Foundations for Sustainable Corporate Value Enhancement

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

Turning Ideas from Employees into New Services and Businesses

Environmentally friendly in-flight meals, direct air transport of fresh food from local production areas, tote bags made from upcycled mechanic work clothes, and the launch of a store that communicates the charms of local communities.
These are just a few examples of the services and businesses that have emerged from the ideas of employees who have taken on new challenges and turned them into reality. And the starting point is always the Power of People who are willing to endeavor.

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.

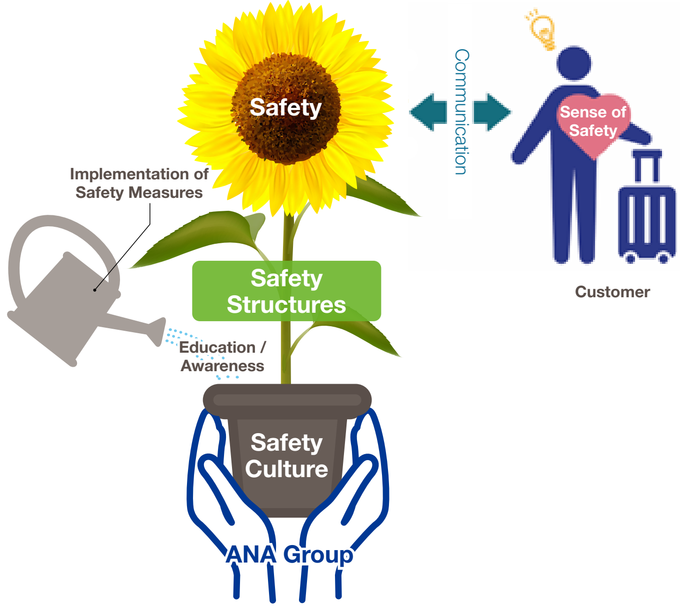
Course of ANA Group Safety Action

(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. In fiscal 2022, the second year of the plan, we will implement this safety promotion plan while understanding immediate environmental changes and responding appropriately.

We defined matters of the highest priority as our core safety values, establishing three pillars for engaging 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 SPIs (Safety Performance Indicators)
- Strengthen initiatives in predicting risk (including the Three Task Categories*) and change management; 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

* First Time Task, Procedure Changes, and Task After Extended Time Gap

Building Stronger Sustainable Structures for Safety

Amid impact from the spread of COVID-19 and global affairs, we are creating a stronger structure to maintain safety, even as we adopt new and different mechanisms and procedures.

(1) We adopted safety management methods within change management 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) During this fiscal year, as the number of flights has been recovering, we are promoting the effective practice of risk prediction from the perspective of the Three Task Categories (First Time Task, Procedure Changes, and Task After Extended Time Gap), which we developed during the COVID-19 pandemic. With this effective practice, we are working to take measures to prevent unsettling events from occurring.

a. Each individual uses their foresight to anticipate risks
b. Share information on matters identified and respond to risks before beginning work
c. Use the assertion* method to respond appropriately with coworkers
d. Proactively send out spontaneous reports of near-misses when noticing something unusual or dangerous

* Expressing opinions in a constructive and cooperative manner

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. We are harnessing the lessons learned during the COVID-19 pandemic, utilizing both face-to-face and online methods to pass on a broader and deeper safety culture.

ANA Group Safety Education Center (ASEC)

Total number of participants: 16,524 (including online participation)

ASEC, located in the ANA Group Training Center (ANA Blue Base), provides safety education in which participants learn actively, leading participants to practice safe behavior in the workplace. Online training programs are also available, and all group employees worldwide have been taking its courses.

Emergency Aircraft Evacuation Training

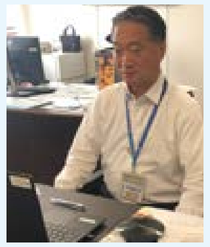
Total number of participants: 8,483

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: 17 Total number of participants: 1,022

The ANA President & Chief Executive Officer and three directors in charge of safety at ANA delivered safety-related lectures and engaged in dialogue with employees both face-to-face and online. Participants and leaders discussed and shared thoughts on a wide range of topics.



Initiatives for Aviation Safety and Security Promotion Month

8 case studies shared

We observe the Aviation Safety and Security Promotion Month every July, holding programs featuring seminars, presentations, and awards related to safety. Of the approximately 40 case studies of safety and quality improvement initiatives solicited from our front lines, the best were carefully selected and shared in video format on our corporate intranet.

Ensuring Safety in Non-Air Operations

Food Safety

The ANA Group introduced the ANA Catering Quality Program (ACQP), from the three aspects of food safety for hygienic inflight and ANA Lounge meals, the pursuit of delicious quality, and the safe and 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.

ACQP ANA CATERING QUALITY PROGRAM

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

Information Security

The ANA Group is continuously working to ensure the secure handling of information, including personal customer information, as an issue equally important to flight operations. For our systems, we have implemented a multi-layered security mechanism for entrance and exit control and anti-virus measures, and we monitor our security system 24 hours a day, 365 days a year. In addition, we have established the ANA Group Information Security Management Manual for employees in accordance with ISO 27001, and apply this to the entire group. We also use handbooks, e-learning, training, and email newsletters to ensure that this manual is widely understood throughout the group, and conduct audits to check compliance. In this way, we are strengthening our information management system and reducing the risk of information leaks from both tangible and intangible perspectives. In addition, we comply with the EU General Data Protection Regulation (GDPR) and other laws and regulations enacted or revised in various countries regarding the protection of personal information. Further, we publish our privacy policy on our corporate website as appropriate.

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

Cybersecurity Response Training for Employees in an Online Game Format

Seconding Employees to Develop Cybersecurity Human Resources

As a critical infrastructure organization, the ANA Group also dispatches personnel to public expert organizations to analyze trends in cybersecurity incidents, formulate countermeasures, and contribute to the development of cybersecurity human resources through joint public–private sector efforts.

I am currently on secondment to the Cabinet Secretariat's National Center of Incident Readiness and Strategy for Cybersecurity (NISC), where I am in charge of formulating "The Cybersecurity Policy for Critical Infrastructure Protection" and the secretariat of its Expert Panel.

This offers me a number of opportunities to interact with current affairs and the latest information surrounding cybersecurity, and I am keenly aware of the magnitude of the mission that the ANA Group, as a critical infrastructure operator, must fulfill.

At the same time, I am proud of the ANA Group's systems for cybersecurity and its extensive employee education, as seen from the outside.

I look forward to continuing to deepen my knowledge of cybersecurity while utilizing the team spirit I have developed at the ANA Group, and to return the lessons I have learned to the ANA Group so that it can continue to fulfill its responsibilities as a business operator.

MAEOKA Yuko

Seconded to the National Center of Incident Readiness and Strategy for Cybersecurity

New Foundation: Hygiene and Cleanliness

In the with- and post-COVID-19 eras, the ANA Group is deepening its efforts related to hygiene and cleanliness as the basis for creating an environment in which passengers may board our flights with confidence.

ANA Group Response to COVID-19

Our *ANA Care Promise*, a countermeasure against COVID-19, was well-received. In 2021, we were awarded World's Best Airline Cabin Cleanliness, an honor bestowed for the highest-rated cabin hygiene and cleanliness, and the COVID-19 Excellence Award by U.K.-based SKYTRAX.

By assessing the social situation and taking appropriate action in each particular instance, we will stay close to the voice of our customers and provide a safe and clean environment and service to all customers in all aspects of their travel.

World's Best Airline Cabin Cleanliness

Enhanced Hygiene and Cleanliness

We are working to enhance hygiene and cleanliness with the aim of continuing to be the airline of choice by meeting the needs of a diverse set of customers, even in the midst of social changes and new values.

In addition to working to improve employee mindsets toward hygiene and cleanliness through in-house education and training, the company makes a list of areas prone to uncleanliness and conducts periodic inspections and improvements based on this list under the supervision of Nihon Stery, Inc. We are also working to create a system to enhance hygiene and cleanliness through cross-functional collaboration.

We are taking action to ensure that the initiatives that began with the *ANA Care Promise* will not be one-off instances, and that spotlessness will take root as part of the ANA Group culture by establishing mechanisms and thoroughly promoting the permeation of these initiatives.

Mechanism to Make Spotlessness Part of ANA Group Culture

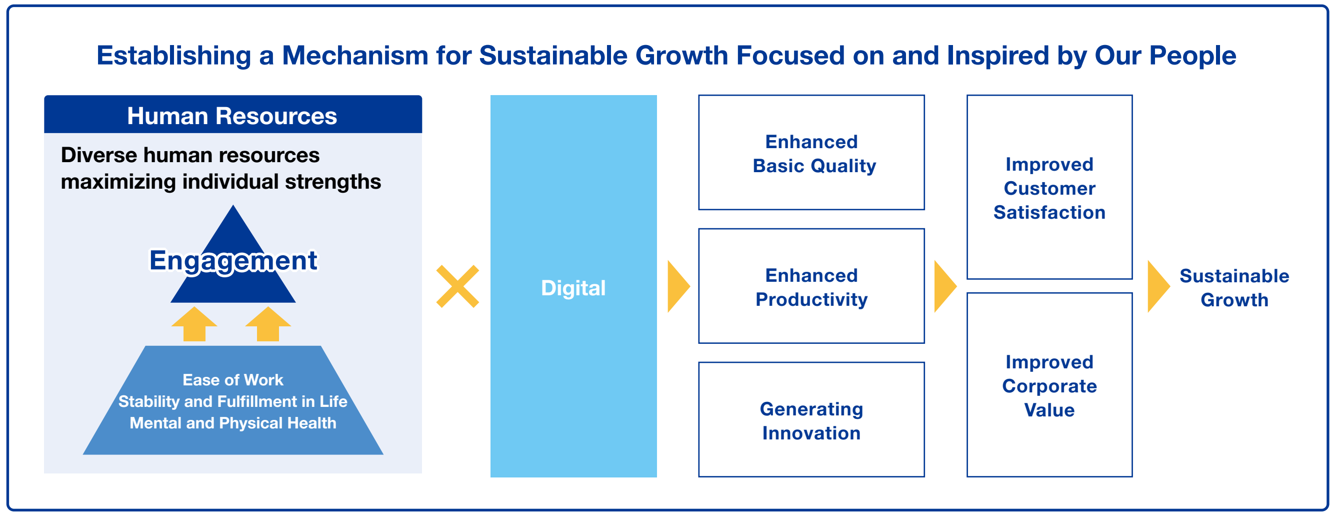
Human Resources

Letting Our Greatest Asset—Human Resources—Shine, and Achieving Growth as the ANA Group

We will create an environment where each employee feels engaged and can demonstrate their diverse strengths.

Basic Approach to Human Resources

The greatest asset of the ANA Group is our human resources—each and every person working for the group. In order to overcome the COVID-19 pandemic and achieve new growth, it is essential that every employee of our group, with their diverse talents and strengths, work with enthusiasm and demonstrate their abilities to the greatest extent possible. To this end, the ANA Group will improve engagement with our employees to maximize the capability of the individual and the organization.



Key Elements for Improved Engagement

Job Fulfillment	• Provide challenging opportunities for achieving diverse careers • Expand self-actualization mechanisms, such as an internal proposal system • Strengthen education and training programs for employees to take on challenges and achieve self-growth
Connecting with Colleagues	• Respect diverse individuals through practicing DEI • Create a proactive corporate culture through the promotion of ANA's Way by each and every group employee • Deepen mutual communication by utilizing internal platforms
Sense of Contribution	• Roll out groupwide employee education founded in customer orientation • Share the group's business activities through internal newsletters • Present the ANA's Way AWARDS to recognize good practices

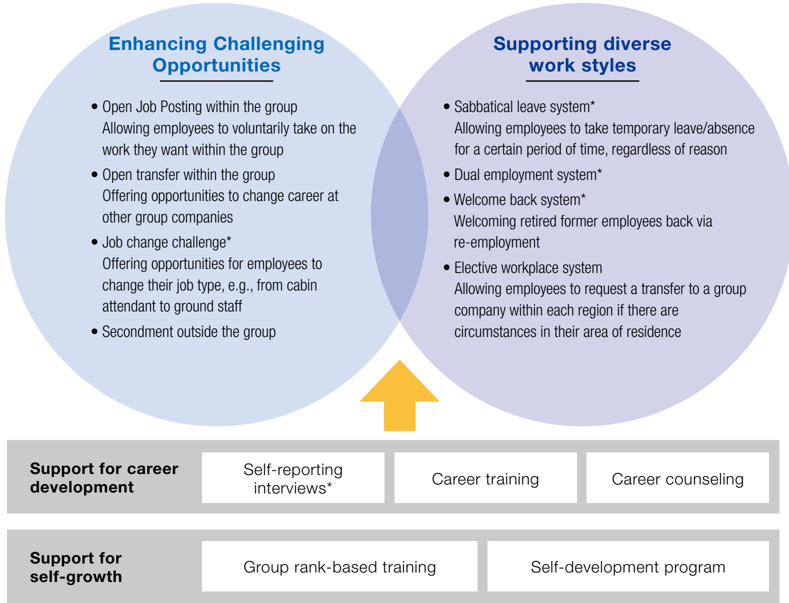
In order to increase engagement and to create innovation and new value in the midst of a drastically changing business environment, each employee must work autonomously based on their own ambition. To achieve this, we will promote a change to a co-creation style of management that creates value together by eliciting self-starting behavior and autonomy while maintaining closeness to the individual, such as by enhancing one-on-one communication.

Toward Career Fulfillment

For the group to remain strong and grow sustainably in a changing environment, we must maximize and evolve the strengths of employees who have diverse expertise.

We are strengthening opportunities for each individual to autonomously develop their strengths and carve out a career, including through new graduate ANA global staff recruitment in fiscal 2023 by segment and by specialty, and through enhancing challenging opportunities and providing diverse work style options after being hired.

Major Initiatives for Career Fulfillment



Systems marked with an asterisk (*) are company-specific within the group, and implementation differs for each company

Linking Experiences Outside the Company to Both Personal and ANA Group Growth

In response to the significant decrease in air passenger demand due to the COVID-19 pandemic, the ANA Group has been promoting secondment outside the group as one of our measures to protect the jobs of our group employees. Roughly 300 entities in the financial, telecommunications, government, and other sectors have cooperated with this effort and accepted our employees. As of July 1, 2022, approximately 700 employees are on secondments (cumulative total of 2,300 since October 2020). Each individual contributes to business by demonstrating their individuality and cultivated skills where they have been seconded. They also return the diverse set of work experiences and values accumulated there back to the ANA Group, demonstrating these and contributing to both their own growth and that of the ANA Group.

Through open job posting, I was seconded to a company in real estate, and gained experience in areas like operating seminars for businesspeople. During my secondment, I gained lots of insights into the social role expected of cabin attendants from my interactions with people outside the company.

Now, after returning to ANA, I am striving to deepen my understanding of the context behind our own various policies, as well as to deepen my cultural understanding and aptitudes so that I can convey the values and strengths of the ANA Group to as many customers as possible through my own work. In addition, together with my colleagues who have experienced secondment outside the group, I would like to take the importance of ongoing self-improvement as a cabin attendant and permeate that broadly across the group.

Looking ahead, my goal is to think of and implement solutions that only I can provide as a cabin attendant to social issues such as environmental conservation, regional revitalization, and gender equality.

ISHIHARA Miku
Inflight Services Center,
ALL NIPPON AIRWAYS CO., LTD.

Using the Power of People to Achieve Sustainable Growth in the Post-COVID-19 Era

Amid the impact of COVID-19, I have been keenly reminded of how significant the power of people is.

With major restrictions on flying airplanes, at the core of our businesses, we were able to realize various employee-generated ideas through teamwork in a way that transcended company and departmental boundaries, including sightseeing flights, in-flight restaurants, weddings, and the sale of in-flight meals and maintenance parts planned for disposal.

In addition, many of our cabin attendants and airport staff in particular have been given the opportunity to be seconded to companies and other organizations outside the group. Here, they have been able to demonstrate their ingenuity and ANA's unique value in their respective environments, as well as their growth through the experience of taking on other cultures.

By promoting improved engagement and creating an environment where each employee can demonstrate their expertise and strengths, we aim to create a strong ANA Group that will achieve sustainable growth after COVID-19.

NAOKI Yoshiharu
Executive Vice President
Group CHO
(Chief Human Resource Officer)
ANA HOLDINGS INC.

Promoting ANA's Way

ANA's Way, our course of action, serves as the foundation for the attitudes and actions to be taken by all ANA Group employees toward the achievement of our Mission Statement and management vision. Daily practice of these actions conducted by every employee is the source of our core management—strength for brand enhancement—and the driving force behind creating the value of the ANA Group.

The ANA Group is working to promote understanding of our Mission Statement, management vision, and ANA's Way, as well as to pass on the culture and DNA inherited over our 70 years of history. The Group is also continuously working to improve our engagement level through communication.

Groupwide ANA's Way Promotion Activities

Through various initiatives within the group, every employee embodies ANA's Way and creates corporate culture.

Promoting ANA's Way

ANA's Day Training

- Share values that resonate with ANA Group employees
- Reflect on past accidents and understand safety
- Return to our founding philosophy of *Wakyo* (close cooperation) and *Hardship Now, Yet Hope for the Future*
- Launched online training in fiscal 2020, with participation by all Group employees

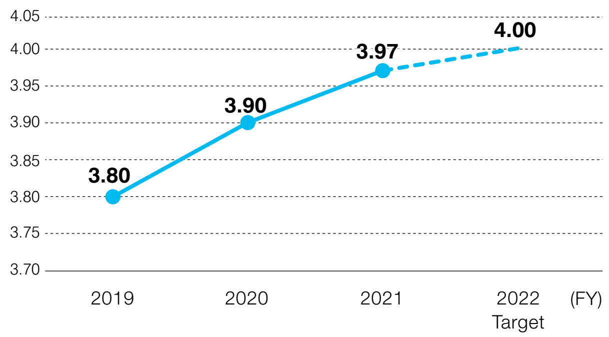
Good Job Message

- Launched in fiscal 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 web system
- The total number of messages sent across the entire group exceeded one million in fiscal 2021

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

The ANA Group conducts an annual employee engagement survey to improve satisfaction and corporate value. The survey consists of 63 questions, each worth five points, related to the five categories of ANA's Way (safety, customer orientation, social responsibility, team spirit, and endeavor) and engagement. The survey also asks four open-ended questions. In fiscal 2021, we conducted the survey at 44 group companies with 37,945 employees taking part, for a response rate of 97.1%.

ANA's Way Survey Score (ANA Group Average Score)



Survey Results for FY2021:

- Overall score of 3.97, an improvement of 0.07 points from the previous fiscal year
- Even during the COVID-19 pandemic, average scores improved related to engagement through more opportunities for dialogue with management and communication within the workplace
- We analyzed the results of this survey, including 72,468 comments in the open-ended questions section. The results were shared and discussed at each group company and department, and we made efforts to improve the issues identified and to revitalize our organization

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, *Anshin, Attaka, Akaruku-genki!* (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.

▼ ANA Group Health Management
https://www.ana.co.jp/group/en/csr/human_resources/health_care/

Implementation Structure

Led by the CWO (Chief Wellness Officer), a director responsible for promoting health management, and Wellness Leaders at each Group company, all ANA Group employees, companies, and health insurance associations work in unison to promote health management. As a result of groupwide efforts, 12 companies, including ANA AIRPORT SERVICES Co., Ltd., ANA CHUBU AIRPORT, and ANA OSAKA AIRPORT, were named Certified Health and Productivity Management Organization Recognition Program (White 500) companies in fiscal 2022. In addition, ANA Systems Co., Ltd. was named a Certified Health and Productivity Management Organization Recognition Program company.

P.101 External Recognition

Four Important Themes of the ANA Group Health Management Declaration

The ANA Group Health Management Declaration promotes the maintenance and improvement of employees' physical and mental health and the creation of environments that encourages long, motivated careers. With a focus on four important themes, we engage in regular situational monitoring, while analyzing and responding to positive impacts and challenges.

1 Health Management Initiatives
- Create an environment for health management throughout the group for the extension of healthy life expectancy (review of health checkup system, health management system, etc.)

2 Disease Prevention Initiatives
- Enhance cancer prevention measures for all group employees and women's health measures
- Establish and monitor health management indicators for strengthening lifestyle disease prevention

3 Mental Health Initiatives
- Reinforce initiatives for primary prevention and prevention of recurrence in employees who have returned to work
- Practice the four types of mental healthcare at ANA Group companies

4 Strengthening Safety and Health Initiatives
- Develop safe and secure work environments and conducting groupwide awareness activities to eradicate the occurrence of occupational accidents

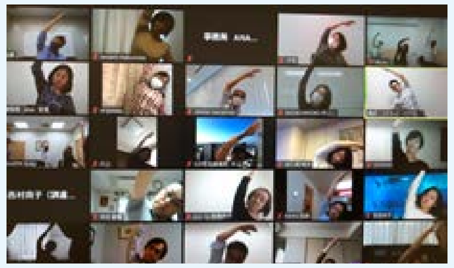
Health Maintenance amid the COVID-19 Pandemic

New lifestyles, including activity restrictions and changes in dietary habits, have led to concerns by many employees about (1) lack of exercise and physical ailments and (2) mental health. The ANA Group is taking the following groupwide initiatives to overcome these challenges.

Initiatives Against Lack of Exercise and Physical Ailments

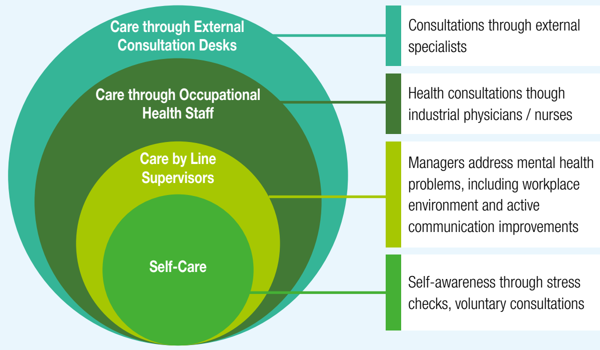
We are establishing an environment for self-management, including conducting various online seminars to alleviate the lack of exercise and to provide more education regarding physical fitness.

- Dietary seminars given by nutritionists
- Seminars on body maintenance: building an injury-free body
- Health seminars connected in a relay format by health management offices across Japan
- Holding online walking events with ANA Group companies and other companies, etc.



Mental Initiatives

Healthy minds are an important factor in QOL and work. The ANA Group implements measures 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, and we also use video materials and e-learning to promote the mental health of our employees.



Diversity, Equity, and Inclusion 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. However, as of April 2022, we have added equity (providing fair support and creating opportunities in accordance with diversity) as an important element and are deepening our activities with the promotion of diversity, equity, and inclusion (DEI). In connection with this, we created the position of Group CDO (Chief Diversity, Equity & Inclusion Officer) to accelerate our promotion efforts.

Understanding and Addressing Diversity

(1) Gender Equality: Women in Leadership

In June 2021, the ANA Group set medium-term goals in regard to women in decision-making positions. In addition to reviewing personnel and support systems and promoting actions such as capability development and awareness-building, management holds discussions and regularly checks the progress of key indicators to realize a workplace that leverages diversity and fosters the creation of new value. Furthermore, we are working to permeate DEI through town hall meetings, management messages, and communications with employees.

Ratio of Female Executives

	As of June 2022 (And year-on-year change)	Medium-term Goal
ANA Group	10.0% (+0.7%)	Achievement of 30% as early as possible in the 2020s
ANA	16.3% (+1.6%)	

Ratio of Female Managers

	As of June 2022 (And year-on-year change)	Medium-term Goal
ANA Group	18.2% (+1.0%)	Achievement of 30% as early as possible in the 2020s
ANA	18.3% (+1.3%)	

The ANA Group's efforts toward gender equality were presented at the UN Global Compact Leaders Summit in June 2021 (attended by approximately 22,000 people from 180 countries). In October of the same year, we became the first Japanese airline to receive the Diversity & Inclusion Team Award at the Diversity & Inclusion Awards held by the International Air Transport Association (IATA), a result of our efforts to revitalize the airline industry through the promotion of D&I.

(2) Promoting Diverse Work Styles: Increasing the Percentage of Employees Taking Paternity Leave

To promote diverse work styles and enhance the lives of employees, the ANA Group is making efforts to encourage male employees to take paternity leave. Using the feedback obtained through awareness surveys of employees who have used this system in the past, we are working to change awareness and establish systems so that, in our workplaces, paternity leave is taken as a matter of course.

As of April 2022, the utilization rate of this leave system was 30% (28% for ANA) and the utilization rate of special paid leave for childbirth and childcare was 61% (58% for ANA).

(3) LGBTQ+: Respect for Diversity of Sexuality

The ANA Group is working to establish an environment, including with regard to its internal systems and facilities, that is mindful of diversity of sexuality, and to promote understanding among all executives and employees. In April 2022, in accordance with the "Respect human rights and diversity" section of the ANA Group Social Responsibility Guidelines, we established the Basic Policy on Respect for Diversity of Sexuality, which summarizes our policies and specific actions to respect LGBTQ+ employees. We are working to establish these throughout the entire group.

For the sixth consecutive year, we were awarded a rating of Gold in the PRIDE Index*, an evaluation index for corporate actions related to LGBTQ+.

* Organized by the NPO good aging yells

work with Pride Gold 2021

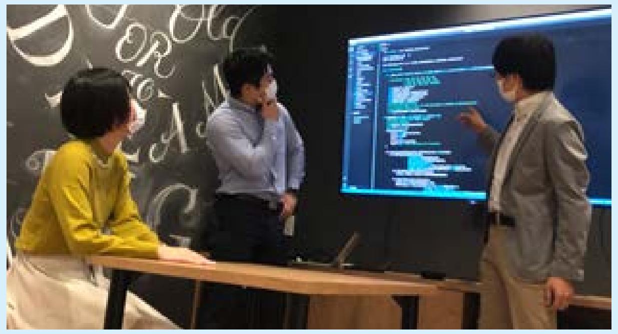
Fostering Human Resources for Promoting Digital Transformation (DX)

ANA Digital Resonance

The utilization of digital data and the promotion of DX are important themes that are essential to the development of our business. Under the motto of "Digital for extending the power of employees," we are striving to enhance the value of the customer experience. For example, we achieve this by deepening personalized services that only people can provide by streamlining operations through the use of digital technology, and by providing tailored services by utilizing customer-related data held by the group. To promote these measures, we have launched a program to develop digital human resources who can firmly promote DX with a high level of expertise, and an educational curriculum (ANA Digital Resonance) to improve the digital literacy of all employees.

Digital Human Resources Development

We have defined the roles of Digital Navigators and Digital Leads, drivers of business transformation by leveraging their deep knowledge of digital technologies, and train employees to fill these roles. Through education ranging from fundamental knowledge of digital technologies and IT to programming, data analysis, and project based learning (PBL), we develop digital specialist human resources tailored to the business characteristics of the ANA Group, with the Air Transportation Business at its core.



Digital Literacy Training for the Entire Group

In order to promote innovation with the united efforts of all employees, we held our third Innovation Week in October 2021 in conjunction with the Digital Agency's "Japan Digital Day." At the Innovation Week, we provided opportunities for group employees to experience innovation through exhibits of the latest technologies, online lectures, workshops, and others. We are also expanding our online content to help employees understand information security and digital tools, with a total of over 45,000 employees taking part in programs in fiscal 2021.

Employees Taking on the Challenge of Moving from the Sky to the Digital Field

We develop digital human resources with a deep understanding of the group's business by having them acquire skills in IT, digital technologies, and data, based on the experience and knowledge gained at various sites, including airports and maintenance. At the ANA Digital Transformation Office, ANA Systems Co., Ltd., and other units responsible for DX in the group, more than 100 group employees with diverse backgrounds have undergone digital human resources education and are now working as core human resources for the promotion of DX.

I am currently in charge of agile development for business systems used by employees at various workplaces in the ANA Group.

From my two years of on-site experience at airports, I realized that in order to deliver services and hospitality to customers that only people can provide, it is necessary to harness the power of DX to improve our environments. This gave me the interest in getting involved with the area of DX in the ANA Group.

Thanks to my experience on the front lines at airports, I firmly believe that it is my strength, and my mission, to understand the context behind the specialized terminology and language out in the field, accurately capture the thoughts and insights of the field, and swiftly grasp the true cause of issues.

I would like to continue to grow as a digital talent, supporting the provision of value unique to the ANA Group to customers, while never losing my field-focused perspective.

WATANABE Ryosuke
ANA Systems Co., Ltd.
Digital Innovation Department

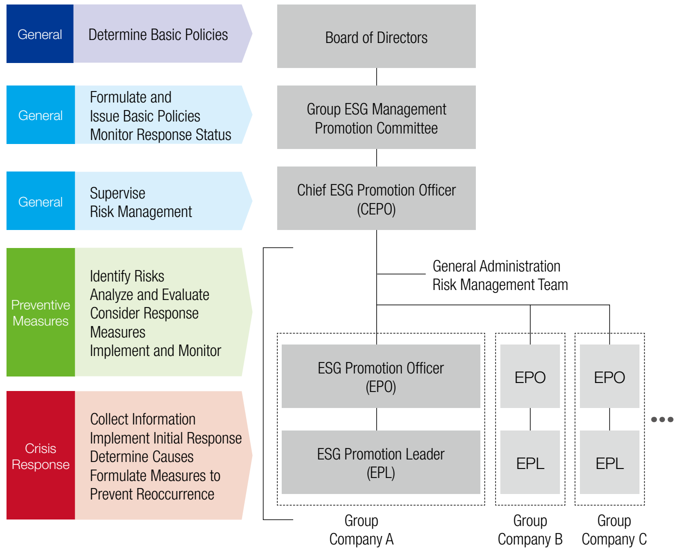
Risk Management

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 provide 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)

In the event of disaster, we have established policies and procedures to ensure the safety of our customers, executives, and employees, to minimize the impact on management and society, and to resume normal business operations as quickly as possible. We also make efforts to station emergency communication equipment and disaster supplies at main offices. The Ministry of Land, Infrastructure, Transport and Tourism established guidelines which address building airports resistant to natural disasters. Under these guidelines, ANA conducts inspections and reinforcements of airport facilities and equipment for flooding and power outages. Additionally, we perform emergency drills at airports in case of disasters. Thus, ensuring prompt responses in the event of emergency.

Information Security

Under the ANA Group Security Control Regulations, we construct and maintain groupwide regulations, in addition to an information security control system. Through this system, we work to enhance system functionality and implement security measures in accordance with policy. We are currently revising our privacy policies and internal rules to comply with established overall fundamental policies, as well as domestic and international laws and regulations regarding personal information and privacy. We are also complying with the revision of Japan's Act on the Protection of Personal Information, executed on April 1, 2022. We require every employee to receive internal education on the handling of these laws and regulations, rules on using our information systems, and the importance of information assets and their proper handling. In this way and others, we strive to raise employee awareness of the significance and awareness of information security.

Security Export Control*

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

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

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 a multi-level defense in accordance with the guidelines formulated by related ministries. We monitor our security system 24 hours a day, 365 days a year. The ANA Group trains security specialist human resources, 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, under the premise that cybersecurity incidents are inevitable. At the same time, we are adopting a Zero-Trust approach based on a conventional security measure TRUST (i.e., communication with trusted people and objects based on authentication and process reliability checks). We use this approach as we simultaneously pursue DX in ANA Group services and products, such as Mobility as a Service (MaaS) and the *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.

Recent Increases in Natural Disaster Measures

Recently, torrential downpours and typhoons have been growing in size, inflicting natural disasters countrywide. In response to this, we are taking various measures to protect our communication facilities and power supply facilities, which are essential infrastructure facilities for operations within airports.

As a countermeasure for flood damage, we are working to establish an environment that allows for early restoration at our top five main airports assumed at high risk for flooding (Haneda, Chubu, Kansai, Fukuoka, and Okinawa). To do this, we are using the latest hazard maps to begin construction to install water gates and relocate equipment to higher areas.

Also, we are taking measures for power outages at major airports to establish environments where operations can continue during power outages. These measures include connecting necessary terminals for aircraft operations with emergency power equipment, and replenishing capacity of emergency power supplies through the use of large storage batteries.

Operation Management Center and an Installed Large Storage Battery (bottom left)

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 adhere to policies and directions issued by the government and local authorities and prevent the spread of infection as we safely operate air transportation services, and our other services, to support socioeconomic activity, as well as the lives of the people.

- Disseminate knowledge about COVID-19 to all group employees
- Ensure employees comply with basic preventative measures: avoiding the Three Cs (Closed spaces, Crowded places, and Close-contact settings), wearing masks, and washing and disinfecting hands
- Check employee health on a consistent basis before reporting to and starting 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

In addition, the company began administering COVID-19 vaccinations for ANA Group employees and their families, as well as employees of contractors and related businesses in June 2021. As of May 2022, the third round of workplace vaccinations had been completed.

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, our advisory Board of Directors, we strive to strengthen awareness of compliance throughout the entire Group. We appointed an ESG Promotion Officer as the person responsible for promoting compliance at each company, and an ESG Promotion Leader to drive compliance at each workplace.

Major Initiatives

Legal Compliance Education

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

Educational Materials on Various Laws and Regulations

Initiatives to Prevent Harassment

We provide various training and education programs to prevent workplace harassment including training for newly appointed managers. In fiscal 2021, in response to requests from each group company, implemented training that encourages participants to recognize and reconsider the risk of harassment and appropriate measures in their own workplace based on a harassment awareness survey. Additionally, we provided harassment prevention education for each group executive and employee through e-learning to develop a proper understanding of harassment and strive for zero-tolerance and more comfortable work environments throughout the group.

E-Learning Materials

Information Dissemination

To spread awareness of compliance throughout the ANA Group, we distribute email and other newsletters on topics related to revisions to laws and regulations, as well as points of caution regarding labor and contract practices. In fiscal 2021, we reorganized and renewed our compliance website on our intranet, from a compliance point of view, to facilitate a concrete understanding of the do's and don'ts of the rules commonly followed by our group executives and employees.

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

Compliance Website

Strengthening Cooperation with Group Companies and Overseas Branches

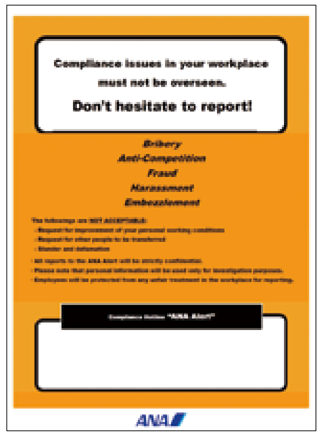
To strengthen the compliance structure across the entire group, we have clarified the points of contact between our Legal & Insurance Department, group companies, and ANA overseas branches, building and operating a structure facilitating two-way communication.

Compliance Survey of Group Companies

Surveys on compliance at group companies are conducted annually. 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. The 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. Additionally, we introduced a report form that can be accessed directly from our internal reporting website on our intranet. In doing so, we improved the system and increased convenience. In fiscal 2021, there were 184 reports within the group, and the system has spread throughout the group as a reliable and effective whistleblowing system.



ANA Alert Poster

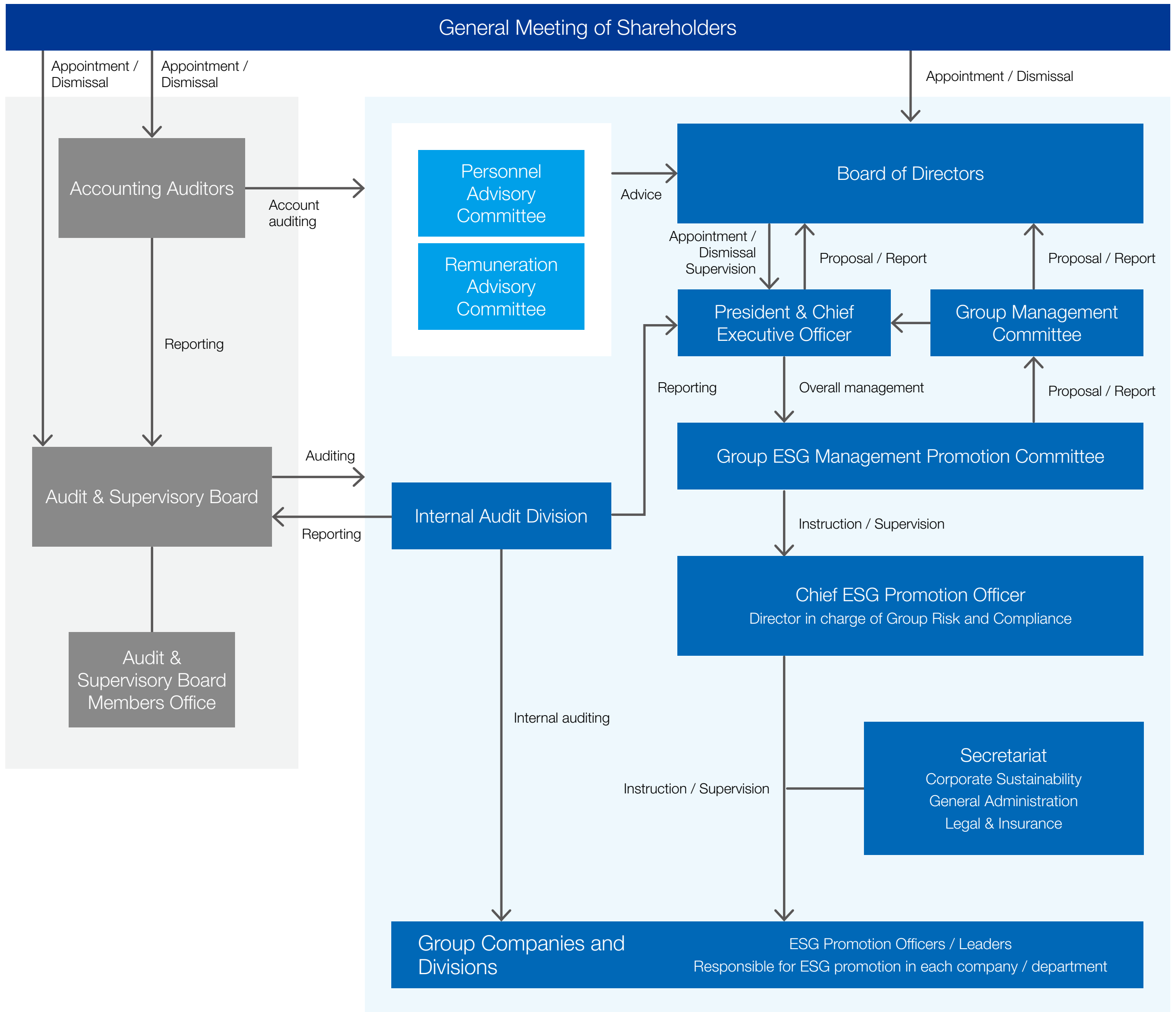
Corporate Governance

Mission Statement

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

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

Corporate Governance System



(As of July 31, 2022)

ANA HOLDINGS Corporate Governance System

Holding Company Structure

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

Company with Audit & Supervisory Board Members

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

Corporate Executive Officer System

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

Board of Directors

Number of Board Members	Term of Office	Number of Meetings*
Directors 11 (including 4 independent outside directors and 1 female director)	1 year (also applies to outside directors)	14
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*
78

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

Advisory Committees

Personnel Advisory Committee

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

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

Remuneration Advisory Committee

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

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

Audit & Supervisory Board

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

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

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

* The number of meetings held in fiscal 2021

Management Members: Directors As of July 31, 2022

	Name	Position at ANA HOLDINGS	Independent Directors	Executive Officers	Assignments	Personnel Advisory Committee	Remuneration Advisory Committee	Special Knowledge, Experience, and Skills: Corporate Management and Long-Term Strategy	Airlines Business and Safety	Human Resources Development and Diversity	Finance and Accounting	Legal and Risk Management	Sustainability	Technology and Innovation	Global Management
1	**KATANOZAKA Shinya**	Representative Director, Chairman			Chairman of the Board of Directors			●	●	●			●		●
2	**HIRAKO Yuji**	Member of the Board, Vice Chairman						●	●		●		●		●
3	**SHIBATA Koji**	Representative Director, President & Chief Executive Officer			Chairman of the ANA Group Management Committee, Head of Group ESG Management Promotion Committee, In charge of the Internal Audit Division Chairman, ALL NIPPON AIRWAYS CO., LTD.	●	●	●	●				●	●	●
4	**FUKUZAWA Ichiro**	Representative Director, Senior Executive Vice President		●	Chairman of the ANA Group Productivity Enhancement Committee In charge of Corporate Strategy			●	●		●		●		
5	**INOUE Shinichi**	Member of the Board			President & Chief Executive Officer, ALL NIPPON AIRWAYS CO., LTD.			●	●	●				●	●
6	**HATTORI Shigeru**	Member of the Board, Executive Vice President		●	Chairman of Group ESG Management Promotion Committee; In charge of Group Risk and Compliance, Legal & Insurance, General Administration				●	●		●	●		●
7	**HIRASAWA Juichi**	Member of the Board, Executive Vice President		●	In charge of Government & Industrial Affairs and Executive Secretariat			●	●				●	●	
8	**YAMAMOTO Ado**	Independent Outside Director	●			○ Chairman	○ Chairman	●	●	●		●			
9	**KOBAYASHI Izumi**	Independent Outside Director	●			●	●	●		●	●		●		●
10	**KATSU Eijiro**	Independent Outside Director	●			●	●	●				●		●	●
11	**MINEGISHI Masumi**	Independent Outside Director	●			●	●	●		●			●	●	●

The reasons behind the selection of the skill sets that the company expects its directors to possess are set forth in the Notice of the 77th Ordinary General Meeting of Shareholders.
https://ssl4.eir-parts.net/doc/9202/ir_material5/184654/00.pdf

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 77th Ordinary General Meeting of Shareholders.

Internal Directors

	Brief Personal History / Major Concurrent Positions	Reasons for Appointment
KATANOZAKA Shinya Chairman of the Board Chairman of the Board of Directors	2011: Executive Vice President 2015: President & Chief Executive Officer, Representative Director 2022: Representative Director, Chairman (present) **Major Concurrent Position** 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. Since then he has achieved four consecutive years of profit growth, and at the time of the business crisis caused by COVID-19, he moved immediately to secure liquidity on hand and took the lead in formulating and implementing the *Business Structure Reform* plan. Since April 2022, Mr. Katanozaka has served as chairman and chairman of the board of directors, endeavoring to strengthen the functions of the board by leveraging his extensive experience and achievements over his career.
HIRAKO Yuji Member of the Board, Vice Chairman	2015: Member of the Board of Directors 2022: Member of the Board, Vice Chairman (present)	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 lead the company toward becoming the world's leading airline. He has also taken a leadership role in reforming the service model for the post-COVID-19 era. As a member of the board and vice chairman since April 2022, Mr. Hirako has contributed to strengthening the functions of the board of directors by leveraging his extensive experience.
SHIBATA Koji Representative Director, President & Chief Executive Officer	2020: Member of the Board of Directors 2021: Representative Director 2022: Representative Director, President and CEO (present)	SHIBATA Koji has been involved in sales and international alliances for many years. As a corporate executive officer since June 2020, and as representative director and executive vice president since April 2021, he has been in charge of the planning and execution of Group Corporate Strategy. As representative director, president & CEO since April 2022, Mr. Shibata has been pursuing group management, always maintaining a global perspective and placing the highest priority on safety. He contributes to strengthening the functions of the board of directors by leveraging his extensive experience and achievements over his career.
FUKUZAWA Ichiro Representative Director, Senior Executive Vice President	2019: Member of the Board of Directors 2022: Representative Director, Senior Executive Vice President (present) **Major Concurrent Position** Outside Director, Japan Airport Terminal Co. Ltd.	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. In addition, as representative director and senior executive vice president since April 2022, he has been in charge of the planning and execution of Group Corporate Strategy, providing appropriate support to the president & CEO and contributing to the strengthening of the functions of the board of directors by leveraging his extensive experience and achievements over his career.

Internal Directors

	Brief Personal History / Major Concurrent Positions	Reasons for Appointment
INOUE Shinichi Member of the Board of Directors	2022: Member of the Board of Directors (present) **President & Chief Executive Officer** ALL NIPPON AIRWAYS CO., LTD. Chairman of All Japan Air Transport and Service Association Co., Ltd.	INOUE Shinichi was involved in the establishment of Peach Aviation Limited, Japan's first low cost carrier (LCC), and as representative director & CEO, he has achieved rapid growth for the company. In addition, since April 2020, he has overseen the sales division as representative director and executive vice president of ALL NIPPON AIRWAYS CO., LTD., a core subsidiary of the ANA Group. As representative director and president & CEO of the company from April 2022, Mr. Inoue has been pursuing the management of that company with safety as the top priority in order to put it back on a growth trajectory that will see it become a leading global airline.
HATTORI Shigeru Member of the Board, Executive Vice President	2022: Member of the Board of Directors (present)	HATTORI Shigeru has been involved with the airport and human resources divisions for many years and has also been stationed in both Europe and the U.S. Since April 2016, he has overseen the airport division as executive officer of ALL NIPPON AIRWAYS CO., LTD., a core subsidiary of the ANA Group. In addition, he has steadily cultivated his global experience and abilities by serving as ALL NIPPON AIRWAYS CO., LTD. General Manager of the Americas since April 2019. Since April 2022, as a senior executive officer at the company, Mr. Hattori has been pursuing the promotion of ESG and risk management.
HIRASAWA Juichi Member of the Board, Executive Vice President	2022: Member of the Board of Directors (present)	HIRASAWA Juichi has been involved with the business planning and planning divisions for many years. From April 2018, he served as an executive officer of ALL NIPPON AIRWAYS CO., LTD., a core subsidiary of the ANA Group, where he was in charge of creating and promoting innovations such as automated airport vehicle operation and MaaS in addition to formulating and implementing the company's Corporate Strategy. Since April 2022, Mr. Hirasawa has served as a senior executive officer at the company, working primarily on industrial policy and other matters.

Outside Directors

	Brief Personal History / Major Concurrent Positions	Reasons for Appointment
YAMAMOTO Ado Independent Outside Director	2013: Member of the Board of Directors (present) **Major Concurrent Positions** Advisor of 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 wide-ranging expertise in transportation industry management and as a top executive in an economic organization. At meetings of the board of directors, he offers the benefit of his background to provide opinions and advice on corporate strategy, management of strategic investment projects, new businesses, and personnel policies. 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	2013: Member of the Board of Directors (present) **Major Concurrent Positions** 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 Corporate Strategy, risk management, DEI, sustainability, and other issues 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	2020: Member of the Board of Directors (present) **Major Concurrent Positions** President and Representative Director and Co-CEO and COO, Internet Initiative Japan Inc. Outside Director, Nippon Television Holdings, Inc.	KATSU Eijiro has provided opinions and recommendations on issues regarding the management of strategic investment projects and new businesses 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.
MINEGISHI Masumi Independent Outside Director	2020: Member of the Board of Directors (present) **Major Concurrent Positions** Chairperson and Representative Director of the Board, Recruit Holdings Co., Ltd. Outside Director, Konica Minolta, Inc.	MINEGISHI Masumi has led many new businesses to success at Recruit Co., Ltd. (currently Recruit Holdings Co., Ltd.). As representative director and president & CEO of the company since April 2012, he has contributed to a significant increase in the company's corporate value through mergers and acquisitions of overseas companies, and has extensive experience as a corporate manager in the lifestyle and service industry. He has been elected as a new candidate for the position of independent outside director in the expectation that he will supervise the company and provide general management advice from an objective perspective based on his experience and knowledge.

Management Members: Audit & Supervisory Board Members As of July 31, 2022

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

MIURA Akihiko
Audit & Supervisory Board Member

MITSUKURA Tatsuhiko
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. MITSUKURA Tatsuhiko and Mr. OGAWA Eiji were elected at the 77th General Meeting of Shareholders.

Audit & Supervisory Board Members		Reasons for Appointment
	MITSUKURA Tatsuhiko Audit & Supervisory Board Member	MITSUKURA Tatsuhiko has been involved in maintenance for many years. Since April 2021, he has promoted safety and security activities as the chief safety officer of ALL NIPPON AIRWAYS CO., LTD., a core subsidiary of the ANA Group. Mr. Mitsukura has extensive knowledge and experience in the airline business as well as technical areas such as safety assurance.
	OGAWA Eiji Outside Audit & Supervisory Board Member	OGAWA Eiji, as a specialist in advanced international finance, etc., has a high degree of expertise and knowledge in finance, accounting, and financial matters. Although his corporate management experience is limited to serving as an outside executive officer, in addition to the above expertise, he has extensive experience and accomplishments as a manager of a university.

Mr. KANO Nozomu was elected at the 74th General Meeting of Shareholders.
Mr. MATSUO Shingo was elected at the 75th General Meeting of Shareholders.
Mr. MIURA Akihiko was elected at the 76th General Meeting of Shareholders.

Name	Independent Directors	Remuneration Advisory Committee	Special Knowledge, Experience, and Skills			
			Airlines Business and Safety	Finance and Accounting	Legal and Risk Management	Sustainability
KANO Nozomu	●	●		●	●	
MIURA Akihiko			●			●
MITSUKURA Tatsuhiko			●			●
MATSUO Shingo	●		●		●	
OGAWA Eiji	●			●	●	

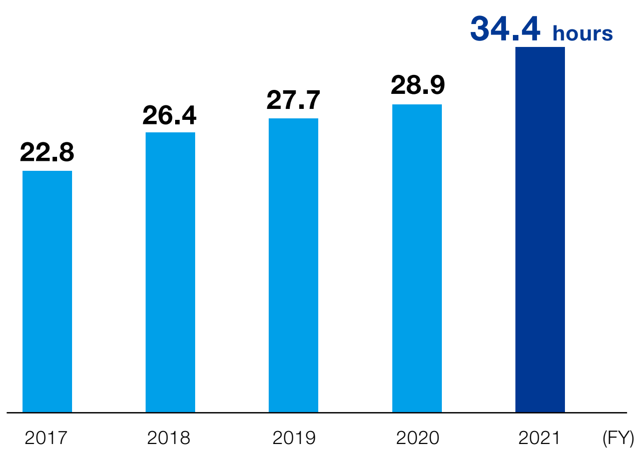
Fiscal 2021 Initiatives

Major Agenda Items for the Board of Directors (Fiscal 2021)

1. Items Related to General Meetings of Shareholders
   - Proposals to be submitted to General Meetings of Shareholders for approval
2. 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
   - Renewal of liability insurance contract for directors and officers
3. Items Related to Financial Results
   - Financial results and earnings forecasts
   - Reports from group companies
   - Evaluations in the capital markets
4. Items Related to Shares and Capital
   - Response to the Tokyo Stock Exchange's market restructuring
   - Capital stock, etc.
5. Items Related to Organizational Restructuring
   - Reorganization of ANA X Inc. and ANA Akindo Co., Ltd.
6. Items Related to Personnel and Organizations
7. Items Related to the Company and Important Subsidiaries
   - ANA Group situation under the COVID-19 pandemic
   - ANA Group *Business Structure Reform* (action plan)
   - Discussions regarding business and other risks and risk management
   - ANA brand / Peach business plan
   - Current situation and strategy of Cargo business
   - Current situation and issues of Trade and Retail business
8. Items Related to Disposal and Receipt of Important Assets
   - Aircraft procurement, sales, and leases
   - System investment and capital investment
9. Investment-Related Matters
10. Items Related to Major Debts
    - Financing plans
    - Subordinated syndicated loan agreement
    - Bond issuances
11. Items Related to Corporate Governance
    - Compliance with the revised Corporate Governance Code
    - Climate change-related disclosure based on the guidance of TCFD
    - Establishment of goals for women in leadership positions
    - Group ESG Management Promotion Committee report
    - Valuation of cross-shareholdings
12. Other Items
    - Progress of metaverse business
    - Status report on strategic investments
    - *ANA SKY WEB* system failures
    - Net Promoter Score (NPS) survey results
    - ANA's Way Survey (employee awareness survey) results
    - Personnel Advisory Committee report
    - Remuneration Advisory Committee report

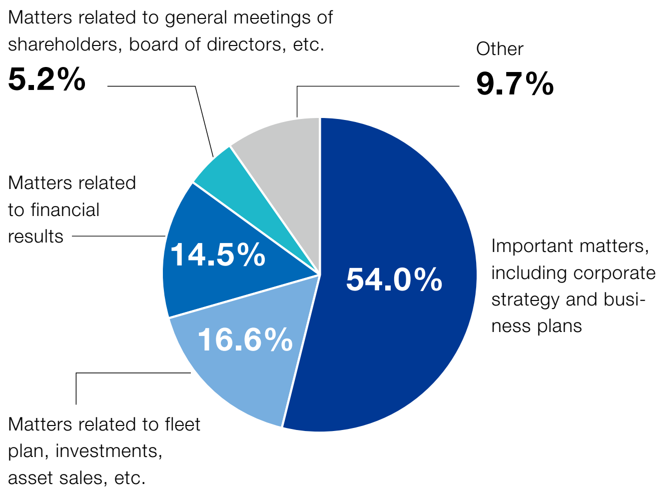
Changes in Board Meeting Length

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 2021)

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



Efforts to Improve the Effectiveness of the Board of Directors

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

In fiscal 2021, in order to further enhance the objectivity and transparency of the evaluation, we conducted a third-party organization questionnaire as well as interviews regarding the results of that questionnaire to further deepen our analysis and evaluation.

We will continue to enhance the PDCA cycle in order to further improve its effectiveness.

Third-Party Evaluation and Analysis Process

In fiscal 2021, we commissioned Sumitomo Mitsui Trust Bank, Limited, which has a track record of supporting board effectiveness assessments for many companies, to conduct a questionnaire and interviews. The number of survey questions, including open-ended questions, was increased from 16 to 36 in order to expand and deepen the scope of the survey. As a result, the company's board of directors was evaluated as more active in discussions and more effective than those of other companies. It was confirmed that there is room for improvement in terms of meeting management and the composition of the board of directors.

Questionnaire to all directors and Audit & Supervisory Board members

▼ Analysis and evaluation by a third-party organization

Interviews with the board chair, representative directors, and outside directors

▼ In-depth analysis and evaluation by a third-party organization

Reporting of results to the board of directors / deliberation and consideration of improvement measures

	Fiscal 2020 **Action / Plan** Define Issues	Fiscal 2021 **Do** Improvement Initiatives	**Check** Evaluate	**Action / Plan** Identify Issues		Fiscal 2022 **Do** Improvement Initiatives
Information Sharing	Efforts are being made to provide the details of discussions at internal meetings (opinions for and against topics) in greater depth than before. However, there is still insufficient information sharing related to the background behind the discussions and the tone of debate.	Materials provided to the board of directors will include a summary of internal meeting discussions to enhance the amount and quality of information shared.	In addition to including the status of internal discussions in the materials, it is now possible to receive explanations regarding details of the discussions, which is an improvement over the past.	Management	Further streamlining of board meeting operations is needed, as there is insufficient time for discussion of corporate strategy and investments.	Increase the number of written reports and allow time for discussion. Share the estimated discussion time with the director in charge of discussions in order to enhance time management.
Discussion Details	More substantial explanations and discussions of medium- to long-term management issues and the status of each group company are necessary.	Increase time in board meetings for discussion of medium- to long-term management issues and, depending on the content, set aside time separately from board meetings. Provide periodic explanations of ANA Group management issues from representatives of major group companies.	Discussions concerning corporate strategy and our business portfolio are also gaining momentum. Due to time constraints, it will be necessary to generate time for discussion by transferring authority to the executive officers, who can narrow down the agenda and reduce the time allotted for explanations. Extra efforts should be made to enhance the follow-up of corporate strategy and in-depth study of investment decision criteria and withdrawal criteria.	Discussion Details	More discussions on medium- to long-term management issues and monitoring of investments are necessary.	For matters requiring more time for discussion, such as medium-term corporate strategy and strategic investment projects, opportunities shall be provided for small-group discussions separately from board of directors' meetings, as necessary. In cooperation with the Corporate Planning Department, further enhance discussions at board of directors' meetings.
Discussion Details	In addition to meetings with the financial statement auditor, outside directors are required to hold meetings separate from board of directors' meetings.	In addition to meetings with the financial statement auditor, opportunities should be provided to outside directors to discuss issues in meetings separate from board of directors' meetings.	Time was set aside, separate from board meetings, for outside directors to discuss issues facing the Group. We have established opportunities for meetings in which outside executives engage in direct dialogue with the Audit & Supervisory Board, and we feel this is sufficient.	Providing Information to Outside Directors	While enhancing the provision of information, the content and quantity of materials should be carefully examined according to the characteristics of each agenda item, so that the content can be understood more efficiently.	Depending on the topic, either reduce the number of materials or, if the amount of material is more significant, attach an executive summary or similar document that clearly states the key points of the discussion. Town meetings will continue to seek effective operation methods.
Additional Activities	Visits to frontline business units and town meetings* were generally well-received and should be continued.	We will conduct interviews in advance regarding the interests and wishes of outside directors regarding on-site visits and town meetings with frontline divisions, and continue to implement effective initiatives.	Town meetings were very effective in terms of listening to voices on the ground.	Board Membership	Within the company, there is a need to increase the number of female executives and executives with digital skills.	The appropriate composition of the board of directors will be discussed on an ongoing basis by the Personnel Advisory Committee and the board of directors.

* 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 our group businesses.

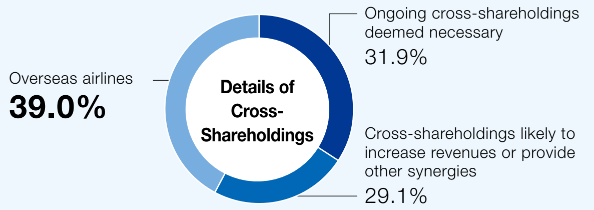
The ANA Group, consisting mainly of our Air Transportation Business, engages in cross-shareholding when we deem such holdings to contribute to improved corporate value over the medium to long term from the viewpoint of continuing smooth business, maintaining business alliances, and growing profits through 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. In fiscal 2021, we reduced our cross-shareholdings in nine companies.

ANA HOLDINGS owns shares in 27 publicly traded companies as cross-shareholdings for other than pure investment purposes. The total amount on the balance sheet corresponding to these shares as of the end of fiscal 2021 is ¥86,682 million.

Equity Alliances with Overseas Airlines

The total amount of shares of overseas airlines owned by ANA HOLDINGS on our balance sheet is ¥33,844 million, which accounts for 39.0% 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.

Director and Audit & Supervisory Board Member Remuneration

1. Basic Policies for Director Remuneration

The basic policies for director remuneration are as follows.

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

2. Procedures for Determining Remuneration

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

3. Remuneration Advisory Committee See page 81

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, CO_2 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 is determined based on the scores of each indicator.

(2) Outside directors

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

(3) Audit & Supervisory Board members

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

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

Conceptual Diagram for the Officer Remuneration System

	Fixed	Variable		Remuneration limits
Ratio	1	0.67*1		
Remuneration	(1) Basic remuneration	(2) Bonus (short-term performance-linked)	(3) Stock-based compensation (long-term incentive)	
Payment criteria: Internal directors	Payment according to title, etc.	Measure for fiscal year results according to various criteria: Net Income, Safety, Customer Satisfaction, Employee Satisfaction	Evaluate contributions to corporate value over the medium to long term: Return on Equity (ROE), Operating Income Margin, CO_2 Emissions, ESG Indicators, Productivity	**Annual total for (1) and (2) is limited to a maximum of ¥960 million** Per resolution at the 66th Ordinary General Meeting of Shareholders, held June 20, 2011 **(3) Annual maximum of ¥100 million*2** Per resolution at the 70th Ordinary General Meeting of Shareholders, held June 29, 2015
Payment criteria: Outside directors	Uniform payment for all members	—	—	
Payment criteria: Audit & Supervisory Board members	Payment according to status as full-time or part-time	—	—	**Annual maximum of ¥180 million** Per resolution at the 74th Ordinary General Meeting of Shareholders, held June 21, 2019
Payment method	Monthly (cash)	Annually (cash)	Multi-year evaluation*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.

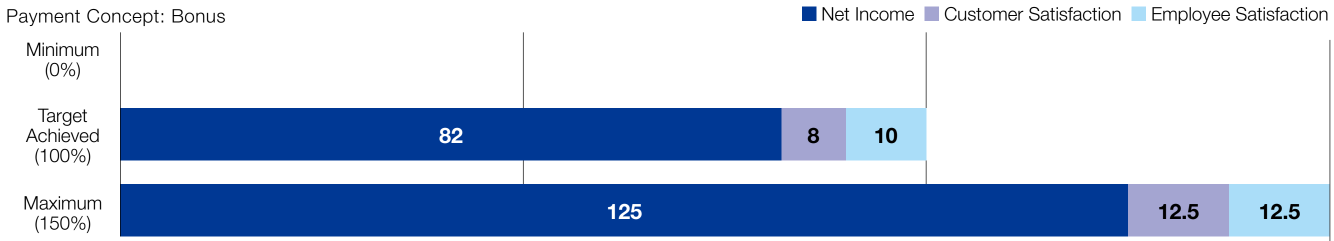
Calculation Method

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

Bonuses

The payment coefficient is determined by combining the following four indicators. The figures in the graph show the percentage of each indicator related to the total bonus when a target is achieved (minimum 0%, maximum 150%).

Payment Concept: Bonus

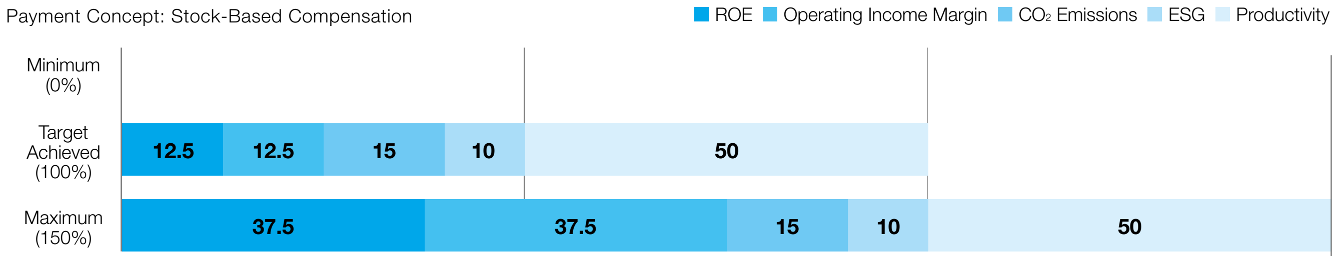


- Net income target: Net income attributable to owners of the parent company indicated in the annual business plan
- Customer satisfaction target: Net Promoter Score (NPS) in the NPS survey indicated in the annual business plan
- Employee satisfaction target: Points scored in ANA's Way Survey (internal 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%).

Payment Concept: Stock-Based Compensation



- 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
- CO_2 emissions target: CO_2 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 FTSE4Good
  (3) Selected as a component by MSCI
  (4) CDP A– rating
  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 2021 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	9	283	187	–	95
(Outside directors)	(3)	(41)	(41)	(–)	(–)
Audit & Supervisory Board members	6	107	107	–	–
(Outside Audit & Supervisory Board members)	(3)	(54)	(54)	(–)	(–)
Total	15	390	294	–	95

Notes:
1. The table above includes one outside director and one outside Audit & Supervisory Board member who resigned as of the end of the 76th Ordinary General Meeting of Shareholders, held June 29, 2021.
2. One internal director who also serves as a director of ALL NIPPON AIRWAYS CO., LTD. is not included in the table above because he is fully compensated by the company.
3. The amount of stock-based compensation for fiscal 2021 is an estimate, as the evaluation period is the three-year period from fiscal 2020 to fiscal 2022.
4. 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 2021 has continued to be reduced according to position and in response to deteriorating business performance. Performance-linked bonuses have not been paid.

Trust Building with Stakeholders

The ANA Group regularly engages in dialogue with experts on ESG issues to understand social trends in a timely manner and make flexible management decisions. We are enhancing the effectiveness of our activities by incorporating the latest information and findings from these discussions into our strategies. In addition, we are holding a variety of internal discussions to have each employee understand the importance of promoting ESG management and put it into practice in their daily work. These discussions were held online in fiscal 2021 as well. However, a greater number of employees were able to participate, and we were able to deepen mutual understanding. Our internal and external connections with stakeholders such as these helped greatly to build trusted relationships throughout the ANA Group.

External Dialogue

The following titles of our experts are as they were at the time of discussion.

Dialogue with Experts on the Environment (December 2021)

Participating Experts

YAMAGISHI Naoyuki
Director, Climate & Energy and Oceans & Fisheries, WWF Japan

HIBI Yasushi
Vice President, Conservation International

Topic Progress of Initiatives for the ANA Group's Environmental Targets

Q What are your thoughts on the ANA Group's environmental targets and their current initiatives?

- It is important to set targets and disclose information for both international reduction targets, such as SBT*1, and the introduction of renewable energy.
- In addition to issues such as the stable supply of Sustainable Aviation Fuel (SAF), in regard to the provision of sustainable foodstuffs for in-flight meals (certified foodstuffs, etc.), it is expected that the ANA Group will step forward and demonstrate leadership by involving other companies in the industry and suppliers, etc.
- The external evaluation of the ANA Group's environmental initiatives as a whole will greatly change by its initiatives and achievements regarding this 1%, by promoting energy conservation in its own facilities and vehicles, introducing renewable energy, and transitioning to EVs and FCVs.

*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.

Q What are your thoughts on climate change and its relationship with biodiversity?

- Biodiversity conservation refers to initiatives to protect nature. This includes everything ranging from ensuring the sustainability of foodstuffs used in in-flight meals to deforestation and plastics as marine pollution. SAF itself is also a field dependent on the natural environment. It is important to start with identifying, analyzing, and prioritizing what business is dependent on and what business is impacting in regard to the natural environment and resources.
- From here on out, it will be important to address movements such as environmental due diligence and zero deforestation.

Dialogue with Experts on Business and Human Rights (October 2021)

Participating Experts

Pauliina 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

*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.

Topic Promotion of Initiatives Relating to the ANA Group's Business and Human Rights

Q How can we enhance the effectiveness of the grievance mechanism?

- Regarding the grievance mechanism*4, one of the disadvantages of a system that receives reports from individuals is that the companies become passive. It is important for the ANA Group to continue to approach the workers in the supply chain, and talk with those who are actually being affected, to enhance trust.

*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.

Q How can we effectively address human rights issues in the global supply chain?

- The company will be able to fulfill bigger roles and have a bigger impact through collaborations. Issues surrounding human rights violations inflicted by other countries and problems surrounding technical intern trainees living in Japan are not issues to be handled single-handedly. As such, it is expected that your influence will expand through collaborations with other companies and organizations.

Q What are things to watch out for regarding Just Transition*5?

- Even in Just Transition, it is important to consider the impact on human rights. Considering climate change and human rights together is very complex, but it is an issue for the ANA Group to address, and it is necessary to consider how climate change affects working conditions and the working environment.

*5 Just Transition: A movement that aims to support those facing economic disadvantages, in addition to ensuring benefits are widely distributed, through the transition to a green economy.

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

The following titles of our experts are as they were at the time of discussion.

Dialogue with Overseas ESG Investors (December 2021)

Participating Experts

First Discussion:
World Benchmarking Alliance

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

Charlotte Hugman
World Benchmarking Alliance
Lead, Corporate Human Rights Benchmark

Second Discussion:
Hermes EOS

SUZUKI Sachi
Associate Director – Engagement

Topic Progress of ESG Management in the ANA Group

First Discussion

Q What are your thoughts on identifying issues to be addressed?

- Through an impact assessment, first identify the impact of the company and significant human rights issues, and then confirm the environment surrounding the rights holders. It is important to prioritize the issues identified through dialogue with rights holders.
- In assessing the impact of climate change on people, it is necessary to consider the direct impacts and the indirect impacts separately. When a company cannot resolve the indirect impacts on its own, more urgent actions will be needed hereafter.

Q What are the key points on tackling information disclosure based on TCFD?

- In order to come closer to successfully achieving the 1.5-degree scenario, it is important to quantitatively and qualitatively scrutinize the effectiveness and feasibility of what can be done and to what extent.
- From the viewpoint of accountability, it is important to disclose specific plans, such as business and management systems, and CO_2 reduction, as information disclosed deepens the stakeholders understanding of the company.

Second Discussion

Q What do you think about our initiatives toward becoming carbon neutral?

- It is great that the ANA Group is switching to higher CO_2 emission reduction targets and cooperating with other industries to develop SAF in order to work toward carbon neutrality. Even if investment is difficult at present, it is effective to participate in the R&D to increase the total supply. Additionally, it is necessary to pressure and lobby the government.

Q What do you think about our initiatives regarding diversity?

- With regard to diversity, it is important to increase the proportion of women in voting positions such as directors. On the other hand, it is also a problem to focus only on the proportion of female directors while the proportion of female executive officers and management-level employees is low. We expect to see improvements toward the current goal.

Internal Dialogue

Internal Discussions to Promote ESG Management Awareness

SDGs Seminar

Seminars are available to all group employees in an online format. They are a place to share information on the SDGs, and 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. We have discussions planned with overseas areas (Europe and the U.S.) that tie into creating awareness throughout the group.

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.

Internal Dialogue

Outside Director Town Meeting Initiatives

Topics for Fiscal 2021:
Challenges and future direction regarding human resources that will lead the group back to a growth trajectory

Since fiscal 2018, the group has been providing opportunities for town meetings in which outside directors can engage in direct dialogue with managers across various ANA Group departments. The purpose of these meetings is to gain a deeper understanding of the group's business and corporate culture, and to assist in the future management of the board of directors. The Maintenance Center and each group maintenance company participated in fiscal 2018, the Flight Operations Center in fiscal 2019, and the CX Management Office in fiscal 2020.

The unprecedented crisis we experienced due to the COVID-19 pandemic has once again confirmed that the greatest asset of the Group is its human resources. In order to achieve renewed growth in the post-COVID-19 world, the Human Resources Strategy Department, which is in charge of hiring, training, and establishing human resource systems, held a dialogue with outside directors on issues and future directions regarding the group's human resources, which will be the driving force for achieving renewed growth.

The necessity of autonomous career enrichment, which is a prerequisite of the discussion

- The results of the ANA's Way Survey, an internal awareness survey, show a high correlation between career fulfillment and the engagement in one's work that arises from a sense of satisfaction and achievement.
- In accordance with the idea that each individual should carve out their own career path based on their own ambitions, the company will offer support for individual growth while expanding opportunities for new challenges. At the same time, employees are encouraged to enhance autonomous career development through specific dialogues between supervisors and subordinates that utilize job descriptions.

Topic 1 Enhancement of Autonomous Career Development that Respects Individual Motivations and Skills

Q What are the challenges to enhancing autonomous career development?

Is there a mismatch between the person's ambitions and staffing needs?

- Career paths are very important because they act as an incentive for one's future. However, if we only place importance on the ambitions of the individual, human resources will be concentrated in the most popular departments and career paths, resulting in a considerable degree of mismatch.
- A concentration of personnel in the most popular departments will result in a shortage of specialists in flight operations, maintenance, engineering, etc. Considering the overall balance of the company and its profits, it may be necessary to consider a system in which compensation increases as such specialized skills and expertise are acquired.

Assessment of work aptitude

- Sometimes a person finds that they are not suited for the job they want after they actually tried it. In determining suitability, the advice of a supervisor and certain guidelines are necessary.
- While it is important to find interesting work, it is more important for supervisors to properly evaluate the strengths of their subordinates and assign them suitable work while improving their motivation through positive encouragement.
- It is a standard practice to rotate personnel so that they can experience various departments and determine their own aptitudes. However, individuals who can thoroughly perform in one department will also demonstrate their abilities when performing other duties, so it may not be necessary to transfer them. Honing one's expertise and developing standards by which to evaluate yourself is important.

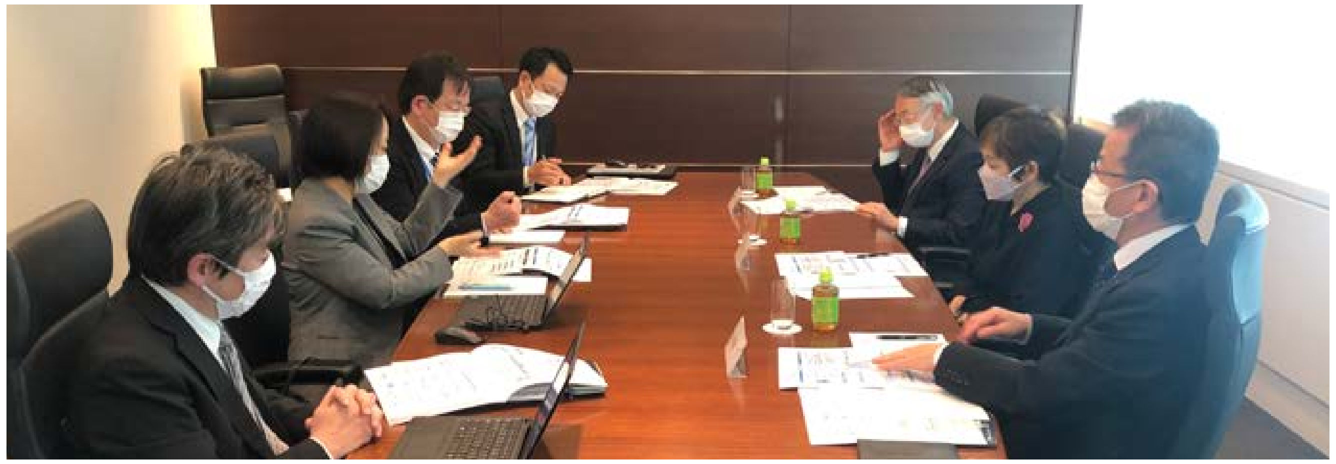
Toward a personnel system that emphasizes individual motivation and strengths

- Although mismatches between requests and assignments are likely to occur, the highest priority will first be placed on the individual's motivation and strengths. Furthermore, these discrepancies can likely be resolved to a certain extent by separating the career tracks for airport / operations and marketing departments, etc., at the recruitment stage.
- In many Group companies, the company's business areas were fixed and the range of careers was limited. In addition to the expansion of the Group Human Resources Recruitment Program, an intra-Group transfer recruitment system will be introduced. We expect that these measures will enable employees to develop a variety of careers within the Group, thereby strengthening engagement.

Q We expanded secondment outside the group as part of the employment measures to cope with the COVID-19 crisis. What do we think about this system?

It is an effective way to utilize new discoveries in one's career without being restricted by one's past work experience.

- Currently, 1,580 employees (as of December 2021), mainly frontline employees, are on secondment outside the group. In addition to hospitality, we hear that they are active in human resources development, public relations, sales support, and general affairs. We would like them to bring new insights and culture from outside the company back to the ANA Group in order to create new value.
- Experiencing the corporate culture of a completely different company through a secondment outside the group is very beneficial in helping one notice the strengths and shortcomings of ANA. After the COVID-19 pandemic, it may be beneficial to continue the program for the benefit of human resources development.
- There are relatively few opportunities for cabin attendants, airport staffs, etc., to perform different duties, and these external assignments present new career opportunities. Opportunities for external secondments have led to personal growth, such as one case in which an employee returned to ANA to take on generalist position. We are considering continuing this system in the future.


Town Meeting (December 2021)

Topic 2 Diversity in Human Resources

Q What are our thoughts on securing and developing human resources from diverse backgrounds, etc.?

Needs for diversity among our human resources

- We live in an age in which we do not know who will be able to demonstrate their strengths in which situations. We should recognize each person's strengths as a portfolio and change our approach to selecting appropriate leaders according to the abilities needed at any given time. That is what it means to make the most of diversity.
- While it is important to hire young people with expertise in IT, data science, etc., there is a sense that there is a shortage of personnel that can be targeted through their career paths. It may be necessary to hire outside experts.

Expansion of opportunities for human resources to play an active role

- As for seniors, some of them do not decline after the age of 60. On the contrary, some of them broaden their vision. If they are truly capable, they should be able to remain active regardless of their age. Not utilizing the elderly is a great loss for Japan as a whole.
- We think that broadening the scope of work, by having overseas staff concurrently perform head office duties, for example, will increase motivation. Having overseas staff is a great asset for globalization. It might be a good idea to energize our Japanese staff by having overseas staff remotely participate in various meetings and events.

Message from the Independent Outside Directors

Even as the impact of the COVID-19 pandemic continued throughout fiscal 2021, the ANA Group implemented measures to return to growth in the post-COVID-19 world based on the Three Pillars defined under *Business Structure Reform*.

As the group enters fiscal 2022, passenger demand is beginning to return. We asked outside directors YAMAMOTO Ado, KOBAYASHI Izumi, and KATSU Eijiro for their assessment of ANA Group efforts to recover business performance, future challenges heading to a post-COVID-19 world, and their expectations of President & Chief Executive Officer SHIBATA Koji.

Reassessing the meaning of social and transportation infrastructure in building an organization capable of overcoming difficulties and sharing a sense of mission

YAMAMOTO Ado
Independent Outside Director

As an emergency measure to push through the COVID-19 pandemic, the ANA Group was quick to take action, including the early retirement of wide-body aircraft and securing cash on hand. Despite the tough business environment throughout fiscal 2021, I was gratified to see groupwide efforts bearing fruit, as the group returned to profitability in the third quarter, supported by flexible adjustments of capacity and through detailed yield management.

The impact of the COVID-19 pandemic has been long and painful. But the main key to upholding and enhancing employee motivation will be to return to the basics by reassessing the purpose of the group and its contribution to society as air transportation. In March 2022, the Tohoku Shinkansen bullet train was suspended for a time after an earthquake off the coast of Fukushima Prefecture. The ANA Group decided immediately to put extra flights into service, fulfilling its social mission as a public transportation provider. This is just one representative example, but when every employee is aware of their responsibility as transportation infrastructure, and realizes their role in supporting the transfer of people and goods, this attitude will naturally add to momentum and encourage employees to overcome difficulties.

Of course, we must not forget compensation is an extremely important part of employee motivation. The group ended monthly wage reductions at the end of fiscal 2021, and has set targets to phase out other measures in place to address COVID-19. I think employee motivation is increasing gradually, and it is important to meet employee expectations as performance recovers, which includes restoring bonus levels.

President Shibata began serving in April. One important role of the president is to speak cheerfully, openly, and in his own words about overcoming a challenging business environment and charting a course toward growth under the group vision. To date, President Shibata has held many management-led town meetings, visiting with all ANA Group employees. It will be important to continue to be proactive in creating these opportunities, to engage in meaningful dialogue with stakeholders, including employees, and to reaffirm the strength of the group. This strength has overcome many crises in the past. The group must also recognize the spirit behind the phrase, *Hardship Now, Yet Hope for the Future*, as each individual fulfills their roles in embodying this motto. One of the Three Pillars of *Business Structure Reform* is to create new profit-earning opportunities beyond the airline business. In the process of taking on the challenges of entering brand-new fields, we sometimes find a clash of opinions. I expect management will respect these diverse values and make decisions resolutely, implementing initiatives decisively to transform the organization into a strong, resilient airline group.

Sustainable value creation through new ideas generated by diverse human resources and flexible organizational development

KOBAYASHI Izumi
Independent Outside Director

COVID-19 has reminded many companies of the importance of risk management. We have had many more opportunities to discuss risk at board meetings over the past year. No matter how carefully measures are taken, the unexpected can happen. And it is impossible to predict all risks comprehensively. A strong business portfolio is important to ensure overall balance and avoid outsized harm in the event of a single risk. Resilience, or the ability to recover when the unexpected happens, is also important. To harden the resilience of an entire organization requires employees trained to make the best decisions in their respective positions under any circumstances. Employees, including those on the front lines, must work without being constrained by manuals or rules, but rather, encouraged to think about the essence of matters on a regular basis.

One of the major risks facing society today is environmental risk. The ANA Group understands its responsibility toward achieving sustainable societies, focusing particularly on decarbonization. While the group cannot be a sole actor in all measures to reduce CO_2 emissions, and ANA relies heavily on external technological developments, it is important to have a proactive attitude in looking for and implementing what can be done on our own. ESG management requires a flexible organization in which each employee is aware of ESG, thinks for themselves and proposes changes as they go about their work, and accepts new ideas. In the past, companies pursued convenience in the products and services they provided. I think in the future, we may have to accept things that are not necessarily convenient, but that address measures toward sustainable societies, and execute these measures with conviction.

To create a flexible organization that accepts diverse ideas, it will be crucial to pursue diversity, equity, and inclusion (DEI), which the group views as a pillar of our corporate strategy. The essence of a human resources strategy is to consider how diverse human resources lead to increased corporate value. Simply achieving numerical targets is meaningless. Certain of our employees will be active in management in the future. Others will grow as professionals in their fields. I believe creating an environment in which each type of individual can utilize their strengths within the organization, enjoy their work, grow personally, and realize great value through their work should be the aim of our human capital strategy. If everyone looks and acts in the same direction, as is the case in many Japanese companies, new ideas will not emerge in an era of change. It is important to have a diverse group of people who leverage their strengths to create new things while sharing different opinions. This leads to increased corporate value. The ANA Group is fortunate to have a diverse range of human resources. I believe that our future challenge will be to maximize and make the best use of the abilities of each employee.

Combining the efforts of every employee to improve resilience, leveraging the strengths developed in the Air Transportation Business

KATSU Eijiro
Independent Outside Director

Fiscal 2021 was the second year of the COVID-19 pandemic, and I have had high regard for the group's efforts, including its pursuit of *Business Structure Reform*. I am sure employees were burdened by the unprecedented measures taken, including the drastic reduction of wages and bonuses, even if only for a limited period of time. Clear messaging from former-president Katanozaka reminded employees to work with an increased sense of urgency and remain hopeful. I believe this ongoing encouragement brought the group together as one to weather the pandemic. The slump in passenger demand reduced opportunities for many employees to be active in their original assignments. Even so, it was fortunate that these employees found a sense of fulfillment through secondments to various outside companies and organizations based on the promise to preserve their employment. Having entered fiscal 2022, President Shibata was very open-minded, and immediately after assuming office, met with a wide range of group employees in a short period of time. He communicated that management is moving to a new stage, demonstrating his strong determination to achieve profitability without fail. I believe this attitude has contributed to an improved level of employee engagement.

Passenger demand has begun to recover more recently, and it is important to develop services while accurately identifying how customer needs are changing under COVID-19. ANA is moving forward in the development of *ANA Smart Travel* utilizing the power of digital technology such as online check-in processes. I believe there are two purposes of digitalization. The first is to pursue efficiency by replacing routine human tasks with digital processes, which in turn controls costs. The second is to utilize the enormous volumes of data obtained through digitalization and leverage this data in new businesses. This is a very important issue for the group, which aims to improve resilience in the medium term.

New businesses does not mean launching a new venture in the dark. Fields too far removed from the airline industry entail great risk. The ANA Group can reduce risk by clearly defining the reasons why it is involved in a business and how the group can utilize its strengths. From the perspective of diversifying management risk, the ANA Group must expand non-air businesses over the medium term. In this process, however, it is important to create business models that are unique and that also leverage the knowledge, expertise, and data assets of the ANA Group, which have been accumulated over its years in the airline business.

Foundations for Sustainable Corporate Value Enhancement

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 2021

Dialogue with Shareholders and Investors

The 77th Ordinary General Meeting of Shareholders

No. of attendees **664** Voting rights exercise ratio **58.5%**

Financial results presentations (for institutional investors, analysts)

4 times (teleconferences)

Dialogue with institutional investors / analysts

202 times (117 in Japan / 85 overseas)

(199 teleconferences / online meetings, 3 in-person meetings)

Communication with Our Employees

ANA Group officer town meetings

No. of meetings **2,694**

Participants total: Approx. **33,500 people**

* Numbers include online interactions

Training sessions for promotors of ESG and SDGs (online)

No. of sessions **2** Participants **110 people**

SDGs seminar (online)

No. of meetings **2** Participants **120 people**

Dialogue with Experts

Environment

1 time

Human rights

1 time

ESG investors

2 times (online meetings)

Dialogue with Business Partners

Procurement policy briefings

54 times (including 12 overseas suppliers)

Dialogue with Communities

Participation in community volunteer activities

ANA NARITA AIRPORT SERVICES Co.,Ltd.

No. of activities **22** Group employee participants: Approx. **150 people**

Volunteer cleanup, aviation classes, crime prevention, etc.

External Recognition

Inclusion in ESG Indexes, etc.

- Dow Jones Sustainability Index
  - World Index
  - Asia Pacific Index
- FTSE4Good Index
- MSCI Japan Empowering Women Index (WIN)
- CDP Climate Change A-
- S&P Global Sustainability Awards 2022
  - Gold Class
- FTSEBlossom Japan Index
- EcoVadis Sustainability Rating
  - BRONZE

Quality

- SKYTRAX COVID-19 Airline Safety Rating (ANA Group, 2021)
  - Awarded first 5-STAR status in Asia
- SKYTRAX World Airline Awards (ANA Group, 2021)
  - World's Best Airline Cabin Cleanliness
  - COVID-19 Excellence Award
  - World's Best Airport Services
  - Best First Class Lounge in Asia
- CIRIUM (ANA Group, 2021)
  Worldwide Major Airlines
  - Network Category: No. 1
  - Mainline Category: No. 1
  Asia-Pacific Major Airlines
  - Network Category: No. 1
  - Mainline Category: No. 1

Management Strategy

- Ministry of Economy, Trade and Industry
  - DX Certification
- Tokyo Stock Exchange / Ministry of Economy, Trade and Industry
  - DX Stock 2022
- Japan Institute of Information Technology (ANA, ANA Systems Co., Ltd.)
  - Best Customer Support of The Year 2021: Special Award (DX Promotion)
- IATA (ANA)
  Diversity & Inclusion Award 2021
  - Diversity & Inclusion Team
- Job Rainbow (ANA)
  D&I AWARD
  - BEST Workplace2021
- work with Pride (ANA)
  - PRIDE Index 2020 Gold Award
- Ministry of Health, Labour and Welfare
  "Platinum Kurumin" Certified by the Ministry in Recognition of Providing Superior Childcare Support
  (ANA, ANA AIRPORT SERVICES Co., Ltd.)
  "Kurumin" Certified by the Ministry
  (ANA CHUBU AIRPORT CO., LTD., ANA Akindo Co., Ltd., ANA TELEMART CO., LTD., ANA Systems Co., Ltd.)
- Ministry of Health, Labour and Welfare
  Company Promoting Women's Participation and Advancement in the Workplace
  "Eruboshi" Certification (ANA TELEMART CO., LTD.)
- Nippon Kenko Kaigi, Ministry of Economy, Trade and Industry
  - Certified Health and Productivity Management Organization Recognition Program 2022 –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., ANA CHITOSE AIRPORT CO., LTD., ANA FUKUOKA AIRPORT CO., LTD., ANA WINGS CO., LTD., ALL NIPPON AIRWAYS TRADING Co., Ltd.)
  - Certified Health and Productivity Management Organization Recognition Program 2022
  (ANA Systems Co., Ltd., ANA AIRPORT SERVICES Co., Ltd., ANA Business Solution Co., Ltd.)

* 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.