021, he has been in charge of the executive secretariat, general administration, legal affairs, corporate social responsibility (CSR), and risk management as executive vice president. Mr. Takada strives to collection information from within and outside the group as he contributes to strengthening the decision-making and supervisory functions of the board of directors by leveraging his extensive experience and achievements over his career.
FUKUZAWA Ichiro Executive Vice President		Since June 2019, FUKUZAWA Ichiro has served as director and chief financial officer. In April 2021, he was named executive vice president and chief financial officer, responsible for securing a stable financial base for the group and for implementing financial strategies, including efficient capital restructuring. While assisting the president & CEO in each of the group's businesses, Mr. Fukuzawa has endeavored personally to engage in active dialogue with domestic and overseas institutional investors. Further, as chief financial officer, he has worked to secure sufficient liquidity on hand for the group, despite the significant impact of COVID-19.
MITSUKURA Tatsuhiko Executive Vice President		Since April 2015, MITSUKURA Tatsuhiko has served as director and general manager of the Maintenance Center for ALL NIPPON AIRWAYS CO., LTD., where he has been responsible to ensure safe operations. As an executive officer in charge of the group maintenance and technology division beginning in April 2019, and as the chief safety officer of ALL NIPPON AIRWAYS since April 2021, Mr. Mitsukura has pursued safety and security activities, as well as has taken initiatives in IT, human resources strategy, and D&I.

	Major Concurrent Positions	Reasons for Appointment
YAMAMOTO Ado Independent Outside Director	Chairman and Representative Director, Nagoya Railroad Co., Ltd. Outside Director, Chubu-Nippon Broadcasting Co., Ltd. Chairman, Nagoya Chamber of Commerce & Industry	YAMAMOTO Ado has a wealth of experience and expertise in transportation industry management. At meetings of the board of directors, he offers the benefit of his background to provide opinions and advice about responses to COVID-19, Group Corporate Strategy, <i>Business Structure Reform</i> , risk management, investment management, and other matters. Mr. Yamamoto was appointed member of the Remuneration Advisory Committee and the Personnel Advisory Committee in June 2016. In June 2020, he was appointed chair of the Remuneration Advisory Committee and Personnel Advisory Committee.
KOBAYASHI Izumi Independent Outside Director	Outside Director, Mitsui & Co., Ltd. Outside Director, Mizuho Financial Group, Inc. Outside Director, OMRON Corporation	KOBAYASHI Izumi has a wealth of experience and expertise as a representative for private financial institutions and international development and finance institutions, as well as an outside director for other operating companies. At meetings of the board of directors, she offers the benefit of her background to provide opinions and advice on responses to COVID-19, as well as on Group Corporate Strategy, risk management, investment management, corporate sustainability, and organizational management from a global perspective. Ms. Kobayashi was appointed as a member of the Remuneration Advisory Committee in July 2013 and a member of the Personnel Advisory Committee in June 2016.
KATSU Eijiro Independent Outside Director	President and Representative Director and Co-CEO and COO, Internet Initiative Japan Inc.	KATSU Eijiro has provided opinions and recommendations on issues such as responses to COVID-19, <i>Business Structure Reform</i> , risk management, corporate sustainability, and cybersecurity based on a high level of insight due to his experience as a government official, including his tenure as vice minister of finance and his extensive experience in ICT company management. Mr. Katsu was appointed as a member of the Remuneration Advisory Committee and the Personnel Advisory Committee in June 2020.

Management Members: Audit & Supervisory Board Members

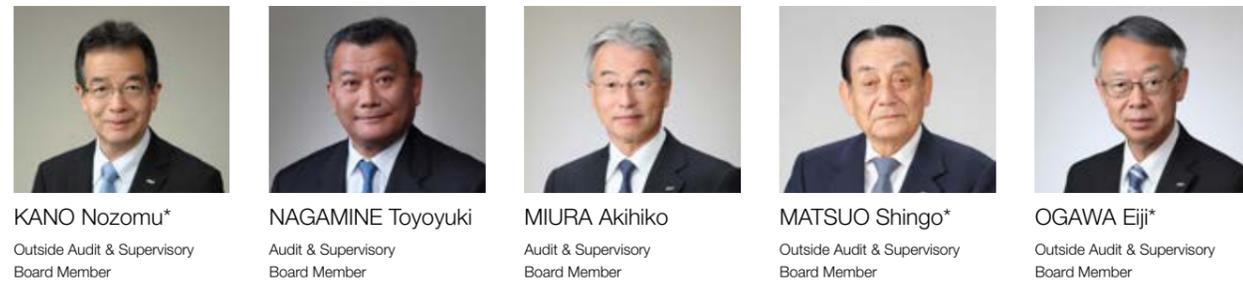
As of July 31, 2021

Approach to Selection of Candidates for Audit & Supervisory Board Member

Audit & Supervisory Board Members

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

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



KANO Nozomu* Outside Audit & Supervisory Board Member
NAGAMINE Toyoyuki Audit & Supervisory Board Member
MIURA Akihiko Audit & Supervisory Board Member
MATSUO Shingo* Outside Audit & Supervisory Board Member
OGAWA Eiji* Outside Audit & Supervisory Board Member

* Independent Audit & Supervisory Board members

Reasons for Appointment of Audit & Supervisory Board Members

Mr. MIURA Akihiko was elected at the 76th General Meeting of Shareholders.

Reasons for Appointment	
MIURA Akihiko Outside Audit & Supervisory Board Member	MIURA Akihiko has been involved in maintenance, procurement, and corporate planning divisions for many years. He has extensive knowledge and experience in the airline business, as well as in technical areas such as safety assurance. We nominated Mr. Miura as a new candidate for member of the Audit & Supervisory Board due to his extensive experience in the airlines industry. We believe his perspective and knowledge as an engineer will further enhance our audit function as the group aims to improve corporate value on a continual basis.

Mr. OGAWA Eiji was elected at the 73rd General Meeting of Shareholders.
 Mr. KANO Nozomu was elected at the 74th General Meeting of Shareholders.
 Mr. NAGAMINE Toyoyuki and Mr. MATSUO Shingo were elected at the 75th General Meeting of Shareholders.

Name	Independent Audit & Supervisory Board Members	Special Knowledge, Experience, and Skills			
		Airlines Business, Safety	Finance, Accounting	Legal, ESG, Risk Management	Global and Long-Term Strategy
KANO Nozomu	●		●	●	●
NAGAMINE Toyoyuki		●			●
MIURA Akihiko		●			●
MATSUO Shingo	●	●		●	●
OGAWA Eiji	●		●	●	●

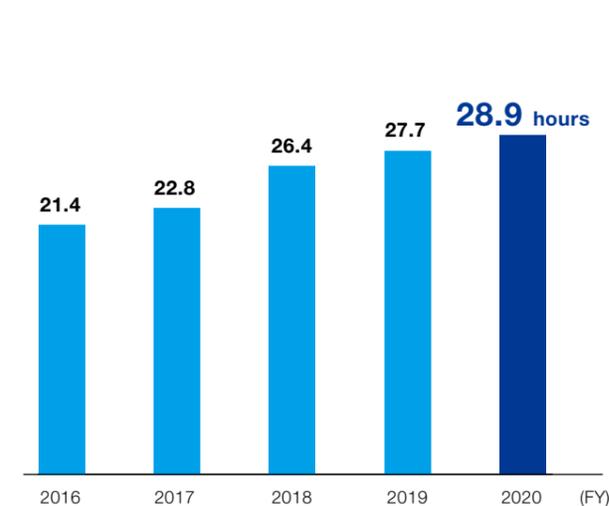
Fiscal 2020 Initiatives

Major Agenda Items for the Board of Directors (Fiscal 2020)

- Items Related to General Meetings of Shareholders
 - Proposals to be submitted to General Meetings of Shareholders for approval
- Items Related to Directors, Corporate Executive Officers, the Board of Directors, etc.
 - Selection of director candidates and corporate executive officers
 - Results of the evaluation of the effectiveness of the Board of Directors
 - Policies for officer remuneration
- Items Related to Financial Results
 - Financial results and earnings forecasts
 - Reports from group companies
 - Evaluations in the capital markets
- Items Related to Shares and Capital
 - Issuance of new shares via public offering and third-party allotment
 - Capital stock, etc.
- Items Related to Organizational Restructuring
 - Reorganization of ANA X Inc. and ANA Akindo Co., Ltd.
- Items Related to Personnel and Organizations
- Items Related to the Company and Important Subsidiaries
 - ANA Group situation under the COVID-19 pandemic
 - ANA Group *Business Structure Reform*
 - Operating risks
 - ANA Group medium- to long-term commitments toward ESG management
 - ANA brand business plan
- Items Related to Disposal and Receipt of Important Assets
 - Aircraft procurement, sales, and leases
- Investment-Related Matters
- Items Related to Major Debts
 - Financing plans
 - Subordinated syndicated loan agreement
 - Bond issuances
- Items Related to Corporate Governance
 - Internal audit plans and results reports
 - Overview, action plans of the Group ESG Management Promotion Committee
 - Valuation of cross-shareholdings
- Other Items
 - ANA cybersecurity measures
 - Customer satisfaction survey results
 - ANA's Way Survey (employee awareness survey) results
 - Personnel Advisory Committee report
 - Remuneration Advisory Committee report

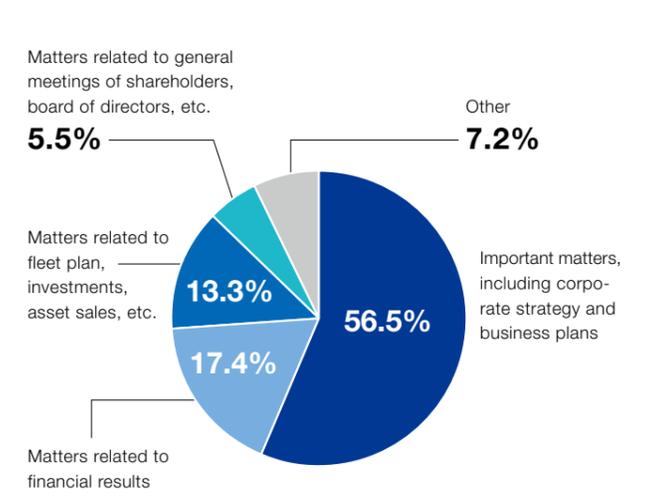
Changes in Board Meeting Length

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



Discussion by Agenda Topic (Fiscal 2020)

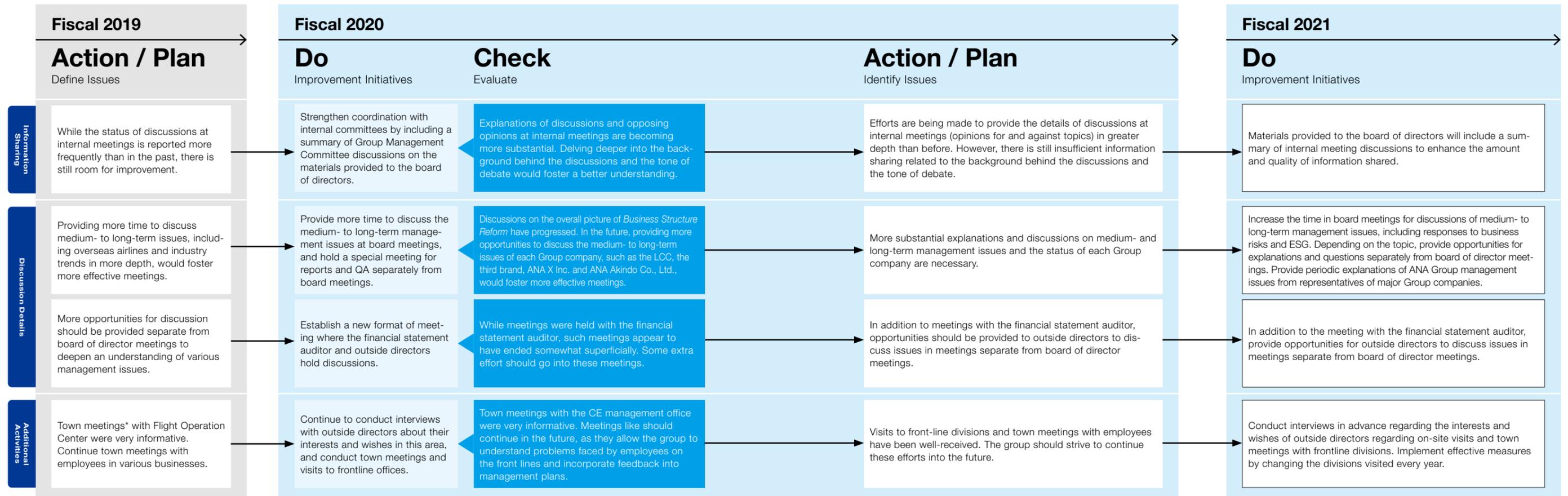
We encourage active discussions of corporate strategy at board meetings, selecting major related topics about which to exchange opinions from medium- to long-term perspectives.



Effectiveness of the Board of Directors

The ANA Group continues initiatives to improve the functions of the board of directors. We conduct a questionnaire survey for all directors and Audit & Supervisory Board members, and we individually interview the chairman of the board, president & CEO, outside directors, and outside Audit & Supervisory Board members. We provide a detailed analysis of the survey and interview results and present a report to the board of directors.

We strive to enhance further effectiveness of the board of directors by improving the PDCA cycle through operational changes toward new solutions.



* Dialogue between officers and employees

Cross-Shareholdings

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

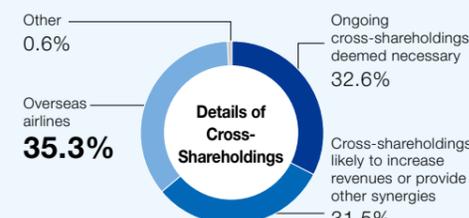
Every year, the board of directors conducts a comprehensive review of individual cross-shareholdings.

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

ANA HOLDINGS owns shares in 36 publicly traded companies as cross-shareholdings for other than pure investment purposes. The total amount on the balance sheet of these shares as of the end of fiscal 2020 is ¥101,388 million.

Equity Alliances with Overseas Airlines

The total amount of shares of overseas airlines owned by ANA HOLDINGS on our balance sheet is ¥35,764 million, which accounts for 35.3% of our cross-shareholdings. The purpose of these holdings is as described on the right.



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

- Strengthen strategic partnership with PAL through a wide range of business alliances, including code-share and mileage program alliances, the dispatch of directors, and outsourcing of airport operations.
- Pursue the transportation of people and cargo between Japan and the Philippines, where passenger traffic is relatively high within Southeast Asia.
- Enhance the ANA Group presence in the Southeast Asian market.

(2) Vietnam Airlines

- Strengthen strategic partnership with Vietnam Airlines through a wide range of business alliances, including code-share and mileage program alliances, the dispatch of directors, and outsourcing of airport operations.
- Pursue the transportation of people and cargo between Japan and Vietnam, which has particularly high growth potential in Asia.
- Enhance the ANA Group presence in the Southeast Asian market.

(3) Asiana Airlines

- Strengthen strategic partnership with Star Alliance partner Asiana Airlines through a wide range of business alliances, including code-share and mileage program alliances, the dispatch of directors, and outsourcing of airport operations.
- Pursue the transportation of people and cargo between Japan and Korea, where passenger traffic is high.
- Enhance the ANA Group presence in the Northeast Asian market.

ANA Outside Director Town Meeting Initiatives

Past Initiatives and Fiscal 2020 Response

The ANA Group conducts the ANA's Way Survey, a biannual awareness survey of employees to determine whether the ANA's Way, the group's code of conduct, has been embraced and put into action by our employees. The results of the survey revealed the need to reinvigorate communications between management and employees. At the same time, our outside directors have expressed a desire to exchange opinions with employees from various departments to gain a deeper understanding of the group's business and corporate culture.

In light of these circumstances, we established opportunities for town meetings in which outside executives engage in direct dialogue with managers across various ANA Group departments. Fiscal 2018 town meetings were conducted with the Maintenance Center and each Group maintenance company. In fiscal 2019, we conducted a town meeting with the Flight Operation Center.

Our latest town meeting was held between outside directors and the CE Management Office^{*1}, which is responsible for enhancing the value of the ANA brand and building medium- to long-term brand strategies. The town meeting reconfirmed Group strengths and weaknesses, and helped communicate the future direction of the group toward returning to a growth trajectory in the post-COVID-19 era.

^{*1} To be reorganized as the CX Management Office in fiscal 2021.

1 New Service Models Required for the Post-COVID-19 Era

Q What does hospitality look like in the post-COVID-19 era? Should present service models be changed? How can human services and digital services coexist?

New Service Models

- As customer preferences change in the post-COVID-19 era, we must innovate our service procedures to meet new needs. Providing safe spaces through the little things is important. For example, handing out sanitizing cloths in the cabin, installing restroom doors that can be opened without the use of hands, etc.
- Before COVID-19, in-flight entertainment focused mainly on offering a wide variety of programs. Today, we are in the era of Wi-Fi. Rather than spending money to increase the number of channels, offering more robust Wi-Fi services may better meet customer needs in the 5G generation.
- We must also take weight into consideration when introducing new in-flight products. Limiting overall weight is an important factor in reducing CO₂ emissions.

The Need for Digitalization

- Digital technology is important for identifying customer attributes in detail and tailoring services for these attributes. However, some customers may be uncomfortable having their individual preferences researched in detail.
- While Japanese airlines have prioritized human services, European and U.S. airlines prioritized investment in digital technologies rather than improving service quality. Facing the COVID-19 pandemic, it appears that European and U.S. airlines are better positioned to adapt to new customer needs using digital technologies.

A Customer-Oriented Approach

- Approaching our work from the perspective of the customer is extremely important. For example, we offer a variety of ANA smartphone apps, but not all of them are being utilized fully. We understand that every department is doing their best, but it is important to take an objective look from the point of view of the customer. Are multiple options really necessary?
- When we resume full-scale investment activities in the post-COVID-19 era, we hope the CE Strategy Department^{*2} will take the lead in making where and what projects to invest in, reflecting third-party input and making customer-oriented decisions.

^{*2} To be reorganized as the CX Strategy Department in fiscal 2021.



Town Meeting Held in December 2020.

2 A Corporate and Organizational Culture Supporting Speedy Management Decisions

Q What types of corporate and organizational cultures facilitate speedy decision-making when pursuing new service models? Can you cite any examples of steady progress in changing culture during the COVID-19 pandemic?

The Importance of Demonstrating Leadership

- A corporate culture cannot be created overnight. The only way is for management to issue strong messages and ask the company to follow. But it takes a considerable amount of time for a new culture to take root.
- The president is not in a position to make detailed decisions, nor does he have the time to do so. Practically speaking, the most important thing is the discussions in each department and the suggestions generated from those discussions. These suggestions have a significant impact on the final decisions.
- When deciding a new service model, systems relying on multiple layers of executives to decide by consensus might look good, but matters are never decided easily in reality. Projects do not move forward unless a specific leader steps up in each department.

- For example, in a new initiative to sell in-flight meals via the internet, it was at the insistence of the president that we dispelled the stereotype that in-flight meals can only be sold in-flight. This was a case demonstrating the importance of leadership.
- In this project, a collaborative relationship was established between the organization that plans in-flight services and the organization that executed the project. The COVID-19 pandemic presents a difficult situation, but we should think of it also as an opportunity.



3 Human Resources Development

Q How do you develop autonomous human resources who have broad perspectives and who can create service models compatible with the new normal?

How do you pursue human resources development effectively?

- The only way to pass on a corporate culture over several generations is to emphasize culture on a team and department level. In pursuing digitalization, one must be aware that technology may not be able to convey messages shared more naturally through person-to-person communications.
- If there are certain human tasks that can be replaced by digitalization, then those tasks should be replaced by machinery. The important question is what do we as humans do afterward?

- It is essential for Japanese airlines to continue to focus on hospitality. And it is important to position digitalization as a way to achieve this focus. There is no other way to develop human resources than to pass on knowledge from person to person.
- Even if telework becomes adopted widely and permanently, not everything can be digitized. The decisive factor in maintaining human society is face-to-face interaction. Looking at other in the eye and sitting together knee-to-knee.

Establishment of the CX Management Office

We established the CX Management Office in fiscal 2021 based on dialogue with outside directors. The CX Management Office is the result of integrating the CE Management Office and the Marketing Office, aiming to create new service models as quickly as possible for the post-COVID-19 era.

The CX Management Office will oversee all marketing activities to improve customer experience (CX) value from the perspective of the customer to establish competitive advantages for the ANA brand. The office will take a cross-organizational approach and incorporate customer feedback into service design.

Through Fiscal 2020

- CE Management Office** Develop medium- to long-term brand strategies to enhance the value of the ANA brand.
- Marketing Office** Engage in effective approaches to customers. Identify and analyze customer needs.

Beginning Fiscal 2021

- CX Management Office** Enhance customer experience (CX) value

Director and Audit & Supervisory Board Member Remuneration

1. Basic Policies for Director Remuneration

The basic policies for director remuneration are as follows.

- Director remuneration consists of basic remuneration, which is a fixed amount set at a level commensurate with the role and responsibility of each position, and performance-linked remuneration, which clarifies responsibility business performance and serves as an incentive for the sustainable growth of the Company.
- We will establish a remuneration system that achieves our social responsibilities as a company, while allowing the Company to share profits with shareholders by raising medium- to long-term corporate value.

2. Procedures for Determining Remuneration

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

3. Remuneration Advisory Committee / See page 85

4. Remuneration System

(1) Internal directors

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

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

annual performance targets have been accomplished. The ratio of variable remuneration ranges from 0.0 to 1.0 times according to the degree of achievement for annual performance targets.

a. Bonuses

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

b. Stock-Based Compensation

We use return on equity (ROE), operating income margin, CO₂ emissions volume, an external ESG evaluation indicator, and a productivity indicator as indicators of improved corporate value over the medium to long term and of sustainable growth. Stock-based compensation are determined based on the scores of each indicator.

(2) Outside directors

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

(3) Audit & Supervisory Board members

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

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

Conceptual Diagram for the Officer Remuneration System

Ratio		Fixed	Variable		Remuneration limits
1		1	0.67 ^{*1}		
Remuneration		(1) Basic remuneration	(2) Bonus (short-term performance-linked)	(3) Stock-based compensation (long-term incentive)	
Payment criteria	Internal directors	Payment according to title, etc.	Measure for fiscal year results according to various criteria Net Income Safety Customer Satisfaction Employee Satisfaction	Evaluate contributions to corporate value over the medium to long term Return on Equity (ROE) Operating Income Margin CO ₂ Emissions ESG Indicators Productivity	Annual total for (1) and (2) is limited to a maximum ¥960 million Per resolution at the 66th Ordinary General Meeting of Shareholders, held June 20, 2011 (3) Annual maximum of ¥100 million^{*2} Per resolution at the 70th Ordinary General Meeting of Shareholders, held June 29, 2015
	Outside directors	Uniform payment for all members	—	—	
	Audit & Supervisory Board members	Payment according to status as full-time or part-time	—	—	—
Payment method		Monthly (cash)	Annually (cash)	Annually ^{*3}	

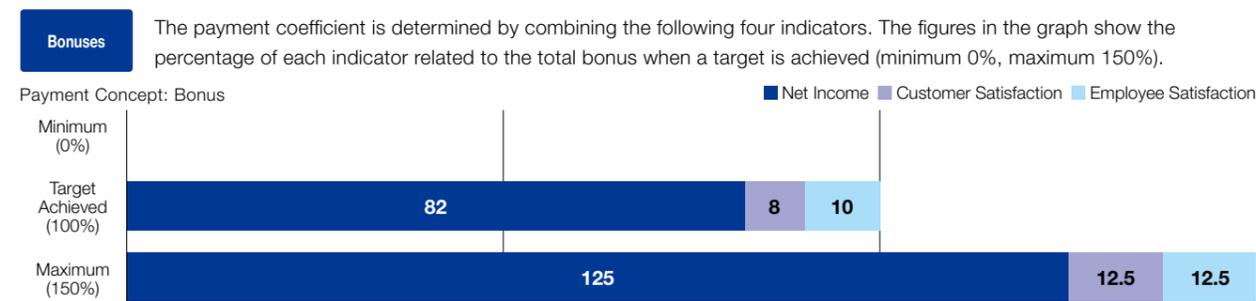
*1 Range from 0.0 to 1.0 times according to the degree of achievement for annual performance targets.

*2 At the 70th Ordinary General Meeting of Shareholders held June 29, 2015, our shareholders passed a resolution to contribute funds to a trust up to a total of ¥100 million per fiscal year (up to ¥500 million for every five fiscal years) to be used as stock-based compensation.

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

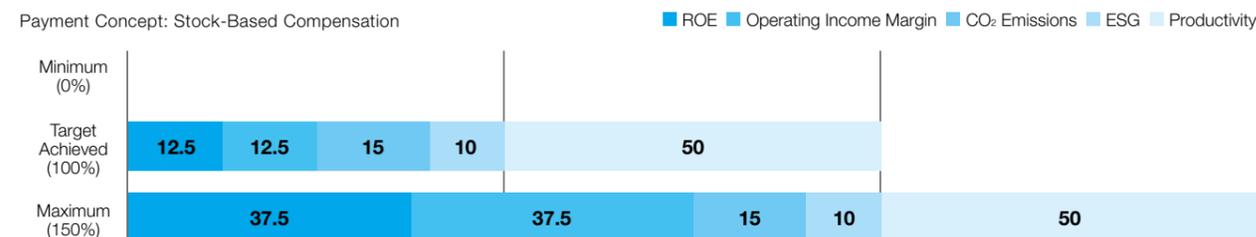
Calculation Method

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



- Net income target: Net income attributable to owners of the parent company indicated in the annual business plan
- Customer satisfaction target: Net Promoter Score (NPS) in the NPS survey indicated in the annual business plan
- Employee satisfaction target: Points scored in ANA's Way Survey (internal group survey)
- Safety target: Indicator for a reduction in payment as a result of a security or safety event that has a significant impact on society (to be confirmed by the Remuneration Advisory Committee)

Stock-Based Compensation The payment coefficient is determined by combining the following five indicators. The figures in the graph show the percentage of each indicator related to the total stock-based compensation when a target is achieved (minimum 0%, maximum 150%).



- ROE target: ROE as of the end of fiscal 2022 in the medium-term business plan
- Operating income margin target: Operating income margin at the end of fiscal 2022 indicated in the medium-term business plan
- CO₂ emissions target: CO₂ emissions per revenue ton-kilometer as of the end of fiscal 2022 indicated in the medium-term business plan
- ESG target: Number of ESG indicators achieved as of the end of fiscal 2022, based on the following four external evaluation indicators
 (1) Selection as a component by DJSI World/Asia Ind
 (2) Selection as a component by FTSE 4Good
 (3) CDP A- rating
 (4) Selected as a component by MSCI
 These four external evaluations reflect the latest global trends and demands from stakeholders. These evaluations also allow us to measure the Group's level of ESG management in comparison with other companies.
- Productivity target: Productivity improvement index at the end of fiscal 2022

Fiscal 2020 Director and Audit & Supervisory Board Member Remuneration

Segment	Number of persons eligible	Total amount of remuneration, etc. (¥ millions)	Total amount by type (remuneration, etc.) (¥ millions)		
			Basic remuneration	Bonuses	Stock-based compensation
Directors	11	317	233	—	84
(Outside directors)	(4)	(41)	(41)	(—)	(—)
Audit & Supervisory Board members	6	117	117	—	—
(Outside Audit & Supervisory Board members)	(3)	(58)	(58)	—	(—)
Total	17	434	350	—	84

Notes:

1. The table above includes one outside director and one outside Audit & Supervisory Board member who resigned as of the end of the 75th Ordinary General Meeting of Shareholders, held June 29, 2020.

2. The amounts listed above are rounded down to the nearest million yen.

Basic remuneration for directors and members of the Audit & Supervisory Board in fiscal 2020 has been reduced according to position and in response to deteriorating business performance. Performance-linked bonuses have not been paid. In addition, the amount of stock-based compensation for fiscal 2020 is an estimate, as the evaluation period is the three-year period from fiscal 2020 to fiscal 2022.