

Sustainability Initiatives

—Solving Social Issues—



We aim to be an airline group with corporate value that creates sustainable flows of people, commodities and logistics so that we can build a better future where everyone can feel fulfilled and hopeful. We will also execute our ESG strategies while always asking ourselves whether our initiatives are really solving social issues and whether the direction and speed at which we are heading matches global trends.

AOKI Noriyuki
Managing Executive Officer
Chair of Sustainability Promotion Committee
Senior Vice President, General Affairs Division

►Putting ESG strategy at the core of management

The world is shifting to an era of change where economic activities are impacted by the external environment, such as the acceleration of globalization and rising interest in ESG and the SDGs. The JAL Group has made efforts to solve social issues through its business activities and achieve the SDGs. Rolling Plan 2022 defines our ESG strategy (long-term business strategy) as “solve social issues and create sustainable flows of people, commodities and logistics.” This represents a shift in our business objective to accelerate ESG-centered management strategy and business restructuring. It is vital that we change our mindset from conducting corporate citizenship activities to improving sustainable corporate value and creating it. To build a better future where everyone can feel fulfilled and hopeful, we will treat ESG initiatives as “investments” in new businesses rather than “costs” and will incorporate them in our business strategy to enhance long-term sustainable value.

►A powerful offensive strategy hinges on a strong defense

ESG factors present business risks and opportunities, therefore, the key issues of the JAL Group can be categorized into four areas, Environment, People, Communities and Governance, and 22 issues. We will reduce risks by removing impediments to sustainable growth, and to increase opportunities, we will link social change with value creation to achieve sustainable growth and economic revitalization, and build a better society. As we move forward with business

restructuring, it is important to have the collective strength and sensitivity to eliminate as many risks as possible. Taking on new challenges will only be possible if we are sensitive to the environment and we build a solid foundation for managing risks.

►Employees, the drivers of business synergies

In the previous fiscal year, we strengthened the sustainability promotion structure by establishing the Sustainability Promotion Council chaired by the President. Our present challenge is to embed sustainability activities in the organization, where we see diverse human resources achieve the SDGs through their work and individual efforts bind the strengths of businesses together and generate synergies. We will utilize the strengths of our strong human resource base and customer base to create Group-wide synergies.

►Build a better future with stakeholders

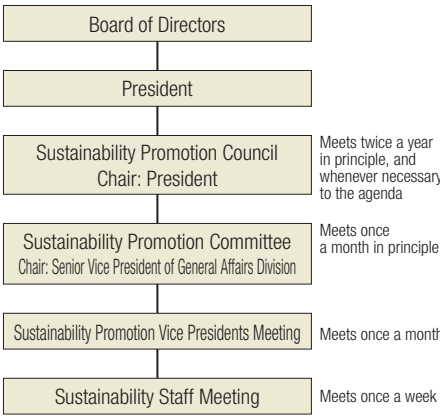
Behavioral changes have occurred, exemplified by the choice of eco-friendly or ethically-sourced products over those that are not. To become a leading company of ESG, we would like to further accelerate efforts to address climate change and other social issues and play our part in building a sustainable society. The important thing is to work together with our stakeholders through internal and external communication. We will work hand in hand with society to build a sustainable future and become the world's most preferred and valued airline group.

Promotion System

The Sustainability Promotion Committee chaired by the Senior Vice President of General Affairs meets each month to review progress and discuss initiatives with relevant officers. The Sustainability Promotion Council, established in 2021 and chaired by the President, manages ESG through management review on the following agenda items.

- Decide major issues and annual targets for sustainability initiatives, and monitor and evaluate progress
- Decide actions to address climate change, risks and opportunities
- Monitor and evaluate the Environmental Management System
- Monitor and evaluate human rights due diligence

The agenda items are reported to the Board of Directors, where they are discussed. Going forward, we will submit key issues on ESG to the Board for deliberation and pursue enhanced corporate value.



Solve Social Issues through ESG Strategies (identifying materiality)

To contribute to the achievement of the 17 goals/169 targets of the SDGs, we have categorized key issues to be addressed by the JAL Group into 22 issues in four areas, Environment, People, Communities, and Governance, based on their impact on our business and their importance to management, through Board discussion. They cover the 17 goals of the SDGs and have been categorized from the perspective of ESG.

Placing ESG strategy at the core of management strategy, Rolling Plan 2022 sets forth the goal of solving 22 social issues through our business and creating sustainable flows of people, commodities and logistics. We reviewed the 22 issues affecting sustainability in the four areas and their relationship with Passengers, Cargo and Mail, Mileage, Lifestyle, Regions, Contracted Services, and Air Mobility, and changed the objective of our business to achieve JAL Vision 2030.

■4 Areas and 22 Issues to be addressed by the JAL Group

Issue			SDGs
E	Environment	Addressing Climate Change	
		Noise Reduction	
S	People	Effective Use of Limited Resources	
		Precaution of Environmental Pollution	
		Biodiversity Conservation	
	People	Respect for Human Rights	
		Human Resource Development	
	People	Diversity and Inclusion	
		Workstyle Innovation	
	People	Wellness	
		Accessibility	
	People	Prevention of Infectious Diseases	
	Communities	Route Network Expansion	
		Promotion of Inbound Tourism	
	Communities	Regional Revitalization	
		Convenience in Mobility and Daily Life	
	Communities	Disaster Restoration Assistance	
		Community Relations	
G	Governance	Robust Risk Management (strengthening BCM)	
		Fair Business Practices (compliance)	
	Governance	Disclosure	
		Responsible Procurement	

Key Initiatives and Performance Indicators (Targets and Performance)

The JAL Group has established medium-term targets in each of the four areas and 22 issues with the aim to build a sustainable society through our business operations and tackle the SDGs and ESG.


























To promote ESG-centered management strategies in non-airline business areas, we established and disclosed new indicators in addition to those that were disclosed last year. On formulating the Medium Term Management

Plan in FY2021, we defined four priority management targets; reduction of carbon emissions, elimination of single-use plastics, women in management, regional revitalization, taking into account domestic and international standards, industrial targets, global trends, and stakeholder expectations, after deliberations at the management level based on opinions from relevant ministries, academic experts, NGOs and external experts.

		22 issues	Main initiatives	Performance indicators	FY19 results	FY20 results	FY21 results	FY25 targets	Stakeholders	SDGs
E	Environment	Addressing Climate Change pp.70-78	CO ₂ emission reduction <div>Management target</div> <div>Priority issues</div>	CO ₂ emission Scope 1 [aviation]	9.09 million tons	4.39 million tons	6.19 million tons	Below 9.09 million tons		
				CO ₂ per revenue ton kilometers (RTK)	1.0648 kg-CO ₂ /RTK	km 1.3763 kg-CO ₂ /RTK	km 1.2751 kg-CO ₂ /RTK	Disclosed in FY22		
				CO ₂ emission Scope 2 [ground equipment]	57,000 tons	51,000 tons	53,000 tons	54,000 tons		
				Ratio of fuel-efficient aircraft	82.0%	84.0%	85.0%	86.0%		
				SAF out of Total Fuel On Board	•Loaded on all five A350 delivery flights (from Toulouse to Japan)	•Domestically produced SAF loaded on domestic scheduled flights	•Loaded on four A350 delivery flights (from Toulouse to Japan) •Loaded a blend of two types of domestically produced SAF on domestic scheduled flights	Replace 1% of total fuels with SAF		
				Reduction by JAL Green Operations (CO ₂ emission reduction in daily operations)	157,000 tons (1.7% of total emissions)	82,000 tons (1.8% of total emissions)	142,000 tons (2.3% of total emissions)	Reduce 2.5% of CO ₂ emitted from aircraft		
				JAL carbon offset website traffic	Tracked from FY21Q4			2.5 times vs. FY21 result		
		Effective Use of Limited Resources pp.79-80	Plastic use reduction <div>Management target</div> <div>Priority issues</div>	Reduction of virgin petroleum-based single-use plastic in cabins and lounges	2.5%	10.4%	25.0%	100.0%		
				Ratio of single-use plastics made from environmentally-friendly materials at airports and in cargo	*started from FY20	87.6%	90.0%	100.0%		
			In-flight meals disposal reduction <div>Priority issues</div>	Routes offering international meal cancellation service	*started from FY20	7 routes (total 39 routes: 18%)	19 routes (total 39 routes: 48%)	All routes		
	Recycling of cooking waste from in-flight meals			7.7%	28.0%	34.0%	100.0%			
	Paper reduction	Paperless in cargo sheds	—	—	—	Complete paperless in JAL flights				
	Precaution of Environmental Pollution p.81	Industrial waste reduction	Final disposal rate	0.3%	0.6%	0.3%	Keep below 1%			
	Noise Reduction p.81	Operation with low-noise aircraft	ICAO Chapter 4 standard compliant aircraft	100%	100%	100%	100%			
	Biodiversity Conservation pp.81-82	Prevention of illegal wildlife trade	Transport of illegal wildlife	0	0	0	0			
		Use of certified products	Ratio of paper items with international certification in consideration with forest resources used in cabins	24.2%	66.5%	66.5%	100.0%			
S	People	Respect for Human Rights pp.83-86	Human Rights Due Diligence	Preventing adverse HR impacts (establishment of PDCA and appropriate operation)	Tracked from FY22			100.0%		
		Human Resource Development pp.87-88	Improvement of employee training	Training hours per person	72.3 hours/person	277.1 hours/person	162.3 hours/person	Track record		
				Training cost per person* ³	¥449,480/person	¥109,321/person	¥84,469/person	Track record		
				Improvement employee satisfaction	Employee satisfaction	54.4%	54.4%	51.7%		
		Diversity and Inclusion pp.89-90	Promotion of the active participation of diverse human resources in the workplace <div>Management target</div> <div>Priority issues</div>	Ratio of employees with disabilities* ¹	2.62%	2.67%	2.64%	3.2%		
				Ratio of female managers	18.4%	19.5%	21.9%	30.0%		
				Childcare leave applicants* ²	743 people	946 people	934 people	Track record		
				Nursing care leave applicants* ²	53 people	40 people	20 people	Track record		

Legend for Stakeholders



		22 issues	Main initiatives	Performance indicators	FY19 results	FY20 results	FY21 results	FY25 targets	Stakeholders	SDGs
S	People	Workstyle Innovation p.91	Improvement of productivity	Total work hours*2	1,862 hours/person	1,878 hours/person	1,890 hours/person	1,850 hours/person		
				Annual paid leave usage ratio*2	79.0%	71.5%	74.5%	100%		
				Monthly overtime hours worked per person*2	9.5 hours/person	8.0 hours/person	9.9 hours/person	4 hours/person (linked to 1,850 hr total hr worked per person per year)		
			Promotion of diverse workstyles	Number of remote workers*2	36,105 people	336,287 people	346,167 people	Track record		
				Usage of workcation/bleisure*2	247 times (workcation only)	918 times	1,533 times	Track record		
		Wellness pp.91-92	Improvement of health check-up ratio	Employee check-up ratio	100%	100%	100%	Keep 100%		
				Family check-up ratio*2	37.5%	36.0%	To be disclosed within FY22	75%		
			Improvement of gynecological check-up ratio	Breast cancer check-up ratio (including family)*2	36.7%	43.4%	To be disclosed within FY22	70%		
				Uterine cancer check-up ratio (including family)*2	30.7%	38.6%	To be disclosed within FY22	70%		
		Accessibility p.93	Increasing passengers who feel barriers to travel <div>Priority issues</div>	Ratio of these passengers on board	0.36%	0.29% (0.8 times vs. FY19 result)	0.64% (1.8 times vs. FY19 result)	2.5 times vs. FY19 result		
				Number of wooden wheelchairs, which go through metal detectors	478 wheelchairs	478 wheelchairs	478 wheelchairs	580 wheelchairs		
		Prevention of Infectious Diseases p.94	Transport of pharmaceuticals <div>Priority issues</div>	Weight of pharmaceuticals transported	610 tons	721 tons (118% vs. FY19 result)	1,172 tons (92% vs. FY19 result)	+50% vs. FY19 result		
S	Communities	Route Network Expansion p.95	Preserving and developing regional routes including island routes	Number of domestic destinations (including code-share)	62 destinations	61 destinations	61 destinations	More than 62 destinations		
			Expanding services by increasing consignments	Ground handling of passenger and cargo flights of overseas carriers	87,000 flights	9,000 flights	17,000 flights	128,000 flights		
		Promotion of Inbound Tourism p.95	Increasing international visitors aboard domestic flights	Number of passengers	701,240 people	49,188 people	121,844 people	1,505,000 people		
		Regional Revitalization p.96	Increasing domestic passenger/cargo traffic <div>Management target</div> <div>Priority issues</div>	Increase rate (passengers)	—	74.2% vs. FY19 result	59% vs. FY19 result	+10% vs. FY19 result		
			Increase rate (cargo)	—	30% vs. FY19 result	34% vs. FY19 result	+10% vs. FY19 result			
		Increasing associated demand by creating a programs to visit regions in Japan	Environmental conservation measures and regional passenger transport measures	—	—	—	25			
		Convenience in Mobility and Daily Life p.97	Commercialization of drone logistics/"flying cars" air taxi	Realization of commercialization	—	—	—	FY23: commercialization of drone logistics FY25: commercialization of flying cars		
		Disaster Restoration Assistance p.97	Disaster relief	Donations through Charity Miles	¥9,208,500	¥11,328,500	To be disclosed within FY22	Track record		
		Community Relations p.98	Promotion of volunteerism	Number of participants	7,745 people	9,772 people	6,125 people	Track record		
				Total hours	51,734 hours	33,600 hours	27,952 hours	Track record		
			Children's Dream Support Project	Miles donated	Started FY22	—	—	3 million miles		
			Nurturing the next generation	Number of SORAIKU® participants*4	191,840 people	20,435 people	50,147 people	Track record		
G	Governance	Robust Risk Management (strengthening BCM*) pp.99-100	Strengthening BCP effectiveness*7	Number of exercises as per BCP	1	1	4	2		
		Fair Business Practices (compliance) pp.101-102	Compliance to the Corporate Governance Code <div>Priority issues</div>	Compliance ratio	100%	100%	100%	Keep 100%		
			Improving Board performance	Ratio of Outside Directors	30%	30%	1/3	Over one third		
				Board meeting attendance ratio of Outside Directors and Auditors	98.3%	100%	100%	Keep over 80%		
			Prevention of information leakage	Number of incidents	0	2*5	0	0		
			Prevention of corruption and bribery	Number of corruption and bribery cases	0	0	0	0		
		Disclosure p.102	Improving disclosure on our Sustainability webpage	Website traffic	765,912 visitors	786,229 visitors	893,469 visitors	Over 1,000,000 visitors		
		Responsible Procurement pp.103-104	Supply chain management <div>Priority issues</div>	Confirmation rate of primary supplier soundness	18%	37%	62%	100%		
				Number of regulatory safety audits of all caterer factories and in-flight supply storerooms per year	2	2	2	2		

*1 Sum of Japan Airlines Co., Ltd. and special subsidiary JAL SUNLIGHT Co., Ltd.
*2 Japan Airlines Co., Ltd. only
*3 External training
*4 Activities to provide an opportunity for the next generation to think about their future, Japan, the world, and the planet by exploring the wonders of the sky

*5 Number of data breaches reported to the authorities
*6 Business Continuity Management
*7 Business Continuity Plan

Sustainability initiatives	Environment	People	Communities	Governance
Addressing Climate Change	Effective Use of Limited Resources	Precaution of Environmental Pollution	Noise Reduction	Biodiversity Conservation

Environment

Basic Concept (JAL Group Code of Conduct)

Passing on the precious Earth to the next generation (global environment)

We maintain an awareness that air transport is responsible for a number of negative effects on the environment. To fulfill our responsibility of passing on the precious Earth to the next generation, we raise awareness of every employee and protect the environment in every aspect.

(1) Global environmental preservation initiatives

The JAL Group complies with laws and regulations and strives to address climate change, use limited resources effectively, prevent environmental pollution, reduce noise, and conserve biodiversity to reduce impacts on the environment. Furthermore, we pursue the development of environmentally-friendly technologies to solve environmental issues, in coordination with stakeholders.

(2) Disclosure of environmental information and stakeholder dialogue

The JAL Group actively discloses environmental information, maintains dialogue with stakeholders and expands environmental preservation initiatives across society.

JAL Group Code of Conduct "Commitment to Society"

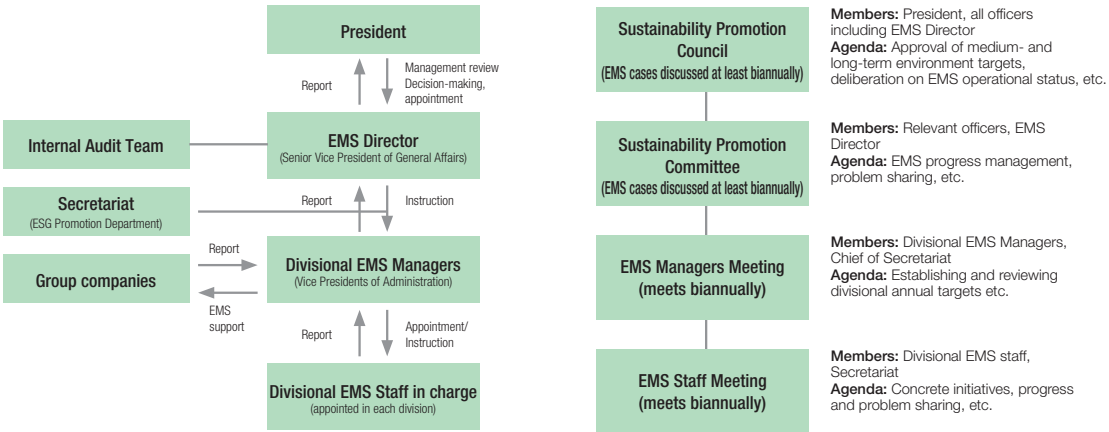
WEB <https://www.jal.com/en/sustainability/codeofconduct/>

Challenges to be solved

▶ Addressing Climate Change pp.70-78	WEB https://www.jal.com/en/sustainability/environment/climate-action/
▶ Effective Use of Limited Resources pp.79-80	WEB https://www.jal.com/en/sustainability/environment/limited-resources/
▶ Precaution of Environmental Pollution p.81	WEB https://www.jal.com/en/sustainability/environment/pollution-prevention/
▶ Noise Reduction p.81	WEB https://www.jal.com/en/sustainability/environment/noise-reduction/
▶ Biodiversity Conservation pp.81-82	WEB https://www.jal.com/en/sustainability/environment/biodiversity/

Environmental Management

In accordance with the JAL Group Environmental Policy, we will strive to achieve our environmental targets by implementing the Environmental Management System (EMS) to promote environmental conservation activities, while making continuous improvements appropriately and efficiently. In addition to establishing targets and action plans, we will review the EMS on a quarterly basis and conduct internal environmental audits each year to verify system suitability and legal compliance, and the level of target achievement such as carbon reduction and single-use plastics elimination. In FY2021, in addition to divisional and company targets, we worked on waste segregation, personalized plastic water bottles, and electricity conservation, all of which employees can easily do. In 2021, JAL Royal Catering Co., Ltd., which provides in-flight meals, acquired ISO14001:2015, an international standard that specifies the requirements for an effective environmental management system.



1/22 Addressing Climate Change

Particularly relevant areas: Passengers Cargo and Mail

FY2025 Management target Total CO₂ emissions below 9.09 million ton (FY2021 results: 6.19 million ton)

Basic concept

The JAL Group recognizes that addressing climate change is a particularly important issue in social sustainability. To steadily promote carbon reduction initiatives, amongst others, and fulfill our responsibility as an air transport operator, we declared in June 2020 the target of achieving net zero CO₂ emissions (net zero emissions)* by 2050. We also endorsed the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) in February 2021 and Science Based Targets (SBT) initiative in March 2022. We will make adequate disclosure of relevant information regularly.

As mentioned in the Medium Term Management Plan-Rolling Plan 2022 announced in May 2022, we aim to achieve the goals in JAL Vision 2030 and long-term growth by reducing risks and increasing opportunities with ESG at the core of our management strategy, thereby increasing corporate value.

Based on this concept, the JAL Group has established an environmental policy and a promotion system under this policy and will work actively as a corporate citizen to remove impediments and obstacles and protect the environment.

For more information on the JAL Group Environmental Policy, please visit the JAL website.

WEB <https://www.jal.com/en/sustainability/environment-management/policy/>

* Net zero emissions: To balance actual carbon emissions from business activities and carbon reductions through initiatives (including the use of emissions trading and CCS (Carbon dioxide Capture and Storage, the technology for capturing CO₂ for long-term storage))

Governance

The Board of Directors deliberates and decides JAL Group policies and important matters to combat climate change. Important targets and initiatives are discussed and decided by the Sustainability Promotion Council, chaired by the President, and are reported to the Board of Directors four times a year. We launched the NZE (Net Zero Emissions) Project in June 2021, which is Group-wide. Initiatives to achieve specific targets go through the PDCA cycle in the Environmental Management System (EMS) and results are reported to the Sustainability Promotion Council.

The Medium Term Management Plan includes actions in our management strategy to address climate change and provides 22 sustainability issues across four areas to solve social issues through our business. Officer remuneration is based on the officer's strong determination to achieve sustainable business and increase corporate value through steady efforts to tackle these issues, using external ESG assessments and CO₂ reduction targets as indicators to measure progress and performance.

For more information about officer remuneration, please refer to page 31.

Strategy

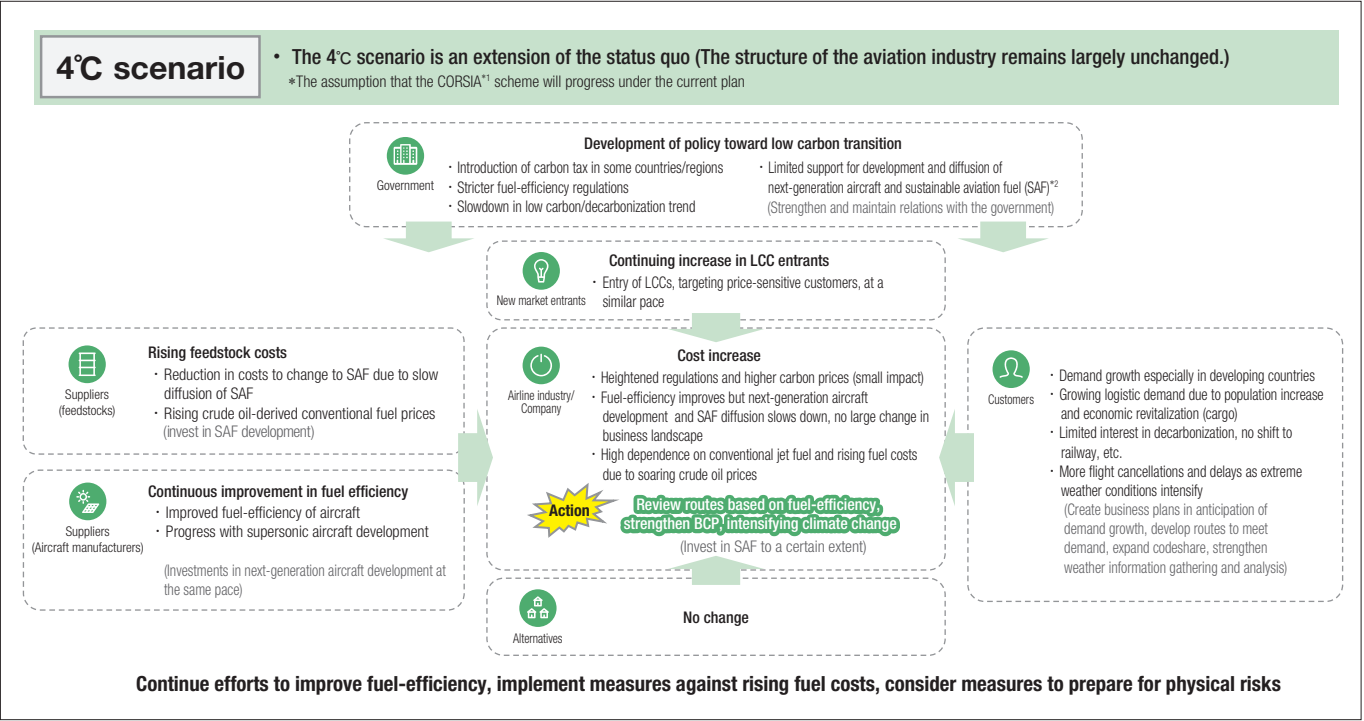
■ Scenario analysis

Since the global outbreak of COVID-19, the global community has established the 1.5°C scenario as the standard climate change scenario, and global action to achieve the 1.5°C has been growing, such as stronger environmental laws and regulations in Europe, the U.S. return to the Paris Agreement, Japan's carbon neutral declaration, revisions to Nationally Determined Contributions (NDC), and the COP26 agreement to meet the 1.5°C target.

In 2018, the JAL Group participated in the "Support Project for Scenario Analysis of Climate Risks and Opportunities in accordance with TCFD" supervised by the Japanese Ministry of the Environment (MOE) and predicted the society in 2030 based on two scenarios (RCP8.5*1, RCP2.6*2) of the International Energy Agency (IEA) and the Intergovernmental Panel on Climate Change (IPCC), that is, keeping global warming to below 4°C and below 2°C by the end of this century.

*1 RCP8.5 scenario: A scenario with the highest emissions in the IPCC Fifth Assessment Report (a pathway with the highest greenhouse gas emissions in 2100)
*2 RCP2.6 scenario: A scenario with the lowest emissions to stabilize global warming in the IPCC Fifth Assessment Report (limit the increase of global mean temperature to 2°C)

Sustainability initiatives	Environment	People	Communities	Governance
Addressing Climate Change	Effective Use of Limited Resources	Precaution of Environmental Pollution	Noise Reduction	Biodiversity Conservation



Sustainability initiatives	Environment	People	Communities	Governance
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Risk Management

The JAL Group defines risk as an event or action that impedes the achievement of an organization’s mission, objectives or targets, and conducts a semiannual risk survey and assessment. Items evaluated as having a particularly large impact are identified as priority risks, and deliberations and decisions are made by the Group Risk Management Council, chaired by the President, and its subcommittee, the Risk Management and Information Security Committee.

Furthermore, as risks associated with climate change are recognized as material risks, each climate risk is identified in the PDCA cycle through the Environmental Management System (EMS), and is managed, taking into account global trends in legislation and policy. Details are reported to the Board of Directors for discussion and evaluation.

Risk Management System

Transition risks and physical risks associated with climate change are managed in the risk management framework of the JAL Group.

For a risk management structure chart, please visit the JAL website.

WEB <https://www.jal.com/en/sustainability/governance/riskmanagement/#risk>

Indicators and targets

To pass on the precious Earth to the next generation, the JAL Group has set targets on environmental data such as reduction of CO₂ emissions, waste materials and water consumption, and discloses results on progress and performance.

ESG Data Book: [https:// www.jal.com/en/sustainability/esg/pdf/esg.pdf](https://www.jal.com/en/sustainability/esg/pdf/esg.pdf)

Due to the nature of the air transport business, aircraft emissions account for about 99% of CO₂ emissions. Accordingly, we will address this issue with top priority. We have also set high targets for CO₂ emissions from ground equipment and are working hard to achieve them.

Although achieving the targets is by no means easy, we will continue to stand at the forefront to support the aviation industry in reducing CO₂ emissions, in line with the Japanese government’s Clean Energy Strategy and international frameworks, while strengthening coordination and collaboration with stakeholders in Japan and overseas.

For more information on "Performance and Targets for Reducing CO₂ Emissions," please visit the JAL website.

WEB <https://www.jal.com/en/sustainability/initiatives/>

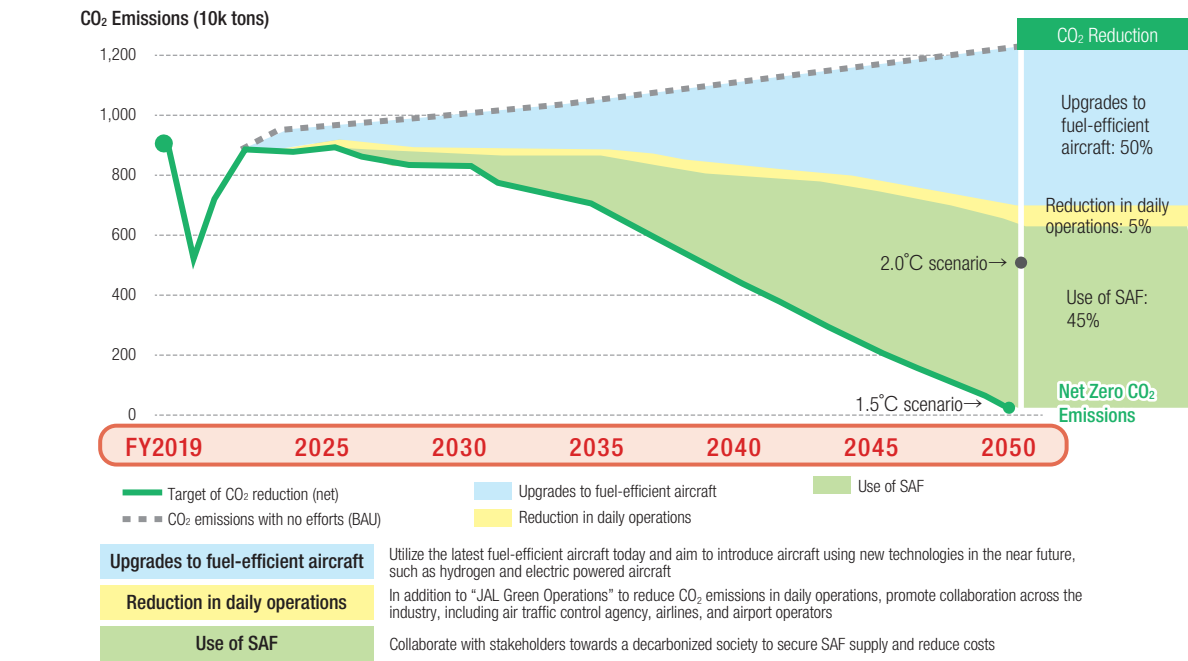
Conditions for creating scenarios to achieve net zero emissions by the JAL Group

To reduce CO₂ emissions from JAL Group aircraft, we are discussing issues and considering measures that can be taken, on studying 2050 emissions scenarios, with reference to the latest materials of ICAO and IATA based on the 1.5°C pathway and ATAG’s^{*1} WAYPOINT 2050^{*2}.

In creating scenarios, we determined the growth of RTK (Revenue Ton-Kilometers) based on total international and domestic passenger demand respectively, calculated the total volume of CO₂ emissions up to 2050, and reflected the impact in each initiative.

^{*1} ATAG (Air Transport Action Group): An international coalition of organizations and companies in the air transport industry that promotes sustainability in the aviation industry.
^{*2} Waypoint 2050 (English only) <https://aviationbenefits.org/environmental-efficiency/climate-action/waypoint-2050/>

JAL Group's road map towards Net Zero CO₂ Emissions

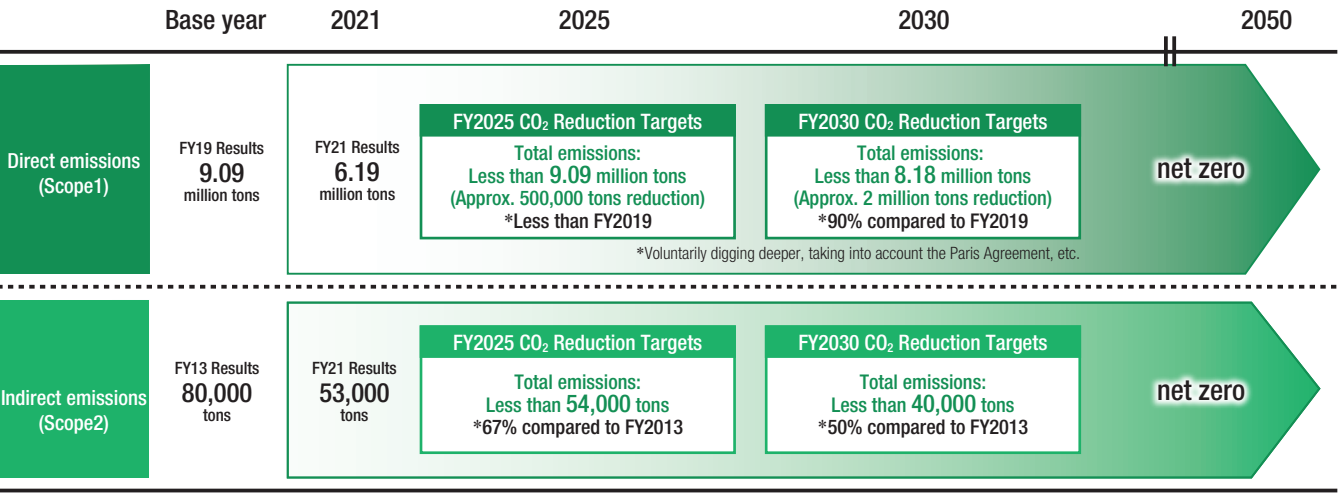


Targets and initiatives towards CO₂ emission reduction by 2030

The JAL Group’s target of reducing 10% of total emissions by FY2030 compared to FY2019 levels is one of the most ambitious targets among global airlines. We will boldly take on this challenge through such initiatives as upgrades to fuel-efficient aircraft based on a stable financial base, the steady implementation of JAL Green Operations, and strategic procurement of SAF on setting specific SAF replacement targets.

Moves to produce SAF and build supply chains are accelerating overseas. The Japanese government has clearly stated its intention to promote the production and distribution of SAF in its “Basic Policy on Economic and Fiscal Management and Reform 2022” and “Grand Design and the Action Plan for a New Form of Capitalism.” To achieve our ambitious target of replacing 10% of all fuel on board with SAF by 2030, the JAL Group will actively work to commercialize SAF through public-private partnerships and cooperation with domestic and international stakeholders.

CO₂ reduction targets and results



Coordination with external parties to reduce CO₂ emissions (public-private activities, etc.)

We are participating in a study group, organized by the Ministry of Land, Infrastructure, Transport and Tourism and the Ministry of Economy, Trade, and Industry, to reduce CO₂ emissions in the operations domain (SAF adoption, improvement of aircraft operating techniques, adoption of new technology) and the airport domain through public-private activities.

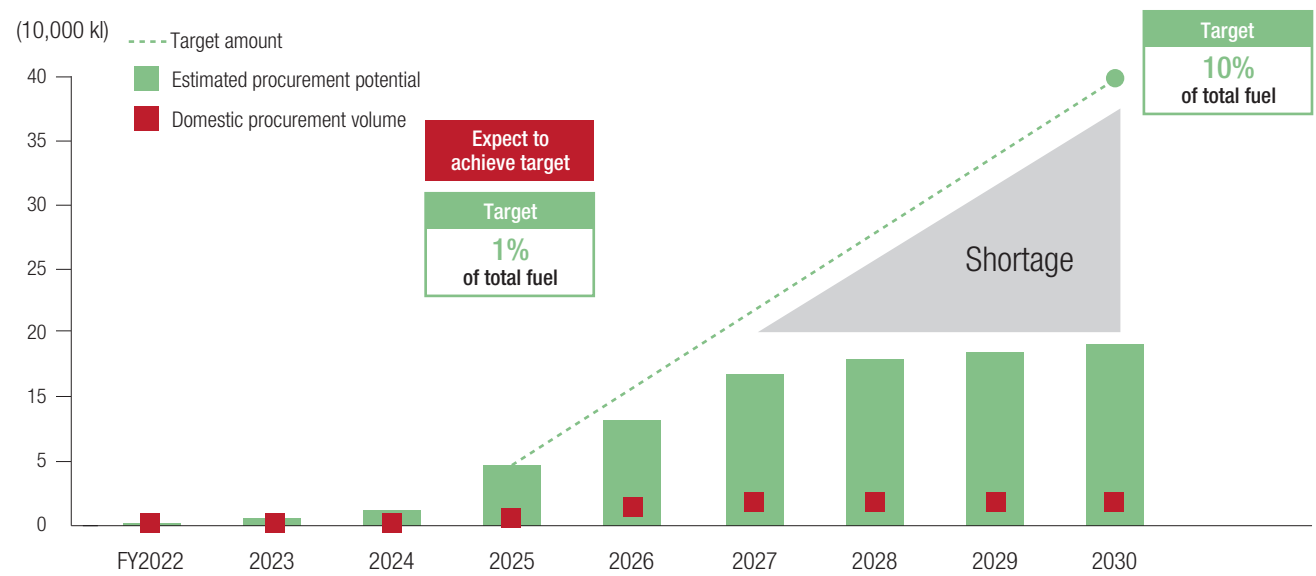
In the airline industry, the 19 member companies of the Scheduled Airlines Association of JAPAN are drawing up the 2030 Global Warming Prevention Plan to reduce CO₂ emissions in coordination with relevant companies and other industry associations.

Sustainability initiatives	Environment	People	Communities	Governance
Addressing Climate Change	Effective Use of Limited Resources	Precaution of Environmental Pollution	Noise Reduction	Biodiversity Conservation

Priority and strategic measures

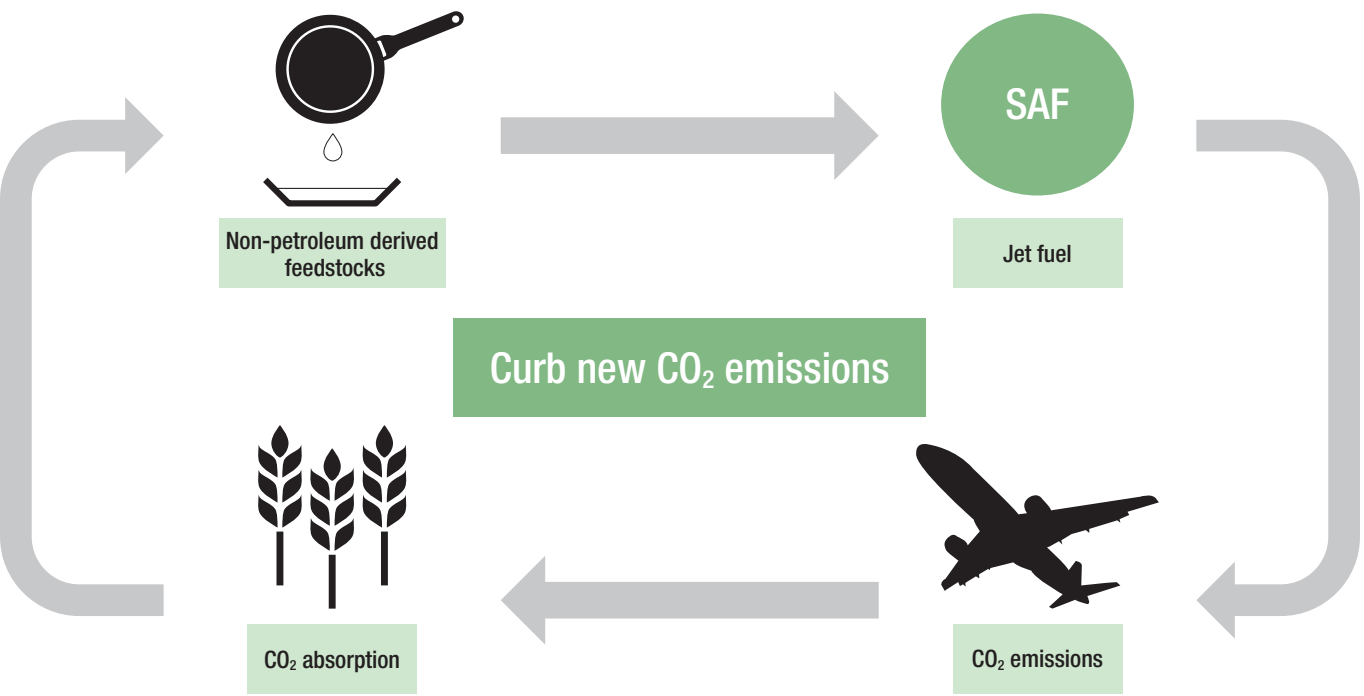
Use of SAF

The JAL Group has set the target of replacing 1% of total fuel with SAF in FY2025 and 10% in FY2030. To achieve these targets, we are working on SAF production and utilization pathways with our stakeholders in Japan and overseas, transcending industry boundaries.



What is SAF (Sustainable Aviation Fuel)?

SAF is fuel made from non-petroleum derived feedstocks that absorb carbon dioxide, such as used cooking oil and thinned wood. Using SAF results in a reduction in carbon emissions.



Initiatives to increase SAF procurement and utilization

In addition to joint procurement of SAF with oneworld alliance member airlines, the JAL Group is promoting SAF diffusion and expansion by using domestically produced SAF and participating in the development of next-generation SAF such as synthetic fuel.

Procurement of SAF

In FY2021, we signed a joint agreement with oneworld alliance member airlines to purchase SAF from the U.S., a leader in SAF production. SAF will be purchased from Aemetis, which produces SAF made from waste animal fats, and Gevo, which uses non-edible field corn to make SAF. This is the first initiative of the alliance, and by showing the need for SAF by multiple airlines, we will contribute to the diffusion and market expansion of SAF and promote carbon neutrality in the airline industry.



Aemetis and Gevo, with which oneworld alliance members signed a joint agreement

Coordination with stakeholders

Accelerating efforts to produce and stably secure SAF in Japan

① Coordination in the airline industry

To achieve carbon neutrality in 2050, the development and diffusion of SAF is essential. In October 2021, JAL and ANA created and announced a joint report "Towards Virtually Zero CO₂ Emissions for Air Transport in 2050" to build a stable supply system for SAF. The report aims to raise awareness and promote understanding of SAF in Japan and provides a wide range of information on mass production and utilization including estimates of SAF requirements of both companies. To pass on air transportation to the next generation as an important social infrastructure that connects Japan with the world, JAL and ANA will continue to work together to promote SAF diffusion and other environmental measures, in coordination with the government and related parties.



Joint report created and announced by JAL and ANA

② Coordination among industries

In March 2022, JAL, JGC HOLDINGS CORPORATION, ANA and REVO International Inc. established ACT FOR SKY, a voluntary organization that works to commercialize, promote and expand the use of domestically produced SAF. A total of 16 companies, including those directly involved in domestic SAF business and those essential in establishing supply chains for domestic SAF, will coordinate and collaborate to change the awareness of citizens and companies, while promoting the importance of SAF, carbon neutrality and achieving a circular economy. As a founding company, JAL will contribute to increasing awareness and decarbonization in the aviation sector. Going forward, ACT FOR SKY will work with various stakeholders to promote and expand SAF and implement specific initiatives to develop Japan's aviation network and the entire industry and build a sustainable society.



ACT FOR SKY logo and 16 participating companies

③ Coordination with the government

At the FY2021 Study Group on CO₂ Reduction in the Aircraft Operations Sector, the target of replacing 10% of fuel consumed by Japanese airlines with SAF was set up as a common target of the Ministry of Land, Infrastructure, Transport and Tourism and Japanese airlines. In introducing SAF, it was recommended that the development and production of internationally competitive domestic SAF should be promoted and that coordination among wholesalers on the supply side and airlines on the user side should be strengthened in order to build future supply chains. For this reason, in FY2022, the Public-Private Council for the Promotion of SAF, co-sponsored by the Ministry of Land, Infrastructure, Transport and Tourism and the Ministry of Economy, Trade and Industry, was established as a forum for public-private discussions and joint initiatives on technical and economic issues and solutions. JAL is an active participant in this forum.

Sustainability initiatives	Environment	People	Communities	Governance
Addressing Climate Change	Effective Use of Limited Resources	Precution of Environmental Pollution	Noise Reduction	Biodiversity Conservation

■ Upgrading to fuel-efficient aircraft

In September 2019, we began introducing the Airbus A350 -900 on domestic routes and completed service entry of 16 aircraft. From 2023, we will begin to introduce the Airbus A350 -1000 on international routes. This fuel-efficient, low-noise, low-carbon aircraft reduces carbon emissions by 15% to 25% compared to previous models.

We will continue to steadily upgrade our fleet to fuel-efficient aircraft using funds raised through a public offering in FY2020 and SDGs bonds, the world's first transition bonds issued by the airline industry in March 2022.

With the active development of electric- and hydrogen-powered next-generation aircraft equipped with new technologies, we will cooperate with aircraft and engine manufacturers to promote technological innovation. As the development of infrastructure including airports is essential to next-generation aircraft, we will work with stakeholders such as the government and airport companies to improve the environment.

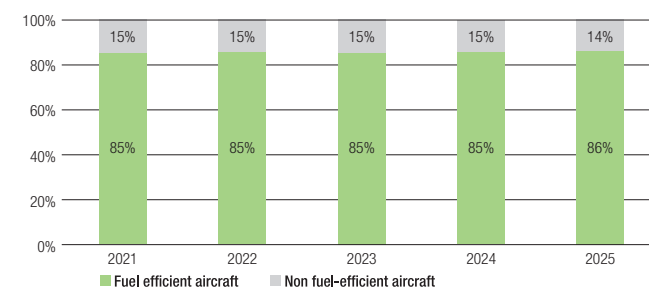
■ Initiatives in daily operations

We are implementing various initiatives in daily operations to reduce CO₂ emissions such as eco-flights through better timing, better flight maneuvers, lighter weight aircraft, and shorter flight courses. These initiatives are collectively called JAL Green Operations.

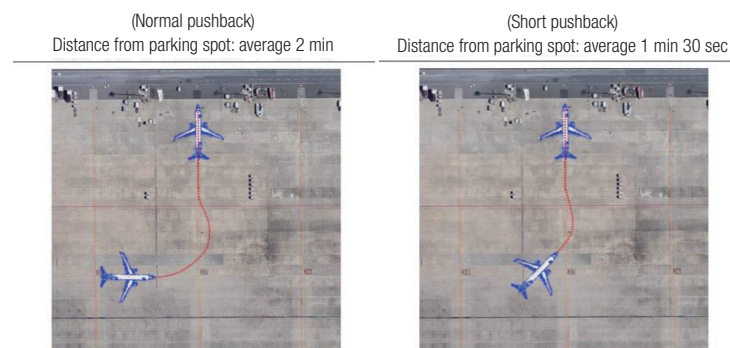
In FY2021, we have introduced an initiative to improve fuel efficiency of regional jets by cleaning their engines with foam instead of spraying water. We are also actively promoting new initiatives such as shortening the distance of pushback with towing tractors at departure (short pushback) at Haneda Airport.



Percentage of fuel-efficient aircraft



Fuel-efficient aircraft: A350, 787, 777, 737-800, E170/190, ATR



Voice

First in the world to introduce a new method of Engine Foam Wash for regional jets

To protect the future of traveling around the world by plane, it is essential for the aviation industry to reduce its environmental impact. Foam wash using a special cleaning agent takes longer working hours than water wash, but we decided to introduce it as an initiative by the maintenance division to improve the environment. Each activity is small, but we hope to raise awareness of environmental concerns within the company and the aviation industry.



MIKI Sayuri
Planning, Aircraft Maintenance Center, Osaka
JAL Engineering Co., Ltd.

■ Engaging in emissions trading

In addition to complying with CORSIA (Carbon Offsetting and Reduction Scheme for International Aviation) adopted by ICAO, JAL offers JAL Carbon Offset. We will also participate in rulemaking through the GX (Green Transformation) League to build a carbon emissions trading system in Japan.

▶ JAL Carbon Offset

With the cooperation of CHOOOSE, a Norwegian company of climate experts, the JAL Group offers JAL Carbon Offset, a voluntary scheme for customers to offset CO₂ their flights emit. Following the website renewal of the program for individuals in February 2022, we began offering a program for corporations in July 2022, which allows them to visualize and offset emissions from corporate travel. We will continue to work with our customers to reduce CO₂ emissions.



Illustration of using smartphones

Measures to reduce CO₂ emissions from ground equipment

With regard to ground equipment, initiatives to reduce unit energy consumption by 1% or more on average are in progress. Under the “operator classification evaluation system” of the Act on the Rational Use of Energy (Energy Conservation Act) implemented by the Ministry of Economy, Trade and Industry, the JAL Group has been certified as “S Class,” an excellent business operator, for 7

consecutive years since 2015.

To reduce CO₂ emissions from airport vehicles at airports, we are working to introduce electric-powered vehicles and alternative diesel fuels. At Kumamoto Airport, we are testing B-30 fuel which is a blend of 30% biodiesel fuel made from used cooking oil, and at Narita Airport, B-100 fuel which is a substance of 100% biodiesel.



Launch of Japan's first B-30 fuel trial (Kumamoto Airport)



Refueling B-100 (Narita Airport)

CONTRAIL Project

The JAL Group has been working on in-flight atmospheric observation since 1993. In 2005, the National Institute for Environmental Studies (NIES) and aircraft parts manufacturer JAMCO Corporation joined the efforts to expand and enhance the scope of these atmospheric observations, and with each party putting their expertise to use, the CONTRAIL Project was born. The CONTRAIL Project is the world's first planned ongoing, global-scale continuous measurement of greenhouse gases using equipment installed on scheduled passenger flights, and this joint public-private project continues its activities today.



CONTRAIL logo

Sustainability initiatives	Environment	People	Communities	Governance
Addressing Climate Change	Effective Use of Limited Resources	Precaution of Environmental Pollution	Noise Reduction	Biodiversity Conservation

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Effective Use of Limited Resources

Particularly relevant areas: **Passengers** **Cargo and Mail**FY2025 Management target
Single-use plastics**Eliminate petroleum-derived products in cabins and lounges** (FY2021 result: 25% eliminated)
Change 100% to environmentally-friendly materials for cargo and airports (FY2021 result: 90% changed)

Basic concept

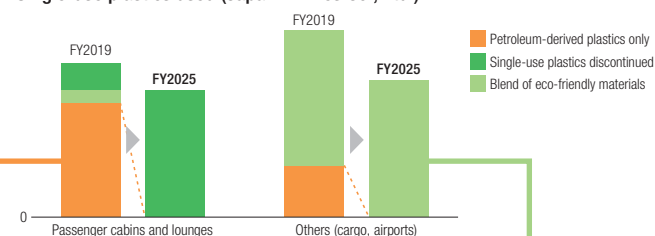
- To fulfill our responsibility to pass on the precious Earth to the next generation, the JAL Group aims to become a recycling-based society that uses limited resources effectively.
- To promote the effective use of limited resources, we will practice the 4Rs (Refuse, Reduce, Reuse, Recycle) to reduce food waste and eliminate petroleum-derived single-use plastics products in all aspects of our business, which will contribute to reducing greenhouse gas emissions.
- To achieve this, we will work with our customers to reduce food waste and eliminate the use of plastic products at every touchpoint including our cabins, and reduce food waste in supply chains.

Eliminate single-use plastics

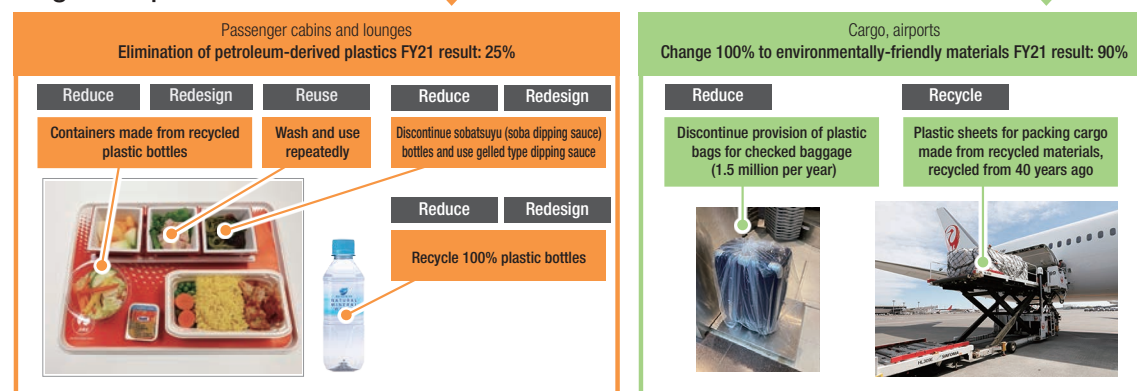
Priority and strategic measures

In May 2021, the JAL Group set the target of eliminating single-use plastics, which cause global warming and ocean pollution, by FY2025. With the cooperation of our customers, we are promoting the 3Rs (Reduce, Reuse, Recycle) + 1R (Redesign).

Single-use plastics used (Japan Airlines Co., Ltd.)



Examples of single-use plastics reduction



Topic

To solve global plastic pollution and climate change caused by mass production, mass consumption and mass disposal, it is essential to fundamentally reexamine the nature of production, consumption, and disposal. JAL and 10 other companies participated in Plastic Circular Challenge 2025 organized by Public Interest Incorporated Foundation World Wide Fund Japan (WWF Japan). Based on the concept of a sustainable circular economy, it is essential to take comprehensive and ambitious measures prioritizing Reduce, Reuse and Recycle in this order. While there are various issues in eliminating single-use plastics, we will continue to expand and accelerate our activities in collaboration with stakeholders to achieve these targets.

WWF Japan special website <https://www.wwf.or.jp/campaign/pcc2025/>

Reduce food waste

Priority and strategic measures

Greenhouse Gas (GHG) emissions from the entire food system covering production, distribution, processing and disposal are estimated to account for 21~37% of global emissions. Food waste is now a serious global problem and reduction initiatives are an essential social responsibility for building a decarbonized society. The JAL Group has implemented various initiatives such as scheduling forward reduction plans, reducing food waste from catering facilities and supply chains, and putting ideas from employees to action, making us one of the most pioneering and challenging airlines in the world.

JAL's FLW (Food Loss & Waste) Reduction Program



We need to cancel in-flight meals in advance, so I think it is a very good idea.

I realized that finishing my in-flight meal is good for the environment.

I think your efforts to eliminate waste are great.

It reminded me that companies are required to make efforts to improve the environment without lowering customer service levels.

Customer feedback

Sustainability initiatives	Environment	People	Communities	Governance
Addressing Climate Change	Effective Use of Limited Resources	Precaution of Environmental Pollution	Noise Reduction	Biodiversity Conservation

3
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Precaution of Environmental Pollution

Particularly relevant areas: Passengers Cargo and Mail

Basic concept

- The JAL Group will strive to prevent environmental pollution to fulfill its responsibility to pass on the precious Earth to the next generation.
 - We will strive to reduce carbon emissions from aircraft and factories, which cause environmental pollution.
 - To achieve this, we will reduce emissions of carbon dioxide (CO₂), nitrogen oxides (NO_x), carbon monoxide (CO) and hydrocarbons (HC) by using aircraft engines that comply with appropriate standards.
- We will also manage and reduce the release of hazardous chemical substances in accordance with the Law Concerning Reporting, etc. of Releases to the Environment of Specific Chemical Substances and Promoting Improvements in Their Management (PRTR Law). We will maintain a final disposal rate for industrial waste of 1% or lower.

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22

Noise Reduction

Particularly relevant areas: Passengers Cargo and Mail

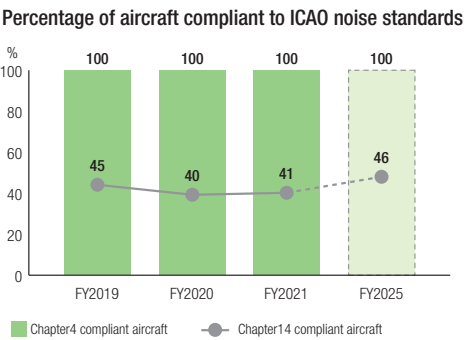
Basic concept

- The JAL Group maintains an awareness that air transport is responsible for a number of negative effects on the environment and aims to live in harmony with residents around the airport.
- To reduce noise, we are upgrading our fleet to the latest low-noise aircraft that comply with noise standards, and are actively introducing noise abatement operational procedures.

We are steadily upgrading to aircraft compliant to noise standards* (ICAO Chapter 4, Chapter 14), and are upgrading our flagship fleet to the low-noise, fuel-efficient Airbus A350.

We are also actively working on "reduction of noise at source" and "noise abatement operational procedures" required by airlines according to ICAO's Balanced Approach to Aircraft Noise Management.

* Standards set by ICAO. Chapter 4 applicable from 2001 and Chapter 14 applicable from 2017



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Biodiversity Conservation

Particularly relevant areas: Passengers Cargo and Mail Mileage, Lifestyle and Infrastructure

Basic concept

- The JAL Group will contribute to biodiversity conservation to fulfill its responsibility to pass on the precious Earth to the next generation.
 - We will fulfill our responsibility as an air transport operator to ensure that our services are not used for the transportation of illegal wildlife trade.
- We also minimize the impact of our business activities on the environment and ecosystems.
- To achieve this, we are utilizing JAL's strengths of human resources to prevent illegal wildlife trade and are expanding biodiversity conservation activities.

Priority and strategic measures

Preventing illegal wildlife trade

In June 2018, the JAL Group signed the Buckingham Palace Declaration by the United for Wildlife Transport Taskforce to reduce illegal wildlife trade promoted by the International Air Transport Association (IATA). There were incidents in the JAL Group, where we found passengers taking endangered species from the island; endangered palm crabs at Ishigaki Airport and rare frogs and snakes at Amami Airport. Considering the importance of preventing these incidents, we have invited staff from World Wide Fund Japan (WWF Japan) and held workshops since 2020 to study the current situation of illegal wildlife trade and how to handle situations when discovering this. We also created in-house educational content with the cooperation of WWF Japan, to embed Group-wide understanding.

In the Amami and Okinawa region, which is home to many rare wildlife species, the JAL Group, together with the local communities, is actively participating in anti-poaching and anti-smuggling measures implemented by the Ministry of the Environment and local government. These initiatives were introduced at a symposium on illegal wildlife trade in December 2021, which was organized by WWF Japan and TRAFFIC, a leading NGO working globally on Biodiversity Conservation and sustainability development.

Topic

Formulation of guidelines for ESG foods and merchandise

The JAL Group has developed guidelines for handling foods and merchandise related to the protection of endangered animals, animal welfare and other ESG risks. To properly understand the importance of biodiversity conservation and raise awareness of its relationship with foods and merchandise we handle, we are raising public awareness.

Relationship with World Natural Heritage Sites

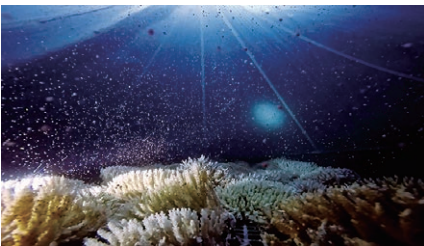
In addition to communicating local attractions of the Amami and Okinawa region, the JAL Group has been working since 2019 as the lead organizer of a joint association to promote the registration of World Natural Heritage Sites (Kagoshima: 66 companies and organizations, Okinawa: 50 companies and organizations), in collaboration with administration, local businesses and local organizations. After registration of the region as a World Natural Heritage Site, we continue to provide support by attracting visitors with sightseeing tours to enjoy the natural environment and donating a portion of the tour price to conserve World Heritage Sites.



Livery based on a drawing of endangered animals and plants by elementary and junior high school students that won a prize in a competition sponsored by Okinawa Prefecture to celebrate registration as a World Heritage Site

Sexual reproduction of corals for reef restoration project

One of the attractions of Okinawa is its coral reefs, which are not only beautiful but also have many roles to play in the coexistence and lives of living creations. In recent years, capacity of coral reefs has been declining due to rising sea temperatures and crown-of-thorns starfish outbreaks, which have become a problem. Japan Transocean Air (JTA) has formed a council with supporting local businesses to assist in reef restoration through sexual reproduction on Ishigaki and Kume Islands.



Spawning corals photographed off Ishigaki Island

Voice



SAKAE Masayuki
Regional Sales Manager,
Amami

Balancing the protection of the natural environment and nature experience

Preventing roadkill and overuse of wildlife has become an important issue in the Amami and Okinawa region. On Amami-Oshima Island, since last October, it is a rule to optimize the hours of night tours for observing the Amami rabbit and other wildlife. Tour reservations and tour areas are checked by the authorities. The Amami sales office, which serves as the secretary of the World Natural Heritage Promotion Community, works together with local residents to realize sustainable tourism, such as publicizing rules and participating in meetings with member companies.

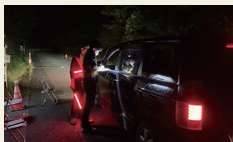


Photo courtesy of the
Ministry of the Environment

Sustainability initiatives		Environment	People	Communities		Governance
Respect for Human Rights	Human Resource Development	Diversity and Inclusion	Workstyle Innovation	Wellness	Accessibility	Prevention of Infectious Diseases

People

Basic Concept (JAL Group Code of Conduct)

Pursuit of customer satisfaction

The JAL Group provides information on products and services appropriately, takes comments from customers sincerely, and continuously strives to develop and provide better products and services in order to deliver unparalleled service to our customers. When doing so, we put ourselves in the customers' position and develop innovative products and services to meet diverse customer needs.

Respect for Human Rights and employee satisfaction (human rights and labor)

Respecting others means respecting different cultures and values. To achieve this, we actively interact with diverse cultures around the world. To create productive workplaces where employees are motivated by their work, we take pride and joy in doing our best for our colleagues.

JAL Group Code of Conduct "Commitment to Society"

WEB <https://www.jal.com/en/sustainability/codeofconduct/>

Challenges to be solved

▶ Respect for Human Rights pp.83-86	WEB https://www.jal.com/en/sustainability/human/human_rights/
▶ Human Resource Development pp.87-88	WEB https://www.jal.com/en/sustainability/human/human-resources-management/
▶ Diversity and Inclusion pp.89-90	WEB https://www.jal.com/en/sustainability/human/diversity/
▶ Workstyle Innovation p.91	WEB https://www.jal.com/en/sustainability/human/work_style/
▶ Wellness pp.91-92	WEB https://www.jal.com/en/sustainability/human/health-management/
▶ Accessibility p.93	WEB https://www.jal.com/en/sustainability/human/accessibility/
▶ Prevention of Infectious Diseases p.94	WEB https://www.jal.com/en/sustainability/prevent-infection-spread/

6/22 Respect for Human Rights

Particularly relevant areas: All areas

Basic concept

- All officers and employees of the JAL Group fulfill their responsibility to respect the human rights of all people.
- In accordance with the JAL Group Human Rights Policy, we respect all stakeholders including our customers and every employee of the JAL Group. We strictly prohibit discrimination on the basis of gender, age, nationality, race, ethnicity, religion, social status, disability, sexual and gender identity. We strive to prevent physical and emotional stress to our customers when providing goods and services, prevent human trafficking by air transportation and prevent human rights violations in our supply chains.
- To achieve this, we have included human rights due diligence in our business processes, and address issues, disclose information and continuously improve our operations. In addition, JAL Group employees are educated on gender equality, LGBTQ issues and prevention of human trafficking. We also take steps with regard to our supply chains (refer to Responsible Procurement).

For more information on the JAL Group Human Rights Policy, please visit the JAL website.

WEB https://www.jal.com/en/sustainability/codeofconduct/pdf/human-rights_en1908.pdf

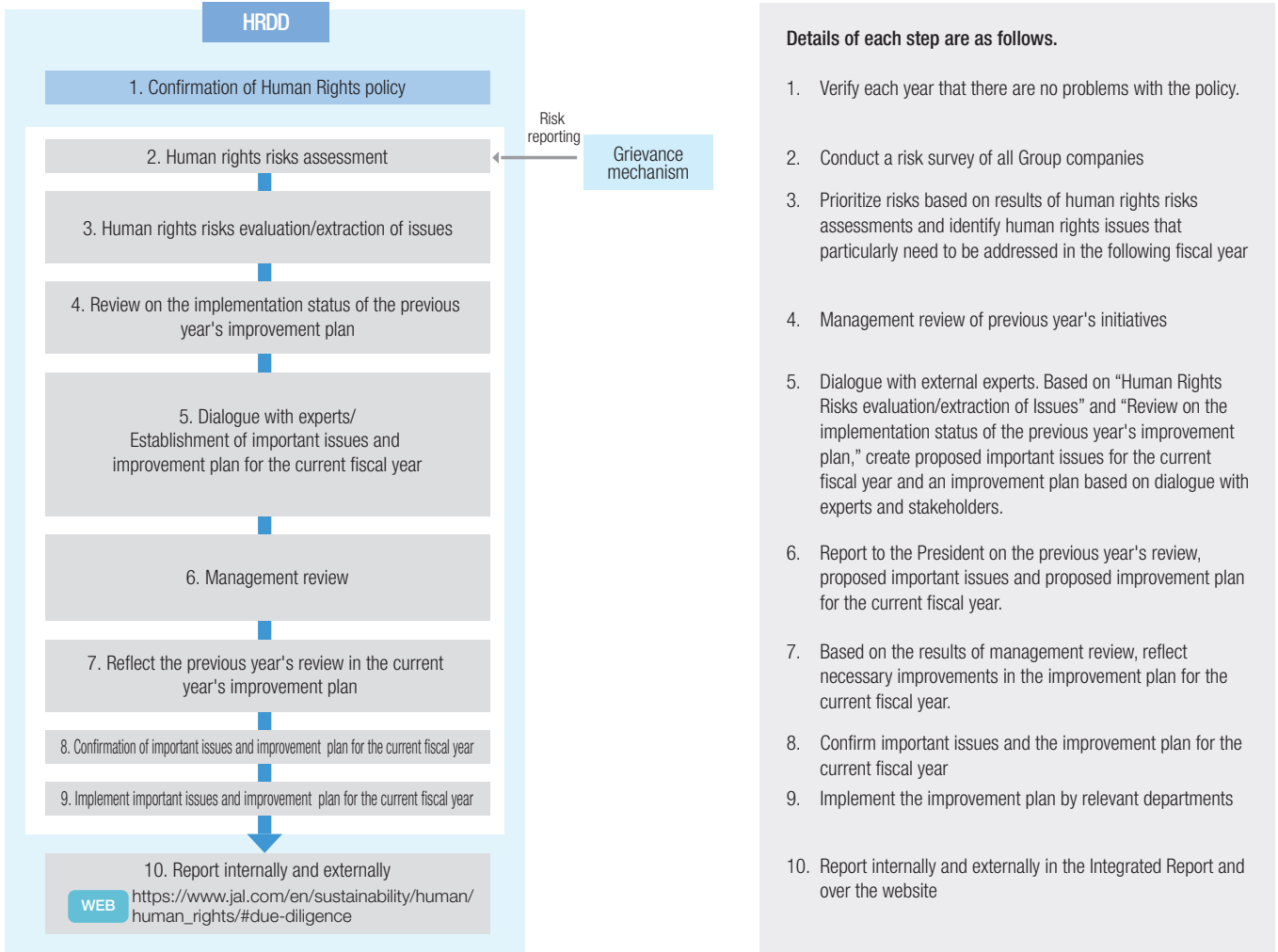
JAL Group Accessibility Service Policy

Based on the JAL Philosophy, which defines the basic attitude of employees, we will:

- | | | |
|--|--|---|
| 1. provide stress-free travel for all customers; | 2. offer a variety of travel options to all our customers; and | 3. co-create enjoyment and delight through travel with customers and society. |
|--|--|---|

Framework for respecting human rights

To promote initiatives that respect human rights, in FY2021, the JAL Group established internal regulations governing the structure and operation of human rights due diligence ("HRDD"). In accordance with these regulations, we established key issues for FY2021 from three perspectives: supply chain management, provision of products and services, and improvement of the internal environment. At the end of the fiscal year, we conducted a review and assessment, and will plan next year's activities, taking into account human rights risks surveys and dialogue with experts. As part of our review, we reviewed the HRDD flow and will promote activities in FY2022 based on the new flow.



Flow for HRDD initiatives (Follow this flow every year to promote efforts to respect human rights.)

Dialogue with external experts

As in the previous fiscal year, we invited SHIMOTAYA Takeshi of The Global Alliance for Sustainable Supply Chain (ASSC), a general incorporated association that promotes international respect for human rights, to hold a dialogue with members of the Sustainability Promotion Committee. In the previous dialogue, he pointed out that job security during the pandemic could be seen as a human rights issue and we reflected this in our initiatives. In this year's dialogue, he provided valuable advice on the importance of interacting with suppliers and initiatives to promote understanding of LGBTQ. Based on his advice, we identified important issues in HRDD for the current fiscal year and published them on our website.



Dialogue between ASSC Mr. SHIMOTAYA and officers of relevant divisions

Sustainability initiatives		Environment	People	Communities		Governance
Respect for Human Rights	Human Resource Development	Diversity and Inclusion	Workstyle Innovation	Wellness	Accessibility	Prevention of Infectious Diseases

Special Feature: JAL Group's efforts to respect human rights

■ Confirmation of respect for human rights in the supply chain

We strive to build sustainable supply chains that ensure respect for human rights, legal compliance, environmental protection and fair labor practices. Through a self-assessment questionnaire for suppliers, we check the status of human rights considerations through questions on equal treatment of foreign workers, overtime, payment of wages and other matters. As part of this initiative, in FY2022 we set up a hotline that is open to suppliers in Japan and overseas and developed a process for responding to reports.

■ Procurement of products with consideration for human rights

Since September 2018, we have been progressively replacing service goods in cabins and lounges with certified products that conform with human rights considerations for workers engaged in forestry, agriculture and fishery. As a result, we prevent human rights violations such as poor working conditions, child labor and land rights violations of indigenous peoples.

■ Prevention of human trafficking

The JAL Group positions unintended involvement in human trafficking by air transport as an important human rights issue. In FY2021, we cooperated with the "It's a Penalty Tokyo Campaign" hosted by the British non-profit organization, It's a Penalty, and co-hosted by the Japanese non-profit organization Sport For Smile. We also showed a video of an anti-trafficking campaign aboard JAL Group domestic and international flights. Furthermore, all employees are educated on respect for human rights including prevention of human trafficking. In FY2021, 83.8% of all employees took this course.

■ Improvement of accessibility

For customers who feel physical or psychological barriers to travel due to disabilities, we are working to eliminate barriers to create a stress-free environment during travel and at their destination so that they can enjoy travel more freely and easily anytime.

■ Prevention of infectious diseases

Through the JAL FlySafe initiative, we are heightening our hygiene and cleanliness standards, the basics of infectious disease control. Even during the pandemic, we are providing services at airports and in passenger cabins that deliver peace of mind.



A garment factory in Vietnam



In-flight meals made with ASC, GAP certified ingredients
(For details on certifications, please refer to Use of Certified Products on page 104.)



It's a penalty logo



Assisting customers at the airport



Infectious disease control measures at the airport

■ Prevention of harassment

We have established Regulations on the Prevention of Harassment in the Workplace, which define and prohibit harassment, and specify violations that will be subject to disciplinary action. In addition to an internal harassment hotline, we have established a 24/7 Group hotline for consultation on compliance in general and a sexual harassment hotline for cabin attendants. In this way, we are taking steps to develop a system to receive consultations directly from our employees and maintain a healthy, harassment-free work environment.

■ Prevention of long working hours

We are taking steps to curb overtime and holiday work by creating a system to support flexible workstyles, such as changing working hours, introducing a super flexible system where there are no core hours and employees can take paid leave on an hourly basis. We are also working to creating a system to enable employees to take holidays more easily such as workcation, which is working remotely while on vacation, and bleisure, which is taking a vacation during a business trip.



Workcation in Singapore

■ Employment maintenance

Amid the rapid decline in air travel demand caused by COVID-19, which created an underutilization of staff, we worked to maintain employment and enable our employees to acquire new knowledge. In FY2021, an average of 1,600 employees a month were seconded to external entities in Japan. In addition, the Regional Vitalization Division, which was established during the pandemic, launched the JAL Furusato (hometown) Project to solve regional issues through cross-industry collaboration using the JAL Group's knowledge, experience and technology. As part of this project, cabin attendants selected through in-house recruitment are serving as JAL Furusato Ambassadors and JAL Furusato Cheering Teams to promote the charms of regional areas in Japan and solve regional issues. For employees working outside Japan, we are providing new opportunities to work outside their region through remote work, as it will take time for demand for international flights to recover.

■ Prevention of COVID-19 to employees

In addition to encouraging remote work throughout the JAL Group especially in business support departments and controlling the number of employees who come to work, we have established rules on coming to work and going home and social distancing when working in the office and have disseminated the rules in a timely manner. In FY2021, we promoted similar initiatives and strived to prevent further infections through workplace vaccinations.



Workplace vaccination

■ Fair and impartial hiring and promotion

The JAL Group has continuously worked to promote understanding of LGBTQ and was awarded, for the sixth consecutive year, the highest rank of "Gold" in the PRIDE Index* established by the voluntary organization "work with Pride." We were also recognized for internal and external innovations utilizing the diverse perspectives of our employees, and JAL was recognized with the D&I Award in the "Best Workplace" category at D&I Award 2021 sponsored by JobRainbow Inc. We also actively communicate our gender equality initiatives, and participated in a dialogue with Airbus and an online event on International Women's Day in March.

* Evaluation index of sexual minority initiatives such as LGBTQ + by companies and organizations



Illustration of Airbus LGBTQ



PRIDE indicator 2021 of "work with Pride"
"Gold" for six consecutive years since 2016



JobRainbow's D&I Award 2021
D&I Award

Sustainability initiatives		Environment	People	Communities		Governance
Respect for Human Rights	Human Resource Development	Diversity and Inclusion	Workstyle Innovation	Wellness	Accessibility	Prevention of Infectious Diseases

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Human Resource Development

Particularly relevant areas: **All areas**

Basic concept

- We develop human resources based on the belief that the personal growth of JAL Group employees will contribute to the growth of the organization and in turn the sustainable growth of the JAL Group.
- We have defined qualities expected of all JAL Group employees and will strive to improve employee engagement (understand and empathize with the company vision, the intention and attitude to think, act and contribute autonomously to its achievement), and increase the number of employees with diverse knowledge and experience.
- To achieve this, we will actively invest in human resource development by expanding internal and external education and training programs and providing opportunities to become autonomous employees.

Priority and strategic measures

Expanding training programs

We have established the qualities expected of all JAL Group employees based on the JAL Philosophy and conduct human exchanges across the boundaries of Group companies and job category.

We also train leaders and safety and service professionals through specialized training in each job category, and conduct education and training suited to each company.

Going forward, we will expand investment in human resources and increase internal and external opportunities to gain business skills and create value, thereby creating human resources who drive business diversification as outlined in the Medium Term Management Plan.

Enhancing work experience through internal and external secondments

We treat the rapid changes in the business environment as an opportunity for growth, and in addition to gaining work experience in other jobs within the Group, we seconded around 1,600 employees a month to approximately 150 external entities including local governments, logistics industries, call centers and educational institutions.

Secondment has provided employees with external insights they could not have gained before the pandemic. Furthermore, increasing opportunities for work experience utilizing the knowledge they gained from secondment has led to personal growth of each employee.

We will continue these initiatives to enhance individual capabilities and increase the number of employees with more diverse knowledge and experience than before, which in turn will contribute to sustainable growth and development in each business area.

Expanding online education and training courses

As part of efforts to provide opportunities to study anytime and anywhere, we are increasing the number of training sessions online.

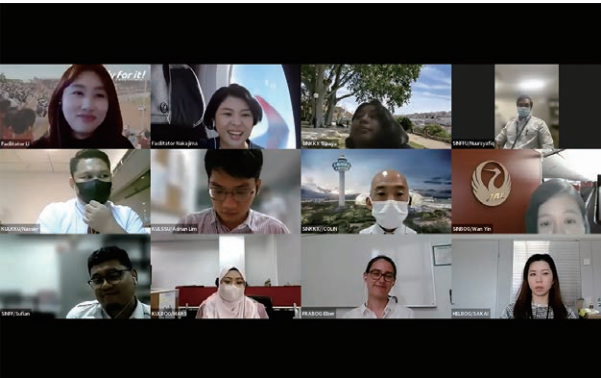
By creating an environment where employees in Japan and

< Main Education and Training Programs >

- New Employee Orientation
- JAL Philosophy Workshop
- Risk Management Education
- Training for Managers
- Business Skills Training
- Leader's Workshop
- Safety Education
- Information Security Training
- Career Development Training by Age Group and Others



Working at internal and external seconded workplaces



Online training of new employees outside Japan

overseas and employees with disabilities can participate in various education and training programs, the number of participants increased to 18,250 in FY2021, 1.3 times the record high number in FY2020.

Developing autonomous employees

Supporting employees

The JAL Group refers to autonomous thinking and acting as "JAL OODA" and conducts a mindset change education course for managers and various activities to practice JAL OODA.

One of these activities, W-PIT*, is an in-house venture team, where employees challenge co-creation while incorporating "excitement" into new businesses.

We are also nurturing autonomous employees through programs such as the in-house entrepreneur audition called "Sozo no Tsubasa (Wings of Creativity)" to encourage employees to challenge new business areas, and in FY2021 launched "Career Challenge" inviting employees to take up challenges.

* Abbreviation for Wakuwaku (exciting) Platform Innovation Team

創造の翼 Career Challenge

Topic

Maintenance Kaizen (improvement) activities presentation conference

The maintenance division carefully selects outstanding Kaizen initiatives in each workplace and holds a Kaizen activities presentation conference once a year at the end of the year to encourage challenge and innovation.

Kaizen achieved through trial and error and teamwork, without treating matters that are "difficult to ~ or likely to ~" in the workplace as someone else's problem, has increased solidarity in the organization and developed human resources who drive value creation.

In addition to workplace improvements, the number of SDGs and Kaizen activities at other divisions has increased, and so we are expanding the scope of our activities beyond the maintenance division.



Kaizen activities presentation conference
(Left: award presentation ceremony, Right: staff in charge of planning)

Career Design

To encourage employees to develop their careers, we provide opportunities for them to think about their careers, such as providing information on the CAREER intranet webpage and hosting JAL CAREER TALK LIVE, where JAL Group employees discuss their careers.

Furthermore, in FY2022, we will introduce a Self-Career Dock for employees to consult with Japan-certified in-house career consultants about developing their career.

Going forward, we will continue to create an environment for career development and improve employee engagement.



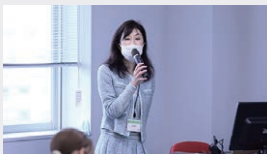
Speakers of JAL CAREER TALK LIVE

Topic

External human resource development

The JAL Group is focused on educating university students to pass on knowledge and experience cultivated in the airline business. We would like to develop human resources who can contribute to the development of tourism-related industries and regional economic vitalization and industrial promotion, while vitalizing regional economies and industries, and developing understanding of the airline business.

Furthermore, we are expanding the scope of our education business to the general public, utilizing the know-how cultivated through educational activities such as lectures at universities.



A lecture by a JAL lecturer at a university

Sustainability initiatives		Environment	People	Communities		Governance
Respect for Human Rights	Human Resource Development	Diversity and Inclusion	Workstyle Innovation	Wellness	Accessibility	Prevention of Infectious Diseases

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Diversity and Inclusion

Particularly relevant areas: All areas

FY2025 Management target

Ratio of female managers in JAL Group: 30% (FY2021 result: 21.9%)

Basic concept

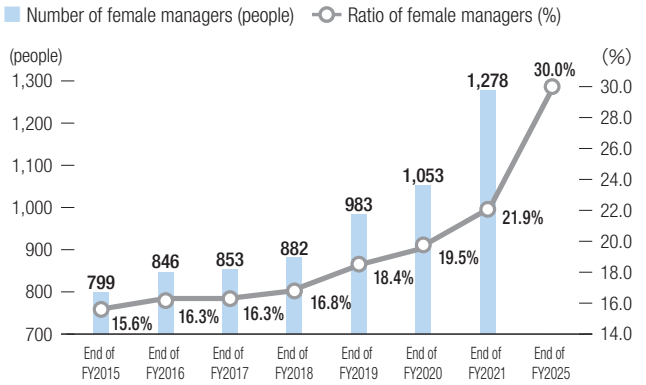
- The JAL Group promotes the values of D&I, workstyle innovation and wellness in order to create workplaces, where employees are treated with respect and are engaged and motivated by their work.
- To create an organization that promotes inclusion of diverse human resources and pursues value creation, we create work environments where everyone can display their talents regardless of gender, age, nationality, race, ethnicity, religion, social status, disability, sexual orientation or gender identity.
- To achieve this, we promote fair and equitable employment of diverse human resources, and placement and advancement to management posts so that every employee including women and global human resources can work energetically under a merit-based system. Furthermore, we will cultivate awareness to promote understanding of D&I.

Priority and strategic measures

Promoting women’s advancement in the workplace

As a result of striving to achieve the management target of 30% female managers in the JAL Group, we achieved the result of 21.9% at the end of March 2022, up 2.4 percentage points from the previous year. In particular, with regard to women’s advancement to Executive Officer and Vice President-level senior management positions, one female Executive Officer was newly appointed in April 2022. In addition to station managers at hub airports, Haneda, Narita, Osaka and Fukuoka, we have newly appointed female employees as heads of the regional headquarters of Western Japan and Chubu Japan. Through these initiatives, the number of women in senior management in the JAL Group has more than doubled in the last three years, from 37 to 78. Women continue to play an active role at the top leadership level. In addition to encouraging further understanding of the importance of promoting D&I through study sessions for leaders, we hold lectures for female leaders on a regular basis that are delivered by top management in order to nurture their knowledge and skills. Going forward, we aim to develop more women leaders by assigning

them to management posts and nurturing their capabilities. By supporting career development through hierarchical networking and creating a "pipeline list," we will further strengthen development, nurture awareness of more female employees who aspire to become leaders and develop an environment to accomplish this.



Promoting the participation and advancement of employees hired outside Japan

To promote the participation and advancement of employees hired outside Japan, we are placing emphasis on developing human resources toward advancement to management posts through transfers within the area and education and training programs unique to the area. Approximately 40 employees hired outside Japan are working in Japan, and the percentage of employees who hold important overseas positions such as branch managers and district officer managers is approximately 20% as of April 2022. We intend to further increase this number during the period of the Medium Term Management Plan. During the pandemic, we conducted training online while ensuring the safety and security of our employees and their families. Going forward, we will further increase opportunities to broaden work

experience based on feedback from our global awareness survey and direct dialogue with employees and will continue to develop human resources under a well thought out plan.



Employees assigned to Japan from overseas

Recruitment and advancement of employees with external experience

Many of our experienced hires are active in business creation, digital promotion and other fields that require advanced knowledge. They are creating value leveraging diverse knowledge acquired externally. Many of these employees have been promoted to management posts and the number of employees involved in important decision-making has been increasing year by year. We will continue to promote advancement to management posts. To promote value creation utilizing internal and external knowledge, we will further promote fair and equitable advancement, judging individuals for what they are, and promote the active participation of employees hired based on their experience. In recruitment activities that resumed in February 2022, we are on the lookout for recent graduates with work experience and aim to hire employees with diverse knowledge and experience. We also resumed recruitment of people with experience in business planning for the first time in three years. We are hiring alumni* as well. * A hiring method of rehiring retirees from the company

Promoting challenges by employees with disabilities

We are taking on the challenge of expanding areas to assign employees with disabilities where they can use their talents and abilities. In addition to the cafés and other facilities already in place, we opened a manicure room for employees in FY2020. In recognition of this effort, we received a special award in the environmental development category as an outstanding example at the ACE Awards 2021 organized by ACE*. In FY2021, we opened a shoeshine room for employees in order to provide opportunities for employees with disabilities to participate in the workplace and for employees to deepen their understanding of D&I. * General Incorporated Association Corporate Accessibility Consortium



Shoeshine service for employees

Bottom-up activities by employees

JAL D&I Lab, a bottom-up activity in which employees think autonomously and promote D&I, focused on four themes: promote the participation of global human resources, promote women's participation, promote the participation of employees with disabilities and promote life career development. Furthermore, during JAL's Barrier-Free Mindset Week 2021 in December 2021, we held events to learn about the barrier-free mindset and the activities of diverse employees. Going forward, we will continue to promote D&I from both the top- down and bottom-up approach that contributes to value creation.



Presentation of JAL D&I Lab Activities

Voice Communicating the JAL Group's initiatives to the world

A wide range of employees play an active role in the JAL Group regardless of nationality or gender and their accomplishments are disseminated throughout the world. One such employee is Sze Hunn Yap who works in Singapore. She was selected as one of the Women to Watch 2020 by Campaign Asia-Pacific, one of the largest advertising magazines in Asia, in recognition of her past work. On International Women's Day in March 2022, she was invited as a panelist at the Women's Summit held by Equality Leaders, which promotes D&I, to present the JAL Group's D&I initiatives.



Sze Hunn Yap
CX Data Marketing Department
Global Marketing Group

"I participated in this event as a panelist in the hope that I could be of some assistance in advancing gender equality and D&I. The event gave me the opportunity to sit down with various women leaders from around the world and reflect more deeply on what D&I means to me. In addition, to mutually enhance and support each other toward common targets, it is important to create a work environment that respects the individuality and diversity of each person and allows them to freely express their opinions, and each person has a major role to play in creating that work environment."

Sustainability initiatives		Environment	People	Communities	Governance
Respect for Human Rights	Human Resource Development	Diversity and Inclusion	Workstyle Innovation	Wellness	Accessibility
				Prevention of Infectious Diseases	

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Workstyle Innovation

Particularly relevant areas: All areas

Basic concept

- The JAL Group promotes the values of D&I, workstyle innovation and wellness in order to create workplaces, where employees are treated with respect and are engaged and motivated by their work.
- We will create workplaces where every employee, our greatest strength, can play an active role, including employees with time constraints due to child care and nursing care.
- To achieve this, we will optimize working hours and expand our remote work program. We will also promote workcation and bleisure and contribute to regional revitalization.

Priority and strategic measures

Promoting a workstyle without location constraints

JAL is the first airline to receive the Awards of the Minister of Internal Affairs and Communications in the 2021 Top One Hundred Telework Pioneers organized by the Ministry of Internal Affairs and Communications, in recognition of Group-wide remote work, business process innovation, and promotion of new workstyles such as workcation and bleisure.

In December 2021, we set up a workstyle study group aimed at increasing corporate value, vitalizing regions and achieving the SDGs through diffusion and promotion of new workstyles with a focus on workcation. We will carry out various activities centered on workcation with companies and local governments.

The JAL Group will continue to promote flexible workstyles to cultivate an environment where diverse human resources can work energetically.



Workstyle workshop

Balancing life events and work

The JAL Group reviewed its evaluation system to ensure that our employees, regardless of gender, can continue to develop their career even after taking a leave of absence due to life events.

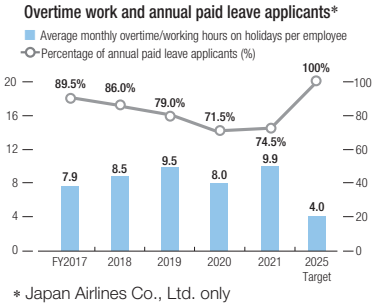
Furthermore, to raise awareness among male employees and create an environment where both parents can raise their children, from FY2022 in addition to developing paternity leave, we are encouraging employees to take at least two consecutive weeks of paternity leave. By planning childcare leave in advance, we are reviewing team workstyles and changing employee mindsets.

Optimizing working hours

The JAL Group believes that the growth of a company can be achieved by using time generated by working efficiently to external experiences, personal development, and mental and physical refreshment, and returning the experience and value to the company.

To achieve this, we are working to ensure proper working hours together with annual paid leave in a planned manner. Despite the increased workload in business support departments caused by COVID-19, we promoted flexible workstyles and achieved a 74.5% improvement in annual paid leave applicants in FY2021 (71.5% in FY2020).

On the other hand, since the average monthly overtime hours worked per employee was 9.9 (8.0 in FY2020), we will continue to work to optimize working hours through flexible workstyles.



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Wellness

Particularly relevant areas: All areas

Basic concept

- The JAL Group promotes the values of D&I, workstyle innovation and wellness in order to create workplaces, where employees are treated with respect and are engaged and motivated by their work.
- In addition to health and safety management, we will promote the physical and mental health of our employees and their families so that employees can work energetically and in good health. Furthermore, we will strive to contribute to the health of all stakeholders.
- To achieve this, we will promote wellness through the JAL Group health promotion project "JAL Wellness 2025" by raising awareness of health, while helping each other with our health issues. We will also provide products and services that contribute to the health of our customers.

Priority and strategic measures

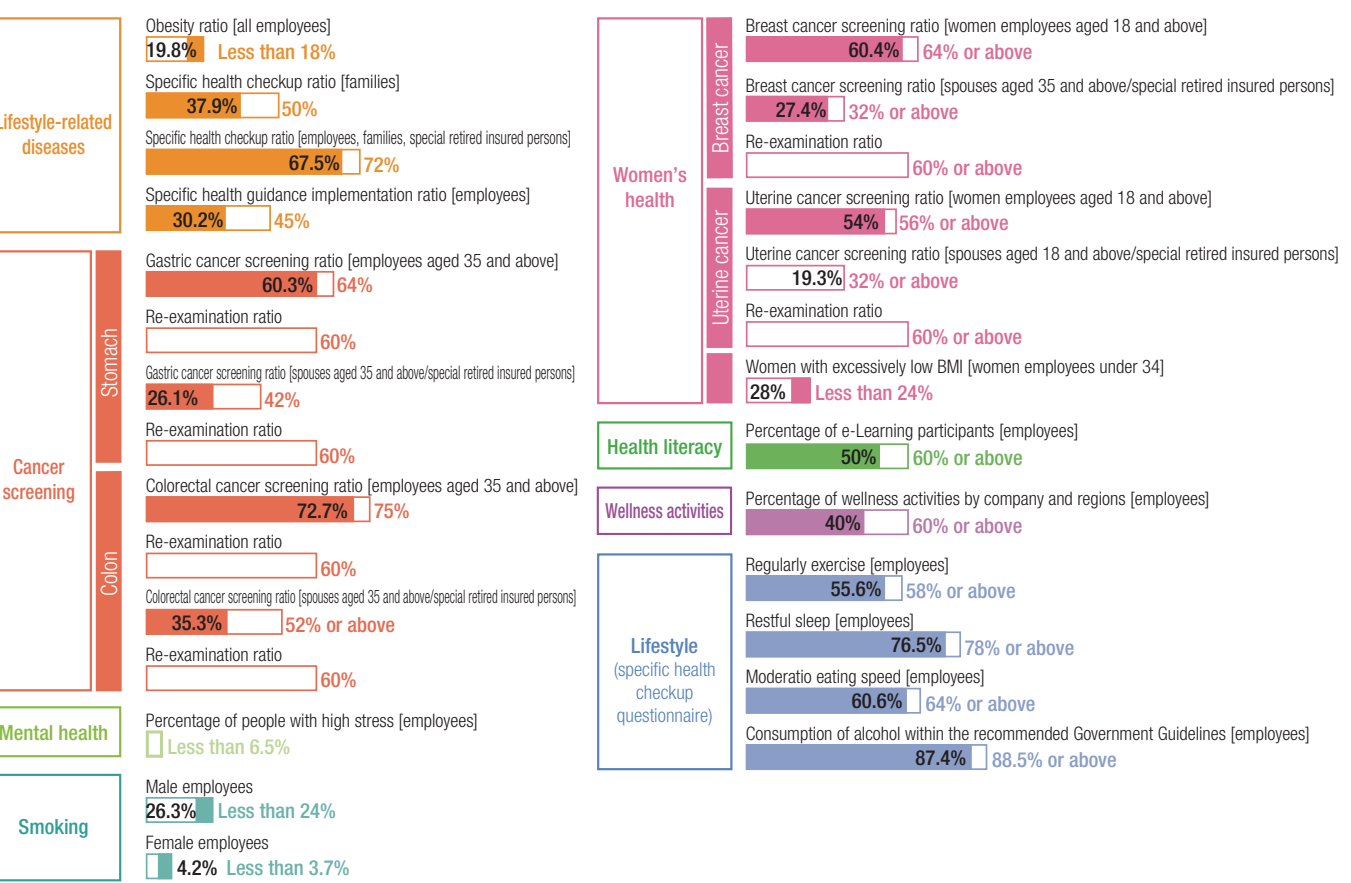
Wellness

The five-year JAL Wellness 2025 plan is based on five key issues: lifestyle diseases, cancer, mental health, tobacco control and women's health. As part of our support for working women, we have launched a joint initiative with Marubeni Corporation, CARADA medica Inc. and MTI Ltd. to address health issues unique to women, such as premenstrual syndrome (PMS) and menopausal symptoms, through workplace awareness surveys, raising awareness of women's health issues and conducting trials of online medical checkups.

JAL was recognized as a brand in the Health & Productivity Stock Selection for the fourth time. In addition, 20 Group companies were recognized under the 2022 Certified Health & Productivity Management Outstanding Organizations Recognition Program, an increase of 11 companies from last year. They were highly praised for working actively under the strong leadership of the Chief Wellness Officer (CWO), Wellness Leaders in the workplace and further initiatives to improve women's health, literacy on health through better use of the website, and mental health care during the pandemic.



JAL Wellness 2025 KPIs



Promoting wellness of our customers

To ensure that our customers enjoy their journey in good health, we plan in-flight meals that give consideration to effects on their health and better nutrition intake, and disclose necessary information.

In 2020, we collaborated with Dai Nippon Printing Co., Ltd. and launched "JAL Wellness & Travel," a new mileage service that supports daily health and wellness activities before and during travel.

We will combine the strengths of both companies to create services for customers to earn miles and enjoy a healthy life so that they can go on their next trip.

Topic "Fly for it! Let's work out! Tokyo 2020 countdown exercise"

Starting from 100 days to go until the Tokyo 2020 Olympic Games began, athlete-employees and Wellness leaders held a total of four monthly "radio exercises" and "stretching and training" online events for employees in Japan and around the world.

Furthermore, every day for 100 days, we uploaded and showed an exercise video that anyone can easily do anytime to pass the baton for better health.



Sustainability initiatives		Environment	People	Communities	Governance
Respect for Human Rights	Human Resource Development	Diversity and Inclusion	Workstyle Innovation	Wellness	Accessibility
					Prevention of Infectious Diseases

11 Accessibility

Particularly relevant areas: **Passengers**

Basic concept

- The JAL Group aims to create a society where everyone can enjoy an enriched life through travel, and is working to improve accessibility to provide unparalleled service to all our customers.
- We have established the JAL Group Accessibility Service Policy to build a society where everyone can enjoy a fulfilling life through travel free of barriers related to aviation and at travel destinations
- To achieve this, we are promoting the “barrier-free mindset” of all employees to be more attentive to each customer so that everyone including people with disabilities who experience mobility barriers can enjoy travel more freely and easily anytime. We will also develop a seamless, safe and secure mobility environment by deepening partnerships with various parties.

Priority and strategic measures

■ Development of an environment

To provide a stress-free customer experience, we have introduced an In-flight Service Guide (with braille, enlarged letters and voice codes) and are taking steps to improve customer service skills by developing in-house qualifications for cabin attendants.

In addition to domestic check-in counters at Haneda Airport, we have renewed counters at Osaka (Itami) for customers with disabilities in order to make airports easier to use and more comfortable.

We will use our experience in the transport of Paralympic athletes to the Tokyo 2020 Games to support the mobility of athletes with disabilities around the world, and improve hospitality and services to deliver greater peace of mind to customers with developmental impairment.

■ Provision of information

To erase any concerns before the trip, we post information on boarding assistance and the joy of travel on our website for customers who request assistance. We also offer the Airport Experience Program (online) to experience the entire process from booking to boarding to ease concerns.

■ Accessible tourism

In FY2021, we launched “3-4 day Accessible Okinawa Tour on a Wheelchair” an individual tour that allows participants to freely choose dates, flights and barrier-free accommodations and activities. An employee who uses a wheelchair participated from the planning stage, joined the tour and demonstrated diverse talents such as carefully selecting

content from the customer’s perspective. We planned and conducted accessible tours that customers can enjoy with peace of mind.

■ External collaboration

It is important to deepen coordination with stakeholders and join hands to promote barrier-free activities from pre-trip preparations to activities at the destination.

To ensure safe and secure travel for all customers, the JAL Group and ANA, with the participation of people with disabilities, created Service Guidelines during the COVID-19 Pandemic, and held meetings to exchange views on promoting the understanding of people with disabilities within the airline industry.

In recognition of efforts beyond company boundaries, JAL received the 15th MLIT Minister’s Award for the Promotion of Barrier-Free Environments.



3-4 day Accessible Okinawa Tour on a Wheelchair



Presentation of the 15th MLIT Minister's Award for the Promotion of Barrier-Free Environments

Voice



TAJIMA Yukari
Planning Group

Transporting Paralympic athletes for the Tokyo 2020 Games

At the Tokyo 2020 Games, we welcomed many Paralympic athletes and assisted them in participating in the Games and traveling to their training camps. By assisting them with boarding and disembarking in wheelchairs and carefully loading their equipment in Japan and overseas, they were able to use our flights with peace of mind. In addition, we were able to convey the spirit of Japanese hospitality to customers around the world through close communication.

12 Prevention of Infectious Diseases

Particularly relevant areas:

Passengers **Cargo and Mail**
Mileage, Lifestyle and Infrastructure

Basic concept

- As the responsibility and mission of social infrastructure, the JAL Group is committed to preventing the spread of infectious diseases and building a society where everyone can live safely and with peace of mind.
- We provide customers with a hygienic and clean environment of the world’s highest level. We will also fulfill our responsibility as an international carrier.
- To achieve this, we will utilize digital technology and coordinate with partners with expertise in the JAL FlySafe initiative, which aims to prevent infectious diseases at all touchpoints. We will also respond to requests from society such as the transportation of vaccines.



Priority and strategic measures

■ Creating a hygienic and clean environment at touchpoints

► Cooperation with the Kao Group

In addition to basic infection control measures such as disinfection and wearing masks, the JAL Group was the only Japanese airline to apply antiviral and antibacterial coatings at all touchpoints, install touchless automatic check-in kiosks and Self Baggage Drop machines and test mobile ordering for guests in lounges using their own smart devices. Furthermore, to further pursue hygiene and cleanliness, this fiscal year we are coordinating with the Kao Group, which provides infectious disease control solutions to medical facilities with their expertise, under the slogan “Taking Cleanliness to a Higher Level.” The Kao Group supervised and improved our cleaning manuals for airports, aircraft and other facilities, and we are managing hygiene based on advice from the department specializing in hygiene.



■ Preventing the spread of infectious diseases through the transportation of pharmaceuticals

In addition to transporting vaccines from Belgium and to various parts of Japan including outlying islands, JAL played a role in supporting the transportation of vaccines to Taiwan, Indonesia, Malaysia and other parts of Asia.

Leveraging JAL's strengths cultivated in cargo transport, such as temperature control and monitoring of transport times and cargo conditions, we formed a cold chain system for vaccines enabling appropriate transportation.



Introducing new cleaning tools to promote effective and efficient hygiene and cleanliness

Triple award for infectious disease control by external associations

JAL was awarded the world's highest rating by airline rating agencies APEX*¹ and SKYTRAX*^{2,3} in recognition of JAL FlySafe infectious disease control initiatives.

In December 2021, JAL became the only Japanese airline to receive APEX "WORLD CLASS" in recognition of our world-class service quality and sustainability initiatives in addition to infectious disease control.

To build a society where people feel peace of mind even during the pandemic, we will continue JAL FlySafe initiatives, which put safety and peace of mind first.

*1 APEX (Airline Passenger Experience Association): One of the world's largest airline industry associations based in North America. An NPO consisting of member airlines, airports, and airline suppliers around the world.

*2 SKYTRAX: A global air rating company based in London, U.K.

*3 JAL received APEX's Diamond in the "Health Safety Powered by SimpliFlying Audit," SKYTRAX 5-star in the "COVID-19 Airline Safety Rating," the COVID-19 Excellence Award at World Airline Award 2021, and the three highest ratings in external evaluations of infectious disease control.

Sustainability initiatives		Environment	People	Communities	Governance
Route Network Expansion	Promotion of Inbound Tourism	Regional Revitalization	Convenience in Mobility and Daily Life	Disaster Assistance Restoration	Community Relations

Communities

Basic Concept (JAL Group Code of Conduct)

Mission and responsibility as a corporate citizen

We are grateful to play a role in delivering social infrastructure and repay our gratitude by fulfilling our mission as a public transport operator.

(1) **Contributing to regional revitalization through our business**
The JAL Group contributes to the sustainable development of regions across Japan that support our air transportation business. To achieve this, we make efforts to enhance the appeal and value of regions using our know-how accumulated in the aviation business and networks, and contribute to vitalizing regional economies by expanding flows of people and goods.

(2) **Responsibility as a company that plays a role in social infrastructure**

The JAL Group manages risks as an organization to be prepared against terrorism, cyber-attacks, natural disasters and other events that threaten civil life and corporate activities. In the event of a natural disaster, we strive to resume air transport services as quickly as possible, cooperate in disaster recovery efforts through air transport, and fulfill our social mission and responsibility as a public transport operator that plays a role as social infrastructure.

(3) **Responsibility as a corporate citizen**

The JAL Group contributes to solving social issues and promoting social development as a corporate citizen by nurturing the next generation, supporting culture and sports, and cooperating with disaster recovery operations, regional exchanges, international cooperation and other activities.

JAL Group Code of Conduct "Commitment to Society"

WEB <https://www.jal.com/en/sustainability/codeofconduct/>

Challenges to be solved

▶ Route Network Expansion
p.95

WEB

<https://www.jal.com/en/sustainability/community/network/>

▶ Promotion of Inbound Tourism
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WEB

<https://www.jal.com/en/sustainability/community/inbound/>

▶ Regional Revitalization
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WEB

https://www.jal.com/en/sustainability/community/regional_revitalization/

▶ Convenience in Mobility and Daily Life
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<https://www.jal.com/en/sustainability/community/maas/>

▶ Disaster Restoration Assistance
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WEB

<https://www.jal.com/en/sustainability/community/disaster/>

▶ Community Relations
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WEB

https://www.jal.com/en/sustainability/community/community_relations/

13 22 Route Network Expansion

Particularly relevant areas:

Passengers

Cargo and Mail

Mileage, Lifestyle and Infrastructure

Basic concept

- To contribute to communities as a social infrastructure, the JAL Group aims to build a future where people and goods move freely between cities and rural areas. Maintaining community lifelines is our social mission.
- To expand route networks, we will work to maintain and develop outlying island routes and regional routes, and increase traffic between cities and rural areas.
- To achieve this, we will adjust routes and use resources of the JAL Group's community-based regional carriers (J-AIR, JAC, HAC, JTA, RAC). In addition, we will provide a system to encourage a hybrid workstyle and lifestyle that "balances life in the city and countryside."

14 22 Promotion of Inbound Tourism

Particularly relevant areas:

Passengers

Cargo and Mail

Mileage, Lifestyle and Infrastructure

Basic concept

- To contribute to communities as a social infrastructure, the JAL Group is working to build a future, where the government's target of 60 million international visitors in 2030 travel to rural areas. We will also contribute to regional revitalization by attracting inbound demand to regional areas across Japan.
- We will provide air route networks and create and communicate regional attractiveness.
- To achieve this, we will use route networks and sales networks that connect Japan with the world, which we have established with our partners, as well as JAL Group's regional airlines that provide community-based services. We will continue to provide travel products and fares that are easy to use for visitors to Japan. We also assist overseas airlines entering the Japanese market with consigned services.

15 22 Regional Revitalization

Particularly relevant areas:

Passengers

Cargo and Mail

Mileage, Lifestyle and Infrastructure

FY2025 Management target

Domestic passenger*2 and Cargo transport volume +10% vs. FY2019

* Increase in the number of passengers by stimulating tourism demand and creating new flows.

Basic concept

- To contribute as a social infrastructure, the JAL Group will tackle solve issues such as creating sustainable communities and preserving the natural environment to vitalize regions.
- In building sustainable communities, we will utilize our air network to connect rural areas with urban areas and the world and to connect people with people. We will use our know-how to provide solutions, from creating regional attractiveness to building systems, in order to create people flow, commodity flow and logistics flow. We will also promote initiatives that contribute to the preservation of the natural environment.
- To achieve this, we will create objectives and programs to visit communities, develop products, expand sales channels, conduct environmentally-friendly activities and create programs to preserve the natural environment.

Priority and strategic measures

Creating people flow

As a "farm business" that creates people flow to communities (rural, mountain and fishing villages), we held Agricultural Training 2021 last fiscal year. Starting this fiscal year, we will develop it into a JAL Furusato (hometown) Working Holiday to visit mountains under the concept "More than tourism but not to the extent of migration."

We will also contribute to improving the quality of farm stays by establishing the Farm Stay Quality Assessment Support System and increasing facilities that guests can use safely and with peace of mind. This will contribute to the development of local economies and communities.

In addition, by promoting purpose-driven trips under the theme "community tourism," we will work to create a purpose and system for visiting communities, thereby creating people flow.

Creating commodity flow and logistics flow

Product development and branding

Through planning and development by JAL Furusato Ambassadors, who have moved to regional areas to carry out community-based activities, we will uncover excellent local products (primary products, processed goods, and crafts) and create value.

In addition, we made sweets using local ingredients from recipes created by the JAL Furusato Cheering Team, which was branded as "JAL Sweets Box with JAL cabin attendants."

We will not only sell products but also introduce their background and regional culture on the JAL Furusato Nozei (hometown tax payment) site and cross-border EC sites to convey regional attractiveness through local products and attract visitors to the region.

Environmental initiatives

In registered World Natural Heritage Sites, we will continue to conduct nature-friendly activities that do not lead to over tourism, while creating tours, using zero-CO₂ emission EV buses, and learning about nature conservation. In addition, we will create objectives and programs to think about communities and the natural environment, such as expanding services using J-Credit as a carbon offset program and workcation to plant trees while working remotely. In addition, we will accelerate various initiatives, such as food loss measures and agricultural diversification of nonstandard products.



JAL Agricultural Study 2021 in Hirado, Nagasaki



The first JAL Sweets Box



Yanbaru Forest Nature Tour with Guide

Sustainability initiatives		Environment		People	Communities	Governance	
Route Network Expansion	Promotion of Inbound Tourism	Regional Revitalization	Convenience in Mobility and Daily Life		Disaster Assistance Restoration		Community Relations

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Convenience in Mobility and Daily Life

Particularly relevant areas: Mileage, Lifestyle and Infrastructure

Basic concept

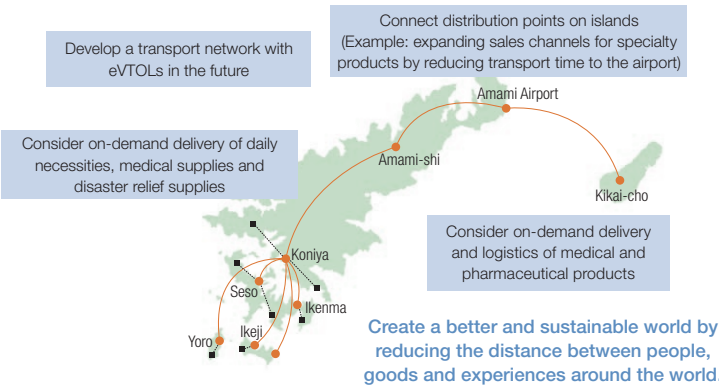
- In order to contribute to communities as a social infrastructure, the JAL Group will tackle social issues and respond to changing customer needs and improve mobility and convenience in everyday life.
- Combining our know-how, human skills and customer base with new technologies, we will develop products and services that make everyday life and life stages even better.
- To achieve this, we will introduce a MaaS* platform that supports search and arrangement of transportation from airports. In air mobility, we will utilize our expertise in flight safety technology and operations control to achieve seamless transportation.

* Mobility as a Service. A new mobility concept of treating all transport modes as one service and providing seamless transportation.

Priority and strategic measures

Seamless transportation

We launched a new initiative, JAL MaaS, to provide one-stop information on mobility and solve local transportation problems. On the theme of solving problems in regional logistics that support life in remote islands using drones, we conducted Proof of Concept test flights in the Amami Islands of assisting the residents with shopping and delivering pharmaceuticals. Aiming to be a regional logistics infrastructure, we would like to turn this project into a business in FY2023. Going forward, we aim to expand the network to airports and contribute to expanding sales channels for local specialized goods to markets outside prefectures such as metropolitan areas and overseas.



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Disaster Restoration Assistance

Particularly relevant areas: All areas

Basic concept

- The JAL Group will support the reconstruction of areas affected by disasters to contribute to communities as a social infrastructure.
- We will cooperate in providing air transport to maintain and restore transportation networks in the event of a disaster and providing other assistance for reconstruction.
- To achieve this, we will secure air transport in the event of a disaster by operating temporary flights and maintaining a transport system for relief supplies and relief personnel in collaboration with the government, local governments, NGOs and NPOs. We will also work with local governments to promote industries and generate tourism demand.

Priority and strategic measures

Securing air transportation and supporting affected areas

In response to the earthquake off the coast of Fukushima Prefecture in March 2022, from the day after the earthquake we increased scheduled flights to and from the Tohoku region, assigned larger aircraft and operated extra flights (March to April: 672 flights) to maintain and secure air transport for the people in the Tohoku region. In addition, we conducted the following activities to provide assistance for natural disasters that occurred in Japan and overseas.

- August 2021: Provided relief supplies to areas affected by heavy rain
- Employee fundraising for massive volcanic eruption and tsunami off the coast of Tonga

FY2021 assistance results	
	Fundraising by employees
Massive volcanic eruption and tsunami off the coast of Tonga	309,271yen

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Community Relations

Particularly relevant areas: All areas

Basic concept

- As a good corporate citizen, the JAL Group aims to build better relationships with stakeholders and contribute to the development of society.
- As part of our corporate citizenship activities, we will use our know-how as an airline company to create opportunities to think about the future of the environment and society, foster the next generation, support culture and sports, and work with various stakeholders. We also support volunteer activities by our employees.

Priority and strategic measures

JAL SORAIKU®

JAL SORAIKU® aims to provide students with the opportunity to think about their future and the future of the global environment by exploring the wonders of the sky and the joy of flying. It is offering online classes, SORA-ECO classes, origami plane classes and virtual JAL Factory Tours as activities that can be done during COVID-19. Taking the advantage of being able to participate from everywhere, we offered online courses to Japanese schools overseas. We are also conducting joint initiatives with local governments.

Number of JAL SORAIKU® participants (past three years)			
Fiscal year	FY2019	FY2020	FY2021
Number of people	191,840	20,435	50,147



An online class on the job of cabin attendants

Distribution of educational content

We offer JAL STEAM SCHOOL, a class in which pilots explain the world of aircraft and aviation from the perspectives of STEAM*1. In addition, JAL STEAM SCHOOL Portable, an interactive program that summarizes the contents of the class in an easy-to-understand manner, is exhibited in science museums and other venues throughout Japan to provide opportunities for more people to develop their creative thinking skills.

Furthermore, in collaboration with DOCOMO gacco, we introduced "People who Work in Airline Industry"*2 presented by JAL Group employees in gacco®, a video learning service.

Supporting culture and sports

The JAL Foundation holds the World Children's Haiku Contest for children around the world to provide them with an opportunity to deepen their understanding of Japanese culture and cultivate their sensitivity. In addition, in support of a D&I society that recognizes individual differences and promotes active participation, we cosponsor "Challenge for Tomorrow"*3. From FY2022, we have been supporting "Challenge for Tomorrow"*4 and are working to further promote a barrier-free mindset through parasports so that everyone can feel the importance of challenging themselves to something new.

Fiscal year	FY2019	FY2020	FY2021
Participating schools	287 schools	129 schools	277 schools
Number of people	(41,889 persons)	(12,559 persons)	(23,960 persons)

*1 A universal teaching method that combines the comprehensive study of Science, Technology, Engineering, Art and Mathematics. It is an educational philosophy that adds creativity education to science and mathematics education, aimed at cross-disciplinary learning to create a cycle of learning (seeking) and making (creating).
*2 Already closed.
*3 A hands-on para-sports class for elementary, junior high and high schools hosted by the Nippon Foundation Parasports Center
*4 Education and training programs by para-athlete instructors for students and all generations across Japan, including companies and local governments



World Cleanup with JAL Group employees worldwide

The Kuala Lumpur branch is working to reduce the use of plastic. We felt it necessary to show more of our commitment to protecting the planet and the children of the future through our daily activities, so we volunteered to participate in World Cleanup Day, a global citizens movement to clean up streets. The participation of more than 300 employees and their families not only from the Kuala Lumpur branch but also from other branches all over the world raised awareness of our contribution to society and the achievement of the SDGs.

Sustainability initiatives	Environment	People	Communities	Governance
Robust Risk Management (strengthening BCM)		Fair Business Practices (compliance)	Disclosure	Responsible Procurement

Governance

Basic Concept (JAL Group Code of Conduct)

Trust with stakeholders

The JAL Group ensures fair disclosure while maintaining a constructive dialogue with a broad range of stakeholders in order to achieve sustainable growth and increase corporate value.

- (1) Disclosure and dialogue
- (2) Prohibition of insider trading

Fair Business Practices (compliance)

We comply with laws and rules and conduct ourselves with honesty and integrity as a member of a company that is genuinely trusted by society.

- (1) Reinforcement of compliance
- (2) Prevention of corruption
- (3) Fair business relations with business partners
- (4) Free and fair competition
- (5) Management of personal information and intellectual property
- (6) Elimination of antisocial forces

JAL Group Code of Conduct "Commitment to Society"

WEB <https://www.jal.com/en/sustainability/codeofconduct/>

Challenges to be solved

▶ Robust Risk Management (Promotion of BCM) pp.99-101

WEB <https://www.jal.com/en/sustainability/governance/riskmanagement/>

▶ Fair Business Practices (compliance) pp.101-102

WEB <https://www.jal.com/en/sustainability/governance/fair-business-practices/>

▶ Disclosure p.102

WEB <https://www.jal.com/en/sustainability/governance/information-disclosure/>

▶ Responsible Procurement pp.103-104

WEB <https://www.jal.com/en/sustainability/csr-procurement/>

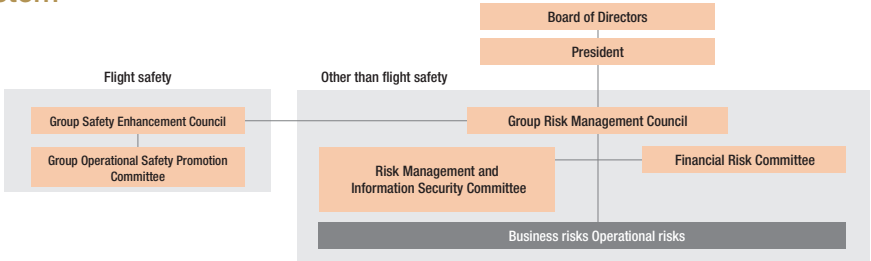
19/22 Robust Risk Management (Promotion of BCM)

Particularly relevant areas: All areas

Basic concept

- To keep trustworthy, the JAL Group comprehensively manages risks in its business activities.
- We will strengthen robust risk management including BCM and improve information security measures including cybersecurity.
- To achieve this, we have established a Group-wide risk management system to identify and respond to prioritized risks, and are developing a system to respond promptly when risks emerge. We will also strengthen business continuity management (BCM) for unknown viral infections, large-scale IT failures and an earthquake that strikes the Tokyo metropolitan area. Information security measures include the establishment of a management system and a threat monitoring system, and security for all employees.

Promotion system



To proactively control JAL Group's risks, we have established the Group Risk Management Council chaired by the President and composed of Senior Vice Presidents of each business area. For prioritized risks identified through screening by risk surveys, we review the status of risk controls against them semiannually and decide on further improvements, as needed. A subcommittee has been established to deal with financial risks and information security risks in more detailed and more frequently. Responses to prioritized risks assessed and decided by the subcommittee are reported to the Board of Directors, where further measures are discussed as necessary, creating a multi-layered risk governance structure for the interests of our stakeholders.

Priority and strategic measures

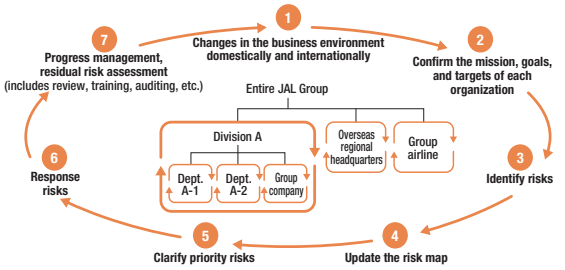
Implementation of the risk management cycle

The JAL Group defines risk as "an event or action that threatens the achievement of the mission, purpose or target of an individual or an organization," mandating all organization leaders to manage with their own risks as the risk officer. In implementing preventive risk management, risk officers conduct risk assessments twice a year to identify prioritized risks and take risk measures. CSA, i.e., (Risk) Control Self Assessment, is provided the organization at stake to reassess and improve and improves risk responses through a workshop-style self-assessment and provides risk consulting, as needed.

Development of BCP (Business Continuity Plan) and training

To fulfill our mission as a public transportation operator that plays the role of a social infrastructure, we have established individual BCPs for unknown viral infections, large-scale IT disruptions, and an earthquake that strikes Tokyo, while promoting universalizing business continuity management which doesn't depend on a cause of incident. In response to COVID-19, we activated the BCP for unknown viral infections in January 2020. As for an earthquake hitting the Tokyo metropolitan area, as JAL Head Office's central functions are concentrated in Tokyo, we set up the Operations Control Center, Osaka branch. We are also improving the BCP and conducting training using the knowledge of external experts so as to continuously improve BCP effectiveness. The JAL Group's business continuity

We implement the risk management cycle regularly so that each organization can achieve their targets.



capabilities have been highly evaluated by rating agencies.



Sustainability initiatives	Environment	People	Communities	Governance
Robust Risk Management (strengthening BCM)	Fair Business Practices (compliance)	Disclosure	Responsible Procurement	

Information Security Measures

Basic policy

In view of the importance of information security and personal data protection in a sophisticated information and telecommunications society, we have established the JAL Group Fundamental Policy on Information Security and are working to properly manage and protect important information held by the company, such as personal data of customers entrusted to use in the course of business, by disclosing on our website, information on compliance with laws and internal rules, our management system, safety measures, education, awareness-raising activities, cooperation with subcontractors, accident handling measures and our help desk.

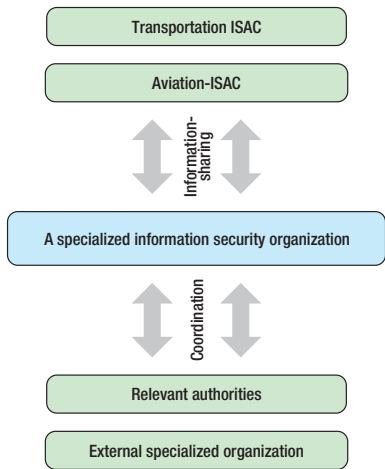
Management system

The Risk Management and Information Security Committee (p.99) oversees the handling of personal data and management and promotion of information security. We will enhance information security against increasingly sophisticated and complex external attacks and mitigate business risks. Furthermore, under the Senior Vice President of IT Planning, who is the CISO (Chief Information Security Officer), an organization dedicated to information security participates in Transportation ISAC*1 and AVIATION ISAC*2. Measures necessary to strengthen information security are implemented.

Information security

As an important infrastructure operator responsible for public transportation, we implement measures against cyberattacks such as data leaks and unauthorized access, in accordance with guidelines established by the Ministry of Land, Infrastructure, Transport and Tourism*3. In addition, we provided regular e-learning to all employees (participation rate of over 90%) and monitor threats 24/7

Information-sharing in information security and collaboration with relevant authorities



in collaboration with an external specialized organization. In the event of an incident, we have established the CSIRT (Computer Security Incident Response Team) in accordance with the Risk Management Manual to respond to incidents and prevent recurrence. Furthermore, an annual audit is conducted by an external specialized organization, and we have recently introduced secure terminals for remote work and fully encrypt and constantly monitor communications of our terminals even outside the company.

*1 An organization that promotes activities contributing to the improvement of collective defense capabilities of businesses in the transportation sector
*2 A global information-sharing organization composed of airlines, aircraft manufacturers, etc.
*3 Safety guidelines to ensure information security in the aviation sector

Number of breaches of Code of Conduct in FY2021

The number of fines and sanctions imposed on JAL and subsidiaries for violation of laws and regulations is zero.

Item (Relevant Code of contact items in parentheses)	FY2021
Bribery (Preventing corruption)	0
Antitrust violations (Free and fair competition)	0
Information leakage (Management of personal information and intellectual property)	0

Item (Relevant Code of contact items in parentheses)	FY2021
Human rights abuse (Respecting human rights and diversity)	0
Insider Trading (Prohibition of Insider Trading)	0

21/22 Disclosure

Particularly relevant areas: All areas

Basic concept

- In order to remain a company trusted by society, the JAL Group strives to enhance and improve the quality of disclosures to achieve transparency and better dialogue with a wide range of stakeholders.
- When making disclosures, we strive to provide complete information and engage in constructive dialogue with shareholders, investors and other stakeholders.
- For this purpose, in order to make the JAL Group's corporate stance easily accessible, various information is available on the JAL website, including JAL REPORT, an integrated report on finance and ESG, JAL Group Safety Report, which summarizes JAL Group's stance and initiatives on safety, and information on the corporate philosophy, company profile, safety and quality, sustainability and investor relations. We also make disclosures about our business plans and financial results in a timely, fair and appropriate manner.

Priority and strategic measures

Appropriate disclosure

In order for our stakeholders to comprehensively understand our latest situation, the JAL Group works to increase the quality of disclosed information as well as focus on two-way communication. Our stance was highly evaluated, thus we received 1st place for the transport sector's "2021 Award for Excellence in Corporate Disclosure" from The Securities Analysts Association of Japan, for the third time in the last four years. Due to the uncertain nature of demand recovery in FY2021, the consolidated financial forecast was undecided. In this situation, the "break-even matrix" was disclosed to provide our investors and analysts with a better image of the conditions required for a positive EBIT and EBITDA. This method of creatively meeting the needs of our investors was highly evaluated, and thus we were awarded the "IR Good Visual Award" from the Japan Investor Relations Association for two years in a row.

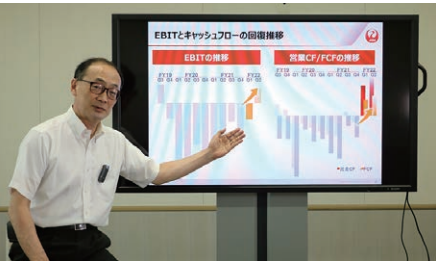


Communication with shareholders

In addition to posting information on the corporate philosophy, management strategies and plans on our website for easy viewing of our corporate stance, we also provide various opportunities for dialogue. In FY2021, as part of our efforts to strengthen communications, we began livestreaming of our shareholders' meetings and accepting questions in advance, opening a website dedicated to shareholders and launching the "IR Mail" service, which delivers IR-related information in a timely manner. In addition to resuming JAL Factory Tours, we held online briefings on our environmental initiatives to facilitate participation by shareholders living far away to deepen their understanding of the JAL Group. Going forward, we will continue to enhance and improve the quality of Disclosure to achieve better dialogue with shareholders and investors.

Timely and easy-to-understand information to employees

For employees to correctly understand the company's situation when a Medium Term Management Plan or quarterly financial results are announced, we not only distribute in-house newsletters immediately but also produce easy-to-understand commentary videos, which can be viewed on demand by employees around the world.



A video of financial results for employees presented by the Senior Vice President of Finance and Accounting

20/22 Fair Business Practices (Compliance)

For details on corporate governance, please refer to page 25 onwards.

Particularly relevant areas: All areas

Basic concept

- The JAL Group will conduct its business in a fair manner to continue to be a company trusted by society.
- To achieve fair business practices, we strive to ensure compliance, prevent corruption, engage in free and fair competition, manage personal data and intellectual property, and eliminate relations with antisocial forces.
- To achieve this, we will raise awareness of all employees on behavior and compliance based on the Code of Conduct through education. Additionally, we will develop a consultation desk to ensure early detection of misconduct.

Priority and strategic measures

Develop an environment for promoting compliance

To reinforce compliance throughout the JAL Group, we have established the JAL Group Compliance Network, consisting of officers from each JAL Group company, to clarify responsibilities, share information promptly and implement measures.

Enhance employee education

To realize ethical behavior by JAL Group employees, we conduct education on compliance including anti-corruption (twice a year) for all employees, seminars for officers and grade-based education to improve education.

Establish consultation services

We have established reporting and consultation desks inside and outside the company that can be used by anyone working in the JAL Group (24/7, available in Japanese and English languages).

In addition, individual consultation desks have been set up in at each Group company to detect and correct misconduct throughout the JAL Group. In FY2021, there were 110 whistleblowing incidents. We also conducted in-house training on the revised Whistleblower Protection Act.

Anti-corruption efforts

In the JAL Group Code of Conduct "Commitment to Society," we declared to prevent corruption and money laundering to pursue profits in a fair and just manner. In addition, as we expand our business globally, we will comply with applicable laws and regulations and international conventions in each country and region. To achieve this, we are developing an organizational structure through education for Vice President-level employees and periodically reviewing the anti-corruption system.

Sustainability initiatives	Environment	People	Communities	Governance
Robust Risk Management (strengthening BCM)		Fair Business Practices (compliance)		Responsible Procurement

22
22

Responsible Procurement

Particularly relevant areas: All areas

Basic concept

- In order to remain a company trusted by society, the JAL Group respects its business partners, strives to develop sound businesses and conduct responsible procurement.
- Recognizing that our daily aircraft operations and products and services are based on good partnerships with our business partners, we will maintain fair and impartial procurement, and build sustainable supply chains by communicating and complying with the JAL Group Supplier Code of Conduct.
- To achieve this, we will respond sincerely to our business partners and identify and solve problems from the perspectives of legal compliance, global environmental protection, respect for human rights, proper labor practices and fair business practices.

Strengthening cooperation with business partners

Priority and strategic measures

Identify primary suppliers

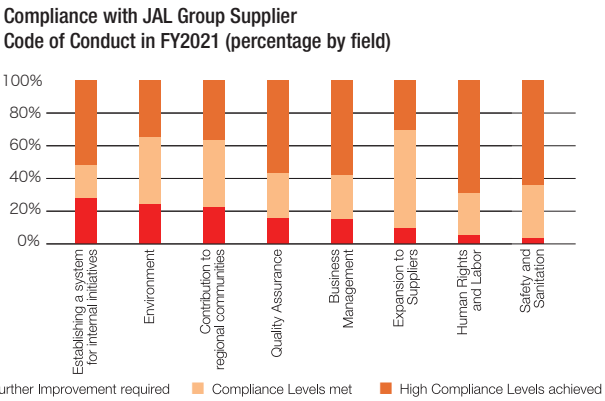
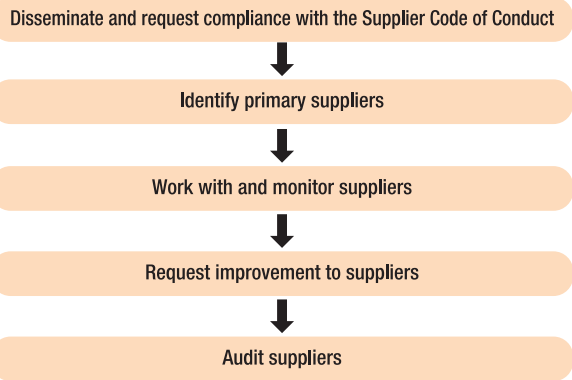
Considering the amount and volume of procurement and the importance and non-substitutability of products, we have designated approximately 470 domestic and overseas suppliers as primary suppliers and are working to check the soundness of supply chains in the order of high risk products.

Cooperate with business partners and request improvement

We disseminate the JAL Group Supplier Code of Conduct widely to our business partners and ask them to comply with it. For primary suppliers we check compliance status through the Sedex*1 SAQ*2 and a JAL questionnaire. When we received replies that do not meet the standards required by JAL, we communicated with the company and asked them to make improvements such as establishing environmental targets and developing a CSR promotion system. Going forward, we will make it a requirement to make improvements to meet the standards by a specified deadline or submit an improvement plan in order to continue transactions.

*1 An NPO that provides a platform for managing and sharing ethical supply chain data with the aim of achieving responsible business practices in the supply chain. Established in the U.K. in 2004.
*2 Abbreviation for self-assessment questionnaire

Supplier assessment flow



JAL Supplier Hotline

In FY2022, we opened in April the JAL Supplier Hotline to provide consultation to business partners and their employees. Going forward, we will periodically review the system to improve its effectiveness. In addition to quality, price, and delivery, we will continue evaluations from the perspective of sustainability through self-assessment questionnaires to promote responsible procurement and ultimately achieve the SDGs.

Key Performance Indicators (KPI)

Key Performance Indicators (KPI)	Period	By	Target	Achievement
Monitoring completion rate of primary suppliers	FY2019-FY2023	FY2023	100%	62%
Soundness confirmation rate of primary suppliers	FY2019-FY2023	FY2023	100%	62%
Auditing rate of suppliers requiring audit	FY2019-FY2023	Each year	100%	N/A
Consultation response rate	Each year	Each year	100%	FY2022~
Training rate of procurement staff	Each year	Each year	100%	100%

Use of certified products

Priority and strategic measures

Seafood

The prawns used in this menu are produced under responsible aquaculture management and certified by a third party according to ASC (Aquaculture Stewardship Council) standards, and received ASC's Group Distribution Certification (CoC).

WEB [https://www.asc-aqua.org/\(ASC-C-02732\)](https://www.asc-aqua.org/(ASC-C-02732))

Vegetables

ASIAGAP is GFSI (Global Food Safety Initiative), a certification of farms committed to food safety and environmental preservation and is a standard for global farm management. There are many standards for food safety, environmental protection, occupational safety, human rights, and welfare, including the management of pesticides and fertilizers. JAL Agriport has also obtained this certification for its farms.

ASC:
Whiteleg shrimp

ASIAGAP:
Salad

Forest management certification:
Menu card

Forest Stewardship Council (FSC) Forest Management Certification
Forest Management Certification is a system in which an independent third party evaluates and certifies forest management according to certain standards. It was established in Europe and the U.S. in the 1990s to prevent forest degradation and depletion from global illegal logging and to achieve sustainable forest management.

(Images include illustrations)



Relaxation wear

Global Organic Textile Standard (GOTS) Certification

GOTS is an international organic fiber standard for producing products in environmentally and socially conscious ways, consisting of certified raw materials and their traceability, provisions for prohibitions and restrictions on the use of chemicals, separation and identification, environmental management, residue limits, social norms (development of working conditions and conditions, prohibition of child labor, and workers' rights).



Rainforest Alliance Certification

Rainforest's new certification logo lays out a vision for a path to sustainability based on continuous improvement, transparency and shared responsibility between producers and companies to achieve our mission of building a better future for people and nature by making responsible business the new normal.

Topic

Delicious sustainable coffee



KAWASHIMA José Yoshiaki
Coffee hunter
President, Mi Cafeto Co., Ltd.

Mi Cafeto's mission is to create and maintain a market by supporting producers who strive to make delicious coffee while protecting the natural environment and human rights, and by directly importing coffee at a price commensurate with its quality without going through a middleman. Our company agrees with JAL's efforts and collaborates to help solve social problems by serving delicious, sustainable coffee in cabins and lounges.