

CEO Small Meeting for the Financial Year 2022 Monday, 27th June 2022

Speakers : Representative Director, President, Yuji AKASAKA

Representative Director, Senior Managing Executive Officer, Hideki KIKUYAMA

Senior Vice President - General Affairs, Chair of the Sustainability Promotion Committee, Noriyuki AOKI

As an opening statement, the aims of the “ESG Strategy” that is placed at the core of the “JAL Group Medium-Term Management Plan 2021-2025, Rolling Plan 2022”, were explained by Akasaka.

2-1 ESG ESG Strategy of the JAL Group
Put ESG strategy at the core of our management strategy to drive growth towards 2030

MTP2021-2025 Rolling Plan 2022

JAL Vision 2030
■ Safety and Peace of Mind ... Build a society where everyone can live safely, securely and with peace of mind
■ Sustainability ... Build a better future where everyone can feel fulfilled and hopeful

ESG Strategy (Long-term business strategy) Solve social issues and create sustainable flows of people, and sales and distribution channels

Environmentally-friendly, safety and peace of mind
Realize sustainable air transportation of the future

- FSC** • Minimize environmental impacts
- Provide air transportation that is safer more secure and gives more peace of mind
- LCC** • Continue to connect Japan with the rest of the world
- Cargo and Mail** • Expand regional route network
- Reduce CO₂ emissions, single-use plastics and waste, and food loss
- Improve accessibility and hygiene/cleanliness standards
- Flight operations and maintenance using data and new technologies
- Create demand for travel to/from regional areas, inbound demand

High speed, high quality, stability
Create a new social infrastructure leveraging our strengths in aviation

- Cargo and Mail** • Maintain high value-added transportation and logistics networks
- Air** • Realize seamless transportation in all regions to solve social issues
- Mobility** • Build a transportation Infrastructure based around airports
- Airport and Maintenance** • Solve lack of human resources through transport mode shift
- Realize drone logistics and transportation, practical use of eVTOLs, build an emergency transportation system
- Support airlines flying to Japan

Seamless, 1 to 1
Make everyday life and all life stages even better

- Mileage** • Promote the JAL Mileage and Lifestyle Concept for the wellbeing of our customers and society
- Commerce** • Maximize regional attractiveness and value and create flows
- Regions and Travel** • Introduce a mileage program that enables users to earn points through environmentally friendly activities
- Develop products that promote ethical consumption
- Promote regional exchanges (New Tourism, local products)

Major Q and As

Q You have set a goal of replacing 10% of total fuel load to SAF (Sustainable Aviation Fuel) by 2030. Please explain the current situation regarding SAF's domestic production.

A Domestic production of SAF is currently unclear, and is at a shortage. However, the cross-industry group “ACT FOR SKY” was established in March this year for the commercialization and widespread adoption of domestically produced SAF. I believe that a sufficient supply at the appropriate price-level is possible through joint efforts by all players involved.

Q How would the ESG strategy achieve economic value? Please explain from a financial perspective, and how it would lead to the decrease of capital costs.

A I certainly believe that the time will come when the ESG strategy will be the most important factor in increasing our customer preference. We will conduct our financial strategy under the clear intention of “All investments are to drive ESG management” and decrease cost of equity through the support of our investors. In March this year, we issued the world's first transition bond by an airline company. We will continue to proactively utilize ESG finance, clarify the use of proceeds, and decrease our financing costs through these strategies.

Q In further developing areas such as your regional business, air mobility business and DX strategy, what kind of human resources will you employ? How will you increase active engagement by employees, as raised in your HR strategy?

A In developing our new business areas, we will make full use of our regional and overseas branches, as well as employing a diverse range of human resources. In addition, we will consider personnel systems

including a new evaluation method. Moreover, as there are various opportunities toward changing our business portfolio not limited to the aviation business, I would like to make it easier for employees to proactively challenge themselves to realize our ESG strategy.