

JAL REPORT 2025

JAL Group Integrated Report

March 2025



JAL Group Integrated Report
JAL REPORT 2025

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Corporate Policy

Key Points of This Report

Message from Our CEO

1. Significance of the JAL Group

2. Overview of Management Strategy

3. Strategies for Each Business

4. Strengthening Management Resources

5. Governance

6. Data Collection



We support the air transportation of people and goods, and by creating societal connections at their destinations. We contribute to a vibrant society and future where many people and various things can freely come and go.

The JAL Group established a Medium-Term Management Plan FY2021-2025 to realize its Corporate Policy, Purpose, and JAL Vision 2030. Its Corporate Policy is their goal and foundation for a universal management and Purpose is their ideal state of being. Medium-Term Management Plan FY2021-2025 is reviewed yearly as a rolling plan. The creation of social and economic value through business is based on universal values such as the Safety Charter and the JAL Philosophy, a divisional profitability management system and strong governance, as well as by leveraging our strengths in human resources, customers, and financial base.

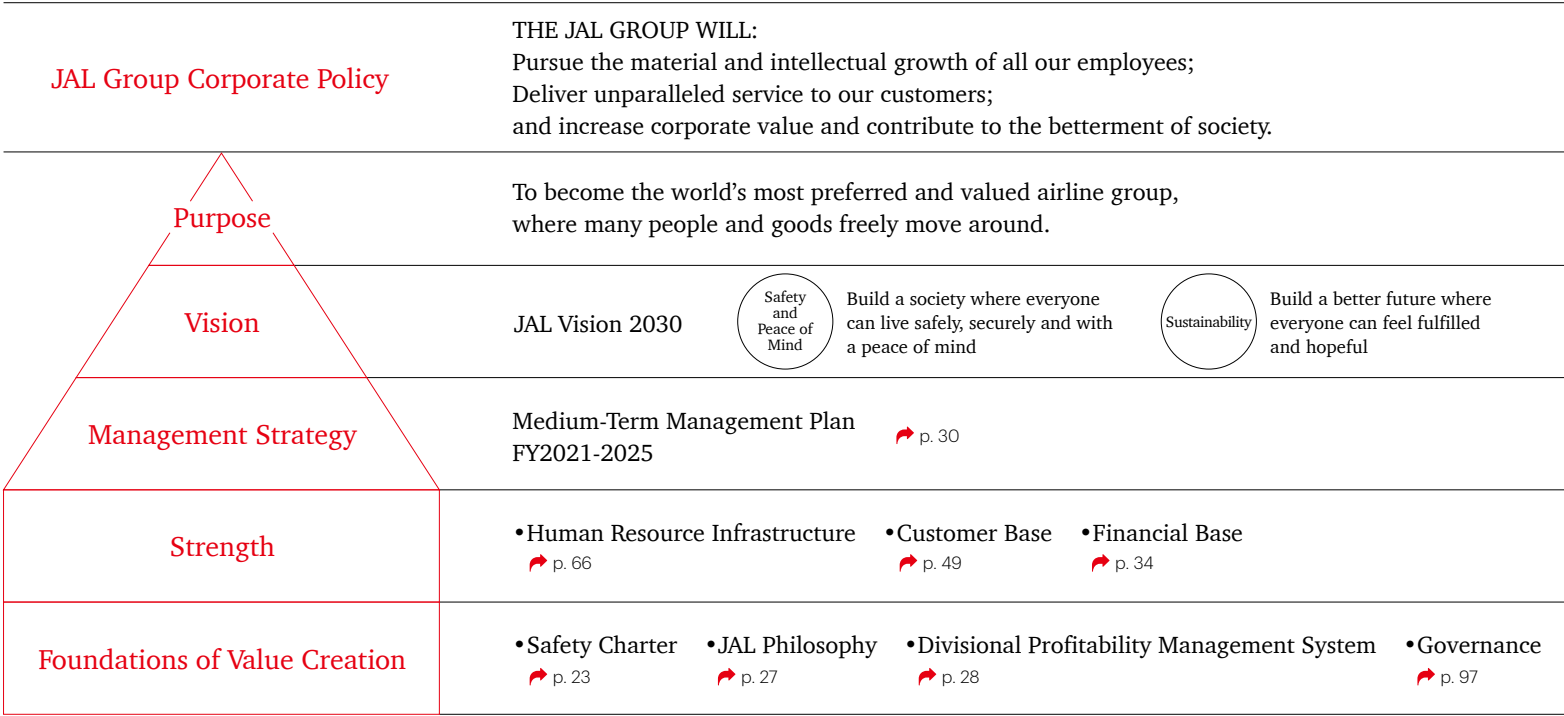


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Achieve the Medium-Term Management Plan targets for FY2025 and build a basis for growth for the next phase.

1 Strategies to Realize Our Vision

Our top management will reflect the first year of our CEO's tenure, as we present the results and the recognition of challenges we face toward the completion of the current Medium-Term Management Plan upon the final year of the plan, and our growth strategy for FY2026 and beyond to all stakeholders.

Message from our CEO ➡ p. 4

3 Operating Capital to Support Value Creation

To strengthen capital, which is the driving force behind the sustainable enhancement of corporate value, we have organized the vision, issues to be addressed to realize the vision, and measures to strengthen capital, along with target indicators.

Strengthening Operating Capital ➡ p. 18

5 Financial Strategies for a Strong Financial Structure and Improved Capital Efficiency

Breaks down financial strategy initiatives to improve PBR using a logic tree. The CFO message includes efforts to improve capital efficiency, maintain financial soundness, and pursue opportunities for aggressive investment in growth areas.

The Message from our Group CFO (Financial Strategy) ➡ p. 34

7 Supporting Individual Growth and Maximizing Individual Strengths through the Organization promoted by the Human Resource Strategy

Introduce the initiatives to improve each employee's ability to create value and achieve a high level of engagement with regards to human resources, one of our greatest strengths, through the details of each measure and the voices of employees through roundtable discussions.

Strengthening Human Capital ➡ p. 66

2 JAL Group's Value Creation Story

The JAL Group value creation story is disclosed in an easy-to-understand manner as it seeks to solve social issues through the creation of social and economic value with air transportation and relationships and societal connections. These values are realized by creating relationships and societal connections from each business activity and cross-business initiatives.

Value Creation Process ➡ p. 15

4 Social and Economic Value Created through Air Transportation and Societal Connections

The value created by air transportation and societal connections is visualized as the total amount of relationships and societal connections, and specific initiatives are divided into initiatives to increase the number of people and initiatives to deepen the level of involvement. This is describes the social value created by relationships and societal connections in an easy-to-understand manner.

Creating Value by Building Relationships and Societal Connections ➡ p. 16

6 Providing Value to Customers and Our Accumulated Customer Base

The message from our CCO includes a sense of management that differentiates JAL Group from its competitors, customer-oriented management that leverages the customer base that JAL Group has cultivated, the creation of stories that resonate with customers, and the human resources to create these stories.

The Message from our Group CCO ➡ p. 49

8 To leave a Precious Earth to the next generation

Detailed disclosure on how to address the sustainability of natural capital, which is a prerequisite for sustainable value creation, including various initiatives to reduce CO2 emissions and conserve biodiversity, and SAF procurement, which is a cross-industry initiative.

Measures for Sustainability of Natural Capital ➡ p. 79

Editorial Policy

JAL Group publishes JAL REPORT 2025 to inform stakeholders of the results of the previous year's business activities and future strategies in order to help them understand our pursuit of both economic and social value and our sustainable growth. The JAL REPORT contains information of particular importance to JAL Group's management from among the financial and non-financial information provided widely on our website.

◦ Period

In principle, the reporting period is from April 2024 to March 2025 (FY2024).

◦ Scope of Report

The scope of the report covers 190 companies of the JAL Group, including Japan Airlines, 135 subsidiaries, and 54 affiliates.

◦ Month of Issue

August 2025

◦ Reference Guidelines

The International Integrated Reporting Framework proposed by the IFRS Foundation and the Guidance for Value Creation by Ministry of Economy, Trade and Industry (METI) are used as references. For ESG information, we refer to the GRI Standards of GRI.

◦ Initiatives supported and endorsed

<https://www.jal.com/en/sustainability/membership/>

◦ Future Prospects

This report contains forward-looking statements regarding JAL Group's business and prospects. They reflect our current analysis of existing information and various trends. Actual results may differ from these forward-looking statements due to risks and uncertainties.

◦ Products and Services

Products and services, events, and other information in this report are subject to change without notice. Please check our website for the latest information.

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Our Commitment to Sustainability

The JAL Group organizes all of its business activities and the infrastructure that supports them from an ESG (Environmental, Social, and Governance) perspective. The ESG strategy is to create sustainable human, commercial, and logistics flows through these initiatives. Based on the belief that creating social and economic value through the promotion of ESG strategies will lead to the sustainability of the JAL Group and society, we are promoting management strategies that place the "ESG strategy" at the top of the Medium-Term Management Plan. p. 42 "Major Initiatives and Results Regarding Sustainability" explains the relevance of ESG and sustainability initiatives and how they relate to management targets.

ESG Strategy			
Topmost strategy in Medium-Term Management Plan			
Solving social issues and create sustainable flows of people, goods and logistics			
ESG Perspective	Social Issues to be approached	Main Initiatives of the JAL Group	SDG Perspective
Environment (E)	Addressing climate change	Reduction of CO ₂ emissions, Use of SAF	13
	Promoting a Circular Economy	Reduction of single-use plastics	6, 12, 13
	Biodiversity Conservation and Restoration	Nature conservation and restoration activities in priority areas	14, 15
Social (S)	Regional Revitalization	Building Relationships and Societal Connections	11, 8
	Promotion of DEI	Proportion of female managers and employees with disabilities	5, 10
Governance (G)	Respect for Human Rights	Implementation of human rights due diligence	10
	Fair business practices	Compliance adherence	16

Contribute to the sustainability of society and the JAL Group through creating social and economic value.

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We are committed to creating a marvelous society and future in which people and goods move freely while accompanying our stakeholders to deliver a fulfilling life full of abundance.

TOTTORI Mitsuko
President and
Representative Director
Group CEO

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Reflections on My First Year as CEO

When I assumed the position of CEO, I declared that I would work to enhance corporate value through the best teamwork under the dual perspectives of frontline and management. In the frontlines of flight operations, maintenance, and ground handling, we are working hard daily to support the highest standards of safety and peace of mind. In the service frontlines, including cabins and airports, each and every employee is dedicated to delivering the best possible service to our customers. In order to meet the challenges and earnest attitude of these frontlines, we have once again strongly recognized that the responsibility placed on top management is to create an environment in which employees can work with a sincere sense of security. We will continue to take firm steps to improve the workplace environment.

In FY2024, we were able to increase both revenue and profit in all of our business segments and achieve our targets for sales revenue and EBIT of JPY 1,844.0 billion and JPY 172.4 billion, respectively, the highest since our re-listing, despite the challenging environment of a weak yen and high prices. We owe this achievement to the strength of each and every one of our employees who continued to take on challenges until the very end, and to all of our stakeholders who have supported us. I would like to express my sincere gratitude to all of you.

On the other hand, several flight safety-related incidents, including inappropriate alcohol-related incidents involving our cockpit crew, occurred in FY2024. We were subject to Administrative Guidance from the Ministry of Land, Infrastructure, Transport and Tourism. We sincerely apologize to our stakeholders for any concern and inconvenience this may have caused.

Although we have taken various measures in response to the Business Improvement Order to address the alcohol-related incident, we accept that the reasons for our failure to prevent a reoccurrence include lax monitoring by management, a lack of vigilance regarding alcohol risks, and insufficient dialogue and awareness to instill a culture of safety. With this reflection in mind, we have formulated and are steadily implementing 37 recurrence prevention measures, including system modifications, such as the automation of inspections. In addition, a Verification Committee was established. This committee is not only chaired by an outside director but the majority of its members are from outside the airline in order to objectively monitor the progress and effectiveness of the recurrence prevention measures and includes frontline inspections.

Forty years have passed since the Mt. Osutaka accident. The starting point of my safety policy is to “absolutely protect irreplaceable lives” as this accident occurred shortly after I started working as a cabin attendant. My desire for safety has been deeply engraved in my heart every time I climb the Mt. Osutaka ridge and after meeting and talking with the bereaved families. The JAL Group’s commitment to safety remains unchanged. We continue to ensure flight safety with sincere efforts for each and every flight.

Progress of the Current Medium-Term Management Plan
Results of the Current Medium-Term Management Plan
Ending FY2025

Under the current Medium-Term Management Plan, which began in FY2021, we have been promoting business structure reforms under the concept of Recovery and Growth from the COVID-19 pandemic. ESG was our top-level strategy to diversify our business to move away from focusing only on our FSC business. These reforms are progressing well, and the EBIT ratio from businesses other than FSC has risen from the pre-COVID 30 percent to 40 percent in FY2024. Going forward, we will demonstrate our resilience and develop our growth potential by increasing the percentage and making our business structure less dependent only on the airline industry.

Growth of New Businesses and Strengthening of
Existing Areas

In the LCC business, which started with the COVID-19 pandemic, ZIPAIR, a new LCC business model using medium-sized aircraft in long-distance routes, became the world’s first trans-Pacific LCC, expanding its network to 10 destinations and growing to a 15 percent profit margin business. ZIPAIR offers unique services, such as full-flat seats and free Wi-Fi service, which are rare among LCCs. These services have been well received by our customers.

The Mileage / Finance and Commerce business has grown significantly as the core in the non-aviation domains as it offers various products and services based on mileage, such as payment, electricity, telecommunications, and FX. In 2024, we launched the Life Status Program, which allows customers to earn status by points earned throughout their lifetime. Many customers have taken advantage of this groundbreaking lifelong system, which has resulted in a significant increase in the number of miles issued.

As for the cargo business, in FY2024, we introduced three of our own

Please refer to p. 26 for details on “Toward Restoring Trust in Safety”

freighters for the first time in 13 years. We also utilized freighters belonging to other airline companies to build an agile supply system linking Asia, which is expected to grow, with Europe and the United States. In Japan, in cooperation with the Yamato Group, we operate Japan's first flying delivery service as a corporate citizenship activity to solve the shortage of truck drivers.

Airbus A350-1000, an aircraft that offers the best service in the world, was introduced in our international FSC business, our main growth driver, to fly to major cities in Europe and the United States. When I was Senior Vice President of the Customer Experience Division, I designed this aircraft under the concept, Design Your Story. This was developed under the spirit to have every customer enjoy a comfortable flight safely and with peace of mind regardless of their different needs and reasons for undertaking the journey. Since its launch in January 2024, the aircraft has been well received by many customers, who have experienced the hospitality of the cabin crew, inflight meals tailored to their needs, and a cabin that has been carefully designed to provide a sense of privacy in every corner. On the other hand, it is structurally difficult to generate profits in our domestic business. In addition to a decrease in demand caused by a shrinking population, costs have remained high due to the weak yen and high prices. The whole airline industry is facing this challenge. With the government, the entire industry is considering measures to improve profits in the domestic market. The JAL Group will also advance various initiatives to improve the profitability of domestic flights.



Airbus A350-1000

Strengthening Financial Standing and Achieving EBIT Targets

Our basic financial policy is to strategically allocate management resources while maintaining both a strong financial position and high capital efficiency.

Although the COVID-19 pandemic caused the shareholders' equity ratio to periodically drop to around 30 percent, as of the end of FY2024, we have one of the world's strongest financial bases in the airline industry, with a shareholders' equity ratio of 41.1 percent and a net D/E ratio of minus 0.0 fold in terms of rating evaluation. In order to improve capital efficiency, we have been actively investing in growth areas through thorough management of revenue and expense plan by segment and by setting hurdle rates for each business. As a result, we are now in a position to forecast ROIC of 8.1 percent for FY2024, which is 9 percent of the planned figures in the Medium-Term Management Plan.

Our profit target of JPY 200 billion in EBIT for FY2025 will be achieved by steadily capturing external environmental factors such as the strong inbound demand for international flights and a recovery in demand for domestic flights, and by steadily implementing the business structure reforms that have been undertaken since the COVID-19 pandemic. We will also aim for our management target of an EBIT margin of 10 percent or more.

Regarding shareholder returns, we will maintain the dividend payout ratio of 35 percent for FY2024 and aim to increase dividends for FY2025, when we plan to increase profits. Going forward, we will strive to further enhance shareholder returns, including share buybacks, based on our financial strength and capital reserves.

Growth Strategy for FY2026 and Beyond Intentions and Aims of the Growth Strategy for FY2026 and Beyond

Since the COVID-19 pandemic, the environment surrounding our existing business areas has been undergoing significant changes, including climate change, population decline, rising prices, yen depreciation, and an increase in inbound tourism, and the risks and opportunities we must address are also changing. Under these circumstances, we will view the social issues that will emerge in the future as opportunities to create new needs, and in the medium- to long-term, we intend to proactively create businesses in new domains from the viewpoint of social issues.

Based on this recognition, we have decided to present the direction of

Please refer to p. 34
for details on
"Financial Strategy"

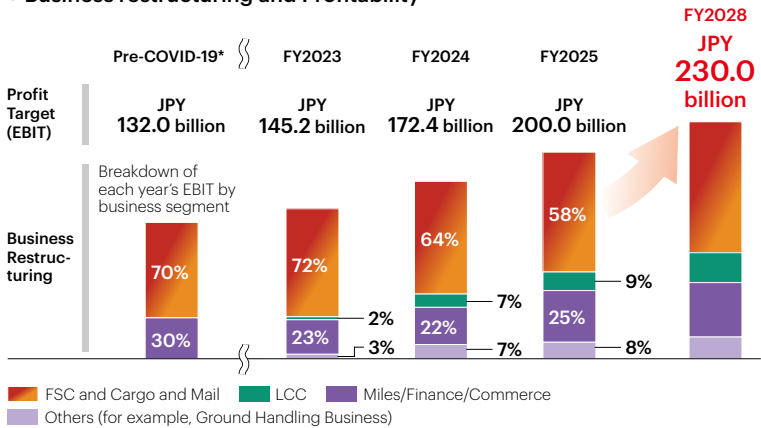
our growth strategy for FY2026 and beyond at this time in order to realize a steady and quick growth.

Deepening Business Structural Reforms in Existing Businesses and Future Business Portfolio Goals

In our existing business areas, we will work to deepen our business structural reforms, focusing on the key themes of Growth of International Routes, Improving Profitability of Domestic Routes, Improving Productivity, and Growth of the Mileage, Lifestyle and Infrastructure Business.

With regard to domestic routes in the FSC business, we will improve profitability by optimizing the scale through supply-demand matching and improving efficiency through productivity enhancement. On the other hand, we will allocate resources and aggressively promote investments in the international FSC business, Cargo and Mail operations, and LCC business, which have high growth potential, and non-aviation domains such as Mileage / Finance and Commerce, which have high capital efficiency. By doing so, we will build a business portfolio that generates half of its profits from LCC business and non-aviation domains such as Mileage / Finance and Commerce, thereby achieving an EBIT of JPY 230 billion in FY2028 and beyond to enhance corporate value over the medium to long term.

Business restructuring and Profitability



In addition, we will proactively create businesses in new areas, viewing social issues such as adaptation to global environmental changes, regional decline, and population decrease as opportunities to create new needs. For example, in the area of air mobility, we will contribute to solving regional issues by using drones to quickly deliver medical supplies and daily necessities to people living on outlying islands as part of our community-based efforts. Furthermore, we are also working on the practical application of eVTOLs (Electric Vertical Take-off and Landing), which are capable of transporting not only goods but also people, with the aim of commercial operation after 2027 to help solve regional issues and promote social development.

Increasing the Total Amount of Relationships and Societal Connections by 1.5 Times by 2030

With the progress of digitalization and population decrease, the future of the people and goods in Japan will deteriorate if nothing is done. The JAL Group will not sit idly but will expand its own role in promoting the attractiveness of Japan's regions and creating a purpose for people's travel, thereby revitalizing Japan's regions and enriching people's lives.

To achieve this goal, we have set a target of increasing the total amount of relationships and societal connections by 1.5 times by 2030 by improving the number of non-resident population and the degree of involvement with the communities. To increase the relationships and societal connections, we will increase the number of people by expanding accessible tours and tourism that allow everyone to move freely. To increase the level of involvement, we will work to create a system to build communities and places to stay. Last year, we created a JAL FUTURE MAP, a depiction of our future image, in order to promote understanding of our initiatives in building relationships and societal connections among various people both inside and outside the airline company, and to further promote our activities. Going forward, we hope that more people not only in Japan but all over the world will enjoy air transportation. The JAL Group is ready to contribute to air transportation that makes everyone including those around them happy and enriches the community.

JAL's ESG Strategy

In order to sustainably develop our business and continue providing products and services to our customers, the JAL Group must maintain and strengthen Natural Capital and Human Capital.

Please refer to p. 31 for details on "Direction of Growth in FY2026 and Beyond"

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GX Strategy and Various Initiatives to Conserve Natural Capital

The optimization of Natural Capital and the conservation of biodiversity are becoming increasingly important in continuing economic activities. It is also becoming a global standard. In the airline business, the impact on business is enormous, including infectious disease pandemics, loss of natural tourism resources and total passengers due to changes in the ecosystem, difficulties in flying or the inability to use operating airports due to natural disasters caused by climate change.

As a goal of the GX Strategy, the JAL Group is the first airline company in Japan to declare net zero CO₂ emissions by 2050. By FY2030, we will renew approximately three fourths of our aircraft fleet to fuel-efficient aircraft. In addition, sustainable aviation fuel (SAF) was mass-produced domestically for the first time in 2025 to replace 10 percent of all on-board fuel by FY2030 while being aware that the stable procurement and price of SAF remains an issue. We will work with our partners and stakeholders across industries to increase SAF production and procure in affordable price. We will also work to procure the credits necessary to achieve our goals and to promote the introduction of new next-generation technologies, such as removal of CO₂.

Strengthening Human Capital, the JAL Group's Greatest Strength

The strength of the JAL Group's Human Capital is that all employees make decisions and take actions rooted in a common set of values focused on JAL Philosophy. We believe this is a strength that will not change in the future. On the other hand, we must deepen our business structural reforms as the business environment is undergoing significant changes, including a rapidly aging society with a declining birthrate, climate change, and continuous price hikes. As the environment surrounding us is likely to change drastically in the future, we believe it is important for each and every employee to create new added value. To this end, we will work on improving productivity and optimizing human resource portfolio.

To improve productivity, we will advance the value creation of each employee in our DX strategy particularly in the use of AI and data. As DX advances, there are tasks that can only be done by humans. By making use of the human resources, the greatest ability of the JAL Group, we will simultaneously increase the value of information technology and human resources. With regard to optimizing the human resource portfolio, we will continue to promote diversity in terms of attributes such as gender, nationality, age, and disabilities, under the so-called diversity, equity and inclusion (DEI). An environment will be made where our employees can demonstrate their diverse skills and values without being bound by past customs and precedents. In order

Please refer to p. 10 for details on "JAL FUTURE MAP"



Going forward, we hope that more people not only in Japan but all over the world will enjoy air transportation. The JAL Group is committed to contributing to air transportation that makes everyone including those around them happy and enriches the community.

to promote the transformation of our business portfolio to one that is not solely dependent on our airline business, we will visualize the necessary skill sets, strengthen the education and development of our internal human resources, as well as actively recruit experienced and skilled human resources that are essential for new business growth from outside the airline company. In human resource management, I place particular emphasis on increasing employee engagement. To this end, we will provide opportunities for personal growth, create an environment in which employees can take on the challenge of creating new value, and continuously give back to our employees.

Message to Stakeholders

Through dialogue with our stakeholders over the past year, I have been reminded that while all things, information, and even personal feelings are connected digitally, there is also a renewed appreciation for the benefits of being real and having analog properties. I also realized that even in a rapidly changing environment, real encounters and connections can create authentic experiences and emotions that tickle the senses.

There are many employees in the JAL Group who enjoy their work and find it rewarding, transforming their ideas and thoughts into reality through their own ingenuity. We aim to increase the number of such employees and become an airline group that can deliver joy and richness of life to our stakeholders while accompanying them in their lives.

The JAL Group will continue to be an airline company that is needed by society and that lives together with society, solving social issues and realizing social sustainability and well-being by building relationships and societal connections.

We sincerely ask for your continued warm support.



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JAL FUTURE MAP

The JAL FUTURE MAP has been created with the aim of helping people inside and outside the company understand the efforts to realize the “building of relationships and societal connections”, and to further promote these efforts. The ideas depicted in this map and the free thinking of all employees will be used as an engine to work with our customers and communities to realize a sustainable future.



Special website <https://www.jal.com/en/futuremap/> Concept movie <https://youtu.be/NP944-IAmOU?si=wolXe7jmGRvevhFX>

1

Significance of the JAL Group

About This Chapter

- Business Model that Leverages the Strengths Cultivated Since our Founding Value Creation Process
- Challenges and Measures to Strengthen our Operating Capital Strengthening Management Capital
- Our Key Issues Materiality
- Cultivating Social and Economic Value by Creating Relationships and Societal Connections
- Our Precious Values

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A Timeline of Embracing Challenges

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A Timeline of Embracing Challenges

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Since its birth in 1951 as Japan's first postwar airline, the JAL Group has constantly kept abreast of the changing times and has continued to accumulate technology and innovation. We will continue to leverage the strengths we have developed since our founding to air transport people and goods and create relationships and societal connections.

1951 Established

1950s

Japan Airlines was founded.
In the midst of postwar reconstruction, a new wing of Japan creates new connections with the world.

- FSC** 1951 Started domestic flights
- FSC** 1954 Started scheduled international flights for the first time after the war (Tokyo-Honolulu-San Francisco) (Image ①)
- FSC** 1954 Started inflight services on international flights based on Japanese traditional culture, such as wearing kimono, distributing hand towels and fans
- FSC** 1957 Operated Aurora, a discount late-night domestic flight (Tokyo-Sapporo)



1970s

Entering the era of full-scale mass transportation.
Introduced jumbo jets early on, supporting the popularization of overseas travel and international exchange.

- FSC** 1970 Boeing 747 jumbo jet enters service
- FSC** 1970 Started new inflight services such as movies and audio services.
- Cargo** 1972 Transported giant pandas from China
- 1978 Narita Airport opened (Image ④)



1990s

With environmental issues becoming a social issue, the JAL Group began full-scale resolution of these issues through its business as a company that supports air transportation and societal connections

- Natural Capital** 1991 Launch of CONTRAIL Project
- Mileage, Lifestyle and Infrastructure** 1993 Introduced the Frequent Flyer Program for international flights
- FSC** 1998 Introduced video-on-demand personal screens in First Class and Executive Class (now Business Class)
- FSC** 1999 Smoking is banned on all international flights

1960s

The era of jet airplanes.
The JAL Group is instrumental in building societal connections between Japan and the rest of the world by launching package tours and round-the-world routes.

- FSC** 1960 The first jet plane, the Douglas DC-8, entered service (Image ②)
- FSC** 1961 First scheduled flight on a northbound route to Europe (Image ③)
- Mileage, Lifestyle and Infrastructure** 1965 Against a background of air transport liberalization, the first JALPAK packaged tour departed
- FSC** 1967 Round-the-world route opened, becoming Japan's Wings Linking the World



1980s

JAL was ranked first in the world in scheduled international flights.
A new JAL emerged after complete privatization.

- Mileage, Lifestyle and Infrastructure** 1982 JAL Card issued
- FSC** 1983 Ranked first in the world in passenger traffic data and cargo traffic data by the International Air Transport Association (IATA) (No.1 in the world for five consecutive years until 1987)
- FSC** 1986 JAL began direct European routes on the Tokyo (Narita)-Paris route, the world's first flight via trans-Siberian airspace
- 1987 Full privatization of the airline

2000s

JAL and JAS integrated business and became a oneworld member aiming to further improve customer convenience and competitiveness.

- Intellectual Capital** 2002 Introduced Japan's first automatic check-in machines for international flights
- FSC** 2004 Full integration with Japan Air System (JAS) (Image ⑤)
- FSC** 2004 Introduced Class J, a new class for domestic flights
- Intellectual Capital** 2005 Launched Touch & Go, an IC check-in service at major airports in Japan (Image ⑥)
- FSC** 2007 Joined oneworld airline alliance, one of the world's largest airline alliances



2010s

The JAL Group established a new Corporate Policy and renewed its foundation for value creation in the wake of its business failure. In addition, the birth of LCCs created an unprecedented flow of people.

- 2010** Filed for corporate reorganization proceedings
- FSC** **2010** On-time arrival rate ranked first among the world's major airlines in Flightstats (also ranked first in 2011) (image 7)
- FSC** **2012** Launched JAL SKY Wi-Fi, an inflight Wi-Fi service on international flights (Image 8)
- 2012** Re-listed on the Tokyo Stock Exchange
- FSC** **2013** SKY SUITE 777 launched on the Narita-London route
- Intellectual Capital** **2014** Launched JAL SKY NEXT, a new domestic products and services (Image 9)
- Intellectual Capital** **2017** Passenger service system (PSS) is revamped. Migrated to Amadeus' Altea
- FSC** **2018** Certified as SKYTRAX "5 Star" (thereafter, 7 consecutive years until 2024) (Image 10)
- LCC** **2019** Launch of ZIPAIR, an international medium-haul LCC



2020s

Established JAL Vision 2030. ESG strategy is positioned as the topmost strategy in the management plan, creating social and economic value through air transportation and societal connections.

- Intellectual Capital** **2020** "JAL SMART AIRPORT" started (efficient and comfortable self-service through the use of the latest technology) (Image 11)
- LCC** **2021** Acquired SPRING JAPAN to launch JAL's LCC strategy based in Narita
- Natural Capital** **2022** Operated the first flight in Japan with net zero CO₂ emissions on the Tokyo–Okinawa route
- FSC** **2023** The only Japanese airline to receive APEX WORLD CLASS award for the third consecutive year
- FSC** **2023** Launch of specially painted "JAL Myakumyaku JET" (Image 12)
- FSC** **2024** Introduced Airbus A350-1000
- Mileage, Lifestyle and Infrastructure** **2024** Launch of JAL Life Status Program
- Cargo** **2024** Boeing 767-300ER launched as a freighter (Image 13)
- 2025** Opend Sora Cruise an immersive theater at EXPO 2025 OSAKA, KANSAI



First flight of the first specially painted aircraft JAL Myakumyaku JET

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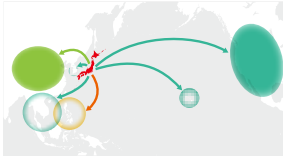
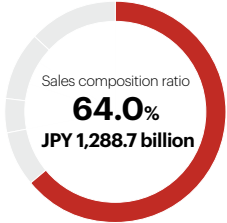
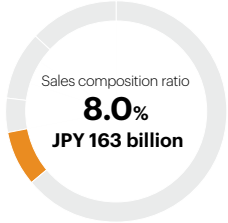
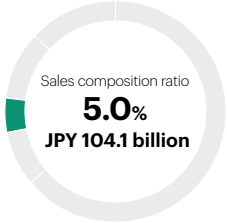
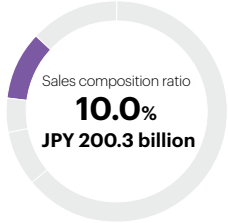
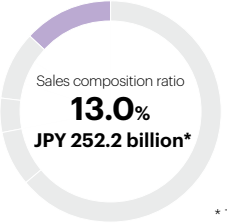
6. Data Collection

Contributing to
the air transportation
of People
and Goods

Become the World's Most Preferred and Valued Airline Group

Contributing to
the Societal
Connections
of People
and Goods



Aviation Business			Non-Aviation Business		
Supporting the movement of people and goods			Supporting the Connection of People and Goods		
	Full-service carrier (FSC)	Cargo and Mail	Low-cost carrier (LCC)	Mileage/ Finance and Commerce	Others
					Ground Handling Contracts  Next Generation Mobility 
Businesses	Maintain and expand network while reducing environmental impact by introducing fuel-efficient aircrafts and creating a relevant population	Solving issues in the logistics industry by leveraging the advantages of route network to create a sustainable logistics network	Creating new human flow through agile business development in response to the market	Providing various mileage lifestyle services that create new connections	Contributing to the development and revitalization of the country and region by creating inbound human flow through the acceptance of overseas airlines
Strengths Characteristics	Number of airports served - Domestic: 64 airports - International: 395 airports Revenue Passenger Kilometers (RPK) - Domestic: 27,666,782 thousand passenger-kilometers - International: 41,916,185 thousand passenger-kilometers Number of airline partners: - 39 airlines (total of domestic and international)	Revenue cargo tonne-km - Domestic: 305,220 kilotonnes-km - International: 2,767,480 kilotonnes-km	- Number of aircraft: 14 aircraft - Number of routes: 19 routes (excluding Jetstar Japan and cargo flights)	- Number of JMB members (cumulative): Approximately 40 million members - JALUX revenue: JPY 39.3 billion	Number of flights by overseas airlines - Passenger flights: 78,000 flights - Cargo: 5,000 flights
Sales Revenue Composition					 * Travel, consignment, etc.
Major Brands	 JAPAN AIRLINES  J-AIR  JAPAN AIR COMMUTER  HOKKAIDO AIR SYSTEM  JAPAN TRANSOCEAN AIR  RYUKYU AIR COMMUTER		  	   	 JAPAN AIRLINES    

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Since its founding, the JAL Group has leveraged the management capital it has cultivated and built its business activities across various domains on the foundation of its core values. By creating relationships and connections through air transportation, we will continuously generate social and economic value. Through this process, we will work to strengthen our capitals and enhance corporate value, while addressing materiality to achieve social sustainability and wellbeing.

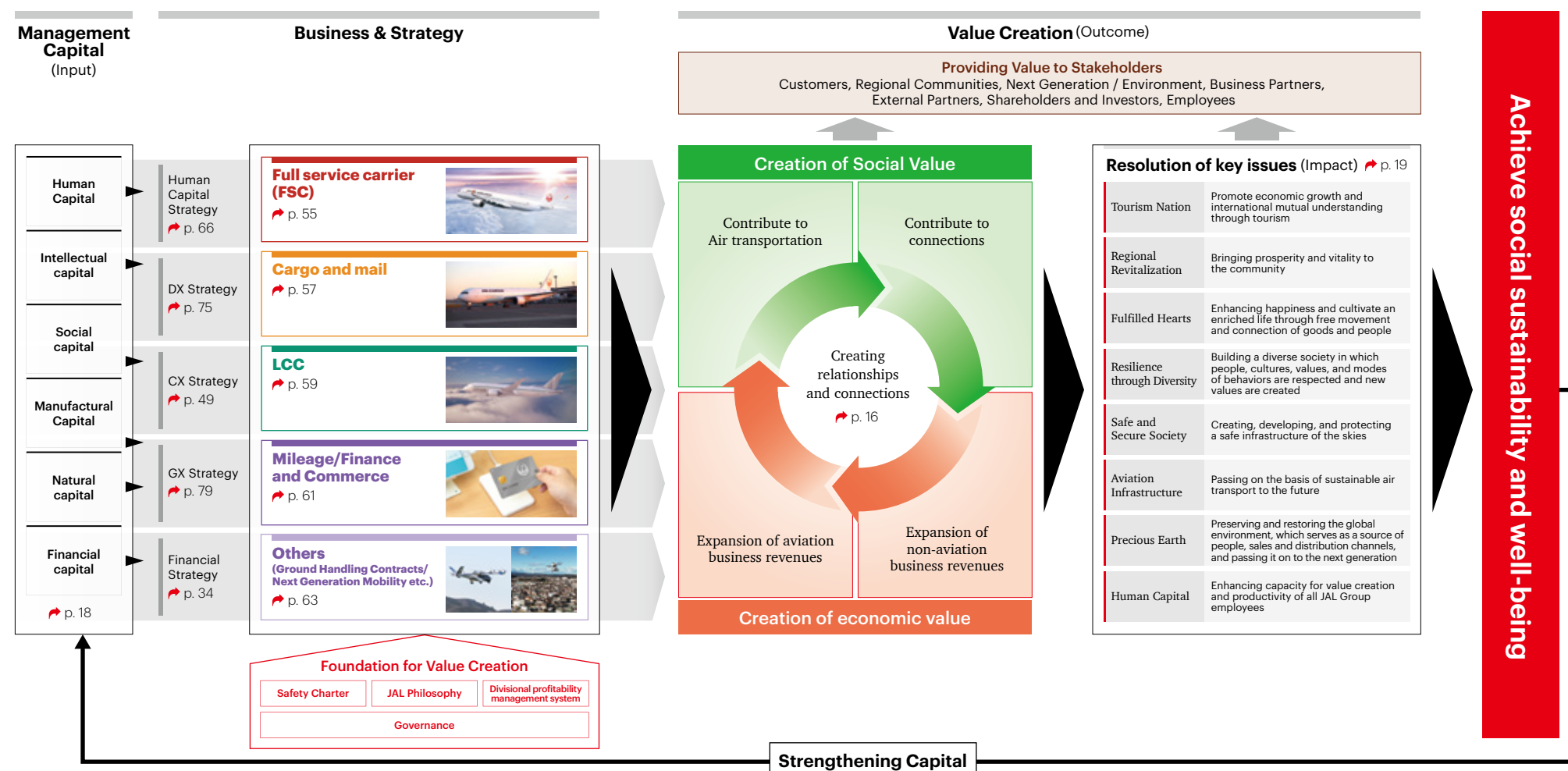


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Creation of social and economic value through “creation of relationships and societal connections”

Total amount of relationships and societal connections By 2030, **1.5 times** the 2023 level

Expansion of the number of non-resident population^{*4}

Indicators
Number of JMB members who traveled to the same destination by air at least twice a year.

Increased level of community involvement

Indicators
Average number of trips to the same destination by the non-resident population

Increasing the number of people

Everyone can travel freely

- Fly Again (revisit hometowns and other places of memories)



- Accessible tours

Creating air transportation for young people

- Creating air transportation through various promotions

Inbound and regional visitors

- Adventure tours
- Ground handling contracts

Increasing the number of new travel alternatives

- Go Somewhere with Miles
- LCC network

Deepening your involvement

Creating a community and place to be

- Travel Academy
- Promote bi-regional living

Creating regional brands

- Matching platforms connecting regions and cities
- Educational programs to solve regional problems

Expanding transportation network

- Cooperation with regional transportation
- eVTOL/drone logistics

Protecting nature and culture

- Sustainable tourism based on international standards
- Town planning in remote islands

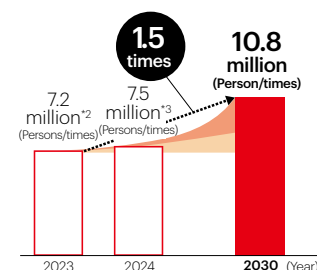
Creating Value by Building Relationships and Societal Connections

The JAL Group has positioned ESG strategies as its top-level strategy. By crossing “relationships and societal connections” utilizing social and relational capital with local communities and customers, and diverse assets consisting of airline and non-aviation assets, we will create and expand new relationships such as people-to-people and people-to-region relationships, and transform encounters, discoveries, and sympathetic experiences brought about by air transportation into value.

As a result, we will work to realize a sustainable business model that creates both social and economic value by improving people's well-being and revitalizing local communities.

Expansion of total amount of relationships and societal connections^{*1}

- Initiatives to deepening your involvement
- Initiatives to increasing the number of people



^{*1} Recalculate the total amount of relationships and societal connections presented in Rolling Plan 2024 by reviewing the aggregation logic (e.g., recapturing departure points, counting itineraries that pass through multiple locations)

^{*2} 1.32 million x approx. 5.4 times = 7.2 million
^{*3} 1.40 million x approx. 5.4 times = 7.5 million

Research cooperation: University of Tsukuba

^{*4} The definition for the term “non-resident population” refers to people who are not migrants, tourists, or mere returnees, but who are involved in a continuous and diverse way with a specific region outside of their daily living or commuting area and contribute to solving regional issues.

Please visit the JAL FUTURE MAP special website and watch the concept movie, which depicts the future of creating relationships and societal connections through air transportation.

Special website <https://www.jal.com/en/futuremap/>

Concept Movie <https://youtu.be/NP944-lAmOU?si=8KibpTOvNs5f3xsq>

Initiative to Increase the Number of People

Sister City Partnership Linking Japan and Hawaii



In March 2025, The JAL Group and the Japan-America Society of Hawaii signed a Partnership Collaboration Agreement to host the 2nd Hawaii - Japan Sister City Summit in May 2026. Since JAL started its Hawaii service in 1954, exchanges between the two countries have continued for over 70 years and this partnership was signed based on the common goal of strengthening the relationship and exchange between Japan and Hawaii by both parties, and JAL, as the secretariat in Japan, will support the strengthening and expansion of sister city ties by connecting local governments and Hawaii. We will work to deepen the cultural, economic, and social ties between the two regions and further expand exchanges.

● For more information
<https://press.jal.co.jp/ja/release/202503/008687.html>



HIYAMIZU Taro
Japan Airlines Co.
Strategy Planning
Relationship and
Connection Creation
Department
Sales & Marketing Division

Let's go somewhere with miles! Go somewhere with miles



The "Go somewhere with miles" program allows you to redeem a round-trip domestic award ticket for a flat rate of 7,000 miles, instead of the 9,000 to 21,000 miles required for a standard award ticket (in the case of base miles). By going to destinations chosen at random from among four potential destinations, you can enjoy a different kind of exciting travel encounter and a journey of discovery created by chance. A total of 710,000 customers have used the service since its launch. We will continue to contribute to regional revitalization by expanding travel opportunities for customers and creating new connections between customers and local communities.

● For more information
<https://www.jal.co.jp/jp/ja/jmb/dokokani/>
(Japanese only)



OKADA Ryoka
Japan Airlines Co.
Mileage and Lifestyle
Business Division
Mileage Department
FFP Planning Group

Examples of Initiatives to Deepen Involvement

Connecting with the community. Change the way you live. Travel Academy



The "Travel Academy" is the first concrete initiative in the "JAL FUTURE MAP," a future vision of creating "relationships and connections through air transportation" announced by the The JAL Group in August 2024. The program provides an opportunity to think about a better way of life and well-being by learning from people who practice a "rich way of life" in local communities in Japan and abroad, and by visiting actual places and "encountering and connecting" with them.

By connecting with local people and like-minded colleagues, we aim to create a community and a place where participants can find hints for a richer life and want to return again and again.

● For more information
<https://www.jal.co.jp/jp/ja/tour/jal-academy/>
(Japanese only)



NIWA Yukiko
JALPAK CO.,LTD
New Business Incubation
Department
New Business Product
Creation Group

A Platform for Connecting with Local Communities "JAL FURUSATO Musubi"



"JAL FURUSATO (hometown) Musubi" is a digital bulletin board service that posts information to attract visitors to local communities and to recruit talent, intended for people who wish to tackle regional issues while continuing to live in urban areas without fully relocating, those who want to start dual residency, and those who seek friendly interaction with local communities.

Local governments and local businesses act as exhibitors, posting information on regional experiences to improve the brand value of the region and a variety of human resource recruitment information. We will help customers deepen their connection with the region through the excitement of encountering beautiful nature and warm-hearted people.

● For more information
<https://furumusu.jal.co.jp>
(Japanese only)



ITO Kazuo
Japan Airlines Co.
Strategy Planning
Relationship and
Connection Creation
Department
Sales & Marketing Division

Strengthening Operating Capital

Main Capital	Aim	Input	Issues to be addressed to realize the vision	Specific measures to strengthen issues	Medium- to Long-Term Goals KPI	Actual results in 2024	Targets for 2025
Human Capital	• Human resources who respect diverse values, take on the challenges of creating new values, and initiate change	• Professional employees with high productivity and value creation skills • Diversity emerging from innovation • Highly engaged employees	• Develop one's ability • Increase diversity • Expand your sphere of activity • Gain knowledge • Foundational Initiatives • Support Individual Growth and Organization to Maximize Individual Strength	• Expansion of secondment and dispatch to inside and outside of the Group, and dispatch of young employees to overseas and outside of the company • Expansion of performance-based remuneration system • Women's advancement in the workplace • Employment of non-Japanese living in Japan and expansion of dispatch of national staff to Japan • Improvement of employment of people with disabilities • Introduction of a system to promote young employees at an early stage • Internal and external transfers through open recruitment • Promotion of senior employees • Expansion of career recruitment • Introduction of highly specialized human resources system • Expansion of DX human resource development program • Cultivation of leaders who embody JAL Philosophy • Promotion of health and productivity management	• Number of employees • Sales per employee • Number of female managers • Percentage of highly engaged employees • Internal transfers through open recruitment • Percentage of organizational managers participating in Leader's Workshop Note: KPIs for detailed measures are on p. 70	38,433 persons 20% (vs. FY2019) 31.5% 58.1% 100 persons/year 99.4%	38,100 persons 38% (vs. FY2019*) 30% or more 65% 100 persons/year 100%
Intellectual Capital	• Know-how to improve CX/EX and create new value	• Regulations and manuals to ensure flight safety • IT system to realize high quality and DX in aviation domain	• Improvement of safety management system and safety culture • Fostering DX culture to promote DX • Close cooperation and co-creation between Digital Department and Administration Department • Development and strategic allocation of digital human resources with expertise and business understanding	• Enhancement of flight safety by utilizing digital technology • Responding to various environmental changes surrounding aviation • Establishment of a new company that brings together DX human resources • Development of AI-Centre platform concept*2 • Promoting business support and applying AI in business by JAL-AI, a generative AI • Expansion of DX human resource development program	• Number of DX training participants	214 persons	900 persons
Social Capital	• Networks that increase connections with air transportation • Partnerships that work together to solve social issues • Customer base that spans airline and non-aviation businesses	• Airline partnerships • Collaboration with local communities and business partners • Number of JAL Mileage Bank members	• Business growth through strengthened collaboration with outside partners • Expanding customer base and strengthen relationships with customers	• Expansion and deepening of airline and non-aviation partnerships, route network expansion • Strengthen collaboration with local governments and exchange of human resources • Development of JAL Life Status program	• Total amount of relationships and societal connections • Airline partnerships • Number of cities with which JAL has comprehensive cooperation agreements • Number of partner schools • Number of JAL Mileage Bank members (total)	7.5 million persons/times 39 airlines 54 cities 34 schools Approx. 40 million	7.65 million persons/times Strengthening collaboration Strengthening collaboration Strengthening collaboration Increase in membership
Manufacturing Capital	• Introduction of aircraft to support growth and renewal of fuel-efficient aircraft	• Number of aircraft owned by JAL Group • Fuel-efficient aircraft	• Aircraft strategy linked to business needs	• Increasing ratio of large aircraft on international routes • Increasing ratio of small aircraft on domestic routes • Utilization of own and other companies freighters • Increasing ratio of fuel-efficient aircraft	• Number of aircraft in fleet • Proportion of fuel-efficient aircraft	9 aircraft types, 232 aircraft 86%	9 aircraft types, 234 aircraft 86%
Natural Capital	• Precious earth / Realization of circular economy	• Fossil fuel-based aviation fuel • Tourism resources (such as living organisms, forests, soil, water, and atmosphere) • Environmentally friendly resource	• Addressing climate change/ Realization of a circular economy • Biodiversity conservation • Effective use of limited resources	• Increasing the ratio of fuel-efficient aircraft • Measures to improve daily flight operations • Utilization of SAF and initiatives related to domestic SAF • Utilization of carbon credits • Funding for companies with new technologies for removal of CO2 • Biodiversity conservation activities in priority areas in Japan and overseas • Reduction of single-use plastics	• Reduction of CO2 emissions • Reduction of single-use plastics Note: KPIs for detailed measures are on p. 87 , p. 96	9.69 million tonnes Cabins and lounges: 96% of "new petroleum-based" plastics eliminated Cargo & Airports: 92% shift to eco-friendly materials contained*3	Less than 9.21 million tonnes Cabins and lounges: Total elimination Cargo and airports: 100% switch
Financial Capital	• Enhancing corporate value through the strategic allocation of management resources, while maintaining a robust financial base and high capital efficiency	• Initiatives to enhance corporate valueThe logic tree for enhancing corporate value is on p. 34 .	• Improving profitability and capital efficiency • Achieving an optimal capital structure • Cost of capital and business risk • Improving growth expectations	• Segmental income/expense management and asset efficiency improvement • Maintaining financial soundness with a target rating of mid-A • Balancing and agile shareholder returns • Optimization of financing methods • Continuation of business restructuring • Allocation of management resources to growth areas • Strengthen communication of growth strategy and careful dialogue with capital markets	• EBIT Margin • Return on Invested Capital (ROIC) • Equity Ratio • Shareholder return	9.4% 8.1% 41.1% (on credit rating) Dividend payout ratio: 35.1%	10% or more 9% above WACC Approx. 50% (based on credit rating) Dividend payout ratio: Aiming about 35-50%

*1 This figure is the target value set as of April 2024; from 2025, in light of the promotion of diverse workstyles, the concept of "value added per hour" rather than "per capita" will be introduced as a productivity indicator.
*2 A system in which distributed data and business systems are mutually linked, with AI at the center. *3 Items that do not use new or reduced petroleum-based raw materials such as biomass, recycled plastic, and certified paper

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Materiality of the JAL Group’s Initiatives

The JAL Group has established eight materiality issues, which we will address through the social and economic value created by our businesses. We aim to achieve medium- to long-term growth through these materiality initiatives.

★: Top Priority Issues in the Medium-Term Management Plan

Materiality		Risks and Opportunities		Indicators measuring social value: Targets for FY2025	Indicators for measuring economic value: Targets for FY2025	Related Pages
Tourism Nation	Promoting economic growth and international mutual understanding through tourism	Risks	- Reduction in flow of people, goods and logistics due to depopulation of regions, and stagnations in regional economy involving decrease in population and sluggish growth in inbound tourism - Shortage of workers in the tourism and aviation industries due to labor shortages caused by the declining birthrate and aging population - So-called overtourism problems, such as the impact on the lives of community residents due to crowds and bad manners by tourists, and the decline in traveler satisfaction	- Increase in the number of people moving and the level of involvement Total amount of relationships and societal connections Target for CY25 7.65 million people/times FY2024 result: 7.5 million people/times. - Regional Revitalization Domestic total passengers +10% compared to FY2019 Management targets FY2024 result: +3% - Inbound expansion Inbound tourists to Japan using domestic flights 1,505,000 people FY2024 result: 1,161,000 people - Expansion of regional product distribution Domestic cargo volume +10% compared to FY2019 FY2024 result: -8%	- Expansion of air travel and total passengers Domestic total passengers +10% compared to FY2019 Management targets FY2024 result: +3% Inbound tourists to Japan using domestic flights 1,505,000 people FY2024 result: 1,161,000 people - Increase in transportation of local products Domestic cargo volume +10% compared to FY2019 Management targets FY2024 result: -8% - Increase in contracted number of flights Number of contracted flights operated by customer airlines: 94 thousand flights FY2024 result: 82 thousand flights - Promotion of new tourism Number of JAL Wellness & Travel partners: 10 municipalities FY2024 result: 9 municipalities - Expansion of mile life service users Total number of Go Somewhere with Miles users 810,000 people FY2024 result: 710,000 people	p. 16
★ Regional Revitalization	Bringing prosperity and vitality to the community	Opportunities	- Revitalization of local economies and expansion of employment opportunities by creating new flow of people, goods and logistics, through tourism - Expansion of business opportunities and employment opportunities through the discovery and propagation of attractions in Japan by people around the world			
Fulfilled Hearts	Enhancing happiness and cultivate an enriched life through free movement and connection of goods and people	Risks	Decreased opportunities for air transportation due to weakened ties with local communities and worsening social isolation and loneliness	Increase in the number of partnership municipalities related to travel Number of JAL Wellness & Travel partnerships: 10 municipalities FY2024 result: 9 municipalities		
		Opportunities	Increased social awareness of well-being brought about by relationships and societal connections between people and people, between people and goods, and between people and communities through air travel			
Resilience Through Diversity	Building a diverse society in which people, cultures, values, and modes of behaviors are respected and new values are created	Risks	Loss of business opportunities due to human rights violations and disregard or lack of consideration for diversity; loss of corporate social credibility due to administrative penalties; outflow of human resources, among others	- Respect for human rights Implementation ratio of human rights due diligence 100 percent FY2024 result: 100% - Barrier-free and stress-free Boarding rate of customers who find it difficult to travel: 2.5 times compared to FY2019 FY2024 result: 2.3 times	Expansion of air travel in total passengers Boarding rate of customers who find it difficult to travel: 2.5 times compared to FY2019 FY2024 result: 2.3 times	p. 117

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★: Top Priority Issues in the Medium-Term Management Plan

Materiality		Risks and Opportunities		Indicators measuring social value: Targets for FY2025	Indicators for measuring economic value: Targets for FY2025	Related Pages
Safe and Secure Society	Creating, developing, and protecting a safe infrastructure of the skies	Risks	- Shift away from air travel if the foundations of aviation safety and security are not maintained - Delays in social implementation due to delays in technological development and lack of social acceptance of next-generation air mobility	Building a foundation for next-generation air mobility FY2026: eVTOL commercialization FY2024 result: Establishment of eVTOL operation company completed	Commercialization of air mobility services FY2026: eVTOL commercialization FY2024 result: Establishment of eVTOL operation company completed	🔥 p. 23•p. 64
		Opportunities	- Improving people's mobility and lifestyle through new infrastructure to replace aging infrastructure - Providing next-generation transportation and air transportation infrastructure tailored to local needs			
Aviation Infrastructure	Passing on the basis of sustainable air transport to the future	Risks	Shrinkage of airline and logistics network and decline in sustainability of aviation due to declining revenues resulting from population decline and energy issues, among others	Maintenance and expansion of aviation and logistics networks More than 65 domestic entry points including code share FY2024 result: 64 points	Expansion of total air passengers/travelers and cargo traffic Domestic total passengers +10% compared to FY2019 Domestic cargo volume +10% compared to FY2019 FY2024 result: Domestic total passengers: +3% Domestic cargo volume: -8%	🔥 p. 55
		Opportunities	- Continued strong inbound demand growth - Expansion of business opportunities by promoting the interaction of people, economy, and culture through air transportation network expansion between world and Japan, and the region			
★ Precious Earth	Preserving and restoring the global environment, which serves as a source of people, sales and distribution channels, and to pass it on to the next generation	Risks	- Decrease in total passengers due to extreme weather and climate disasters - Increased environmental costs due to tighter CO2 emission regulations in each country - Loss of natural tourism resources and decrease in passengers due to ecological changes	Reduction of CO2 emissions Less than 9.21 million tonnes of emissions (less than FY2019) Management targets FY2024 result: 9.69 million tonnes	Reduction of CO2 emissions JCSP Total number of contracted companies: 15 companies FY2024 result: 12 companies	🔥 p. 79
		Opportunities	- Reduction of environmental costs through innovations in operations, introduction of fuel-efficient aircraft, use of SAF, etc., and increased preference by offering environmentally friendly products and services - Creation of the flow of people by preserving and experiencing nature, and the flow of goods and logistics by providing food and merchandise that are the product of a rich ecosystem	- Conservation of biodiversity 1,000 colonies of sexually reproducing corals by 2026 FY2024 result: 1,557 colonies - Reduction of single-use plastics Cabins and lounges: No use of all new petroleum-based plastics Cargo and airport: 100% switch to eco-friendly materials contained Management targets FY2024 result: Cabins and lounges 96% Cargo and Airport 92%	- Expansion of air travel and total passengers Domestic total passengers +10% compared to FY2019 FY2024 result: +3% - Expansion of commerce Strengthen planning and sales of recycled products in cooperation with companies outside the JAL Group: 15 companies FY2024 result: 12 companies	
★ Human Capital	Enhancing capacity for value creation and productivity of all JAL Group employees	Risks	- Decline in employee engagement and labor productivity and outflow of human capital if appropriate measures are not taken - Decline in the sustainability business due to difficulty in securing human capital as a result of the declining population in Japan	Improving the ability to create social value Percentage of highly engaged employees: 64.4% FY2024 result: 58.1%	Improvement of employee engagement Percentage of highly engaged employees: 64.4% FY2024 result: 58.1%	🔥 p. 66
		Opportunities	Increased employee engagement, labor productivity, and human capital by creating a work environment that is physically and mentally healthy, safe, and rewarding to work in	Empowering Diverse Talent Ratio of female managers: 30% Management targets FY2024 result: 31.5%	- Empowering Diverse Talent Ratio of female managers: 30% Management targets FY2024 result: 31.5% - Improving the ability to create economic value Sales per capita: +38% compared to FY2029 FY2024 result: +20%	

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Process of Identifying Materiality

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Starting from a comprehensive understanding of social issues, the JAL Group analyzes risks and opportunities from a sustainability perspective, and continuously revises its materiality based on opinions and expectations of external stakeholders.

In 2023, we shifted from the previous materiality, which was based on the assumption that we would work primarily in the aviation business to achieve the 17 Goals and 169 Targets of the SDGs, to a new materiality that is linked to economic value creation in all JAL Group business areas, not just aviation, in light of new-normal environmental changes and market changes. In addition, we have reorganized into eight materialities that take into account of the impact of our business on society in terms of both risks and opportunities.

We will continue to promote the penetration of materiality within the company and realize value creation by promoting initiatives to address these issues.



Materiality reorganization for 2023

Materialities were identified by analyzing the degree of impact (risks and opportunities) to society and to JAL through our business, importance to management, importance to outside stakeholders based on various domestic and international standards and industry targets, trends in the international community, and stakeholder expectations. Based on the opinions of relevant ministries and agencies, academics and experts, NGOs, and other external experts, and after thorough discussions at the management level, the materialities were reported to the Board of Directors and reviewed in 2023.

Feedback from Outside Stakeholders

In order to further promote ESG management by keeping abreast of the latest social trends and incorporating the knowledge of experts into our strategies, we held a dialogue with Professor KANIE Norichika, Professor at Keio University Graduate School and a leading expert in SDGs research, and the board members during the materiality review process. In the dialogue held in January 2025, Professor Kanie spoke about the current status of the SDGs, the changes needed to achieve them, and how to advance the Beyond SDGs discussion as a global trend of the SDGs and pointed out the importance of collaboration among companies and sectors in advancing sustainability initiatives. He also pointed out that the SDGs are a good tool for considering social issues that the JAL Group should address, and gave valuable suggestions on how business opportunities are contained in social issues.



Toward Internal Penetration of Materiality

By providing opportunities for employees to think about why the JAL Group needs to address these issues in employee training programs such as New manager training and Airline Business Training, we are promoting the penetration of materiality and raising the awareness of each of us makes JAL what it is by making ESG “my own business”. In addition, through the use of an internal portal and the monthly distribution of sustainability information to those who wish to receive it. We encourage employees to understand how their work is connected to social issues, and we also encourage them to think about how a single initiative can be linked not only to a specific materiality, but also to multiple materialities, as an example of JAL’s unique approach to sustainability. We are striving to increase the number of initiatives that create social and economic value by sharing examples of initiatives that have a positive impact on society as initiatives that are unique to JAL.

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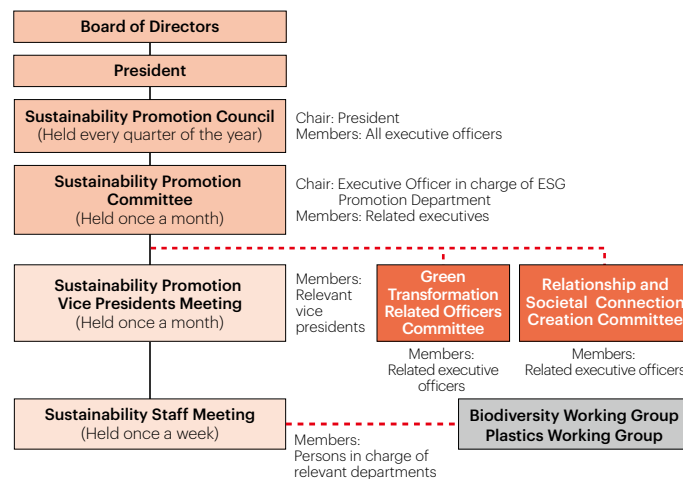
Materiality is reflected in the Medium-Term Management Plan or Rolling Plan for each fiscal year, and is considered in the Medium-Term and Long-Term periods. In addition, materiality itself is confirmed every fiscal year.

JAL Group's Board of Directors deliberates and decides on important matters related to sustainability. The Sustainability Promotion Council, chaired by the President, conducts a management review of the following items as major agenda items before discussing the issues to the Board of Directors.

- Determine important issues and annual targets for sustainability initiatives, and monitor and evaluate the progress
- Determine risks and opportunities for climate change
- Monitor and evaluate Environmental Management System (EMS)
- Monitor and evaluate human rights due diligence

In FY2024, the Board of Directors have met three times to discuss the disclosure of Task Force on Climate-related Financial Disclosures (TCFD) / Task Force on Nature-related Financial Disclosures (TNFD), Dow Jones Best-in-Class Indices evaluation results and review, ESG evaluation summary, and addition/revision of targets, and the like.

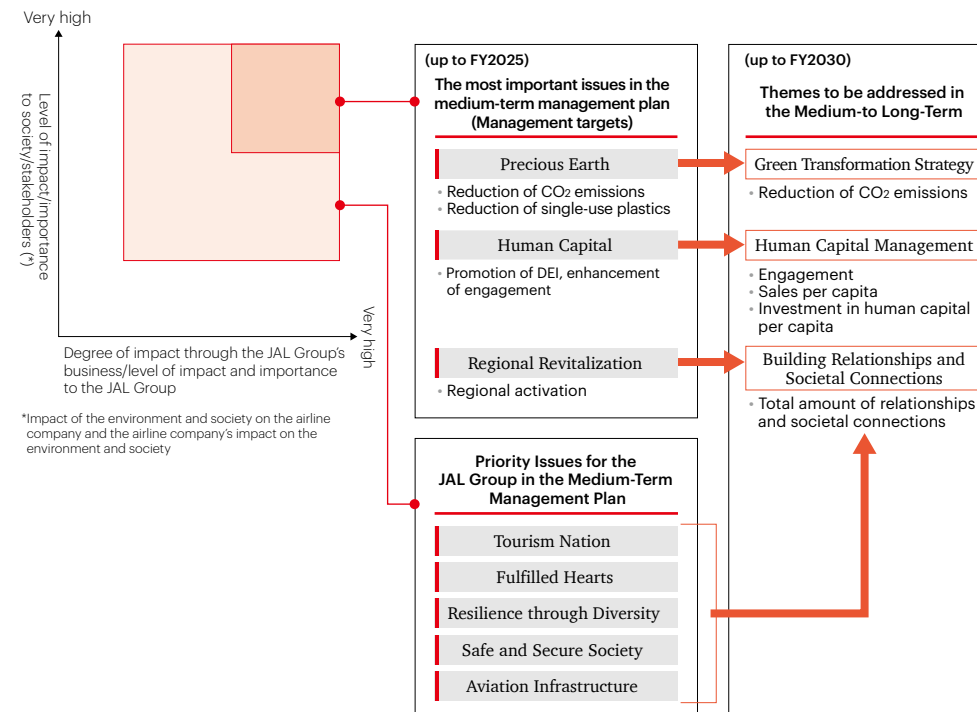
- **Governance Structure**



In order to promote specific initiatives in response to materiality, we reflect it in our Medium- and Long-Term Management Plans.

For the period up to FY2025, we have set specific Key Performance Indicator (KPI) management targets for Precious Earth (Environment), Human Capital (Human), and Regional Development (Community) as the most important issues, based on their importance to society and the JAL Group.

In addition, for the longer term, toward FY2030, we have decided to address materiality through Green Transformation Strategy, Human Capital Management, and Creation of Relationships and Societal Connections, and have set indicators for each.



Our True Values 1 Safety Charter

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Safety Charter

Safety: The protection of lives.

This is the commitment and basic foundation of business continuity for the JAL Group.

We take to heart our mission and responsibility as safety professionals to ensure a safe operation on every flight with the best of our knowledge, skills and abilities.

To accomplish this, we will act according to the following principles.

- Stop immediately when safety concern arises.
- Comply with rules and strictly follow standard operating procedures.
- Always check and confirm; never rely on assumptions.
- Promptly communicate information without omission to ensure safety.
- Deal with problems quickly and appropriately without underestimation.



Unwavering Commitment to Safety

Safety is a prerequisite for the existence of the JAL Group and has been and will continue to be our mission.

The JAL Group has established the Safety Charter as its fundamental safety policy based on its Corporate Policy. The Safety Charter, based on JAL Group Corporate Policy, expresses our determination and basic approach to flight safety, which is a prerequisite for value creation as an airline company, and our actions based on this commitment and basic approach. The Safety Charter clearly states that “Safety: The protection of lives” so that everyone, from management to new employees, can share a common understanding of safety. Safety is the “basic premise” of the JAL Group’s existence.

All JAL Group employees, including top management, carry a Safety Charter Card that describes the Safety Charter, and each and every one of them performs their daily duties as flight safety professionals in conformance with this Charter.



Reciting the Safety Charter before starting work

The Safety Charter
<https://www.jal.com/en/safety/>

Safety Management System

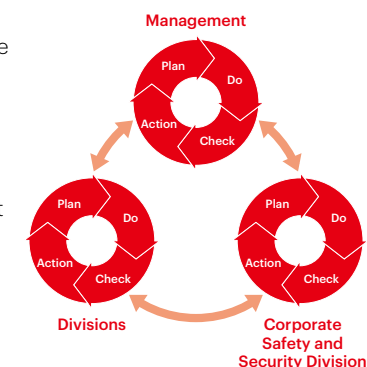
Operating Policy of the Safety Management System

The JAL Group’s safety management system is a systematic

framework structure that collectively refers to our safety policy, organizational structure, division of responsibilities, and methods of managing safety-related risks, and among others. In accordance with the Safety

● PDCA Cycle in Safety Management Systems

Charter, which is our fundamental safety policy, management, the Corporate Safety and Security Division ensure that the PDCA cycle for safety is implemented and organically linked. By doing so, we will ensure that our Safety Management System functions effectively and drive continuous improvement.



Operating Policy of the Safety Management System
https://www.jal.com/en/safety/management_policy/

Safety Management System

The JAL Group implements safety management based on common policies formulated by the Group Safety Enhancement Council in order to maintain a homogeneous and high level of safety throughout the eight airlines, including Japan Airlines.

In addition, the Group Corporate Safety and Security Division has established the Group Operational Safety Promotion Committee in order to maintain and strengthen cooperation regarding flight safety among the divisions and Group airlines.

The ultimate responsibility for safety rests with the President, while the Chief Safety Officer (CSO), who oversees the safety management system, is involved in important management decisions and other matters. CSO has the responsibility and authority for the overall management of the safety management system and is involved in important management decisions such as safety measures and safety investments, and reports important safety-related matters to the President.

Safety Management System
https://www.jal.com/en/safety/safety_system/

Related Information Safety and Peace of Mind <https://www.jal.com/en/safety/>

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Safety Risk Management

In formulating flight safety measures and promoting responses to accidents and events in flight safety, we implement risk management through the following four steps.

- **Identify hazard**
Utilizing gathered information on unsafe conditions and unsafe events, we identify hazards and real or hidden risk factors with the potential to cause or contribute to an aircraft accident or serious incident.
- **Assess risk for Identification of the main risks**
After identifying hazards, we determine the severity of consequences and the probability of occurrence, assess the acceptability of the risk level and examine the need to take action.
- **Establish measures**
Each department establishes and implements measures to eliminate each hazard so that high priority risks are reduced to a tolerable level.
- **Monitor and review**
Monitor the implementation of measures and evaluate their effectiveness. If it is determined that the risks have not been reduced to an acceptable level, additional countermeasures are planned and executed to ensure the safety management system functions effectively.

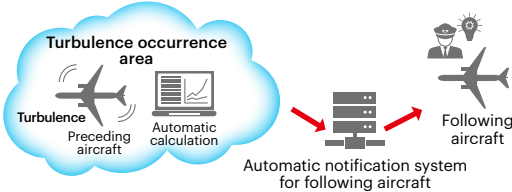


Implementation of Safety Management
https://www.jal.com/en/safety/content/#risk_management

Efforts to Improve Safety

- **To protect yourself from sudden turbulences**
Injuries to customers due to turbulence have been occurring worldwide as a result of changes in weather conditions. In response, we are working to create a system to prevent aircraft shaking and injuries.
We have analyzed cases of injuries in cabins caused by turbulences, and in addition to a mechanism for automatically sharing turbulence information from the ground to the cockpit, we have established a mechanism for obtaining turbulence information through the use of mobile apps.

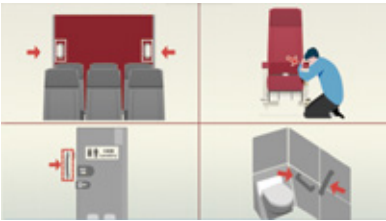
- **A mechanism to quickly collect information related to turbulence**



We have begun airing an inflight educational video on the importance of always wearing seatbelts and how to protect from sudden turbulence.

- **Notification Contents in the Awareness Video**

- (a) In case of sudden jolts, always fasten seat belts low on the hips without loosening or twisting while seated.
- (b) The cabin attendant may ask the passengers to fasten their seatbelt when they cannot confirm that the seatbelt is properly fastened.
- (c) If you are suddenly jolted in an aisle or restroom, grab a nearby handle or lower your posture to support yourself.



Awareness video being shown onboard

- **Reinforcement of efforts to predict and prevent aircraft malfunctions**

In addition to aircraft manufacturers, we collaborate with other companies outside the aviation industry to analyze all kinds of inflight data and develop new failure prediction models on a daily basis. By “fixing things before they break,” we are able to reduce the number of aircraft malfunctions, and at the same time, lead to more efficient maintenance.

Improved work efficiency through wear prediction

JAL, in collaboration with Bridgestone Corporation, is working on developing technology to predict tire wear.
This initiative has not only streamlined the tire replacement process but also leveled out and reduced the inventory of tires and wheels. The elimination of wasteful tire changes has also led to reductions in CO₂ emissions and resource conservation. Furthermore, the ability to “plan” tire changes has improved the workstyle of maintenance engineers. Going forward, we aim to enhance maintenance quality through the further expansion of preventive maintenance.

Comment

The Path to Improving Tire Replacement Efficiency through Data Utilization

Traditionally, tire replacements were performed based on visual inspections by maintenance engineers, targeting tires that met replacement criteria, resulting in inconsistent workloads on the ground. However, through recent collaboration with Bridgestone, the tire manufacturer, it has become possible to predict tire wear based on flight data. This advancement enables the prior calculation of replacement timing, leading to standardized workloads for tire replacement and more uniform tire production. Additionally, monitoring wear conditions contributes to improving the quality of the aircraft equipment.



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Cultivating a Safety Culture

Safety culture is part of the organizational culture, the common safety awareness among everyone in the organization and maximizes the function of the safety management system (SMS).

For example, it is part of the safety culture as every employee and organization holds the common awareness to actively report even the slightest anomaly or signals that are seen as a potential threat to future safety, to which the organization responds. In the aviation industry, rules and procedures have been established to ensure flight safety, and education and training are provided to acquire the knowledge and skills necessary to carry out these rules and procedures. On the other hand, as the environment surrounding flight safety changes, there is always the possibility that existing rules and procedures alone will no longer be sufficient to deal with these situations. It is necessary to implement a culture that can detect the signals of such unsafe conditions and address them as early as possible.

The JAL Group is committed to fostering safety awareness and safety culture based on the second to third person perspective and Three Actuals Principle as lessons learned throughout our history. Furthermore, to build on the safety awareness and safety culture we have cultivated and further strengthen the SMS functions, we have established four elements namely a just culture, a reporting culture, a flexible culture and a learning culture. In addition, we will further foster a safety culture by having all JAL Group employees act on our shared values, thereby strengthening the SMS.

 **Safety Culture**
<https://www.jal.com/en/safety/content/#culture>

Education, Training and Safety Awareness

Safety education for new employees, 10-year employees, and newly appointed managers

At the JAL Group, we will think about safety through a memorial climb to Mt. Osutaka, a tour of the Safety Promotion Center, and watching videos of people who were directly involved in the accident. Finally, employees verbalize their thoughts in the form of a safety declaration and link them to their daily actions.

FY2024 Results: 98 times, 2,376 participants



Memorial climbing to Mt. Osutaka



Safety declaration card

● Example of a safety declaration by an employee who attended the course

New employee	"Fulfill the responsibility of each and every task as a member of the precious life entrusted to us." <Airport Passenger Division>
10-year employee	We are committed to providing a solid foundation for the "safety" that our colleagues in the JAL Group <Maintenance Department>
New managers	"Creating an organization where inconvenient information comes up quickly. Be comfortable calling on myself as a manager." <Support Department>

• Safety Promotion Seminar for All JAL Group Employees

For JAL Group employees and subcontract staff, we hold seminars where employees voluntarily participate, such as a tour of the Safety Promotion Center, and a safety seminar for interindustry exchanges. We strive to raise safety awareness by holding conversations about safety with the participation of employees from both domestic and overseas job categories and regions.

FY2024 Results: 15 times, 792 participants

• Training and Evaluation to Ensure Stable Safety and Quality Standards

To ensure a stable level of safety and quality for cockpit crew, maintenance engineers, cabin attendants, and dispatchers, training and verification are conducted at the time of appointment and on a regular basis.



Emergency evacuation training

Third-party Assessments

Safety Audits by External Organizations

The JAL Group undergoes regular on-site safety inspections conducted by the Civil Aviation Bureau of the Ministry of Land, Infrastructure, Transport and Tourism (MLIT), as well as the International Air Transport Association Operational Safety Audit (IOSA) program. These audits are utilized to continuously improve the safety management system of the JAL Group.



Certificate of IOSA registered operator

Advice and Recommendations from the Safety Advisory Group

JAL has established a Safety Advisory Group composed of five experts with extensive knowledge and experience in safety. In 2024, the group visited nine frontlines, including Narita Airport branch, and held dialogues with employees. Through these activities, we received valuable insights regarding our safety initiatives.



Visiting the JAL Engineering's frontline

TOPIC

World's First to Receive Level 2 International Certification for Aviation Security Management

The JAL was the first airline in the world to receive Level 2 Operating Certification from International Air Transport Association (IATA) for its aviation security management. This certificate indicates that JAL has achieved a high level of aviation security management in the aviation industry.



Evaluation Points

- The JAL Group has established a risk management system that can proactively respond to new threats with the active involvement of management.
- The JAL Group is committed to continuous improvement through the introduction of industry best practices, external and internal audits, and review of aviation security case studies.

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Toward Restoring Trust in Safety Measures to Prevent Recurrence of Inappropriate Alcohol-Related Incidents

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In April and December 2024, inappropriate alcohol-related incidents involving our pilots occurred and we received Administrative Guidance from MLIT twice. We take the loss of trust of our customers and society very seriously, and we have formulated the following five-point preventive measures, and under the leadership of top management, all employees are working together to prevent a recurrence.

Further efforts to ensure flight safety (Business Improvement Advisory): https://www.jal.com/ja/safety/trouble_info/pdf/report_250124.pdf (Japanes only)

Background Leading to the Administrative Guidance from the MLIT

In April 2024, a captain staying in Dallas, USA, engaged in inappropriate behavior due to excessive alcohol consumption, which resulted in his inability to operate the scheduled flight and caused the flight's cancellation. Subsequently, in May 2024, JAL received an "Administrative Warning Regarding Further Initiatives to Ensure the Safety of Air Transportation" and have since implemented measures to prevent recurrence of alcohol-related issues.

However, in December 2024, another inappropriate alcohol-related incident involving cockpit crew members occurred. Additionally, our safety management system failed to function properly, leading to a delayed report to the Civil Aviation Bureau after the incident was discovered. We take this matter extremely seriously and deeply regret having undermined the trust of society and our customers.

Analysis of Contributing Factors and Development of Recurrence Prevention Measures

Despite implementing measures following two Business Improvement Orders in 2018 and 2019, we believe the major reason we failed to prevent the recurrence of alcohol-related issues was that management did not fully grasp the effectiveness and level of assimilation of those measures.

Based on this reflection, we have developed detailed and comprehensive recurrence prevention measures centered around five key pillars, and under management leadership, all employees are working together to address the issue.

● Prevention of recurrence based on five key pillars

1. Reforming internal awareness	Renewal of safety-related education
2. Further strengthening the management of flight crew members' drinking habit	Accurate management based on drinking tendencies
3. Reconstructing the alcohol testing system	Prompt and reliable sharing of inspection results and process automation
4. Rebuilding the safety management system	Enhancing risk response capabilities through crisis management training
5. Address organizational issues in flight operations division	Strengthening organizational management in the flight operations division

Follow-up by the Review Committee

JAL is progressing as planned with a total of 37 measures based on five key pillars. Moving forward, the progress of these measures will be regularly reviewed at the Group Safety Enhancement Council chaired by the President. Additionally, in February 2025, we established a Review Committee chaired by an outside director, which has begun its activities. This committee will objectively follow up on the progress and effectiveness of the measures. Through these efforts, we aim to ensure the definite prevention of recurrence..

Prevention of recurrence with 5 pillars: 37 in total



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JAL Philosophy

Part 1: In Order to Lead a Wonderful Life

Chapter 1:
Formula for Success (Formula of Life and Work)
The Result of Life and Work = Attitude x Effort x Ability

Chapter 2:
Have the Right Attitude
Base Criteria for Decision-Making on
“Doing What Is Right as a Human Being”
Have a Beautiful Mind
Be Humble and Honest
Always Be Cheerful and Positive
A Small Good Is Like a Great Evil, While a Great Good May
Appear Merciless
Wrestle in the Center of the Ring
Grasp Matters Simply
Possess Opposing Extremes

Chapter 3:
Accumulate Tedious Efforts with Passion
Work Earnestly
Accumulate Tedious Efforts
Work with Voluntary Attention
Fire Yourself Up
Strive for Perfection

Chapter 4:
Ability Will Improve
Ability Will Improve

Part 2: To Become a Wonderful JAL

Chapter 1:
Each of Us Makes JAL
What It Is Each of Us Makes JAL
What It Is Discuss Frankly
Lead by Example
Be the Center of the Vortex
Valuable Lives Are Entrusted to Us in
Our Work
Be Thankful
Put Yourself in the Customer’s Position

Chapter 2:
Have a Keen Sense of Profitability
Maximize Revenues and Minimize
Expenses
Elevate Our Cost-Consciousness
Pursue Profit Fairly
Manage the Company Based on
Accurate Figures

Chapter 3:
Unite Our Hearts
Make the Best Baton Pass
Align Mental Vectors
“Workfloor” Management
Follow the Merit System

Chapter 4:
Possess a Fighting Spirit
Maintain an Ardent Desire
Never Give Up Until We Succeed
Boast and Make It Come True
Possess True Courage

Chapter 5:
Be Creative in Our Work
Today Should Be Better Than
Yesterday; Tomorrow Better Than
Today.
Conceive Optimistically, Plan
Pessimistically, and Execute
Optimistically
Think Through to Visualize the Results
Decide and Act with Speed
Face Challenges with Courage
Aim High



What is JAL Philosophy?

JAL Philosophy is an axis of decision-making that everyone involved in JAL services and products values in their daily work. We make management decisions, organizational management, and even each of our daily tasks based on “what is right as a human being,” which is the essence of JAL Philosophy. It is not easy to always act in accordance with JAL Philosophy as the axis of our decision-making, but each and every one of us in the JAL Group is sincerely committed to JAL Philosophy and continues to improve ourselves and our organization in order to instill this philosophy in all of us.

To Realize the Progress and Development of Society

What each of us at the JAL Group hopes to accomplish through our daily actions based on JAL Philosophy is our purpose “to become the world’s most preferred and valued airline group, where many people and goods freely move around.” We will realize healthy profits by fulfilling our social responsibilities and creating sustainable value. The JAL Group believes that approaches based on our JAL Philosophy will build a sustainable society and realize progress and facilitate development.

Creating an Organizational Culture and Sustainable Growth

Executives and employees gathered in the JAL Group participate in JAL Philosophy Workshop twice a year. In addition, executives and department heads participate in seven tiered trainings per year, and managers participate in two tiered trainings per year, transcending departmental boundaries to return to JAL Philosophy. In this way, since the bankruptcy of JAL Group in 2010, the leaders in JAL Group have primarily set aside time to reflect on the JAL Philosophy. However, a decision-making axis based on JAL Philosophy is not something that can be acquired during the JAL Philosophy Workshop; it is refined through the challenges and troubles of daily work, and as a result, employees grow. The JAL Group holds JAL Philosophy Awards, an annual awards ceremony, to recognize the growth and achievements of our employees in their daily work and to honor them as assets of the entire JAL Group.

JAL Philosophy is not just a statement of values. It is valuable only when it is put into practice. That is why we continue to make efforts to incorporate JAL Philosophy into our daily actions. Making decisions based on JAL Philosophy, which is essentially “what is right as a human being,” in our daily work will help to create a healthy organizational climate in JAL Group and will serve as the foundation for creating an environment in which each and every employee can thrive.

We, the employees of the JAL Group, will continue to work together to realize our Corporate Policy and Purpose, create new

value, and achieve sustainable growth and fulfill our social responsibilities under the organizational climate created by actions based on JAL Philosophy.

JAL Philosophy Workshop held at Osaka Itami Airport



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Management Based on the Participation of All Members

The divisional profitability management system is a business management system based on amoeba management. This system has such strengths as development of managerial human resources, participation by all, and proactive management. All employees of JAL Group face the figures related to corporate management and aim to maximize profits. Through JAL Philosophy, we pursue profits from the perspective of company-wide (best for all) optimization and aim to realize our Corporate Policy.

Under this system, each organization formulates an annual revenue and expense plan and operates a monthly management cycle to achieve the plan. Specifically, planned and forecast figures are updated monthly to reflect the latest situation with respect to the planned figures, and all members of the organization work together to achieve the goals. After the actual results are determined, we analyze the factors that cause the difference between the planned and actual results, and promptly consider and implement measures to achieve the annual revenue and expense plan in response to the market environment.

This management cycle is summarized in the Target and Result Table, a format common to the JAL Group, which lists planned figures, Scheduled figures, forecast figures, and actual figures. By visualizing the management status using this Target and Result Table, all employees are able to understand the

management status of the organization from the same perspective.

In addition, under this system, the leader of each organization is responsible for its own income and expenditures. In order to achieve the planned figures, the leader works with all members of the organization to solve problems through the management cycle, and gains experience as a manager by achieving management targets. This experience will lead to the development of the next generation of managerial human resources.

Toward the Promotion of Business Structure Reform

From FY2024, in accordance with the Medium-Term Management Plan, we are strengthening business management by business segment, in addition to business management by organizational unit, such as airports and operations control, in order to clarify revenue and expense plan by business segment and properly manage our business portfolio. The business segment manager takes the lead in determining the income and expenditures of each business segment on a monthly basis and, with the involvement of related organizations, discusses measures to maximize the income and expenditures across business units.

At Group Business Performance Reporting Meetings attended by all executives, the earnings situation of each business and measures to be taken are repeatedly discussed. Based on the principle of “maximize revenue and minimize expenses,” the best for all management is achieved by all participants sharing their wisdom toward achieving the annual

revenue and expense plan for each business.

In addition, the JAL Group aims to improve productivity by visualizing the status and effects of initiatives and implementing improvements through the PDCA cycle. Specifically, we use indicators such as “hourly profitability,” which analyzes whether we are efficiently generating sales and added value for the resources we have invested, to accurately grasp the current situation, formulate strategies and action plans, and then implement them.

The divisional profitability management system is based on three indicators: “maximum sales, minimum expenses,” plus “time efficiency,” and these efforts contribute to maximizing the income and expenditures of the entire organization and improving management efficiency.

By leveraging the divisional profitability system and growing each segment, we will drive business reform and ensure JAL Group’s sustainable growth.

Comment

Aiming for an Exciting Divisional Profitability

After working in shipside loading and unloading, and guidance operations for about three years, I was transferred to the Planning & Human Resources Department, where I am currently involved in divisional profitability. As an individual company challenge goal for FY2024, we set the hourly profitability at 4% over the previous year. To achieve this goal, we actively discussed progress and issues at monthly Business Performance Reporting Meetings and implemented cost containment and personnel measures across departments. Being in charge of the divisional profitability secretariat has allowed me to gain insights and connections that I did not have in my frontline job, and it has led to my personal growth. Although there are some difficult situations, I would like to continue to share the fun of divisional profitability with my colleagues while keeping my excitement in mind. I am deeply grateful for the opportunity to grow every day through these opportunities.



YOGI Koichiro
JAL Sky Airport Okinawa Co.
Planning & Human Resources Department,
Accounting Group

Realization of JAL Group Corporate Policy

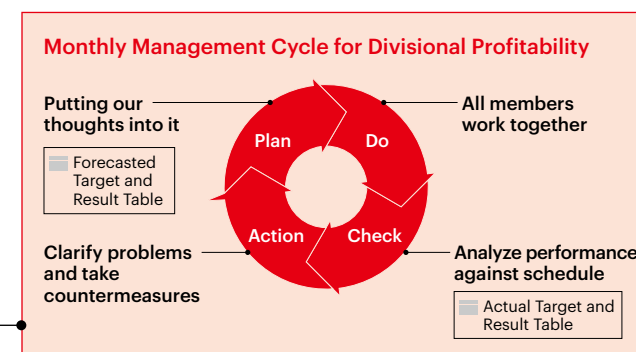
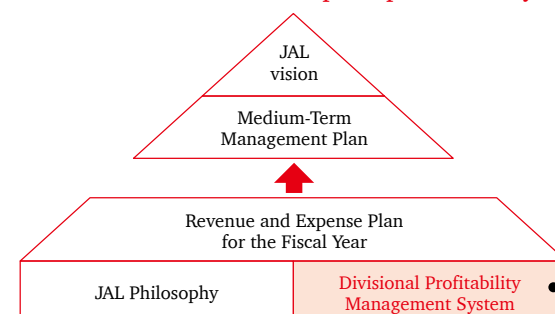


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Overview of Management Strategy

About This Chapter

- Review of the Medium-Term Management Plan (2021–2025) formulated during the COVID-19 pandemic
- Initiatives in existing business domains
- New Business Domains Tackled from Social Issues
- Further Increase in Corporate Value by Expanding Growth Investment while Maintaining a Strong Financial Position
—Message from Our Group CFO—

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Photography by ABIKO Sachie



Review and Outlook of Medium-Term Management Plan FY2021-2025

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Reflection on the past

The Medium-Term Management Plan, which started in FY2021, has reached its final year. Throughout the period of the Medium-Term Management Plan, we have steadily recovered and expanded our performance and built a basis for growth for the next stage, even amid the environmental changes after the COVID-19 pandemic, under the themes of early recovery from the COVID-19 pandemic and rebuilding of our financial base, business restructuring to achieve sustainable growth, and solving social issues through business.

And for the sustainability of the JAL Group and society, we have made ESG strategies our top priority since Rolling Plan 2023.

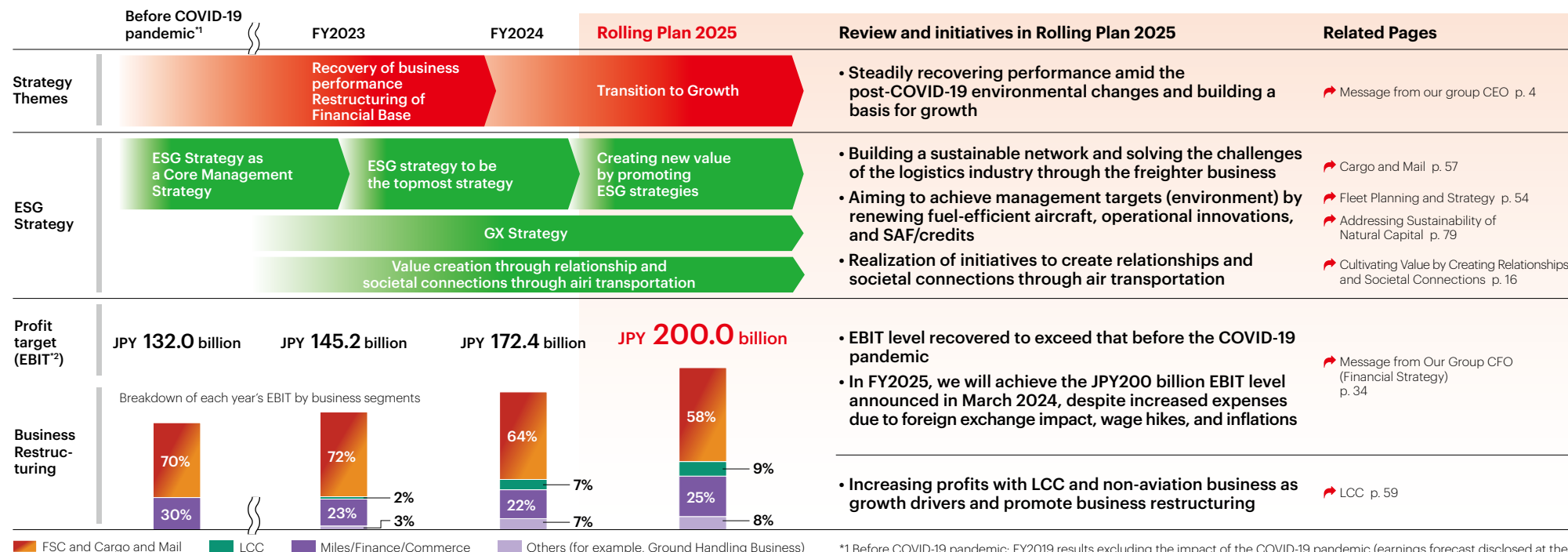
In Rolling Plan 2024, we set a goal of increasing the total amount of relationships and societal connections. In addition, we are working to realize net-zero emissions and to materialize initiatives to create relationships and societal connections through air transportation, we have also started operating freighters in cooperation with Yamato Holdings and are promoting initiatives for the movement of goods. With regard to profit targets, we achieved JPY 172.4 billion in EBIT for FY2024, exceeding our initial target.

Forecast for FY2025

Even as costs increase due to foreign exchange effects, wage hikes, and inflations, we will achieve the EBIT of JPY 200 billion

announced in March 2024 through growth on international routes due to strong overseas demand, improved profitability on domestic routes, and expansion in non-aviation domains.

In addition, by promoting business restructuring, we will rebuild our profit structure and achieve a medium-term profit growth in an environment different from that of the COVID-19 pandemic. We will achieve a business structure with resilience and growth potential by increasing profits with the LCC business and non-aviation business as growth drivers, making them as large as the FSC business and less dependent on aviation business.



¹ Before COVID-19 pandemic: FY2019 results excluding the impact of the COVID-19 pandemic (earnings forecast disclosed at the time of the announcement of FY2019Q3 financial results (IFRS))

² EBIT: Earnings Before Interest and Taxes

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Toward Growth in FY2026 and Beyond

Risks and Opportunities

The risks and opportunities that need to be addressed are also changing as the environment surrounding existing business domains has changed significantly since the COVID-19 pandemic, including the progress of climate change, population decline, continuous inflations, and an increase in inbound tourism.

Growth Initiatives

In order to achieve steady growth even in a changing environmental changes, we will focus on the following themes in our existing domains as "deepening business restructuring": "expansion of the scale of international flights" to seize

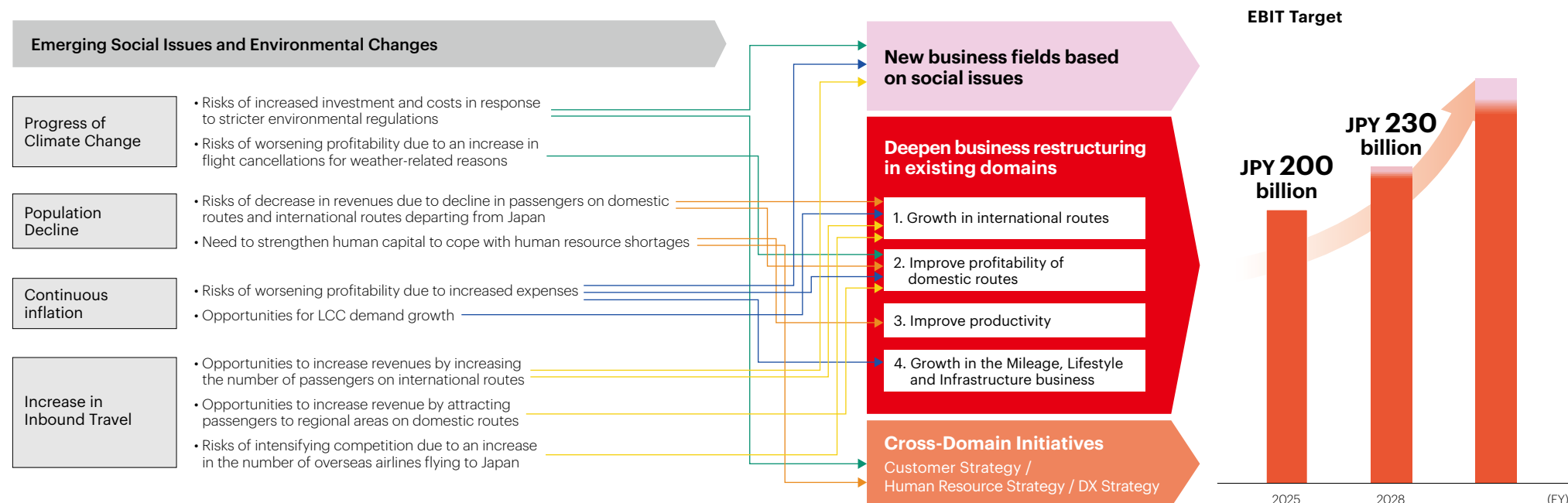
opportunities for revenue growth, mainly through an increase in inbound travel, "improvement of profitability" and "productivity" of domestic flights with an eye to population decline, and "growth of Mileage, Lifestyle and Infrastructure" as particularly important.

In the mid- to long-term, we will also view the social issues that will emerge in the future as opportunities to create new needs, and we will actively work to create businesses in "new domains that address social issues based on social issues."

In order to realize these goals, we will promote customer strategy, human resource strategy, and DX strategy across our businesses. In the customer strategy, in addition to services that satisfy customer needs, we will provide services centered on customer values, so that our customers can feel a sincere connection with the JAL Group and become the world's most

preferred airline group, as stated in our Purpose. In our human resource strategy, in order to strengthen our human capital, which is our greatest strength, and to improve productivity, we will work to create an organization that maximizes the power of diverse "individuals" in addition to supporting the growth of "individuals" by providing each employee with growth opportunities and strategically allocating them. In addition, we will actively promote marketing sophistication, productivity improvement, and value creation through DX strategies centered on AI and data.

Through these efforts, we will further grow our business over the medium-to long-term to realize social sustainability and people's well-being.



Deepen Business Model Restructuring in Existing Business Domain

During the period of the current Medium-Term Management Plan, we have sought to enhance our resilience and growth potential by making our business structure less dependent on aviation alone.

This Business Model Restructuring has two perspectives: restructuring of profit structure and profit expansion and growth. The restructuring of profit structure means increasing the profitability of existing business domains, while the profit expansion and growth means firmly expanding the growth areas of LCC Business and Mileage, Lifestyle and Infrastructure Business, so that about half of our profits will come from these businesses.

In order to deepen this Business Model Restructuring over the medium-to long-term, we have identified expansion of scale of international flights, improvement of profitability of domestic

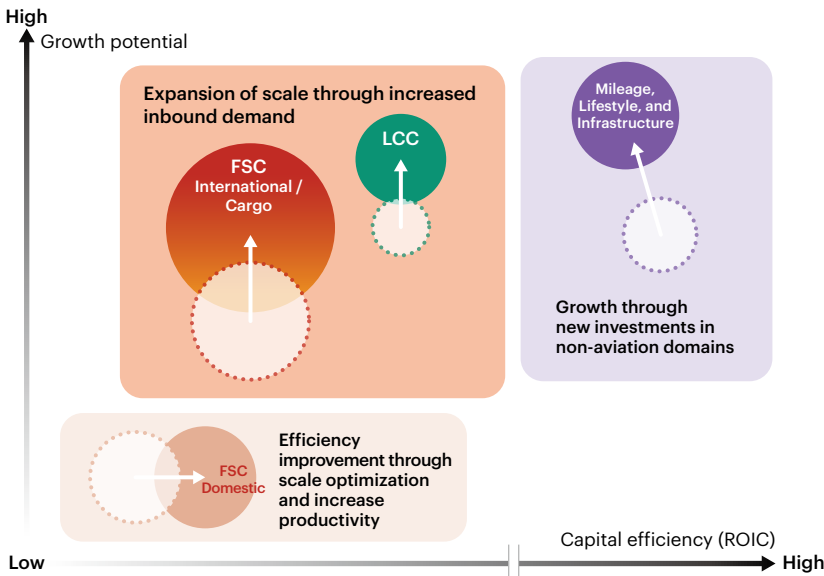
flights, improvement of productivity, and growth of Mileage, Lifestyle and Infrastructure Business as key themes in our existing business domains.

In the international FSC business, Cargo and Mail business, and LCC business, we will expand the scale of our business by firmly capturing overseas demand. For domestic FSC business, we will improve profitability by optimizing the scale of the business through supply-demand matching and improving efficiency by enhancing productivity. In Mileage, Lifestyle and Infrastructure Business, we will aim for growth by promoting new investments.

In addition to the international FSC business, Cargo and Mail business, and LCC business, which have high growth potential, we will allocate resources to non-aviation domains such as mileage/finance and commerce, which have high capital efficiency. This will enable us to achieve an EBIT of JPY 230 billion in FY2028, and to enhance our corporate value over the medium-to long-term.

● Business Portfolio Image

Size of circle = Size of sales revenue (Dotted circle: FY2025, Circle: FY2030 and beyond)



FY2025 ⇒ FY2028 EBIT growth

FSC

CAGR 4% EBIT JPY 130 billion (+11%)

International Expand scale of medium- and long-haul routes and actively capture inbound demand

- Increase in ASK +3%, increase in revenues from overseas passengers in priority markets +70% (from FY2023 to FY2035)
- Focused allocation of resources necessary to capture inbound demand

Cargo

Expand business scale by utilizing freighters

- Expand network for European and U.S. routes through partnerships with other companies
- Increase the share of high value-added cargo to 30% of freight revenues (+5% from FY2024)

Domestic

Improve profitability of domestic routes

- Yield improvement to offset cost increase
- Enlarge total amount of relationships and societal connections, and guide inbound passengers to local areas
- Service and workstyle innovation using digital technologies and AI
- Review of route network based on the role of aviation

LCCs

CAGR 16% EBIT JPY 30 billion (+58%)

Growth due to expansion of international routes

- Increase in ASK +91%
- Introduce ZIPAIR 787-9 and Increase revenue with additional full-flat seats

Mileage, Lifestyle and Infrastructure

CAGR 3% EBIT JPY 70 billion (+9%)

Expansion of customer base through expansion of partnerships including Lifestyle and financial services

- Miles issued on a daily life +28%

Contribution to growth of inbound demand

- Ground Handling Business revenue: +15%

New Business Domains Based on Social Issues

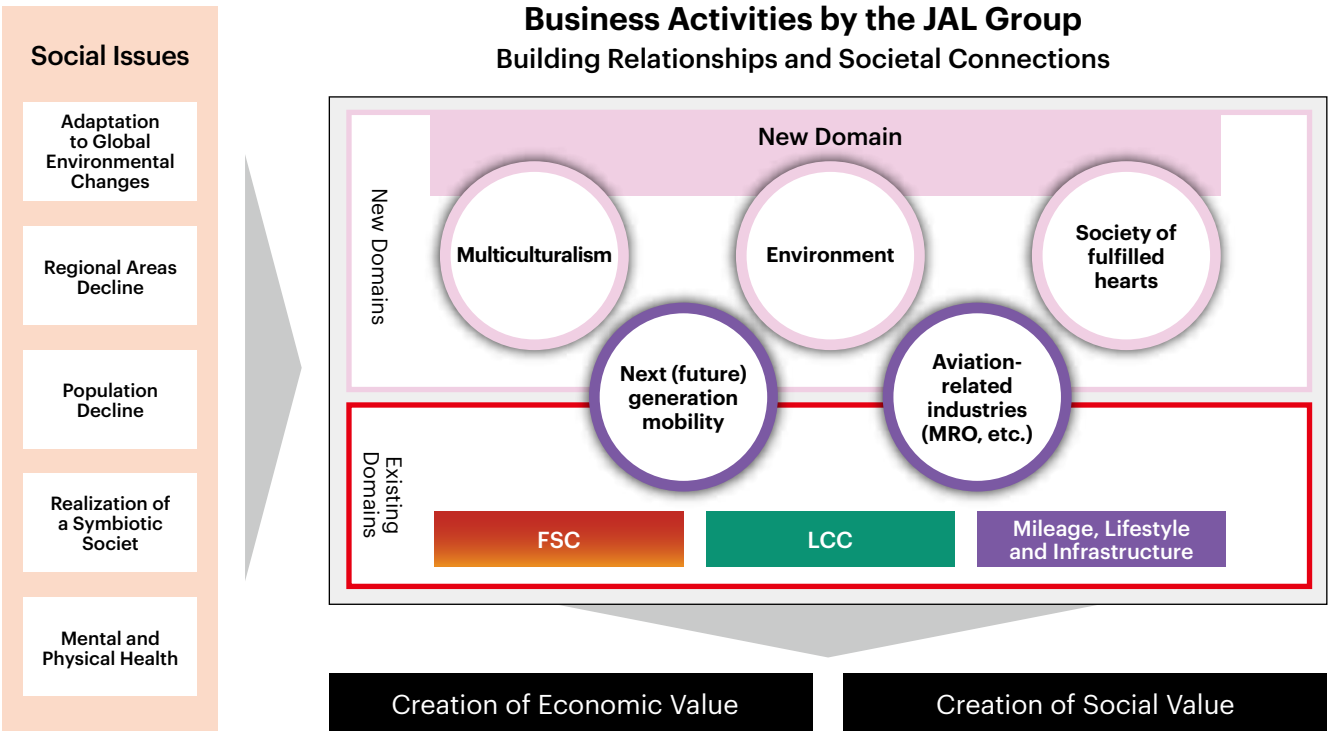
In order for a company to grow over the medium-to long-term, we believe that it is important not only to pursue economic value through business, but also to synchronize the sustainability of the company and society by addressing emerging social issues such as adaptation to global environmental changes, regional areas decline, and population decline.

In the Medium Term Management Plan-Rolling Plan (MRP) 2024, the JAL Group has set the goal of expanding the “total amount of relationships and societal connections” by 1.5 times from the 2023 level by 2030, by improving the “number of people involved” and the “degree of involvement with the community,” and is working to realize these initiatives.

In addition to our efforts to expand the total amount of relationships and societal connections in existing domains, we will work to solve social issues in new business domains, aiming to enhance our corporate value over the medium-to long-term by creating social value as well as economic value.

For example, we believe that we can create social value by developing a next-generation mobility business to address the social issue of regional decline and support regional transportation infrastructure.

The social issues to be addressed in the mid- to long-term will be organized as material issues (materiality) to be addressed by the JAL Group during FY2025, and the direction of new business domains to solve emerging social issues will be further materialized in FY2025 and beyond.



TOPIC

Next-generation air mobility business based on solving social issues in local communities

The JAL Group is working on an air mobility business in Amami and Setouchi Town, aiming to solve social issues in the region. In addition to using drones to deliver medical supplies and daily essentials to the secondary remote islands, which are remote islands that rely on ships for transportation and daily essentials from the main island, we are also using drone aerial photography to assess the damage in isolated villages and transport relief supplies as part of disaster prevention and disaster response. In this way, we are working to solve social issues such as outlying islands logistics infrastructure and lack of personnel by establishing a system (phase-free model) that can be operated in both normal times and emergencies. We will continue to create new social value by supporting local economies, lifestyles, and security through our next-generation air mobility business that takes social issues as its starting point.

➡ Please refer to p. 64 Next Generation Mobility



Message from Our Group CFO (Financial Strategy)

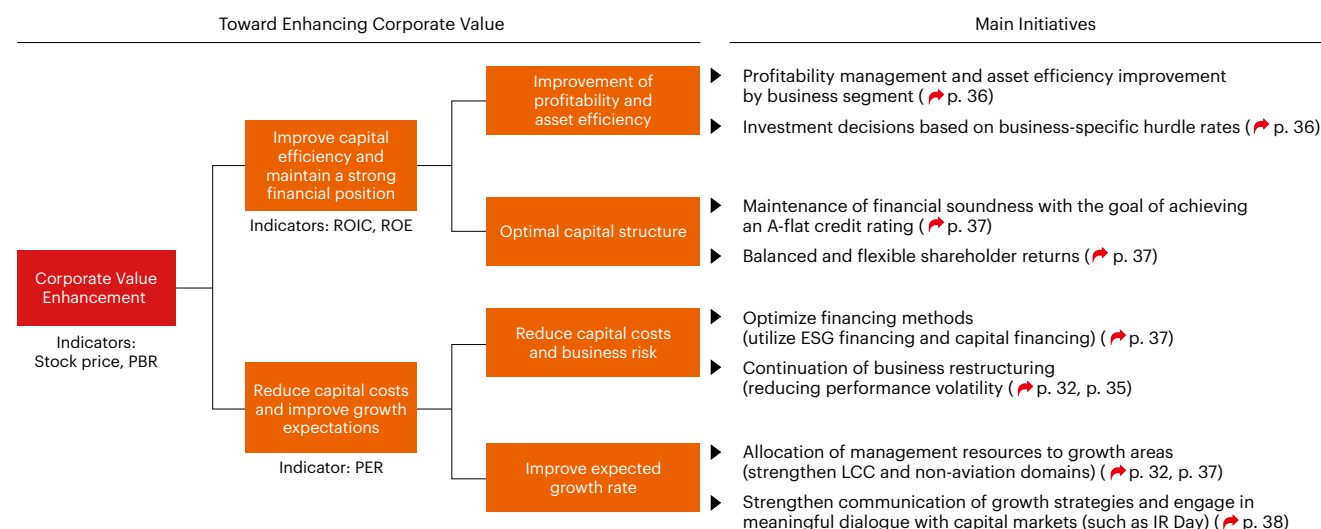
Drive Business Restructuring
to Further Enhance Corporate
Value While Maintaining
Strong Financial Foundation

SAITO Yuji

Representative Director, Executive Vice President
(Group CFO)



● Logic Tree for Enhancing Corporate Value



Basic Policy of Financial Strategy

Enhance corporate value through strategic resource allocation while balancing strong financial foundation and high capital efficiency

The JAL Group's basic financial strategy is to enhance corporate value by building a business portfolio through the strategic allocation of management resources, while maintaining both a strong financial position and high capital efficiency. The air transportation business is highly volatile, as its operations are significantly affected by geopolitical risks, fluctuations in resource prices, and changes in demand due to external factors. Therefore, maintaining financial soundness in preparation for event risks is a top priority, and we need to execute growth investments, including large-scale aircraft acquisitions, both efficiently and reliably, while preserving a strong financial structure. Our basic policy states that we will execute investments efficiently and opportunistically by carefully analyzing our business under a disciplined financial strategy.

With regard to maintenance of a strong financial position as stated in the policy, we aim to achieve approximately fifty percent of shareholders' equity ratio based on credit rating evaluations, and plan to strengthen risk resilience by obtaining and maintaining credit rating of "A Flat" or higher (from Japanese rating agencies).

Concerning capital efficiency, JAL has set ROIC—using "assets," including aircraft, as the denominator—as one of our management targets. This reflects our business model of generating profits from aviation assets and underscores our commitment to pursuing capital efficiency across all business segments.

The logic tree on the left illustrates our main initiatives to enhance corporate value based on the above basic policy. Through the three pillars of a strong financial position, high capital efficiency, and strategic allocation of management resources, we aim to further enhance corporate value such as improving our stock price and PBR.

From the next page onward, we will review the financial status during the Medium-Term Management Plan 2021-2025 and explain specific initiatives described in the logic tree.

Review of the Current Medium-Term Management Plan

Exceeded FY2024 EBIT targets as a result of business restructuring

The current Medium-Term Management Plan began in FY2021, in the midst of the COVID-19 pandemic. Since then, we have advanced to reform our business structure, and customer demand has returned. EBIT for FY2024 exceeded the initial plan, reaching JPY 172.4 billion. Additionally, ROIC was 8.1 percent and is on track to reach the target of 9 percent set forth in the Medium-Term Management Plan.

This is not only due to environmental factors such as strong inbound demand and gradual recovery of business demand

outbound from Japan on international air travel, as well as recovery of domestic air travel demand to pre-COVID-19 pandemic levels, but also due to the efforts to restructure our business portfolio following the company's experience with the COVID-19 pandemic, during which we have been promoting business model reform to create new business models in non-aviation domains and increase Group profitability. To put this in numerical terms, the profit ratio of the FSC business to other businesses was roughly 7:3 before the COVID-19 pandemic, but by FY2024, we were able to raise the ratio to 6:4.

In FY2025, the final year of the current Medium-Term Management Plan, we expect to achieve profit growth over the previous year. On that basis, looking ahead to the next Medium-Term Management Plan, we will continue our efforts to

build a business portfolio that combines profit growth and high resilience, aiming to further accelerate our growth.

Build industry-leading strong financial foundation

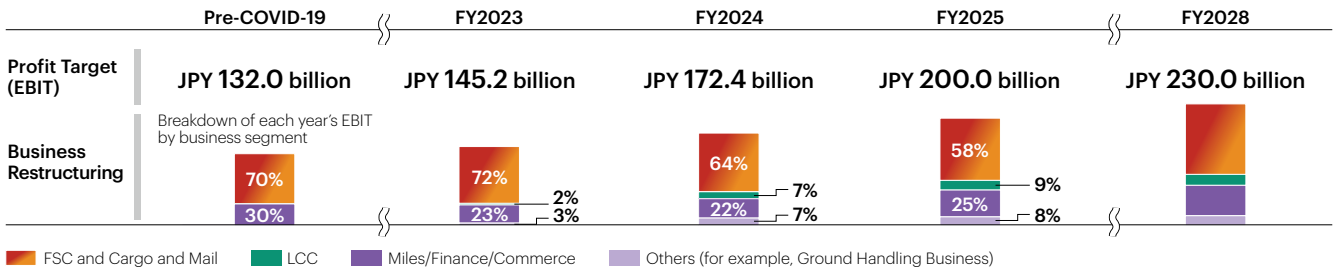
With regard to financial soundness, the COVID-19 pandemic temporarily caused our shareholders' equity ratio to fall to around 30 percent. However, under our fundamental financial management based on our basic policy, we maintained our credit rating at "A minus" (Rating and Investment Information, Inc.). As of the end of FY2024, our shareholders' equity ratio based on credit rating was 41.1 percent and Net D/E Ratio was -0.0x, demonstrating that we have maintained one of the strongest financial positions* in the global aviation industry. Regarding liquidity on hand, as a precaution against event risks, we maintain liquidity equivalent to approximately 5.0 to 5.6 months' worth of passenger revenue, utilizing credit facilities.

* This expression reflects JAL's position as a top-tier company, considering the credit ratings of global airlines.

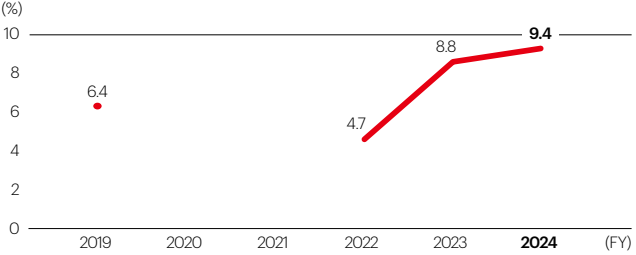
Results and Goals of Each Indicator

		Results of FY2024	Goals of FY2025
Profitability Indicator	EBIT Margin	Business goal 9.4%	10% or higher
	EPS	Business goal JPY 245	At level of JPY 290
Efficiency Indicator	ROIC	Business goal 8.1%	9% above WACC
	ROE	11.4%	10% above cost of equity
Safety Indicator	Equity ratio	41.1% (credit rating)	Approx. 50% (credit rating)
	Credit Rating	R&I: A minus JCR: A Flat	Achieve "A Flat"
	Liquidity on hand	JPY 899 billion Credit Facility JPY 150 billion	Secure 5.0-5.6 months' worth of passenger revenue (including credit facility)
Shareholder Return	Dividends	FY2024 Dividend: 86 yen/share	Maintain a dividend payout ratio of about 35% Flexible share buybacks

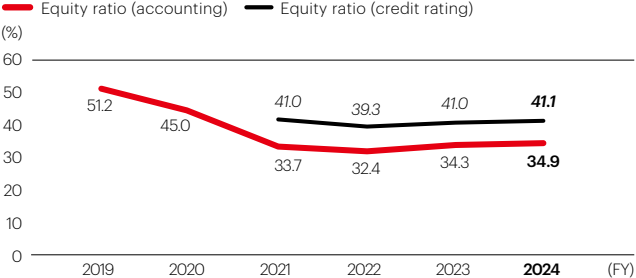
Changes in the Business Portfolio



EBIT Margin



Equity Ratio



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Enhance Capital Efficiency

Achieve ROIC above cost of capital

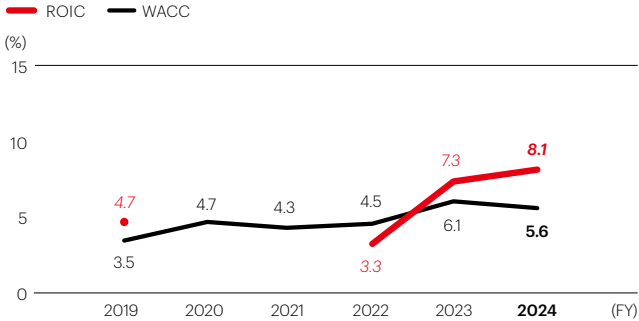
With regard to ROIC, which JAL has set as a key indicator of capital efficiency, we aim to achieve stable growth and exceed the cost of capital required by the capital markets.

We calculate the Weighted Average Cost of Capital (WACC) using the Capital Asset Pricing Model (CAPM). For FY2024, we have achieved a certain positive spread, with an ROIC of 8.1 percent, exceeding our estimated WACC of approximately 6 percent.

Since FY2019, following the outbreak of the COVID-19 pandemic, ROIC has declined due to deteriorated profitability and remained below WACC during the subsequent recovery phase. To strengthen business portfolio management, we have implemented various measures, including profitability management by business segment, calculation of segment-specific ROIC, and setting hurdle rates for each business segment. As a result, from FY2023 onward, we have achieved an ROIC that exceeds our WACC.

Going forward, we will continue these efforts and, on the asset front, aim to achieve ROIC exceeding our WACC by replacing assets with more profitable ones through initiatives such as introducing more competitive aircraft and pursuing M&A in non-aviation business areas.

ROIC and WACC



ROIC = EBIT (after tax) / Average of fixed assets* at the beginning and end of the fiscal year
* Fixed assets: Inventories + Non-current assets - Deferred tax assets - Assets for retirement benefits

Strengthen business portfolio management

Profitability management by business segment was initiated in FY2024 in order to improve profitability and asset efficiency by driving business restructuring. After appropriately allocating costs, a segment-level profitability management system was also implemented for each segment. As a result, in addition to clarifying the scope of operations and management responsibilities, more precise and quantitative analysis has enabled better allocation of management resources.

Moreover, to further enhance asset efficiency, we are also working to monitor ROIC by segment and utilize it in management. We intend to use this indicator to understand the relative performance of each segment and to support future cash allocation decisions.

Strategically allocate investment resources

JAL Group sets hurdle rates for each investment project in order to achieve further growth through investment while effectively managing risks, as its business portfolio diversifies.

Previously, the hurdle rate was set at 9 percent, which is also the ROIC target in the current Medium-Term Management Plan, as a premium above the expected WACC. This rate was applied to evaluate all investment projects. In response to the environmental changes brought about by the COVID-19 pandemic, we began setting appropriate hurdle rates for each investment project starting in FY2023 to further promote business portfolio management. Specifically, as shown in the table below, by classifying risk levels using the aviation business as a benchmark, we set lower hurdle rates for non-aviation businesses with lower event risk volatility, enabling strategic allocation of management resources.

Hurdle rate for each investment project

Project	Hurdle Rate
Aviation Business	10% in principle
Non-Aviation Business	8–9%

Sustainable ROIC

The JAL Group is also considering introducing a new investment efficiency indicator called “Sustainable ROIC (tentative name)” that incorporates social value. We are studying the quantification of social value, with a focus on Internal Carbon Pricing (ICP), to develop an indicator that better evaluates investments that create social value with a medium-to long-term perspective.

We are also using ICP in our investment decisions and have introduced a system to evaluate and promote investments with higher social value.

Sustainable ROIC

Sustainable ROIC =

EBIT

+

Social Value

Fixed Assets

Allocation of Management Resource

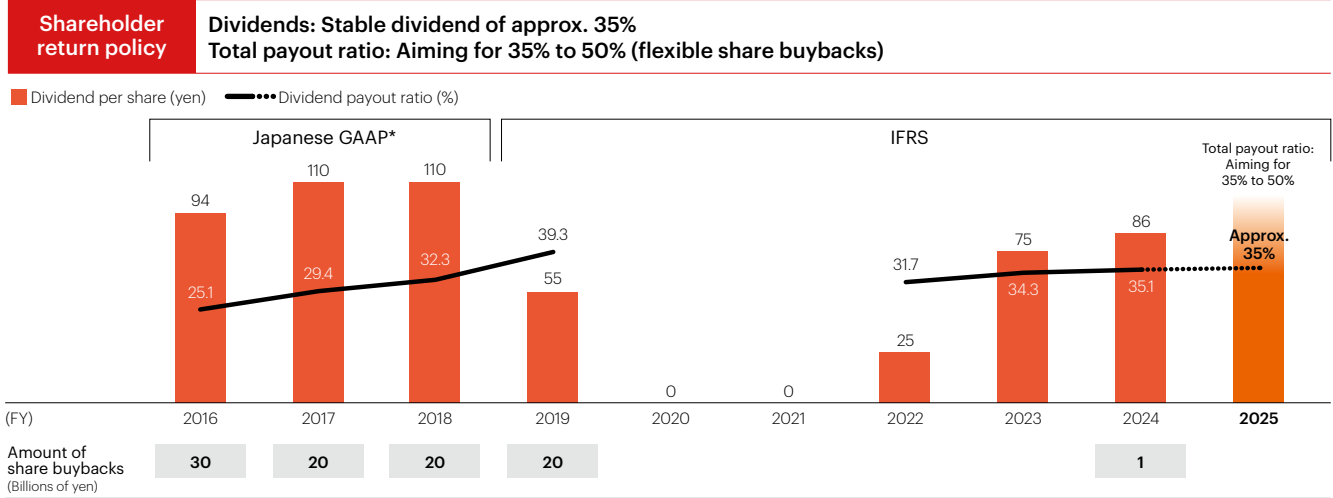
Actively invest in growth areas while maintaining financial soundness

The JAL Group has set a goal of obtaining and maintaining a credit rating at “A Flat” or higher (Japanese rating agencies), and as of August 2025, we have received an “A (stable)” from Japan Credit Rating Agency and an “A minus (stable)” from Rating and Investment Information, Inc. The Group’s policy for the allocation of management resources is, based on maintaining and improving financial soundness, i.e., the current credit rating level, to carry out growth investments in cutting-edge aircraft and new business areas, as well as providing continuous and stable dividends. In addition, we intend to actively implement share buybacks based on business and financial conditions and prospects.

Shareholder returns aligned with market expectations

Our target shareholder return ratios are a dividend payout ratio of approximately 35 percent and a total payout ratio ranging from

● Shareholder Returns



* This is calculated by excluding the impact of the adjustment amount for corporate taxes from the parent company’s net income for the current period.

approximately 35 to 50 percent range.

With the recovery from the COVID-19 pandemic, we paid a dividend of JPY 86 per share in FY2024, achieving a dividend payout ratio of 35 percent. However, as mentioned earlier, while profitability and efficiency have recovered to pre-pandemic levels, our shareholder return in terms of the total payout ratio is the last missing piece for full recovery.

For FY2025 and into the next Medium-Term Management Plan, we will continue to pursue growth investment opportunities with financial discipline, while exploring flexible share buybacks in light of macroeconomic trends and cash flow conditions.

Regarding financial soundness, which serves as the foundation for allocating management resources, we currently target a credit rating-based equity ratio of roughly 50 percent. However, considering strong demand for future investments and the early optimization of resource allocation, including shareholder returns, we intend to revise this target level in the next Medium-Term Management Plan.

TOPIC

Aim of “Capital Financing”

In March 2025, at the same time as the announcement of the Medium-Term Management Plan-Rolling Plan 2025, the JAL Group announced the issuance of perpetual subordinated bonds and the amendment of its Articles of Incorporation to allow the issuance of bond-type class stocks. We have already issued JPY 178.9 billion perpetual subordinated bonds in April 2025, and we are preparing for the issuance of bond-type class stocks, following the approval of an amendment to the Articles of Incorporation at the general shareholders’ meeting in June 2025. There are two main reasons for these financing arrangements. One is to diversify our funding sources while expanding our capital and strengthening our financial base without dilution of existing shareholders. Neither of these instruments is common stock but they will be accounted as capital under our accounting standards, IFRS, and we believe they will contribute to reducing the cost of capital.

Secondly, we aim to achieve optimal cash allocation, including shareholder returns. A characteristic of these financing instruments is that they do not receive capital treatment under credit rating methodologies. This structure, unlike existing subordinated financings, enables us to conduct more flexible financial strategies and expanded shareholder returns without being constrained by credit rating.

Going forward, we intend to continue our efforts to enhance corporate value and execute appropriate financings as needed to achieve optimal allocation of management resources at an early stage.

Dialogue with Institutional Investors

We are committed to meaningful and interactive communication with institutional investors. In addition to individual meetings with our president, executive vice president, Group CFO, and other

senior executives, we hold regular IR events as an opportunity to improve the quality and quantity of our dialogues to deepen their understanding of our Group.
Also, we share suggestions obtained from dialogues with institutional investors with our top management and use them to

improve our corporate management and investor communication.
Through close communication with the capital market, we aim to improve corporate governance and reduce the cost of capital.

Dialogues with Institutional Investors

● Number of Events Held for Institutional Investors					
	2020	2021	2022	2023	2024 (FY)
Briefing of Financial Results and Medium-Term Management Plan for Institutional Investors	4	4	4	5	5
Events for Institutional Investors	3	3	3	4	4
IR DAY	1	1	1	1	1
Guided Tour of Facilities	0	0	0	1	1
CEO Small Meeting / CFO Small Meeting	2	2	2	2	2
Conferences Sponsored by Securities Firms	9	11	12	8	9

● Number of Institutional Investors Interviewed (Total)					
	2020	2021	2022	2023	2024 (FY)
Meetings with Investors in Japan	209	188	162	171	144
Meetings with Investors in Other Countries	262	164	230	214	201
Total	471	352	392	385	345
Interviews with Top Management	173	91	112	124	75
President	42	12	17	15	15
Executive Vice President	0	1	7	14	15
Group CFO and Senior Vice President, Finance and Accounting Division	68	74	86	95	45
Others*	63	4	2	0	0

* Number of investors interviewed by the Chairman and other members of top management

TOPIC

IR DAY
At the IR Day held in May 2025, 13 executive management members from JAL, including the president, the chairman and president of ZIPAIR, and the president of Spring Japan, a total of 16 executives appeared on stage. This was an opportunity to discuss the contents of the Medium-Term Management Plan FY2021-2025-Rolling Plan 2025 as well as medium-term growth strategies and other topics directly with our investors. In addition to strategies for FSC, LCC, and Mileage/Finance and Commerce, participants deepened their understanding of the JAL Group from various perspectives, including ESG strategies and human resource strategies.



Guided Tour of Facilities
At the facility tour held in January 2025, we provided investors with a tour of the maintenance facilities that play a fundamental role in the JAL Group's flight safety. Participants also received an overview of the maintenance work supporting safe air travel with the JAL Group, and deepened their understanding of the composition of maintenance costs and our cost management strategies.



CEO Small Meeting, CFO Small Meeting, and Dialogue with Outside Directors
At the CEO Small Meeting and the CFO Small Meeting, we held dialogues with investors on the JAL Group's growth strategy and business conditions. Outside directors also explained at the CFO Small Meeting the JAL Group's future possibilities and challenges from the perspective of outside directors and engaged in dialogue with investors.

Sharing with Top Management

Feedback to our Directors and Councils
We regularly provide feedback to the Board of Directors and Group Management Council on key concerns and opinions of institutional investors worldwide to identify issues and drive management improvements. We also share this information widely with relevant divisions within the Group to improve management practices and IR activities.
In order to better communicate with investors, we will continue the ongoing cycle of identifying issues through internal feedback, formulating and implementing improvement measures, and incorporating market evaluations within the Group.

Setting Medium-Term Management Plan -Rolling Plan 2025 based on Investor Feedback



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Management Targets

Management targets

The JAL Group has set management targets to be achieved by FY2025 based on the social environment, stakeholder expectations, the degree of impact through business, and the importance of the targets to management. Specifically, we have set targets for “Safety and Peace of Mind” and “Sustainability,” which are social values as stated in JAL Vision 2030, and for “Finance,” which is an economic value, and will work to improve the wellbeing of our customers, society, and employees by addressing each as a top priority management issue.

Safety and Peace of Mind

With regard to safety, which is a prerequisite for value creation, we will strive to reduce the number of flight accidents and serious incidents to zero as a leading company. Regarding peace of mind, which we define as CX, we will strive to create a world-class customer experience in all aspects of daily life, in addition to flight experience. We will strive to improve NPS, an objective measure of customer satisfaction.

Sustainability

With regard to environment, we have backcasted from achieving net zero CO₂ emissions by 2050 and have set total emissions as our CO₂ reduction target for 2025. In addition, we will thoroughly reduce single-use plastics, including the total elimination of new petroleum-based materials. With regard to the movement of people and goods that enhance our relationship and societal connection with local communities, we will strive to expand domestic passenger and cargo transportation volume. In human resources our greatest capital, we have set a target for the proportion of women managers, aiming to have a diverse range of human resources in active roles in the workplace.

Finance

The management targets are profitability (“EBIT margin”), which is to be increased through business model reform, return on investment capital (“ROIC”), which is to exceed the cost of capital, and “EPS”, which is to exceed the pre-COVID-19 level.

FY2025 Targets		
Safety and Peace of Mind	Safety	Aircraft accidents and serious incidents: 0 cases (During the entire period of the Medium-Term Management Plan)
	CX (Peace of Mind)	Top level customer experience both in air travel services and daily life NPS*1 : +4.0 pt (FSC international and domestic)
Sustainability	Environment	CO ₂ emission reduction Total emissions: below 9.21 million tonnes (FY2019 result)
		Reduction of single-use plastic*3 Cabins and lounges: No use of new petroleum-based plastics Cargo and airports: 100 % switch to eco-friendly materials contained*4
	Communities	Regional revitalization Domestic passengers*5 and cargo transport volume: +10 % vs. FY2019
	People	Promotion of DEI Group female manager ratio*6: 30 % Consistent efforts to encourage various human resources to demonstrate their potential
Finance	EBIT Margin (Profit margin on sales)	Achieve 10 % or higher
	ROIC*7 (Return On Invested Capital)	Achieve 9 %
	EPS (Net profit per share)	Approx. ¥290

*1 Net Promoter Score (NPS): an objective measure of customer satisfaction (compared to the beginning of FY2021)

*2 Including 120,000 tonnes of CO₂ emissions in FY2019 by Spring Japan, which became a consolidated subsidiary in FY2021 *3 Refers to single-use plastics provided to customers

*4 Items that do not use new or reduced petroleum-based raw materials, such as biomass, recycled plastic, and certified paper.

*5 Increase in total passengers between metropolitan areas and rural areas due to stimulated tourism demand, etc. *6 Organizational managers

7 Return On Invested Capital (ROIC) = EBIT (after tax) / average of fixed assets at beginning and end of period

*8 Fixed assets = Inventories + Non-current assets - Deferred tax assets - Assets related to retirement benefits * (Improvement of Total Shareholder Return)

Progress of Management Targets and Future Initiatives

Safety

Zero aviation accidents and zero serious incidents



- **Aircraft accidents and serious incidents**
 - Appropriate measures are taken through the collection of information and analysis of factors related to cases in order to preventively respond to new risks, such as the increase in cases of collisions and close calls in and around airports outside Japan, bird strike, and inflight fires that may be caused by baggage incidents
- **Drinking alcohol related issues: Reform internal “Awareness”, “Structure and Culture” and “Organization” in light of the Administrative Guidance for the Business Improvement Order and the Business Improvement Advisory**

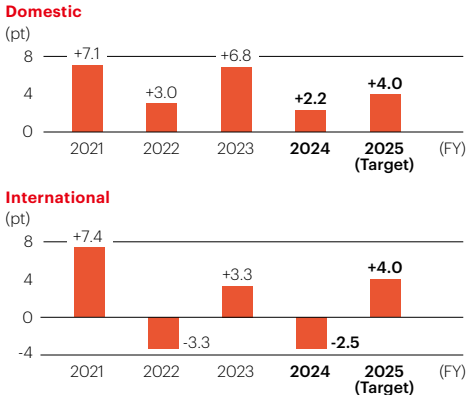
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CX (Peace of Mind)

NPS: +4.0pt

FSC international and domestic routes (compared to the beginning of FY2021)



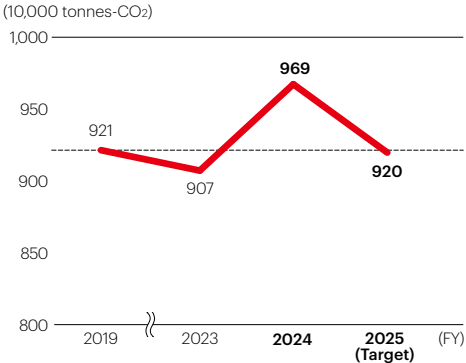
- **Common**
 - Enhanced complimentary inflight Wi-Fi service (streaming on domestic flights, complimentary Wi-Fi service on international flights) to allow customers to spend more time the way they want on inflight
 - JAL’s mobile app will be revamped by the end of FY2025 to deliver a simple, easy-to-use digital experience through a unified design and improved responsiveness

- **Domestic**
 - Provide stress-free air travel by expanding JAL SMART AIRPORT

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Environment (Reduction of CO₂ emissions)

CO₂ emissions: Less than 9.21 tonnes (FY2019 result)



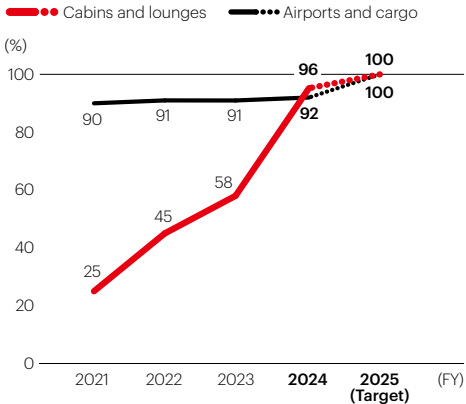
- **Renewal to fuel-efficient aircraft**
- **Operational Innovations**
- **Use of SAF (1 percent of all onboard fuel will be replaced by SAF by FY2025)**
- **Use of CORSIA* qualified credits**

*CORSIA: Carbon Offsetting and Reduction Scheme for International Aviation

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Environment (Reduction of Single-use Plastics)

Cabins and lounges: Elimination of all new petroleum-based materials
Airports and cargo: Switch to 100% ecofriendly materials contained

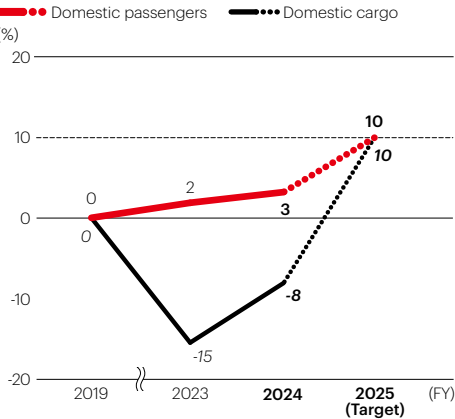


- **Cabins: Changed materials for toothbrushes, paper hand towels, among others**
- **Lounges: All materials have been eliminated**
- **Cargo: Changed the material of binding film**
- **Airports: Changed 100 percent**

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Community

Domestic Passenger and Cargo Transport Volume +10% (Compared to FY2019)

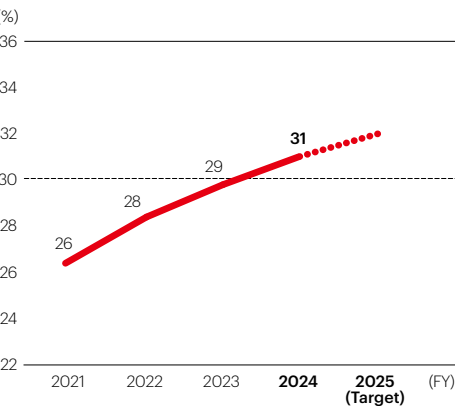


- Expand domestic passenger* transport volume
 - Attract inbound travelers to the local areas
 - Capture the air transport demand on the occasion of EXPO 2025 Osaka, Kansai, Japan
- Expand domestic cargo transport volume
 - Promote shift from land transportation to air cargo transportation through the use of freighters and partnerships

* Increase in total passengers between metropolitan areas and rural areas due to stimulated tourism demand, etc.

People

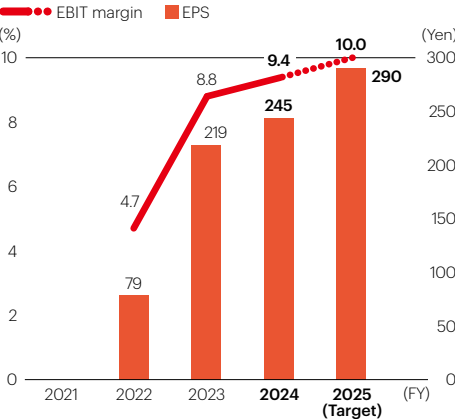
Proportion of female managers: 30%



- Strengthening Female Leadership Development
 - In order to increase the proportion of female managers and vice presidents, the number of participants in the training program for female leaders has been expanded. p. 66
- Promoting the appointment of women to management positions
 - Promoting the appointment of human resources with diverse experience and skills across the Group, regardless of their attributes and job titles. p. 66

Profitability Indicators

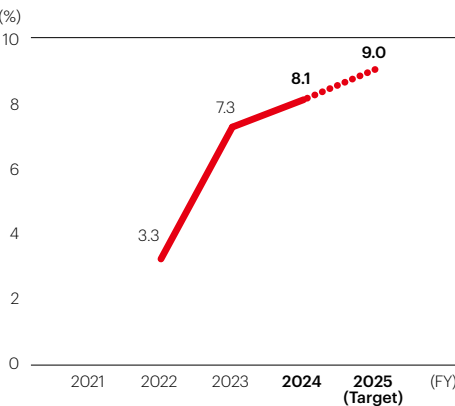
EBIT margin: 10% or more
EPS: JPY 290 level



- Business Restructuring
 - Improve efficiency in the FSC domain through business management based on unit profit
 - Expansion of revenue composition ratio in Mileage, Lifestyle and Infrastructure Business p. 32
- Thorough cost control and promotion of productivity improvement p. 32 · p. 69

Efficiency Indicators

ROIC: 9%



- Realization of effective investment
 - Careful selection of investments with efficiency in mind
 - Manage investment progress and strengthen PDCA p. 32 · p. 36

Major Initiatives and Results Regarding Sustainability

Economic values and businesses created through air transportation and societal connections, we have set and managed progress in each of the three themes of (1) Creation of Relationships and Societal Connections (2) Green Transformation Strategy and other initiatives for environmental issues to pass on precious Earth to the next generation, (3) Human Capital

Management aimed by our Human Capital Strategy, and Governance which is the foundation of value creation and promote ESG management. Four of these initiatives, namely “reducing CO₂ emissions,” “reducing single-use plastics,” increasing “the ratio of female managers,” and “regional revitalization,” have also been set as management targets

(sustainability). We will accelerate our efforts to achieve the management targets of the current Medium-Term Management Plan, realize JAL Vision 2030, and resolve the materiality issues through a backcasting approach.

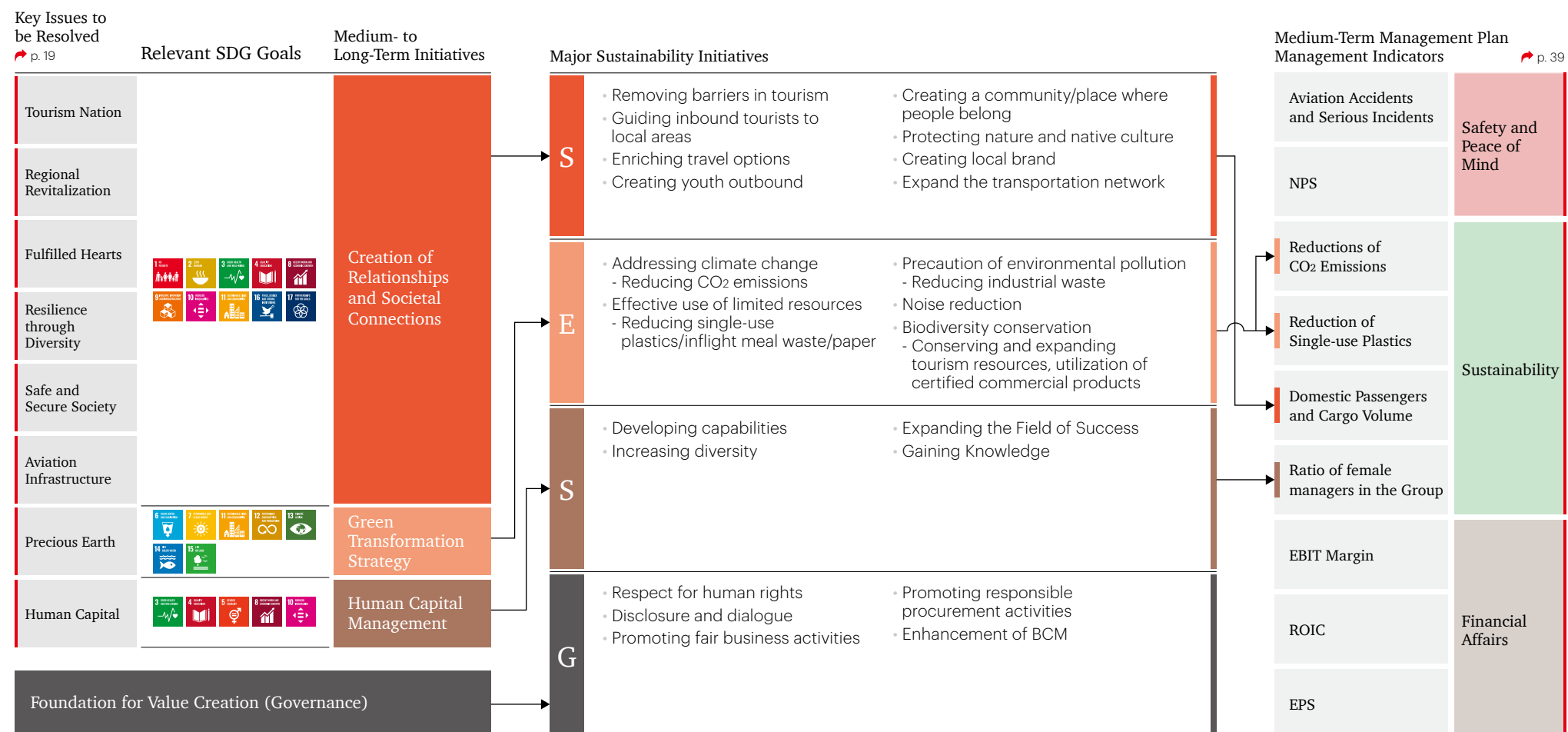


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S Creating Relationships and Societal Connections through Air Transportation

Initiatives	Performance indicators	Results of FY2019	Results of FY2020	Results of FY2021	Results of FY2022	Results of FY2023	Results of FY2024	Targets for FY2025	Related Key Materiality
Performance indicators	Total amount of relationships and societal connections*1	—	—	—	—	7.2 million person/times	7.5 million person/times	7.65 million person/times	Tourism Nation
Increase in domestic passengers*2 and cargo traffic	Increase ratio (Passengers)	—	-74.2% v.s.FY2019	-59% v.s. FY2019	-15% v.s. FY2019	+1% v.s. FY2019	+3% v.s. FY2019	+10% v.s. FY2019 Management target	Regional Revitalization
	Increase ratio (Cargo)	—	-30% v.s. FY2019	-34% v.s. FY2019	-17% v.s. FY2019	-15% v.s. FY2019	-8% v.s. FY2019		Fulfilled Hearts
Maintenance and development of regional route networks including outlying island routes	Number of domestic entry points (including code share)	62 points	61 points	61 points	64 points	65 points	64 points	More than 65 points	Resilience through Diversity
Expansion of services provided through increased contract orders	Number of passenger and cargo flights regarding ground handling for foreign carriers	87,000 flights	9,000 flights	17,000 flights	29,000 flights	66,000 flights	82,770 flights	94,000 flights*3	Safe and Secure Society
Promoting the use of domestic flights to in-bound tourists	Number of users	701,240 people	49,188 people	121,844 people	582,180 people	912,578 people	1,161,629 people	1,505,000 people	Aviation Infrastructure
Drone logistics and commercialization of eVTOL Air Taxi	Commercialization	—	—	—	—	Drone commercialization (operation) started	Establishment of eVTOL operation company completed	FY2023: Commercialization of drone delivery FY2026: eVTOL commercialization	
Promoting air travel to customers who find it difficult to travel	Ratio of such passengers onboard	0.36%	0.29% (0.8 times v.s. FY2019)	0.64% (1.8 times v.s. FY2019)	0.71% (1.9 times v.s. FY2019)	0.81% (2.2 times v.s. FY2019)	0.82% (2.3 times v.s. FY2019)	2.5 times v.s. FY2019 results	
	Number of wooden wheelchairs which go through metal detectors	478 units	478 units	478 units	508 units	508 units	461 units	580 units	
Enhancing pharmaceutical transportation	Transport weight	610 tonnes	721 tonnes +18% v.s. FY2019	1,172 tonnes +92% v.s. FY2019	1,363 tonnes +123% v.s. FY2019	3,274 tonnes*4 +437% v.s. FY2019	4,355 tonnes +614% v.s. FY2019	+50% v.s. FY2019	
Enhancing transportation of fresh products	Transport weight	—	—	—	—	8,175 tonnes +54% v.s. FY2019	10,029 tonnes +89% v.s.FY2019	+142% v.s. FY2019	
Promoting JAL Wellness & Travel	Number of municipal partnerships	—	—	—	4 cases	5 cases	9 cases	10 cases	
Strengthening planning and sales of recycled products in cooperation with companies outside the JAL Group	Number of affiliated companies	—	—	—	—	5 companies	12 companies	15 companies	
Promoting Go Somewhere with Miles	Cumulative number of users	—	—	—	540,000 people	630,000 people	710,000 people	810,000 people	

*1 Relationship between interacting community x level of community involvement
*2 Incremental total passengers between metropolitan and rural areas due to stimulated tourism demand
*3 Target revised due to environmental changes in operational contracted flights
*4 Including temperature-controlled storage for pharmaceuticals in Narita airport entrusted from oversea airlines

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E Precious Earth

Initiatives	Performance indicators	Results of FY2019	Results of FY2020	Results of FY2021	Results of FY2022	Results of FY2023	Results of FY2024	Targets for FY2025	Related Key Materiality
Addressing Climate Change	Reduction of CO ₂ emissions	Scope1 emissions from aircraft	9.09 million tonnes (9.21 million tonnes ¹⁾)	4.39 million tonnes	6.19 million tonnes	8.19 million tonnes	9.07 million tonnes	9.69 million tonnes	Less than 9.21 million tonnes Management target
		CO ₂ emissions per paid ton kilometer (Revenue tonne kilometer)	1.0648 kg-CO ₂ /tonne kilometers	1.3763 kg-CO ₂ /tonne kilometers	1.2751 kg-CO ₂ /tonne kilometers	1.0829 kg-CO ₂ /tonne kilometers	1.0040 kg-CO ₂ /tonne kilometers	0.9595 kg-CO ₂ /tonne kilometers	0.8365 kg-CO ₂ /tonne kilometers ²
		Scope2 emissions from ground facilities	60,000 tonnes	51,000 tonnes	53,000 tonnes	56,000 tonnes	53,000 tonnes	57,000 tonnes	54,000 tonnes
		Percentage of fuel-efficient aircraft	82%	84%	85%	86%	86%	86%	86% ³
		Ratio of SAF to total fuel	0.0001% Loaded in all five A350 delivery flights	0.0000009% Domestically produced SAF loaded on domestic scheduled flights	0.0002% • Loaded on four A350 delivery flights • Loaded simultaneously on two types of domestically produced SAF for domestic scheduled flights	0.004%	0.012%	0.035%	1% of all loaded fuel
		Reduction through JAL Green Operations promotion (CO ₂ reduction through operational ingenuity)	157,000 tonnes (1.7% of emissions)	82,000 tonnes (1.8% of emissions)	142,000 tonnes (2.3% of emissions)	195,000 tonnes (2.4% of emissions)	217,000 tonnes (2.4% of emissions)	224,500 tonnes (2.3% of emissions)	Reduction equivalent to 2.5% of CO ₂ emissions from aircraft
		Number of JAL Carbon Offset website visitors		Tracked from FY2021 the fourth quarter		13,122 people (1.5 times v.s. FY2021)	21,215 people (2.4 times v.s. FY2021)	36,329 people (4.1 times v.s. FY2021)	30,000 people (3.4 times v.s. FY2021)
		Number of Carbon Offset users		Tracked from FY2022		385 people	1,785 people (4.6 times v.s. FY2022)	2,310 people (6 times v.s. FY2022)	2,000 people (5.2 times v.s. FY2022)
		Number of total contracted companies of JCSP (JAL Corporate SAF Program)				Tracked from FY2024	12 companies (Cargo: 3 companies) (Corporate Passenger: 9 companies)		15 companies
Effective Use of Limited Resources	Reduction of plastic ⁴	No use of “new petroleum-based” plastics of JAL original items in airport lounges and cabins	2.5%	10.4%	25%	45%	58%	96%	100% Management target
		Percentage of eco-friendly materials contained in cargo and airports ⁵	Starting from FY2020	87.6%	90%	91%	91%	92%	100% Management target
	Reduction of inflight meal waste	Yield rate	—	—	—	—	4.4%	2.6%	Less than 2.5%
	Paper reduction	Electronic AWB (Air Waybill)	—	—	25%	62.5%	82.6%	83.3%	JAL flight e-AWB completed

^{*1} Includes 120,000 tonnes of FY2019 CO₂ emissions by Spring Japan, which became a consolidated subsidiary in 2021 ^{*2} Factoring in the impact of bypassing Russian airspace ^{*3} Target modified due to change in fleet plan
^{*4} Single-used plastic served to customers ^{*5} Items that do not use new or reduced petroleum-based raw materials, such as biomass, recycled plastic, and certified paper

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Initiatives		Performance indicators	Results of FY2019	Results of FY2020	Results of FY2021	Results of FY2022	Results of FY2023	Results of FY2024	Targets for FY2025	Related Key Materiality
Precaution of Environmental Pollution	Industrial waste reduction	Final disposal rate	0.3%	0.6%	0.3%	0.6%	0.7%	0.5%	Keep below 1%	Precious Earth
Noise Reduction	Low-noise aircraft operations	ICAO Chapter 14 standard compliant aircraft ratio	45%	40%	41%	42%	42%	44%	45%*	
Biodiversity Conservation	Preservation and expansion of tourism resources	[Okinawa] Number of grown sexually reproduced corals	—	600 clusters	1,000 clusters	1,700 clusters	1,150 clusters	1,557 clusters	1,000 clusters by 2026	Precious Earth
	Utilization of certified commercial materials	Percentage of inflight paper items with international certification in consideration of forest resources	15.9%	66.5%	66.5%	87.8%	94.4%	96.5%	100%	Tourism Nation
	Prevention of illegal wildlife trade	Number of illegal wildlife transports	0	0	0	0	0	0	0	Regional Revitalization
	Incorporating biodiversity considerations into the ingredients and commercial products	Number of violations of internal guidelines related to ESG risk in ingredients and commercial products	—	—	—	0	0	0	0	
	Reducing the impact on ecosystems surrounding airports	[Tokyo] Number of incidents of improper management of water containing hazardous substances	—	—	—	—	0	0	0	

* Target modified due to change in fleet plan

S Human Capital

Initiatives		Performance indicators	Results of FY2019	Results of FY2020	Results of FY2021	Results of FY2022	Results of FY2023	Results of FY2024	Targets for FY2025	Related Key Materiality
Developing Capabilities	Providing opportunities for education and challenges to maximize individual potential	Training cost per person ¹	¥449,480/person	¥109,321/person	¥84,469/person	¥138,651/person	¥164,103/person	¥176,579/person	¥338,000/person	Human Capital
Increasing Diversity	Providing opportunities to gain a variety of experiences regardless of attributes	Ratio of women in management	18.4%	19.5%	21.9%	22.8%	29.8% ²	31.5%	30% Management target	
		Employment ratio for persons with disabilities ³	2.62%	2.67%	2.64%	2.75%	2.90%	2.91%	3.2%	
		Percentage of men taking childcare leave ^{4, 5}	81.8%	106.3%	99.3%	87.2%	80.5%	87.5%	100%	

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Initiatives		Performance indicators	Results of FY2019	Results of FY2020	Results of FY2021	Results of FY2022	Results of FY2023	Results of FY2024	Targets for FY2025	Related Key Materiality
Expanding the Field of Success	Providing opportunities for growth and learning	Internal relocation through open recruitment	—	—	—	30 people/year	85 people/year	100 people/year	100 people/year	Human Capital
Gaining Knowledge	Deepen internal knowledge and acquire external knowledge	Career recruitment ratio	—	—	—	—	40.0%	50.0%	50.0%	
		Number of employees who took DX education	—	—	—	—	80 people	376 people	900 people	
	Organizational revitalization through the practice of the JAL Philosophy by organizational managers	Ratio of managers who took Leader education	—	—	—	—	99.6%	99.4%	100%	
Basement of Human Capital	Improving the ratio of health check-up	Employee consultation ratio	100%	100%	100%	100%	100%	100%	Maintaining 100%	
		Family consultation ratio ⁶	37.5%	36.0%	40.7%	47.1%	47.3%	To be disclosed within FY2025	75%	
		Ratio of mammography (employees)	—	—	58.9%	62.0%	61.4%	57.3%	70%	
		Ratio of mammography (families 35 and over)	—	—	30.2%	33.4%	34.7%	35.4%	40%	
		Ratio of uterine cancer screening (employees)	—	—	54.1%	57.9%	57.4%	54.7%	60%	
		Ratio of uterine cancer screening (families 35 and over)	—	—	25.4%	27.9%	29.8%	29.4%	40%	
Results of Human Capital Management	Increasing engagement	Percentage of highly engaged employees	54.4%	54.4% (no survey)	51.7%	51.7% (no survey)	53.8%	58.1%	64.4%	
	Value creation	Sales per capita ⁷	—	—	-50% v.s. FY2019	-2% v.s. FY2019	+16% v.s. FY2019	+20% v.s. FY2019	+38% v.s. FY2019	
	Labor Productivity Improvement	Total work hours ⁴	1,862 hours/person	1,878 hours/person	1,890 hours/person	1,884 hours/person	1,876 hours/person	1,875 hours/person	1,850 hours/person	
		Percentage of usage of annual paid leave ⁴	79.0%	71.5%	74.5%	81.0%	84.5%	80.0%	100%	
		Average number of hours of overtime and holiday work per month ⁴	9.5 hours/person	8.0 hours/person	9.9 hours/person	10.5 hours/person	9.7 hours/person	10.2 hours/person	4 hours/person (linked to 1,850 hours of total annual labor)	

*1 Return to employees will be measured as “investment in human capital per employee,” amount of investment in education plus base salary, from FY2024 onwards.
*2 Changed calculation method from FY2023
*3 Total value of Japan Airlines Co., Ltd. and JAL Sunlight Co., Ltd., a subsidiary that hires people with disabilities
*4 Japan Airlines Co., Ltd. only
*5 Calculated based on the number of people in childcare leave applicants before FY2021
*6 Until FY2020, the data was compiled for family members aged 35 and over. From FY2021, the data is compiled for family members aged 40 and over
*7 Concept of “value added per hour” will be introduced from FY2025 onward

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G Governance

Initiatives	Performance indicators		Results of FY2019	Results of FY2020	Results of FY2021	Results of FY2022	Results of FY2023	Results of FY2024	Targets for FY2025	Related Key Materiality
Respect for Human Rights	Conducting human rights due diligence	Implementation ratio of human rights due diligence	—	—	—	100%	100%	100%	100%	Resilience through Diversity
	Respect for human rights of stakeholders	Completion of human rights investigations of new key suppliers	—	—	—	—	Completed	—	100%	
		Percentage of self-assessment questionnaires for significant suppliers (60 companies)	—	—	—	—	—	100%	100% by FY2024	
		Attendance ratio of education related to respect for human rights	—	—	—	81.9%	75.5%	75.5%	100%	
		Ratio of employees who work long hours	—	—	—	1.98%	3.57%	3.33%	0%	
Disclosure and Dialogue	Strengthening the dissemination of information on corporate website sustainability pages	Number of views	765,912	786,229	893,469	840,170	820,095	845,451	1 million or more	
	Strengthening the dissemination of information to individual shareholders and investors	Members registered to stockholders' website	—	—	—	—	—	75,814 people	100,000 people	
Promoting Fair Business Activities	Preventing information leakage	Number of incidents	0	2 ^{*1}	0	2	0	2	0	
	Number of Incidents to Prevent Corruption and Bribery	Number of incidents ^{*2}	0	0	0	0	0	0	0	
Responsible Procurement	Supply Chain Management	Confirmation ratio of integrity of critical suppliers	18%	37%	62%	81%	100%	—	100%	
		Number of human rights audits conducted on key suppliers (23 companies)	—	—	—	—	—	100%	100% by FY2024	
		Number of aviation security audits of all caterer factories and machine supply depots	2	2	2	2	2	2	2	
Enhancement of BCM	Improving the effectiveness of BCP	Number of BCP-based exercises	1	1	4	4	2	2	2	

*1 Number of information leakage incidents reported to authorities
*2 Criminal or more severe penalties counted

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3

Strategies for Each Business

About This Chapter

- Enhancing the corporate value through customer-oriented management that draws sympathy from a wide range of customers - CCO Message -
- Strategies and Progress in Each Business to Realize Medium- to Long-term Management Strategies
- Aircraft Fleet Plan to Achieve Both Competitiveness and Sustainability for Growth in the Aviation Field
- Establishment of a Business Model that does not Rely on the Airline Business

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Photography by ABIKO Sachie



Message from Our Group CCO

Increasing corporate value by
responding to diverse
customer values through
customer-oriented management

AOKI Noriyuki

Representative Director, Executive Vice President
(Group CCO)



Aim for Customer-Oriented Management

On October 25, 1951, our very first flight departed from Haneda Airport with 36 passengers. Seventy-four years later, around 45 million passengers travelled with us in just the fiscal year 2024, bringing the total number of passengers we've served since our founding to 1.7 billion. We sincerely thank all our customers for their continued trust and support.

The JAL Group's Corporate Policy is to deliver unparalleled service to our customers, and as the wings of Japan, we have fulfilled our mission of flying customers safely to their destinations with peace of mind. In recent years, customers, society, and the market have undergone significant and rapid changes while recovering from the serious effects of the COVID-19 pandemic. Against this backdrop, we established the role of Chief Customer Officer (CCO) in our 2023 fiscal year, with our current CEO TOTTORI Mitsuko serving as the first CCO. We also established the Customer Value Creation Council as an Executive Management Council meeting body, and have begun efforts to implement

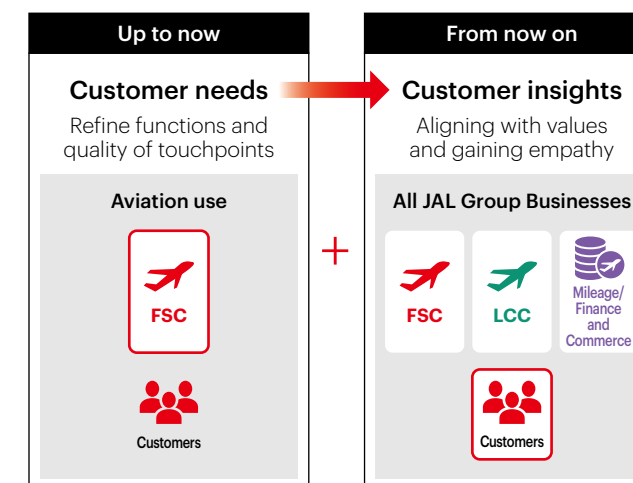
customer-oriented management, often referred to as the "customer-in" approach. We believe that the mission of the CCO is to align the actions of all employees toward our customers with the aim of becoming an airline group that increases corporate value by creating new value together with our customers.

Stories that Resonate

The primary touchpoints between customers and airlines have historically been limited to physical locations such as airports and cabins, with the key challenge being how to enhance customer satisfaction in that situation. When hearing the word "JAL," many people might imagine our aircraft adorned with the Tsurumaru logo. While our roots are in passenger aviation, through ongoing business restructuring, a key theme of the 2021-2025 Medium-Term Management Plan, our business domains have expanded and diversified alongside our products and services. Today, touchpoints with customers have expanded to include not only traditional air travel, but also daily life touchpoints that can

be seen in areas such as in the Mileage / Finance and Commerce business. The JAL Group is constantly evolving its services and offerings to meet the evolving demands of customers with something special, and today services include LCCs like ZIPAIR and SPRING JAPAN, as well as offerings like JAL CARD, JAL Pay, JAL PLAZA, and JAL Mall. We believe that this "something special" is for the JAL Group to be a company that truly resonates with customers, and we must design a story across all touchpoints that invites customers to relate to who we are and what we do. While we continue to refine our service quality, we will maintain close contact with our customers and continue to make every effort to earn their trust and empathy to be their airline of choice.

● Diagram of Empathy

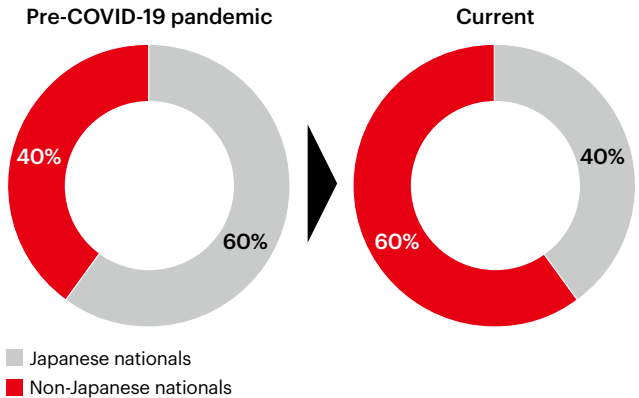


Delivering Diversified and Personalized Experiences

One of the most notable changes that we have seen since the COVID-19 pandemic has been a diversification of our customer composition and their values. Since restructuring our business, we have seen a dramatic increase in the number of customers

using LCCs and non-aviation services. In addition, the growth of the global passenger aviation industry has led to a significant increase in the number of customers originating from overseas. The number of customers coming to Japan is rapidly increasing, and once again is expected to reach an all-time high again this year. On our international routes, we now welcome a greater number of non-Japanese customers than Japanese customers, while we are also seeing an influx of more customers from abroad than there have been in the past. As our customers and their values continue to diversify, we must deliver personalized experiences by focusing on each individual customer, achievable only if we are able to obtain and analyze data from our ever-important digital channels. Aiming to achieve this, we are developing and improving products and services and optimizing marketing activities that leans on the strength of the JAL Group's customer base, including approximately 40 million JAL Mileage Bank members and 3.56 million JAL Card members across its travel and product sale businesses. At the same time, digital experiences including websites, apps, and chatbots, have become a major key factor in customers' purchasing decisions, and it's not an exaggeration anymore to say they can be a competitive advantage on their own. Recognizing the

● Customer Composition
(Image of total passengers on international flights)



ever-increasing importance of data and digital experience, we will promote continuous DX investment, which will be the starting point of our future growth strategy, leveraging our experience in leading large-scale system renewal projects.

Human Resources Define the JAL Brand

Up until now, the aircraft cabin was more restrictive compared to on the ground, with very visible limitations to services we could offer on board. However, through advancements in seat and communication technologies, the inflight experience can be comparable to what you can experience on the ground. The JAL Group offers innovative experiences across its businesses, including the world-class A350-1000 and innovative cabin offering on JAL international routes, and full-flat seats available on its LCC brand ZIPAIR. While these experiences have only been made possible through a strong financial base that has allowed us to continue to invest and renew our aircraft during the COVID-19 pandemic, such hardware will not always be the greatest differentiating factor for customers. Rather, our greatest strength lies in each and every employee who embodies the JAL philosophy and delivers truly inimitable human service—that is to say, the very essence of the JAL brand. In my own experience in overseas stations and JAL Group companies, no matter where I have been, I have sensed an innate sense of hospitality at the core of all JAL Group staff that can't be replicated through even the most robust training or education. All 40,000 employees of JAL Group—from frontline staff delivering safety and peace of mind to our guests, through office personnel supporting their efforts—will work as one to continuously enhance the JAL brand based on the precious trust we have been able to establish on the back of delivering operational safety and warm hospitality that truly moves people.

Crafting the Future Together

Society is now at a major turning point, and we must consider our impact on customers and local communities. For example, we

must address global environmental issues. No matter what measures are taken to achieve Net Zero CO2 emissions, an increase in costs in the short term seems inevitable. In some other countries, we have seen models in which costs are directly passed onto customers, but we believe it is important to listen to customer feedback and consider how society as a whole should bear the burden of these costs in making this decision.

Another major issue is the declining population in Japan, especially in rural areas across the country. Regions with rich nature and unique culture are valuable legacies in themselves. Creating a new flow of people, goods, and logistics through tourism and dual residences living will enhance the sustainability of local communities and deliver special experiences to our customers. Through my first-hand experiences managing regional aviation in the Okinawa region, I was able to feel this from the bottom of my heart.

It is my sincere hope to create a bright and sustainable future for our skies alongside customers and local communities, viewing societal challenges not merely as risks, but as opportunities to generate new values for customers and society alike.

Inspiring Experiences for Even More Customers

With seemingly unlimited access to information and ways to occupy ourselves, digital experiences have fundamentally changed the way we live. At the same time, however, the unique and unrepeatable nature of real-life and analog experiences is being re-evaluated, especially by digital natives who have only ever known this hyper-connected way of life. As we support the movement of people and goods, we must convey the message that authentic experiences that excite the senses are irreplaceable assets for a full life. I believe that the mission of airlines moving forward will be to support new encounters and endeavors, and to foster meaningful relationships and connections across people, places, and society. As such, the entire JAL Group will strive to deliver memorable experiences to more and more customers built on the essential qualities of safety, on-time operations, comfort, and convenience.



Special
Feature

1

Broadening How We Resonate with Our Customers

JAL Group places importance on three elements that shape our services in order to broaden how we resonate with our customers who say, “I like JAL.” And all of us are working together to deliver services that are close to the thoughts and feelings of our customers and what they value. In this feature, we will introduce the value we hope to deliver through JAL Group’s services, along with case studies.

Broadening How We Resonate with Our Customers **1**

An authentic experience that tickles the senses

As the digital society progresses, we have more and more opportunities to experience a variety of options, but our customers say they would like to experience more attractive and real discoveries. JAL Group stays close to our customer’s wishes and is committed to create highquality services that blend warmth and sophistication. Our goal is to provide travel value that is rich in sensitivity to customers wanting to feel and experience and to deliver emotions and emotional connections that transcend the ordinary.

Examples Pursuit of quality centered on airline service

Airbus A350-1000, our state-of-the-art aircraft, is a next-generation wide-body aircraft that combines advanced technology with a high level of comfort. In addition to its excellent fuel consumption performance, the aircraft’s cabin is designed to be larger than ever before, and the latest seat design allows passengers to enjoy a quality travel experience even on long flights thanks to its spacious and comfortable ride.

In addition, through our partnership with HERALBONY, an art lifestyle brand, the JAL Group supports and promotes artists with disabilities to expand their possibilities. The artists’ unique artwork is used in the design of inflight amenities and lounge space, adding color to the travel experience. The JAL Group will continue to provide customers with experiences that delight their five senses through innovative technology and the dissemination of new and unfamiliar culture.



Inflight image of the newest aircraft, A350-1000

Broadening How We Resonate with Our Customers 2

Inspire new horizons

Lifestyles are diversifying, and the options in life are becoming more diverse than ever before. We want people to enjoy exploring and discovering their own personalities amidst unlimited possibilities. We are promoting initiatives to create opportunities to encounter their dreams and hopes and to encourage them to take steps toward their aspirations, particularly among the younger generation.

Examples DREAM MILES PASS and other initiatives to encourage customers to take on challenges

The JAL Group, together with OHTANI Shohei, is implementing the DREAM MILES PASS project to support young people all over Japan who are challenging their dreams. JAL will continue to support young people, who are pursuing their dreams, by providing them with air tickets and encouraging them to embark on new journeys. JAL will continue to accompany you as you take the first steps toward your dreams and challenges, and expand the possibilities for the future through air transportation.

In addition, SKYMATE is a special program for customers under 25 years old or under that allows them to travel easily at a substantial discount compared to regular fares on domestic flights. In addition, by using JAL CARD, customers can earn flight mileage to make their next trip even more enjoyable.



DREAM MILES PASS to support young people who pursue their dreams

Broadening How We Resonate with Our Customers 3

Making meaningful connections

As social progress and environmental changes reduce opportunities for people to feel connected to each other, the peace of mind that comes with a place to belong and a presence to connect with others is invaluable. The JAL Group is committed to playing a role in expanding the possibilities of the future by providing new encounters and emotional connections through travel, and by acting as a bridge to create “connections that enrich lives” of our customers.

Examples Expanding relationships, connections, and networks through the collective efforts of the JAL Group

JAL is focusing on the promotion of the “dual residences” concept as an opportunity to create connections that enrich our lives. “Dual residences” is a lifestyle in which one has another living area in a different region from the main living base. JAL supports air travel by utilizing its airline network to create opportunities for people to feel connected to the local community and to create relationships and connections through transportation by making people aware of the possibilities of new lifestyles and diverse ways of life.

As for LCCs, by offering fare options that match the values of our customers, we are providing a new bridge that makes people's travel easier and contributes to the expansion of domestic and international travel demand and the revitalization of inter-regional exchange and tourism. Furthermore, we are strengthening our partnership with JAL, a full service carrier (FSC), and developing a diverse service model unique to the JAL Group.



“Dual residences” initiatives to promote

Airline Business Portfolio Strategy

In the airline business, we aim to increase revenues by optimizing resources while flexibly responding to environmental changes in the market environment by making the most of the different brands of full service carrier (FSC) and low-cost carriers (LCC) and the unique characteristics of each airline rooted in different regions.

Furthermore, by deepening and expanding partnerships with joint business partners and code-share partners, we will mutually utilize resources and sales capabilities in each market to improve customer convenience and increase revenue.

Through these efforts, we will build a sustainable route network that connects the world and Japan, and cities and regions.

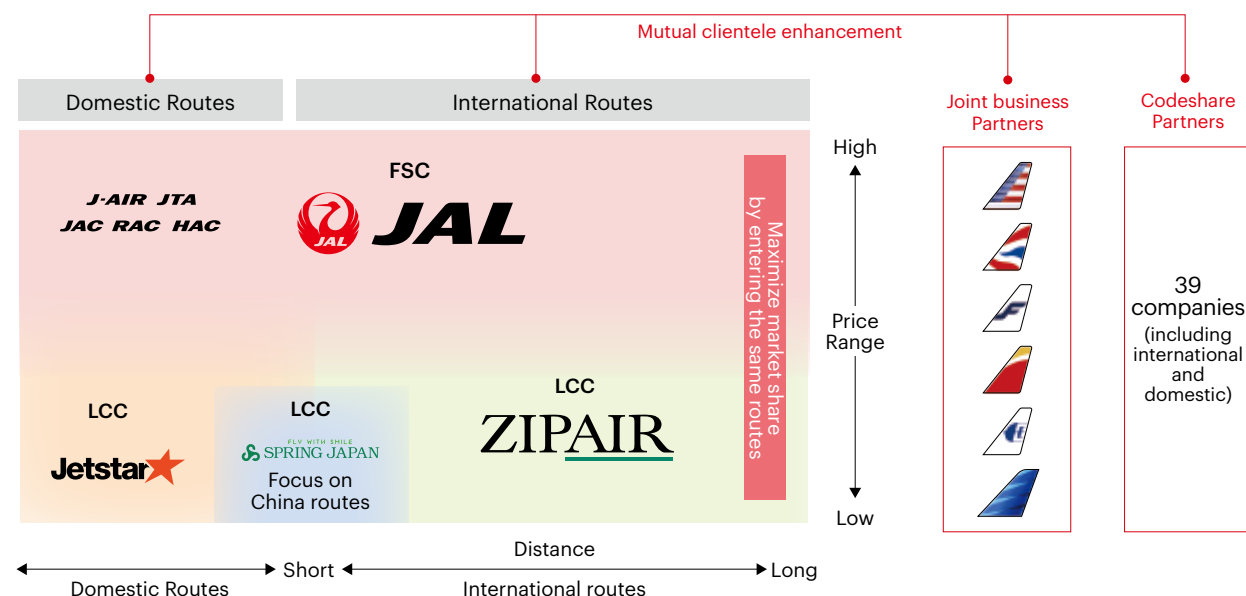
On international routes, both FSCs and LCCs will expand supply to growing markets. In addition to maximizing market share in each market, including joint business partners, we will

contribute to the creation and expansion of human flow by meeting diverse air transport demand in accordance with customers' purposes of use, with the aim of expanding the scenes of air travel.

On domestic routes, we will strengthen cooperation between FSCs, LCCs, and partnerships, aiming to both improve profitability by optimizing resources and to fulfill the social responsibility of the JAL Group, which has many outlying island routes and lifestyle routes.

Furthermore, we will promote various initiatives that contribute to maximizing the profitability of the entire airline business, regardless of the classification of FSCs, LCCs, or international or domestic routes.

Portfolio



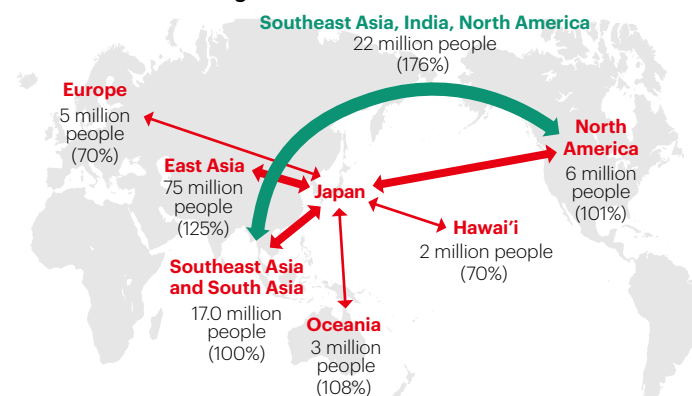
Expansion of Capacity and Network on International Routes

On international flights, inbound demand to Japan and connecting international flights between North America and Asia have continued to grow since the COVID-19 pandemic was contained. Recognizing this as a business opportunity in the airline business, FSCs will renew and enlarge their fleets and restructure their routes, while LCCs will expand their capacity and network in growing markets by increasing their fleet size and improving their utilization ratios.

Furthermore, through four joint businesses, including the joint business with Garuda Indonesia that started in April 2025, we will build an international route network that JAL could not achieve on its own.



FY2025 Inter-regional Flows



Fleet Planning and Strategy

Fleet Planning and Strategy Linked to Business Needs

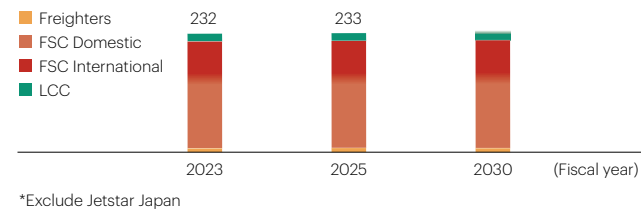
JAL Group has decided to introduce 20 Airbus A350-900s and 10 Boeing 787-9s on international routes, and 11 Airbus A321neos and 38 Boeing 737-8s on domestic routes.

On international routes, we will expand our route network, focusing on North America and Asia, where future growth is expected. With a view to expanding our combined FSC and LCC business by approximately 1.5 times by FY2030 compared to FY2023, we will increase the number and size of our fleet by introducing the Airbus A350-900 and Boeing 787-9.

ZIPAIR, an LCC, will introduce the new Boeing 787-9 in addition to the Boeing 787-8, increasing the number of seats and offer with its competitive full-flat seats, which are not available with other LCCs, while approximately doubling its fleet and expanding its business scale.

On domestic routes, we will introduce the Airbus A321 neo aircraft to renew our fleet of medium-sized Boeing 767 aircraft and replace our Boeing 737-800 aircraft with the new Boeing 737-8, a smaller aircraft. By increasing the ratio of smaller aircraft to 63 percent by 2030, we aim to match supply and demand and improve profitability. We will also decide on the successor aircraft types for the domestic regional jet fleet, keeping an eye on future demand trends.

● Total number of aircraft

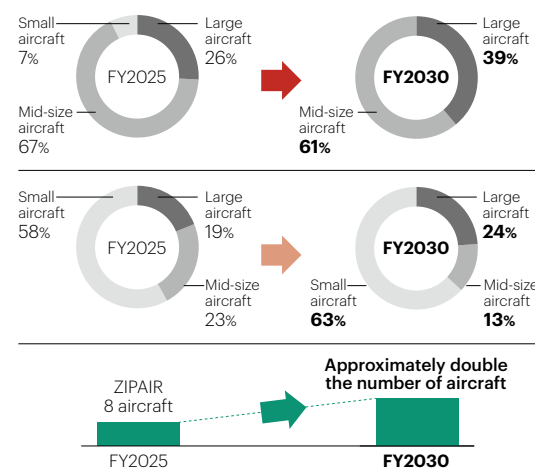


● Aircraft portfolio (FY2025-FY2030)

Aircraft to be introduced in the future	
FSC International Routes	- Introducing the A350-900 on international routes - Unify aircraft types to large and mid-size (A350/787) and increase the size of the fleet  
FSC Domestic Routes	- Ordered 17 additional 737-8 - Introduced 737-8 in FY2026 and A321 neo in FY2028 - Increase ratio of small aircraft from 58 percent to 63 percent  
LCC	- Newly introduced 787-9 to ZIPAIR - Increase the number of full-flat seats 

*FSC: Regional jets and propeller aircrafts are not included in the ratio of domestic routes

Change in aircraft size ratio



Expand the Ratio of Fuel-Efficient Aircraft

In order to create relationships and societal connections through air transportation while reducing environmental impact, we will accelerate the introduction of new fuel-efficient aircraft, and reduce CO₂ emissions while providing the best possible service to our customers.

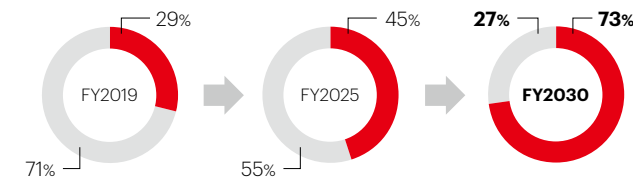
On international routes, a growth area, the existing Boeing 777 and 767 aircraft will be replaced by new fuel-efficient Airbus A350 and Boeing 787 aircraft in order to expand supply volume.

On domestic route the Boeing 767 and 737-800 aircraft will be renewed with fuel-efficient aircraft, such as the Airbus A321 neo and Boeing 737-8, in order to maintain the network and supply according to demand.

Through aircraft renewal, CO₂ emissions per aircraft will be reduced by 15 to 25 percent compared to current aircraft, and the ratio of these fuel-efficient aircraft, will be increased to 73 percent by 2030.

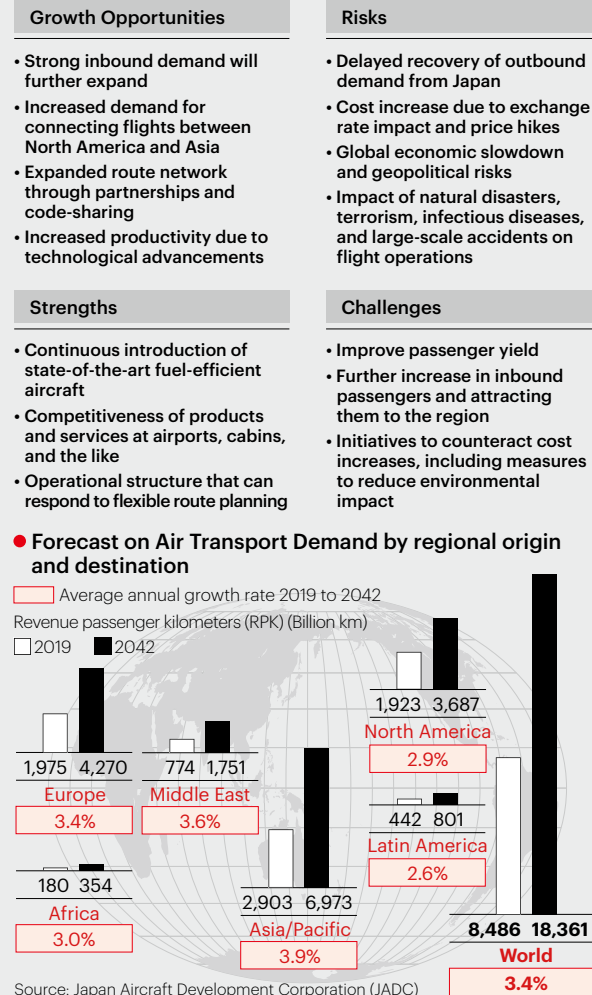
● Fuel-efficient aircraft ratio

■ New aircraft: A350, 787, A321 neo, 737-8
 ■ Current aircraft: 777, 767, 737-800



Maintain and expand networks while reducing environmental impact by introducing fuel-efficient aircraft, and stimulate interacting community

Business Environment



Completion of Mid-Term Strategy

FSC provides high-quality products and services and a highly convenient route network, and operates its flights by leveraging the strengths of the group airlines in accordance with the scale of air transport demand and route characteristics. In addition, FSC will deepen partnerships with partner airlines to build a route network that is essential for business, tourism, and even daily life, connecting regions of the world and Japan and contributing to the revitalization of human flow and logistics.

To realize our ESG strategy, we are introducing state-of-the-art fuel-efficient aircraft. We are introducing the Airbus A350-1000, which emits less CO₂ than conventional aircraft, and have expanded the fleet to 10 aircraft as of July 2025. To the goal of eliminating the single-use of new petroleum-derived plastics by FY2025, we have already achieved total elimination in lounges by the end of FY2023, and expect to achieve this goal for inflight services by the end of this fiscal year, and are making steady progress in reducing our environmental impact.

In order to strengthen our competitiveness toward

achieving our EBIT target, we are introducing aircraft equipped with the latest cabin configuration, providing stress-free service through renewal of the digital experience, and intermittently reviewing our inflight services in line with customer needs.

On international routes, we will strengthen our efforts to capture inbound demand, which is expected to grow, and further increase the ratio of regions outside Japan to total sales. We will work toward the Japanese government's target of 60 million total passengers visiting Japan by 2030, while simultaneously improving passenger yield by strengthening competitiveness and revenue management.

On domestic routes, we will counteract rising costs due to price hikes, market conditions, and exchange rates by improving productivity through reorganization of flight frequency and fleet plan, and promotion of DX, and promote structural reform to make the business more stable. In addition, we will promote the creation of new domestic human flows, such as inbound travel to various regions in Japan and new tourism, in order to increase revenue.

Progress toward achieving FY2025 targets



Initiatives and Results for FY2024

International Routes	Strengthen acquisition of passengers originating overseas On international routes, we continued to work on strengthening our efforts to capture strong inbound demand and demand between North America and Asia. The new A350-1000 aircraft with private business class cabins will be in service on eight aircraft by the end of FY2024. The aircraft is in operation in Haneda=New York, Dallas-Fort Worth, and London routes to strengthen its competitiveness for high unit price passengers. In June 2024, we concluded a global partnership agreement with Liverpool Football Club to increase JAL's recognition among passengers departing from overseas. We will continue to promote brand recognition in regions outside Japan, emphasizing the shared values of both parties, such as connecting with communities and supporting women and the young.	Expanding supply to growing markets We worked with our joint business partners to expand supply to North America and Southeast Asia to meet the growing air transport demand in light of economic growth. The total seats supplied on JAL-operated flights expanded to 107% year over year. And in June 2024, our joint business partner American Airlines began to serve on the Haneda=New York route, expanding supply in addition to the two flights operated by JAL, with three round-trip codeshare flights per day in different time zones, enhancing the convenience of our network to cities in the U.S.A. and Central and South America. Preparations for the launch of joint business with Garuda Indonesia on the Japan-Indonesia route and on both domestic routes have steadily progressed and began in April 2025.
Domestic Flights	Promoting structural reforms On domestic routes, we will promote business structure reforms in light of environmental changes, such as business demand falling below pre-COVID-19 pandemic levels due to factors such as the establishment of remote meetings, and cost increase due to recent price hikes and the weak yen. In order to increase revenue, we will work to capture inbound demand and create new human flows. As an important infrastructure supporting society, we will work to maintain and optimize our route network by maximizing the resources of our Group airlines, as well as devise travel demand and create and communicate regional attractions. We will counteract changes in our cost structure due to rising prices and the weak yen by raising the cost per passenger by strengthening revenue management and improving productivity through the promotion of DX and other measures and promote structural reforms to create a stable business potential.	Capturing inbound passengers We will entice inbound passengers, which have been growing significantly compared to the pre-COVID-19 pandemic period, to local regions by promoting their attractions. Currently, inbound passengers mainly travel from Tokyo to major cities such as Hokkaido and Osaka on domestic flights. Thus we believe that we can contribute to regional revitalization by focusing more on persuading inbound passengers to the regions. To do so, we will provide captivating information and an easy-to-understand, stress-free purchase and boarding experience for inbound passengers through designing and improving fare measures, promotion, and easy-to-understand UI. In 2025, we will also work to tempt passengers by strengthening sales to EXPO 2025 OSAKA, KANSAI and by expanding code-sharing on domestic routes with international carriers.

— Voice

JAL Mahalo Fare
An Option to Connect Hawai'i to the Future

On June 5, 2024, the World Environment Day, JAL launched the JAL Mahalo fare, a new plan on the Hawai'i route. By purchasing tickets with this fare, a portion of the amount will support organizations that conserve the environment and culture of Hawai'i.

Mahalo, means 'thank you' in Hawai'ian. This fare contains the appreciation and respect JAL has towards Hawai'i after their deep bond for many years. JAL is also the first Japanese airline to donate to organizations that conserve the environment and culture with their airfares.

The JAL Mahalo fare is flexible as passengers are able to change or ask for refunds. It not only provides a convenient itinerary but also recommends new values in protecting the rich nature and culture of Hawai'i. As a JAL member, who participated and interacted in the organizational activities, the significance of this project is more meaningful to me. Going forward, I would like to discover ways to support a sustainable environment and culture of Hawai'i with JAL and its customers.



WADA Eri
International Route
Marketing Division
Assistant Manager

We aim to resolve issues in the logistics industry by leveraging the advantages of our air transportation and create a sustainable logistics network

Business Environment

Growth Opportunities

- Growth in global air cargo transport demand, especially in the international express and the e-commerce market
- Expanding volume of pharmaceuticals, Japanese regional products and fresh products, and chemicals
- Modal shift from domestic ground transportation

Risks

- Disruption in global markets due to high tariffs in the U.S.A., to name a few.
- Fluctuations in supply-demand balance due to uncertainties in e-commerce demand from China
- Shortage of medium and large widebody freighters to meet market demand for freighters
- Sluggish growth in total domestic cargo demand

Strengths

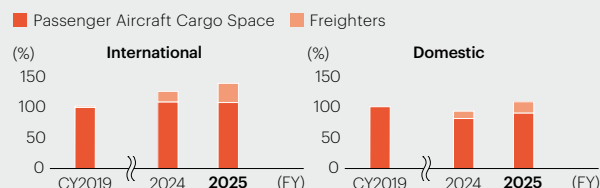
- High quality cargo handling operations
- Flexible and agile supply system with a combination of our freighters, cargo space on our passenger flights, and freighters provided by partnerships
- Japan's Geographical Advantages as the Ideal Relay Point between China/Asia and North America

Challenges

- shortage of human resources for cargo handling



• Changes in transported weight (compared to CY19)



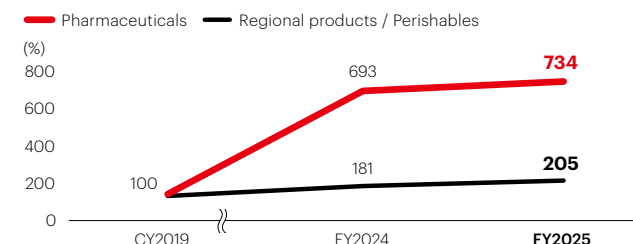
Completion of Mid-Term Strategy

In the cargo business, we will expand the route network and the scale of our business by utilizing out freighters and passenger flight cargo space, and through partnerships that have large widebody freighters. We will operate our three Boeing 767 freighters, namely 767 freighter, and open new routes such as the Hanoi route, and increase the number of flights to Hong Kong, Shanghai, and Taipei. In addition, through partnerships with Kalitta Air and Qatar Airways, the route network expansion will be carried out on routes to Europe and the U.S.A. Moreover, to expand our business, we will strengthen our efforts to capture international express demand, which is expected to grow steadily, by deepening partnerships with global partners such as DHL Express. Also, to build a stable profit structure, we aim to increase the volume of high value-added cargo such as pharmaceuticals, Japanese regional products and fresh products, to name a few, which is essential to society and where the advantages of air

transportation can be utilized. Furthermore, we aim to deepen data-driven management through DX and improve productivity through smart handling to realize sustainable business potential.



• Expand transportation volume of high value-added cargo



• Progress toward achieving FY2025 targets

FY2024

Achieved revenue increase by capturing demand from China and Asia to North America and high value-added cargo. Began domestic freighter operations with Yamato HD

- Expanded routes served by our 767 freighter. New service to Tianjin and Dalian.
- Acquired IATA CEIV Lithium Batteries certification program for the air transport of lithium battery, and strengthened flight safety system.
- Began freighter services with Yamato HD with five bases in Japan where Haneda Airport offers the only late-night cargo service in Japan.

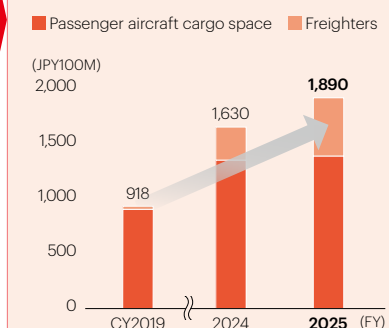
FY2025

Route network expansion by utilizing freighters and strengthening partnerships. Challenge to expand and grow business

- Launch new flights to Hanoi with our 767 freighter and increase flights to Hong Kong, Shanghai, and Taipei.
- Expand route network with partnership freighters on routes to Europe and the U.S.A.
- Increase volume of high value-added cargo
- Investigate introduction of fire resistant containers for expansion of transportation volume for lithium batteries, etc. Strengthen sales promotion of pharmaceuticals from overseas

FY2025 Target

Sales



Initiatives and Results for FY2024

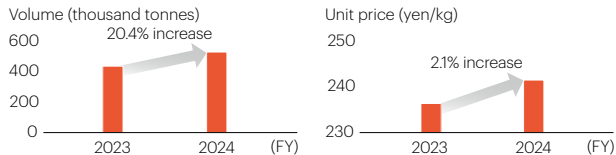
International Routes

Achieved revenue growth through effective use of freighters

We expanded the number of routes served by our 767 freighter and the new service from Narita to Tianjin and Dalian. In addition to route network expansion combined with our own passenger flights, we strived to increase the volume of cargo transported, particularly cargo from China and Asia to North America. In addition, we strengthened our efforts to acquire high value-added cargo such as pharmaceuticals and fresh products to improve unit prices.

Both volume and unit price exceeded the previous year (volume +20.4%, unit price +2.1%), resulting in a significant increase in revenues from the previous year.

● International cargo volume and unit price (YoY)



Expanding transportation of high value-added cargo

To expand transportation of high value-added cargo, we acquired the IATA CEIV Lithium Batteries certification, an international standard for lithium battery transportation, and advanced to build a safe and high-quality transportation system for lithium batteries. In addition, in order to expand the transportation volume of pharmaceuticals, regional products originating from Japan, and fresh products, we participated in industry exhibitions and trade fairs where many related parties gather to raise awareness of our high-quality transportation services.



Domestic Routes

Started operation of freighters, striving to capture new demand

In April 2024, we began operating three freighters with Yamato Holdings Co., Ltd. and are currently operating flights between five domestic bases, which are Narita, Haneda, New Chitose, Kitakyushu, and Okinawa. The inauguration to Haneda Airport enabled us to provide speedy transportation during the late-night and early-morning hours when existing passenger flights do not operate, thereby attracting new demand. As a result, the volume of goods transported exceeded that of the previous year (+9% over the previous year), resulting in an increase in revenue.



Toward expansion of domestic freight demand

In order to maintain and expand air transport demand, we launched new initiatives at Haneda Airport, including the launch of an X-ray-based aviation security inspection service and efforts to provide smooth cargo connection services between domestic and international flights.

Furthermore, with regard to cargo acceptance services, we promoted labor-saving operations by deploying automated cargo weighing and measuring devices and acceptance gates.



— Voice

The successful additional 767 freighter flight on the Bangkok route

In February 2025, we JALCARGO realized the 767 cargo freighter with an extra flight from Bangkok. In response to strong international cargo demand from Thailand to the U.S.A., ensured the highest level of safety, maximized cargo capacity fulfilling and exceeding our customer expectations.

In preparation for the first freighter operation in 14 years, we strived quickly and closely together to ensure handling skills specific to freighters, optimized cargo space, and coordinated across divisions to achieve on-time operations and high-quality handling on the day of the flight. It was a really proud moment for our Bangkok team when we saw off the 767 freighter with all its cargo safely departing for Narita.

The success of this extra flight was an important experience that will lead to JALCARGO's continued growth in the future. We will continue to refine our high-quality cargo handling services to flexibly meet to our customers' expectations and contribute to solve social issues as a high-quality logistics infrastructure.



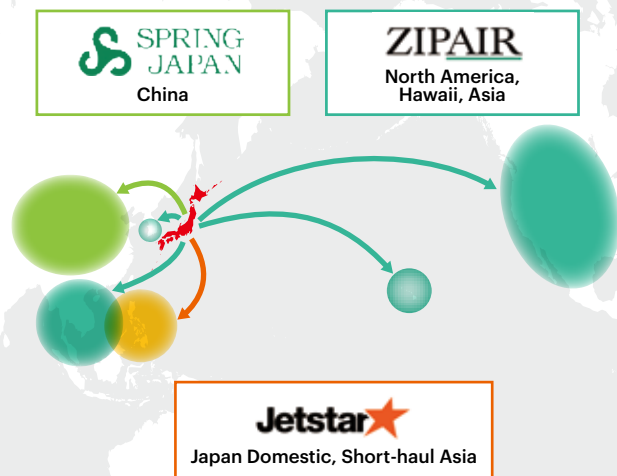
PUNBUA Chetta
Bangkok Cargo Office
FFU, Cargo Office

Creating a new flow of people through agile business development in response to the market

Business Environment

Growth Opportunities	Risks
- Strong inbound demand will further expand - Increase in demand for connecting flights between North America and Asia - Increase productivity driven by technological progress	- High costs due to currency fluctuations and price hikes - Impact of natural disasters, terrorism, infectious diseases, and large-scale incidents on flight operations
Strengths	Challenges
- Unique network based in Narita that differs from JAL - Provides the safety standards and quality of a full service carrier (FSC)	- Establish a structure to expand business scale - Further expand competitiveness by improving aircraft utilization

Route network of JAL Group LCCs



Completion of Mid-Term Strategy

In a market expecting further growth stems from diversifying needs, the three LCCs will each leverage their distinct network strengths and affordable pricing to expand options for diverse travel demands. By making air travel more accessible, we will create value in human mobility and connectivity.

In addition, we will achieve high profitability and expand the scale of our business by expanding inbound travel and creating demand for connecting flights through the hub of Narita Airport, where the three JAL Group LCCs are based.

In addition, through the collaboration with JAL, we aim to improve customer recognition and convenience by

strengthening sales and enhancing brand power.

ZIPAIR will maximize its first-mover advantage as a pioneer of medium- and long-haul LCCs in Japan to increase its share in the long-haul LCC market. SPRING JAPAN and Jetstar Japan will strengthen their sales capabilities and expand their business by leveraging the brands of their joint business partners. As demand originating overseas is expected to expand further going forward, LCCs consisted with a high percentage of inbound demand will play a role in capturing strong inbound demand and contribute to the creation of human flow.

Progress toward achieving FY2025 targets



FY2024	FY2025	FY2025 Targets
Achieve high profitability through aggressive international expansion	Capture strong inbound demand by further expanding international routes	Profit target (EBIT)
- Establishment of production system and development of new North American routes and services for further growth - Expand international network in China - Expand short-haul international routes in Asia	- Establishment of production system and introduction of new services to expand business scale - Increase international flights to China and build a production system for further business expansion - Further capture inbound demand through increasing international route network	(Billions of yen) FY2025 Target EBIT* 19 billion 2023: 3.3, 2024: 11.5, 2025: 19 (FY) * Total of EBIT of two consolidated subsidiaries (ZIPAIR and SPRING JAPAN) and equity earnings of Jetstar Japan, an equity-method affiliate

Initiatives and Results for FY2024

ZIPAIR	Establishment of production system and introduction of new services to expand business scale In FY2024, ZIPAIR launched its first service to Houston, a city in southern U.S.A., in March 2025, and has expanded its network to ten routes in six countries. ZIPAIR was also named a Four Star™ Low-Cost Carrier in the LCC category of APEX* Official Airline Ratings, an airline evaluation program. Going forward, we plan to increase the number of aircraft to enhance business expansion, strengthen human	resources and organizational structure, and equip the inflight Wi-Fi with Starlink, a high-speed internet communication, to provide customers with a stress-free internet environment. Through these efforts, we will improve operations and introduce new services and continue to evolve to become a “NEW BASIC AIRLINE” that ZIPAIR aims for.
SPRING JAPAN	Efforts to capture Chinese inbound demand In addition to establishing a stable business operation structure by launching a contract business for the operation of dedicated cargo aircraft, SPRING JAPAN expanded its international route network by opening a Beijing route, increasing the number of Shanghai routes, opening a Dalian route, and resuming a Nanjing routes, where all flights are to and from Narita, as demand for inbound flights in China recovered. As a result, the airline ended in profits for the first time since its establishment.	We will continue to expand our network to China's major cities and regional cities in stages as the market for Japan-China routes recovers and expands, and by leveraging the sales and brand power of the Spring Airlines Group, which is China's largest LCC and is highly recognized and competitive in China, we will act as a bridge between Japan and China and contribute to the expansion of inbound travel from China, where growth is anticipated.
Jetstar Japan	Expansion of international routes to capture inbound demand from Asia In response to the strong performance of the Kansai-Taipei route, which resumed service in March 2024, we increased the number of round-trip flights from one to two in December 2024, to create a route network that is highly convenient for our customers by offering a flight schedule that meets not only inbound demand but also the gradual increase in	demand for overseas travel from Japan. We will continue to expand our international routes to capture the strong inbound demand from Asia, and at the same time, we will contribute to the transportation of customers to regional areas by utilizing our domestic route network.

* APEX (Airline Passenger Experience Association) is one of the world's largest airline industry associations based in North America.
A non-profit organization of airlines, airports, and airline-related suppliers from around the world.

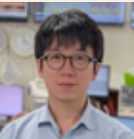
— Voice

New Challenges on the 10th Anniversary of the Launch

SPRING JAPAN took on a variety of challenges in FY2024.

In the inauguration of passenger flights, we expanded our international network by opening new routes to Beijing and Dalian. The number of flights to Shanghai increased to three per day, thereby opening flights to seven airports in China. In addition, we are responsible for the operation of freighters, which was launched in cooperation with Yamato Holdings, contributing to the establishment of a logistics network linking Hokkaido to Okinawa, centering on Narita. Simultaneously, as our business expands, we now handle late-night flights. The Operations Control Center, which is responsible for flight safety, is taking on greater responsibility. We are overcoming the various challenges that arise every day by pooling our wisdom and supporting each other.

Communication is indispensable to steadily carry out our work by mobilizing everyone's strength. Outside of work, we joke and talk about our thoughts for the future and at times enjoy barbecues and picnics to refresh ourselves and deepen our bonds. Flight safety is the fruit of this teamwork. We will continue to believe in the power of every one, and will continue to take on challenges to achieve even higher levels of flight safety.



CAI Qiwen
SPRING JAPAN Co.
Vice President

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Aviation Business Basic Strategy

Full Service Carrier (FSC)

Cargo and Mail

LCC

Mileage / Finance and Commerce

Ground Handling Contracts

Next Generation Mobility

4. Strengthening Management Resources

5. Governance

6. Data Collection

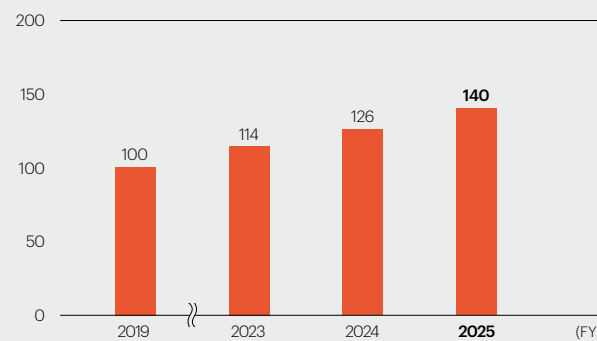


The JAL Mileage Lifestyle helps to enrich the lives of our customers

Business Environment

Growth Opportunities	Risks
• Penetrate cashless payments • Expand e-commerce markets • Growth potential of financial domain business • Establish digital communication platforms such as JMB mobile app and the like	• Decline in credit card merchant fees • Intensifying competition with other points of sale due to industry restructuring • Decline in delivery efficiency and higher costs due to labor shortages in the logistics industry
Strengths	Challenges
• Excellent membership base centered on JAL CARD members • Enhancing a variety of extraordinary redemption awards • JAL assets • Highly productive operating structure	• Establish a business model that does not rely on air transport demand • Differentiation from other loyalty program operators by increasing the value of frequent flyer miles • Connection with customers who do not use air travel

● Target for miles issued for non-air transport services



Note: Index with FY2019 = 100

Completion of Mid-Term Strategy

In FY2025, the final year of the medium-term strategy, we will focus on further growth of the payment business, including JAL CARD, and the commerce business, as well as on expanding our business domains.

In FY2024, we released new services such as JAL Hikari to expand the JAL Mileage Lifestyle and enhance our mileage partnership services that allow customers to accumulate miles in their daily lives. In addition to JAL Mileage Bank award tickets, we prepared several extraordinary experience awards that are possible only by using miles as premium mileage redemption awards, such as special seats at sport stadiums.

HIROSE Suzu, a popular actress across all generations, was cast as the commercial character to make JAL mileage more familiar to the younger generations and customers, who are not frequent flyers.

To meet the diverse needs of customers not limited to air travel, the Life Status Program was introduced last year to extend

the mileage validity period and to add hotel partnership awards. The new Life Status Program is designed to provide attractive lifetime benefits for a wide range of travelers, from air travel to daily life.

In FY2025, the final year of our mid-term strategy, we will focus on further growth and expansion of business areas in the settlement and commerce businesses, including the JAL CARD, which is the key to establishing a business model that does not rely on air transport demand. In the JAL CARD business, we will seek to achieve sustainable growth by issuing new types of certificates and intensifying cooperation with the status program. In the commerce business, we will aim to maximize earnings by expanding the e-commerce market as a growth opportunity. We will work toward the completion of the mid-term plan by achieving unprecedented business domain expansion and a non-continuous business growth through business investments and other measures.

● Progress toward achieving FY2025 targets

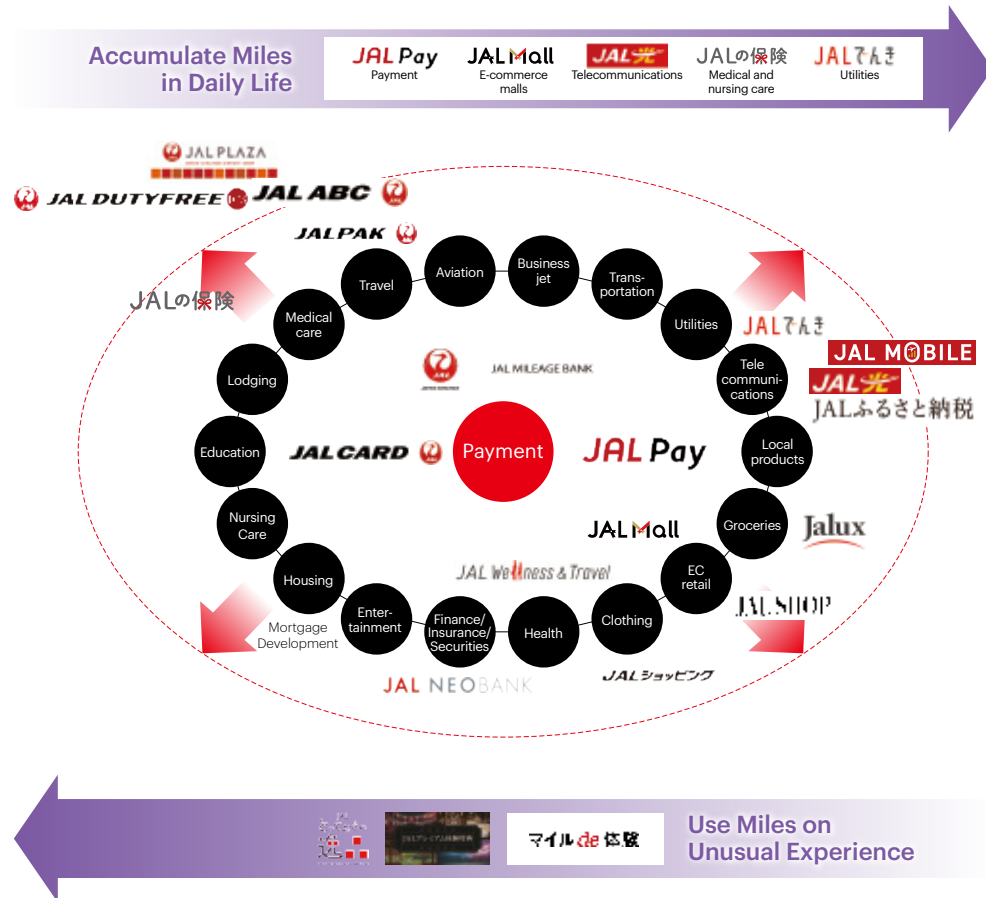
FY2024	FY2025	FY2025 Targets										
Promotion of JAL Mileage Lifestyle and achievement of profit targets - Expand customer base and enhance profitability by raising awareness of JAL Mileage Lifestyle - Expansion of Life Status Program awards - Expand JAL Mileage Lifestyle through sustainable award development and management - Strengthen profitability of commerce business potentials - Expand services including JAL Hikari	Penetration of JAL Mileage Lifestyle and achieve profit targets by expanding business domains for a sustainable growth - Growth of JAL CARD business through further expansion of Life Status Program members - Strengthen profitability through expansion of JAL mileage partnership services such as JAL Mobile, JAL Hikari, JAL Insurance, to name a few. - Accelerate growth of the commerce business - Expand the business domain through business investment, among others.	Profit Target (EBIT) Achieve +100% growth vs. pre-COVID 19 (Billions of yen) <table><tr><th>FY</th><th>EBIT (Billions of yen)</th></tr><tr><td>2019</td><td>25.0</td></tr><tr><td>2023</td><td>34.6</td></tr><tr><td>2024</td><td>38.1</td></tr><tr><td>2025</td><td>51.0</td></tr></table>	FY	EBIT (Billions of yen)	2019	25.0	2023	34.6	2024	38.1	2025	51.0
FY	EBIT (Billions of yen)											
2019	25.0											
2023	34.6											
2024	38.1											
2025	51.0											

Mileage/Finance and Commerce Strategy Linked to ESG Strategy

Aiming to help enrich the lives of our customers by linking their ordinary and non-ordinary lives with JAL miles, we have been striving to expand the number of occasions in which customers can save miles in their ordinary lives and use them in their non-ordinary lives.

In FY2024, in addition to the growth of existing services such as JAL CARD, JAL Pay,

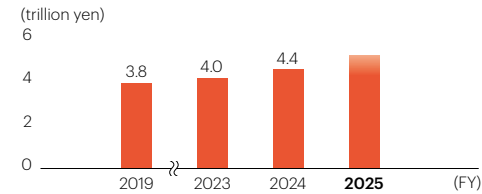
and JAL Mall, the release of new services such as JAL Hikari led to a steady increase in the number of miles issued for daily use. In addition, we will continue to improve the value and attractiveness of miles by steadily increasing the number of options in non-ordinary situations where miles can be used.



Growth of JAL CARD through expansion of Life Status Program (LSP) members

After the first anniversary of its release, the Life Status Program has aimed to make the program more attractive to many customers by adding awards in non-aeronautical domains. By further expanding the program going forward, we intend to increase the loyalty of a wide range of customers, including the younger generation, and achieve sustainable growth in the JAL CARD business and other frequent flyer businesses.

● JAL CARD transaction volume



Accelerating Growth in the Commerce Domain

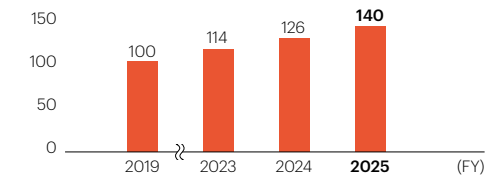
JAL Mall, celebrating its second anniversary, has expanded the number of stores and products it offers, aiming to become an online shopping mall that can be used by more customers. JALUX, the core company in the commerce domain, achieved steady growth in revenue thanks to the growth of its Aircraft Engine Maintenance Business and FURUSATO Hometown Tax payment business.

We will continue to develop original products utilizing JAL assets and strengthen data analysis, and we continue to provide special purchasing experiences.

Expanding mileage issuance and redemption through cross-industry partnerships

In the area of mileage issuance, we will create an environment that makes it easier for customers to accumulate miles in their daily lives, including the release of JAL Mobile. In mileage redemption, we will further enhance extraordinary and premium awards, such as an invitation to a private Michelin dinner, in order to create an award frontline that meets the needs of more customers.

● Increase in daily miles issued



*Index with FY2019 as 100

EBIT expansion through business investment

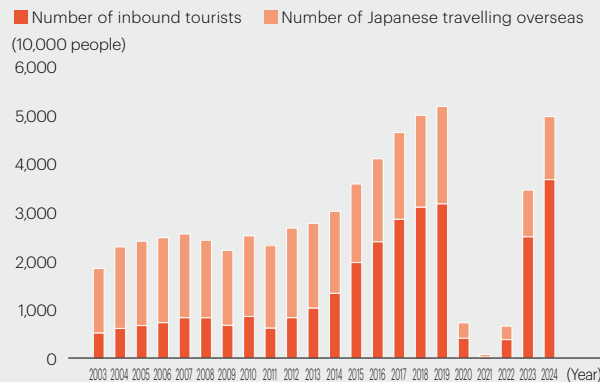
We will achieve unprecedented business domain expansion and business growth by aggressively pursuing strategic business investments and partnerships with other companies, while trailing sustainable business expansion and growth in existing businesses. This will create new business opportunities while leveraging the strengths of the airline business and JAL's frequent flyer program, which has an excellent customer base.

Contributing to a tourism-oriented nation by creating inbound human flow and logistics to Japan
Pursuing further quality and profit increase as a leading airline in ground handling services

Business Environment

Growth Opportunities	Risks
- Increased inbound demand and government promotion of acceptance - Gained momentum to ground handling industry, including the establishment of an industry association - Expanded e-commerce and pharmaceutical transportation markets	- Sudden reduction in demand due to event risk - Increase in costs due to rising commodity prices
Strengths	Challenges
- Provided contracted services with the largest number of contracted points in Japan and the top market share - Provided a comprehensive package that brings together the strengths of three areas unique to airline companies: airports, cargo, and maintenance	The system to meet the expected growth of inbound demand (personnel, equipment, airport facilities, and the like)

Transition of the number of inbound tourists and the number of Japanese travelling overseas



Completion of Mid-Term Strategy

Ground handling contracts is a business that provides ground handling services necessary for non-Japanese airlines to depart from and arrive at airports around Japan. Supported by strong inbound and global air transport demand, the number of flights of non-Japanese airlines serving to Japan has been recovering steadily since the COVID-19 pandemic and is expected to continue to grow. Against this backdrop, we are transitioning to a sustainable business operation structure to continue contributing to the expansion of inbound human and logistics flows to Japan.

In order to establish a production system that can respond to the strong demand, a sustainable system was prepared for the future decline in the working population by introducing automatic check-in machines and automatic baggage deposit machines to improve productivity. Opportunities were also created for a diverse workforce for experienced and non-Japanese workers.

● Progress toward achieving FY2025 targets

FY2024

Transition to a sustainable business operation structure as we enter a growth phase

- Establish a public-private partnership to accommodate a greater number of flights than the number of flights before the COVID-19 pandemic.
- Further promote price revisions for non-Japanese airlines and establish a risk-sharing mechanism.
- Expand ground handling contracts, including aircraft maintenance and equipment components
- Promote the use of temperature-controlled warehouses for the transport of medical supplies, and the like.

FY2025

Maintain a sustainable business operation structure by reviewing business processes and expansion of ground handling contracts

- Implement timely and appropriate resource management of ground handling contracts to cope with the increase in the number of flights.
- Promote self-service of airport procedures, such as automatic check-in and Self Baggage Drop (SBD).
- Improve warehouse operation efficiency through automated transfer, and the like.

At the same time we invested in human capital by creating an environment in which ground handling personnel can remain active for a long period of time by improving compensation and other measures. In addition, in order to strengthen our resilience to volatility risk, including the withdrawal of non-Japanese airlines due to event risk in the country of departure point, we have begun efforts to create a mechanism for related parties to share the risk, such as by concluding cooperative agreements with airport building companies and local governments in Hokkaido.

In addition, we have concluded agreements with non-Japanese airlines to make contract fees, which were previously rigid, changeable in response to significant cost fluctuations caused by price increases. In addition to ground handling contracts, we are also working on the expansion of ground handling contracts for aircraft maintenance for other airlines and aircraft components, taking advantage of the JAL Group's advanced technological capabilities.

FY2025 Targets

Expansion of ground handling contracts and increase in revenues



Not just a means of transportation, but a new value-creating infrastructure for the region

Business Environment

Growth Opportunities	Risks
• Growing need for infrastructure renewal due to aging infrastructure and lack of skilled workers • Rapid growth of next-generation mobility, such as air mobility and micromobility, markets and technologies	• Delays in the development of laws and regulations in the air mobility field and tightening of regulations • Decline in social acceptance of next-generation mobility in terms of safety, cost, and the like. • Increased procurement costs for next-generation mobility
Strengths	Challenges
• A route network connecting Japan and the rest of the world • Safe and secure flight know-how and human resources cultivated through our aviation business • Relationships and societal connections with local communities	• Selection of safe, secure, and efficient aircraft and vehicles • Reflect aviation business know-how in the development of laws and regulations • Establish a regional cooperation system to create seamless value in an integrated manner

Creation of new means of transportation

Mid-term strategy toward FY2026



Completion of Mid-Term Strategy

The maintenance and management of local transport infrastructure has become a social issue due to aging infrastructure, community residents, and labor shortages. The JAL Group is addressing this by providing safe, secure, next-generation mobility that integrates various transportation modes.

At Expo 2025 OSAKA KANSAI, JAL will introduce eVTOL and drones, establishing new mobility forms in the airline industry. From FY2026, we will accelerate mobility infrastructure construction to support value creation.

We have accumulated know-how and data for remote operation and simultaneous device control, implementing phase

free models for emergencies and normal times.

From FY2025, we will train flight operation personnel, build operator support platforms, and enable safe, efficient operations meeting regional needs; this supports regional mobility needs.

Simultaneously, to realize safe, secure mobility fostering societal connections, we will expand JAL MaaS, connecting flight safety to all transport modes, providing seamless, customer-focused mobility.

Through these, JAL aims to contribute to regional value creation as a safe, efficient provider of next-generation mobility infrastructure.

Progress toward achieving FY2026 targets

FY2024	FY2025	FY2026 Targets
Accelerate value creation through co-creation and expand the air mobility market • Joint business with Sumitomo Corporation to establish Sora Corporation, an eVTOL operation company • Received the MLIT Award at the 7th JAPAN OPEN INNOVATION PRIZE for "Drone-Based Resident Services in Setouchi Town on Amami Oshima Island in Peacetime and Emergency Situations." • Participated in the design of a national system through a trial of simultaneous operation of multiple aircraft and succeeded in simultaneous operations of five drones. • Expansion of collaboration with regions and transportation operators (26 airports and 66 operators), and enhancement of JAL MaaS functions through multilingual support and other measures.	Expanding Model Cases and Use Cases Making Air Travel More Accessible • <i>Sora Cruise by Japan Airlines</i> is an immersive theater at EXPO 2025 OSAKA, KANSAI. Will accelerate efforts for social implementation after the Expo. • Expand solution services using drones and lead social implementation • Accumulate operational data and develop operational support services • Improvement of convenience features such as digital tickets and route search for JAL MaaS, and strengthening of last-one-mile services.	Realization of future society through new business models Building a platform for digitally integrating and optimizing various types of mobility

4

Strengthening Management Resources

About This Chapter

- Maximize the Value of Human Capital, the Main Driver of Value Creation
- Improving Productivity and Creating New Value Through the Utilization of Intellectual Capital
- Addressing the Sustainability of Natural Capital, a Prerequisite to Achieve Both Corporate and Social Sustainability

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Message from the Executive Officer in charge of Human Capital

Linking boldly reforming systems and structures to the solid growth of each and every employee

OHORI Tetsu

Managing Executive Officer
Senior Vice President,
Human Resources Division



A Virtuous Cycle of Value Creation, Employee Returns, and Engagement is the Core of the JAL Group's Human Capital Strategy

In JAL Group, human capital refers to the skills and experience of individual employees. Human capital investment is nothing more than investment to promote employee growth. Based on this recognition, we believe that the strength of JAL Group lies in the fact that our employees, who perform a variety of duties, demonstrate a high level of expertise in their respective positions, while at the same time possessing the ability to make decisions based on shared values, as symbolized by JAL Philosophy.

Even in situations of change and uncertainty that cannot be handled by manuals, decisions based on shared values are naturally made in individual frontlines. This "invisible strength" is one of JAL Group's intangible assets and is the strength of its unique human capital.

Human capital is not just another management resource; it plays a key role in value creation. By investing in human capital, we promote employee growth and enhance value creation, while at the same time enhancing employee return and engagement. Then, based on the value created by highly engaged employees, we will continuously return profits to employees. Based on the basic policy of aiming for such a virtuous cycle, we will create a framework that allows each employee to realize that their potential is directly connected to the growth and future of the Group.

Organizing the direction of measures from both individual and organizational perspectives to link the new framework to solid growth

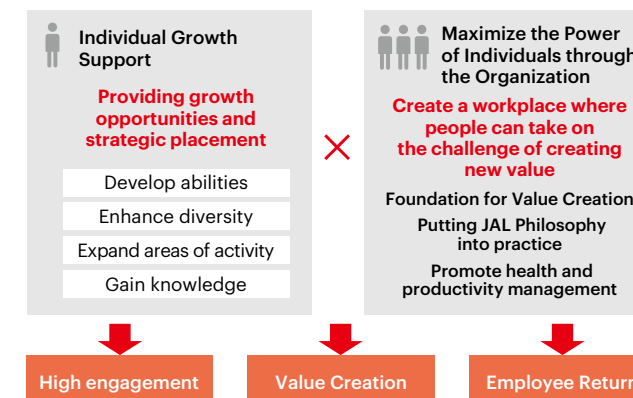
The human strategy topic for FY2024, was To Change. While JAL Group has the aforementioned strengths, it is undeniable that our corporate culture, which emphasizes safety and security above all else, tends to put us on the defensive, and our systems

and ways of thinking have become fixed. However, with the rapid environmental changes, such as the labor shortage, it is now necessary to not only make small improvements in human resources, but also to "first try to change things and then correct them if there are any flaws". With this in mind, in order to create opportunities for our employees to exercise their abilities and grow, we have broken down the existing personnel system as much as possible. We introduced new systems and structures that allow young employees, senior employees, and highly specialized, diverse human resources to exercise their abilities.

I feel that we were able to make such a bold change because many of our employees wanted to change. On the other hand, while opposition is bound to accompany major changes, I see these frictions as something that brings about positive opportunities. Nevertheless, we are still halfway there. The question for the future is whether our employees are fully aware of the content and significance of the newly introduced system, and whether they have a widespread awareness of the need to utilize the system for their own growth. To this end,

● Human Resources Strategy

In addition to the development, placement, and growth of diverse human resources to achieve medium- to long-term growth, we will establish an "organization" that enables diverse "individuals" to demonstrate their strengths.



interactive communication is important. Rather than simply sending out one-way information, it is important for each organization to scrutinize how well each employee understands the new system and their impressions are of it.

In JAL Group Medium Term Management Plan-Rolling Plan (MRP) 2025, the direction of the human resources strategy to support medium- to long-term growth is to focus on “maximizing individual strength through the organization” in addition to “supporting individual growth,” which has been emphasized to date, and to realize medium- to long-term growth from both sides. With regard to individuals, we will actively support the growth of diverse human resources and respond flexibly to the growth of each individual, while linking this to our business strategy. We will also promote the creation of an organization that makes the most of each individual’s personality and abilities. A strong basis for growth for both the individual and the organization will be built under a solid foundation on which diverse human resources can work together toward a common goal.

It has been a year in which we made significant changes to what needed to be changed, but at the same time, there are ways of thinking that must not be changed, namely JAL Philosophy and health and productivity management. The former is a set of values that all employees, working in a variety of occupations and workstyles, can share in order to move forward in the same direction. The latter is the notion that the company will put top priority to the health of its employees and their families with tender loving care. These two pillars are the source of JAL Identity and will continue to be at the center of our human resources strategy.

Promote optimization of human capital portfolio and productivity improvement

In our human resource strategy, “optimization of human capital portfolio” and “productivity improvement” are important themes along with individual and organizational growth.

With regard to the human resource portfolio, in order to promote the transformation of the business portfolio to one that does not rely solely in the aviation business, it is necessary to

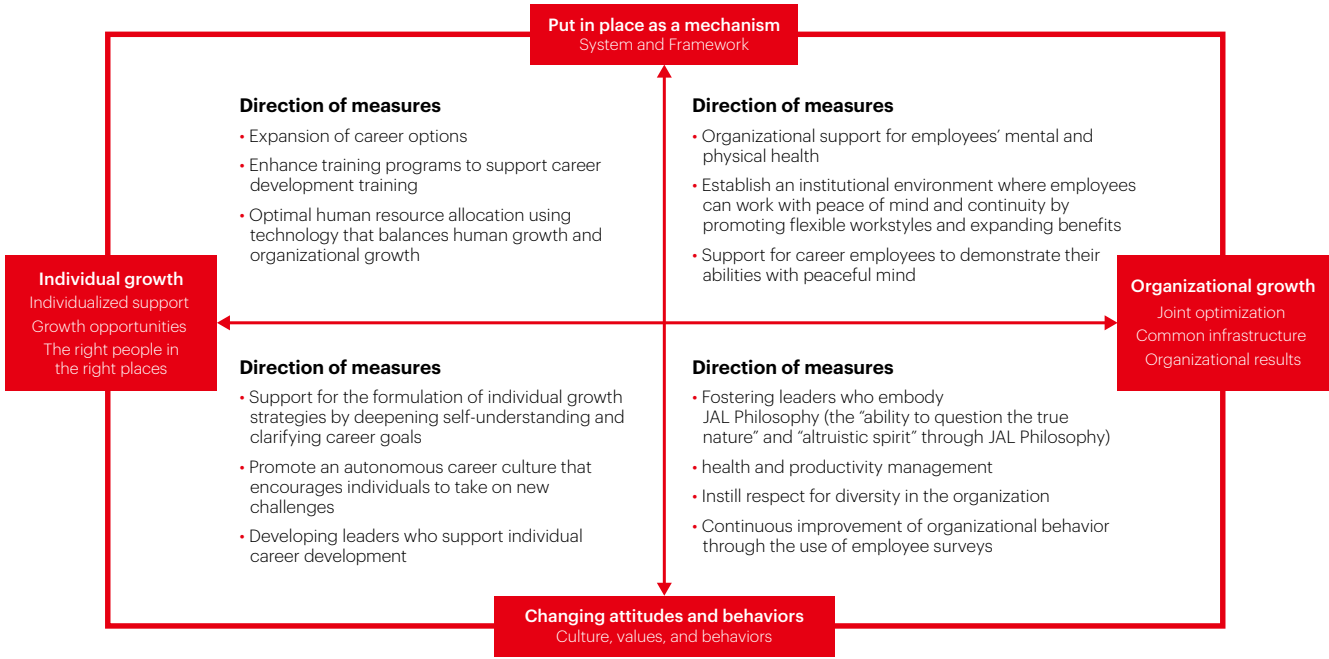
achieve optimal human resource allocation for a variety of positions. In line with the business structural reform, we firstly need to fathom and visualize measures in what kind of skills and how many human resources are required for each business as human resource portfolios change along with the growth of the business. Thereafter, we will promote the creation of a system that compensates for the skills and experience of each employee by comparing them with each other to achieve optimal placement and also by education and training.

In the past few years, data on employees’ skills and experience has been collected, and going forward, we can expect to match their skills with AI. Furthermore, we intend to open up the visualized human capital portfolio to employees so that they can proactively chart their own careers and take action based on this portfolio, thereby realizing their career ownership.

To improve productivity, we are not only addressing issues such as labor shortages and intensifying competition for human resources, but also promoting DX and automation of operations in addition to improving the skills and abilities of individual employees in order to shift human resources to growth areas. Through these efforts, we will deepen our business structural reforms by improving the productivity of ground operations, especially in the full service carrier (FSC) business, while creating new time and spare capacity to create an environment in which each employee can focus on more rewarding work.

By promoting these measures across the entire company, we will continue to enhance the job satisfaction of our employees and at the same time, strengthen the competitiveness of the company as a whole, with the aim of achieving our long-term management targets.

● Both Individual and Organizational Approaches



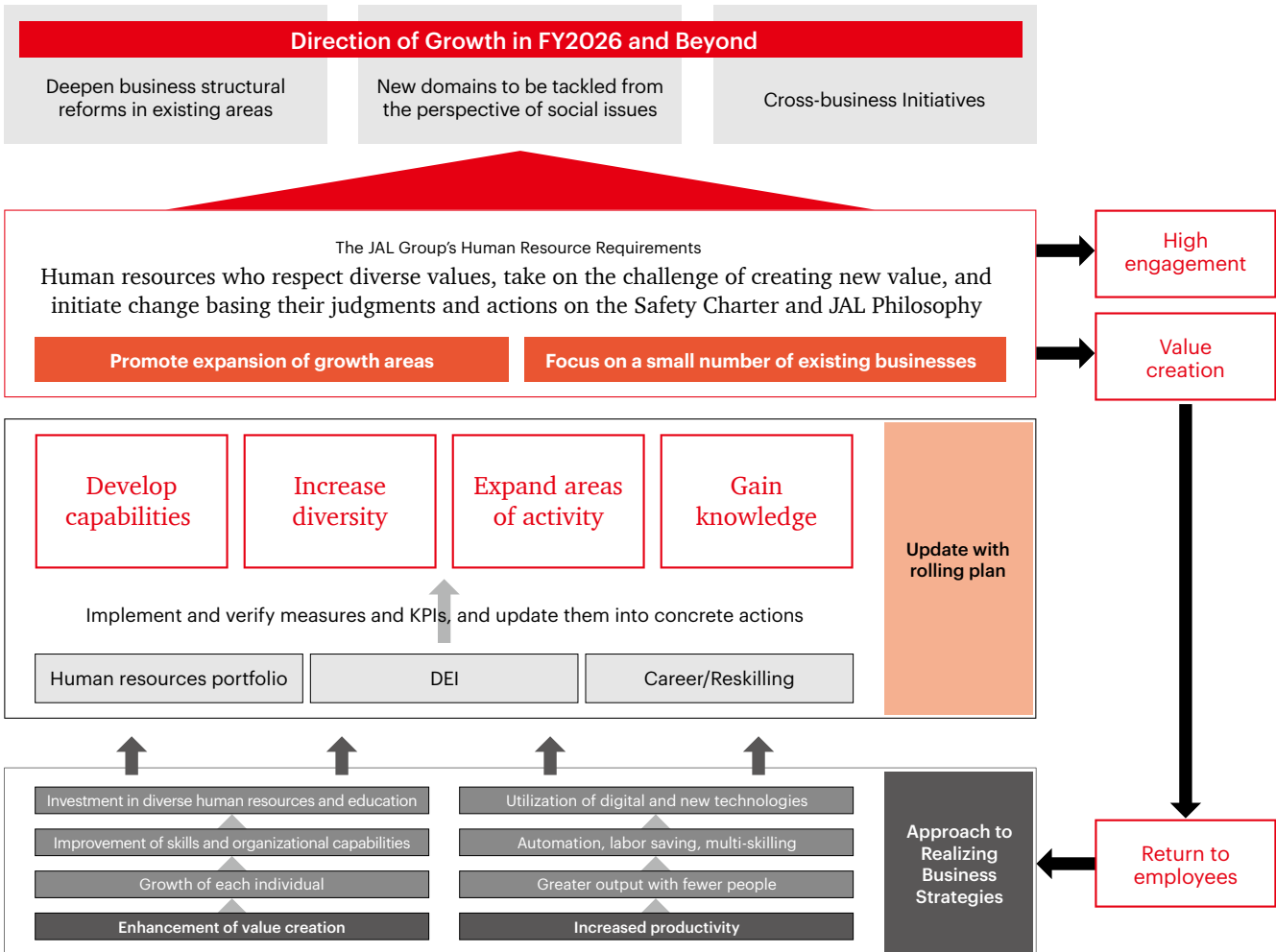
Outline of Human Resource Strategy

The JAL Group aims to achieve sustainable growth by deepening business structural reforms in existing areas and taking on the challenge of entering new areas that address social issues. In moving these reforms forward and giving actual shape to the direction of our business, the capabilities of our diverse human resources are becoming more important than ever before.

In an increasingly complex and diverse business environment, we believe that the key to supporting the sustainable development of our business is to create an environment in which diverse human resources can play an active role in a variety of fields, each of whom can demonstrate their high level of skills and expertise in their respective fields and create new value while feeling a sense of fulfillment and significance. Based on this belief, the JAL Group has focused on the four items defined as the mid-to long-term objectives of human capital investment: developing capabilities, increasing diversity, expanding areas of activity, and gaining knowledge, as well as the fundamental initiatives that support each individual's success, and has organized specific measures according to this framework to promote its human capital strategy. Underlying this framework is the spirit of respecting diverse values and taking on the challenge of creating new values, with the Safety Charter and the JAL Philosophy as the foundation for judgment and action, which also resonates with the ideal human resources sought by the JAL Group.

While the effects of our efforts to date are steadily emerging as results, there are still gaps in our targeted engagement and value creation performance indicators. We will continue to update this human capital strategy and focus on creating an organization that makes the most of the power of our diverse human capital, while deepening business structural reforms and aggressively taking on new challenges in new areas. We will then return the results of these efforts to our employees in the next round of human resource investment, creating a virtuous cycle that will once again lead to improved engagement and enhanced value creation.

● Update of Human Resource Strategy



JAL Group aims to improve productivity

While the FSC and LCC businesses are expected to continue to grow, mainly due to inbound demand, the working-age population in Japan is declining faster than expected. Securing human resources to support the growth of the JAL Group, including the expansion of the scale of international flights, is an important issue. We are focusing on productivity improvement initiatives to efficiently create high value and achieve sustainable growth and continuous returns to our employees.

The JAL Group's goal of productivity improvement is not only to steadily improve efficiency so that we can steadily expand our scale in the FSC area, but also to build a system that can create added value on a sustainable basis by securing human resources to shift to further growth areas. To this end, we will visualize the progress and numerical effects of productivity improvement and accelerate efforts in each business and division.



Productivity Improvement Initiatives

Productivity Improvement Initiatives

To date, the JAL Group has established the Productivity Improvement Committee in order to efficiently operate the operational structure of the contact center, airport, and sales areas with existing personnel, and has been building measures to resolve issues in each area. Through the activities of the Productivity Improvement Committee, we are targeting efficiency gains equivalent to 30 percent (2,700 employees) by FY2030.

Efforts to date have resulted in steady progress in implementing DX in ground operations. Specifically, self-service is underway for manned operations at reservation centers, airports, and sales (e.g., reservation changes when schedules change, responses to domestic flight standby results, and seat reservation responses for groups). In addition, the introduction of aircraft to support high-added operations in the frontline and automation efforts are underway to improve productivity through mechanization and automation. To date, as of FY2024, 370 employees worth of benefits have already been realized, and by the end of FY2025, 890 employees worth of efficiencies are expected to be realized.

Thirty percent efficiency improvement in FSC ground operations

- Promote DX in ground handling operations, aiming to streamline the workload by a cumulative total of 2,700 employees by FY2030 and increase revenues from new business.
- Reduce the number of manned operations at reservation centers and airports by expanding self-service operations.
- Promote the introduction of aircraft that support high-load work and take on the challenge of mechanizing and automating some operations.

Future Initiatives for Productivity Improvement

In order to build a system that will work to create new added value, we aim to increase profits and improve productivity while maintaining a workforce appropriate to the size of each business potential.

By implementing the productivity improvement measures formulated by the Productivity Improvement Committee with each division, we will establish an efficient operating structure for FSC and through this, improve the profitability of the domestic flight business, grow international flights, and strengthen the human resource basis for growth areas.

The JAL Group will also review its productivity target indicators, introducing not only “sales per employee” but also “value added per hour” and “labor hours per production volume. Particular emphasis will be placed on improving profitability on domestic flights, and the PDCA cycle of initiatives using the indicators of “profit per hour” and “input hours per production volume” will be promoted to enhance efficiency gains.

Clarify productivity indicators for each business potential.

- Establish new indicators to measure the effectiveness of productivity improvement and evaluate value-added creation and productivity by indexing the sum of profit and personnel expenses, as well as labor hours per unit of production.
- Clarify efforts at each segment and division to improve value-added per hour, and accelerate the response.
- Establish a dashboard to visualize the effects of productivity improvement efforts, and publicize the effects of these efforts in an easy-to-understand manner.

How to Measure Productivity Improvement

(1) Profitability per hour

- Productivity will be evaluated from a perspective that includes personnel expenses.

$$\text{a) Profit per hour} = \frac{\text{Operating profit} + \text{Personnel expenses}}{\text{Total labor hours}}$$

(2) Input hours per production volume

- Productivity is also evaluated in terms of labor hours per production volume (ASK, number of flights, among others).

$$\text{b) Input hours per production volume} = \frac{\text{Total labor hours}}{\text{Production volume (ASK, number of flights, among others)}}$$

4. Strengthening Management Resources

Strengthening Human Capital (Human Capital Management)

Message from the Executive Officer in charge of Human Capital

Outline of Human Resource Strategy

JAL Group aims to improve productivity

Progress of Each Measure

Employee Roundtable Discussion

Strengthening Intellectual Capital (DX Strategy)

Measures for Sustainability of Natural Capital (Green Transformation strategy)

Progress of Each Measure

To realize a virtuous cycle of engagement, value creation, and employee return, we are developing organizational measures based on the framework of four themes (Developing Capabilities,

Enhancing Diversity, Expanding Areas of Activity, and Gaining Knowledge), which we have defined as our medium- to long-term objectives for human capital investment, and the human capital infrastructure initiatives that support these objectives. While the effects of our efforts to date are steadily emerging as results,

there are still gaps in the targeted performance indicators. We will continue to verify the progress and results of each measure and further promote efforts to improve issues.

Topics	Measures		KPI		Summary	Targets Results for Human Resources Measures
			FY2024	FY2025		
Value Creation Through Continuous Human Resource Investment	Develop capabilities	Secondment and dispatch of employees within and outside the group		500 employees per year		- Approximately 480 employees have been seconded or dispatched outside the Group, with a target of 500 employees in FY2025. - A total of 97 employees within 10 years of their employment, will be dispatched, continuing at an annual scale of 100 employees in FY2025. 🔥 For details, see p. 71 - The number of posts under the performance-based remuneration system has been expanded to 27 posts, and will be further expanded in FY2025, including system reforms.
		Dispatch of employees overseas and outside the company within 10 years of their employment		Up to 100 employees per year		
		Expansion of performance-based remuneration system		30 posts	100 posts	
	Enhance diversity	Women's advancement in the workplace		Ratio of women managers: more than 30%		- Achieve a ratio of women managers more than 30 percent, and work to increase diversity at decision-making levels in the organization, such as directors and vice presidents, while maintaining the 30 percent level. - The Group will hire 80 locally hired overseas staff. In FY2025, we will continue to hire a diverse range of human resources, including non-Japanese with specific skills. - Fifty-three locally hired overseas staff were dispatched to Japan. The number will be maintained at 50 employees in FY2025, fostering a global mindset by increasing diverse points of contact. 🔥 For details, see p. 71 - More than 800 employees with disabilities are active in the Group. We are continuing to expand areas of activity and support retention.
		Number of foreign employees hired in Japan		80 employees per year	100 employees per year	
		Expand dispatch of foreign employees to Japan		Number of dispatched employees: 50 per year		
		Increase in the number of employees with disabilities		20% compared with FY2022	30% compared with FY2022	
	Expanding areas of activity	Early promotion of young employees		Expansion of promotion		- New grading system will be applied from FY2024. Publicize examples of S evaluations within the Group to create an environment in which anyone can check the results. - One hundred employees will be transferred through open recruitment, which will continue in FY2025 to support flexible and diverse career development. 🔥 For details, see p. 71 - The new system started in October 2024. This system will be continued in FY2025 to expand the scope of activities.
		Internal and external mobility through public recruitment		100 employees per year		
		Promotion of senior employees		Expansion of roles		
	Gain knowledge	Expansion of career recruitment		50% of annual recruitment		- The ratio of career hires for business planning positions is 50 percent. Continue to recruit according to business needs and provide onboarding support. - Implemented a highly specialized human resource system and appointed 12 employees. Continued to implement the new system in FY2025. 🔥 For details, see p. 72 - As of the end of FY2024, the cumulative number of participants in specialized training was 376 employees; target is to have a cumulative total of 900 employees by the end of FY2025, and to synchronize this with existing mandatory training.
		Introduction of highly specialized human resources system		Expansion of appointments		
		Promote DX education	Basic education	Specialized education		
		All employees	Cumulative total: 400 employees	Cumulative total: 900 employees		
Infrastructure	Human Resource Infrastructure Initiatives	Organizational managers: Leader's Workshop		Participation rate 100%		- Implemented leadership training based on the JAL Philosophy, with a participation rate of 99.4 percent among organizational managers. Continuing with the goal of achieving a 100% participation rate in FY2025 as well. 🔥 For details, see p. 72 - Although not selected for the Health and Productivity Stock Selection, the number of companies certified as Certified Health & Productivity Management Outstanding Organizations Recognition Program increased to 30 companies, ahead of the FY2025 management targets. Continue to strengthen health and productivity management to support employee health. 🔥 For details, see p. 72
		Promotion of health and productivity management		Selected as a Health and Productivity Stock Selection (JAL)		
				+20% Compared with FY2022	+30% Compared with FY2022	

Engagement

Percentage of highly engaged employees

FY2024 results: 58.1%

FY2025 target: 65%

Value Creation

Sales per capita (vs. FY2019)

FY2024 results: +20%

FY2025 target: +38%*

Return to Employees

Investment in human capital per employee (vs. FY2019)

FY2024 results: +10%

FY2025 target: +15%

* These figures are targets set as of April 2024. In FY2025 and beyond, the Group plans to adopt the concept of "value added per hour" instead of "per capita" as a productivity indicator, in light of the promotion of diverse workstyles.

Developing Capabilities

Providing Opportunities for Education and Challenges to Maximize Individual Capabilities

Overseas and External Assignments within the First Ten Years of Employment

FY2023 46 employees per year → FY2024 **97** employees per year → FY2025 **100** employees per year (Target)

We send employees overseas and outside the Group at an early stage in their careers to provide an environment where they can experience diverse values and challenge themselves while shaping their own values through discussion, dialogue, and practice with people who have different values. By doing so, we aim to expand the range of our employees' experiences, further improve their mindset and skill sets, and add depth to their growth.

In FY2024, we dispatched 97 employees through such programs as the Silicon Valley Self-Transformation Program in Silicon Valley, U.S.A., and the Overseas Cross-Border Challenge Program to gain practical overseas business experience at companies in different industries in Asia for a period of about three to four weeks.

In FY2025, we will continue to provide opportunities for human resource development and challenges with the goal of dispatching 100 employees per year.



Engaging in lively discussions in the actual place as part of the Overseas Cross-border Challenge Program (our employees are in the bottom right).

Enhancing Diversity

Providing Opportunities to Gain Various Experiences Regardless of Attributes

Dispatch Locally Hired Overseas Staff to Japan

FY2023 64 employees per year → FY2024 **53** employees per year → FY2025 **50** employees per year (Target)

We are promoting the dispatch of locally hired overseas staff to Japan as part of our human resources strategy. By incorporating local market sensitivities into our strategies and operations, we are contributing to business structural reforms centered on the international flight domain, as well as creating growth opportunities for the locally hired overseas staff themselves.

Experiences in different cultures and market environments bring new perspectives to the organization and help foster a global mindset in the Japanese side of the organization. Such interactive learning and networking contribute to sustainable business operations and a stronger human resource base.

We will continue to maximize the power of our diverse human resources to achieve sustainable growth and deepen our business structural reforms.



Locally hired overseas staff posted to Japan from overseas and playing a central role in overseas sales strategies as managers

Expanding the Sphere of Activity

Eliminate Restrictions that Hinder Success and Promote Employees to Positions that Match their Abilities.

Transfers Within and Outside the Group through Open Recruitment

FY2023 85 employees per year → FY2024 **100** employees per year → FY2025 **100** employees per year (Target)

With an increasing number of human resources with diverse attributes and experience, we are building an environment where each employee can autonomously develop their career and demonstrate their abilities, regardless of length of service or age. We have expanded the framework for open recruitment to a wide range of fields, both existing and new, airline and non-aviation, and in FY2024, 100 employees across the group were transferred to open recruitment. We are creating new value by appointing employees who are willing to take on new challenges and play a role in opening up future possibilities, as well as in areas that are key to our growth strategy.

In addition, from FY2024, we are expanding the fields in which each employee can demonstrate their abilities by establishing a framework for selection-type appointments with promotions and expanding the scope of open recruitment to include areas outside JAL Group.



Employees who raise their own hands for public transfers and take on the challenge of new areas of business.

4. Strengthening Management Resources

Strengthening Human Capital (Human Capital Management)

Message from the Executive Officer in charge of Human Capital

Outline of Human Resource Strategy

JAL Group aims to improve productivity

Progress of Each Measure

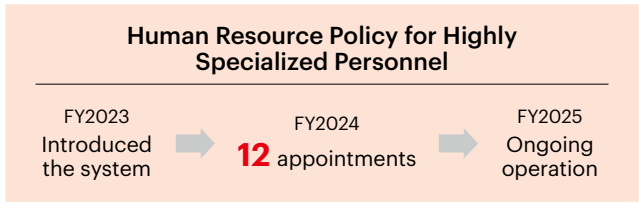
Employee Roundtable Discussion

Strengthening Intellectual Capital (DX Strategy)

Measures for Sustainability of Natural Capital (Green Transformation strategy)

Gaining Knowledge

Deepening Internal Knowledge and Acquiring Missing Knowledge from Outside the Group



In response to the increasing importance and scarcity of highly specialized human resources and traditional management personnel, during the time of business diversification work sophistication continue to advance, we introduced the highly specialized human resources system in FY2023, and in 2024, the first year of operation, we made 12 appointments to posts with specialized expertise. Based on the knowledge and technology cultivated over many years, we have expanded the scope of appointment to include business and corporate areas such as DX, marketing, SAF procurement, and financial and legal affairs, in addition to appointing specialists in fields that require a high level of expertise, such as aircraft maintenance and design and electrical technology, to cover a wide range of expertise. By clarifying the positions that require such a high level of expertise, we will create an environment that allows each employee to develop their career independently, while strengthening the knowledge and competitiveness of JAL Group as a whole.



From left to right, employees with high expertise in aircraft interior design, retailing strategy, and legal affairs.

Human Resource Infrastructure Initiatives

Foundation for Diverse Human Resources to be Successful in Diverse Fields

• Build human resources and organizational strength with JAL Philosophy

The driving force to advance our business sustainability, and to realize a healthy profit creation and sustainable value is the human resource and organizational abilities. In FY2024, as we considered the true causes of repeated safety problems, we returned to JAL Philosophy and reaffirmed the importance of expanding our job performance and people skills. To this end, from FY2025 we are promoting human resource development throughout JAL Group by strengthening learning opportunities for managers and leaders, who are the key to organizational revitalization. By thoroughly refining management services and human skills based on JAL Philosophy, we will nurture human resources and organizations in which the principles of JAL Philosophy can live on and build a foundation for sustainable value creation.

• Promotion of health and productivity management

Thirty JAL Group companies have been certified as Certified Health & Productivity Management Outstanding Organizations Recognition Program 2025. Through JAL Wellness 2025, we are addressing lifestyle-related diseases, cancer, mental health, tobacco control, and women's health as priority issues. In particular, we support flight safety with each and every flight through appropriate health duty management for flight crews and cabin attendants. We will continue to create a workplace environment where diverse human resources can maximize their abilities based on mental and physical health.



Employees practicing JAL "Honkino! Radio Gymnastics" during a JAL inhouse event.

TOPIC

JAL Athlete Employees Tackling the World

JAL Group supports all athletes, including JAL Athlete employees, because the image of athletes taking on challenges overlaps with JAL's goal of becoming "the world's most preferred and valued airline group".

Currently, JAL has 11 athlete employees, three of whom participated in the Olympic Games Paris 2024 and won three medals.

In addition, JAL Athlete Academy, which provides children with advice on how to enjoy sports and improve their athletic skills, will be expanded to regions outside Japan from 2024, increasing our relationships and connections with people around the world and contributing to the development of the next generation.

Each of us will continue to support athletes and contribute to the progress and development of corporate citizenship activities by continuously challenging each one of us to do something new.



From left to right, UZAWA Towa (200m), KITAGUCHI Haruka (javelin throw), and MURATAKE Rachid (110m hurdles) represent Japan at the World Athletics Championships Tokyo 25



KANO Koki, who won gold medals in both the individual and team competitions in épée at the World Fencing Championships

4. Strengthening Management Resources

Strengthening Human Capital (Human Capital Management)

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JAL Group aims to improve productivity

Progress of Each Measure

Employee Roundtable Discussion

Strengthening Intellectual Capital (DX Strategy)

Measures for Sustainability of Natural Capital (Green Transformation strategy)

Employee Roundtable Discussion



SHINOZUKA Tomohiro
Station Operations Planning
Planning Group

NAKAMURA Ryota
International Route Marketing
Network Planning Group

OKADA Hitomi
Legal Affairs

EJIRI Yuko
Human Resources Division
Deputy Senior Vice President

MATSUSHITA Mei
Life and Commerce
In-flight Sales Group

NAGAYASU Shun
JAL Agriport Co.,Ltd.

The Future of JAL Group Created by Diverse Human Resources -The Challenge of Employees to Support Value Creation

JAL Group defines the kind of human resources we seek as “people who respect diverse values, take on the challenge of creating new value, and initiate change, with Safety Charter and JAL Philosophy as the foundation for their decisions and actions.” Focusing on this image of human resources, we asked employees in both airline and non-aviation domains about their thoughts on job satisfaction in their current jobs, future career plans, and the future of JAL Group.

Feeling a Sense of Fulfillment by Working in an Environment where you can be Yourself

EJIRI JAL Group is committed to human resource management that maximizes the power of its human resources, with an emphasis on “supporting individual growth” and “maximizing individual power through the organization.” What do you find rewarding about working in various organizations?

NAKAMURA I joined the company with a desire to “support

Japan’s infrastructure” and “do work that connects to the rest of the world.” The job I am currently in charge of in the FSC international flight domain is a job where I can realize exactly those aspirations, and I find it very rewarding to be able to utilize the skills I have cultivated in the airport frontline and in sales to contribute to solving corporate citizenship activities to revitalize human flow and logistics.

OKADA I changed my job from a law firm to JAL, and I find it very rewarding to be able to use my expertise in the field of aviation, which I love, while contributing to solving the issues faced by everyone in the frontline. In addition to the fact that I can feel that my advice is actually being utilized in the frontline since I changed jobs at JAL, I am also motivated by the direct feedback of gratitude I receive.

SHINOZUKA In the past, airports were centered on manned counters, but the landscape of airports in Japan and overseas is changing as they become increasingly unmanned and digitalized. The job of promoting DX at airports contributes to such changes, and the sense of scale and responsibility that affects so many people is very rewarding. At the same time, in my daily work, I feel the “goodness of people” of JAL Group, and I feel comfortable working here.

NAGAYASU I have also experienced the “goodness of people” of JAL Group in the organizations and departments I have worked in. In addition, I strongly feel that the group has a culture that encourages people to take on new challenges. I transferred from JAL Kansai Aircargo System (JALKAS) to JAL Agriport under the Career Challenge Program, and my supervisor encouraged me to do so. I am now involved in new initiatives at JAL Agriport, such as the export business of agricultural products, utilizing my experience in handling export cargo, and I find it very rewarding to be able to open up new sales channels where there are none.

MATSUSHITA The Life and Commerce Department to which I belong, has members with diverse backgrounds, but all of them have a strong sense of pride and responsibility in working for JAL. I feel that the sense of unity that comes from this mindset is what makes working for JAL so rewarding. I also believe that JAL Group has an excellent educational program and an

environment in which we can grow autonomously.

EJIRI A workplace where we can realize our corporate citizenship activities, an environment where we can grow together with diverse members, an environment where we can challenge ourselves to achieve our goals and realize our aspirations, and a desire to please our colleagues and customers are common to all of us, even if we work in different organizations and departments.

Promoting the Growth of the Entire Organization by Integrating Diverse Perspectives

EJIRI Please tell us about what you are working on for your personal growth and what kind of career you would like to pursue for your future growth.

MATSUSHITA Although the inflight sales business I am engaged in is positioned as a non-aviation business, I see it as containing airline elements. In my previous job at a railway company, I was involved in connecting multiple businesses through loyalty programs, so in the future I would like to take on the challenge of providing new value having a bird's eye view and connecting non-aviation and airlines businesses. In this respect, current JAL Group has a great strength in the high level of expertise that each business and department possess, but I also feel that this is sometimes perceived as a vertical approach. By further strengthening cooperation among businesses and departments, I feel that there is a great potential to connect airline and non-aviation operations and bring out new value.

NAGAYASU Currently, with the aim of enhancing my expertise, I am studying to gain a deeper knowledge of the characteristics and attractiveness of strawberries and other agricultural products



and to communicate this to our customers. At the same time, the seminars and study groups I attend for JAL Agriport's public relations and advertising effectiveness allow me to broaden my perspective through new ideas from a public relations perspective, and I feel the synergy of this as I can directly apply what I learn to my current job. In my future career, I would like to contribute to the growth of the entire group as well as return the learning and experience from my current position to JALKAS.

SHINOZUKA This year, I would like to learn from the DX Human Resource Development Program and use it to advance my career. I would like to learn about the DX promotion measures being promoted in each division so that I can not only give back to Airport Operations Division's DX efforts but also expand them horizontally. I would like to support the challenge and growth of the group by making use of my own past experience.

NAKAMURA In the international route marketing, which I am currently in charge of, the perspectives of various departments such as cargo, flight operations, cabin attendants, and airports are important. For this reason, I would like to continue to take seriously the opinions and advice of the people in each department and continue to take on the challenge of creating new value while incorporating multiple perspectives. Furthermore, in order to respond flexibly to environmental changes in the corporate citizenship activities and business environment, I would like to contribute to the creation of an environment in which everyone can actively take on challenges without fear of change and with a sense of purpose to "aim for a better future."

OKADA I strive to update my knowledge in the legal field in which I specialize on a daily basis, and through output at in-house seminars and consultation meetings regularly held by Legal Affairs, I am working to not only consolidate and organize my own knowledge, but also to dissolve organizational barriers. In addition, as part of my mission as a highly specialized manager, I would like to contribute to the development of human resources by converting personal knowledge into organizational knowledge in the future.

EJIRI I recognize that in order to promote the growth of the entire group, it will be important to broaden our knowledge

through exchanges and cooperation with other departments, not to mention career recruitment and transfers utilizing the Career Challenge Program. I am relieved to see that everyone is taking these actions voluntarily on a daily basis. I reaffirmed that JAL Group will continue to absorb diverse voices and promote an environment that allows us to take on challenges proactively and flexibly, without being bound by organizational boundaries.

The Future of JAL Group as Envisioned by Each of Us

EJIRI Finally, what is your vision for the future of JAL Group?

OKADA I hope that cross-organizational efforts will become even more active, and that the atmosphere of "Let's make JAL Group more exciting together!" will be further fostered. This way, I believe growth will accelerate both individually and as an organization.

NAKAMURA I want JAL to be at the forefront of the market. To achieve this, I believe it is important for all employees and all areas of the Group to aim for medium- to long-term growth.

SHINOZUKA While safety is a prerequisite, I would like to see JAL Group boldly taking on the challenge of new services to improve customer convenience and differentiate ourselves from our competitors.

NAGAYASU Like the JAL FUTURE MAP that depicts the future relationship between JAL and society, I envision a future in which the entire group is involved in solving regional issues and communicating the attractiveness of our services.

MATSUSHITA I would like to see JAL Group continue to be a company where each business and organization can pursue the best service and continue to take on challenges, even in the midst of daily environmental changes, in order to realize Group Corporate Policy of delivering "unparalleled service to our customers."

EJIRI I am very excited about creating the future together with all of you, and I expect that new values will emerge from your challenges. In order to support such challenges, I will continue to support each and every employee's aspirations for who they want to be, and strive to make our Group a company that is loved by our customers and the community. Thank you very much for your time today.

Message from the Director in Charge of DX

Focusing on digital as the core of our operations, we create new value for our customers, employees, and society

SUZUKI Keisuke

Executive Officer
Senior Vice President, Digital Technology Division
President and Representative Director, JAL Digital Co.,Ltd.



In addition to digital technology to support business management, we are now moving to an “offensive” digital technology to promote business innovation.

With the progress of IT, various airline operations are established on the foundations of an IT system. The JAL Group's IT and digital technology as intellectual capital will continue to be the foundation for the unwavering pursuit of flight safety. Our digital business units, with their IT skills and in-depth knowledge of aviation systems, play an important role in supporting our business operations by constantly improving their digital knowledge and ensuring the stable operation of our systems.

On the other hand, looking at the environmental changes surrounding the JAL Group, it is essential for us to improve the efficiency of human resources and productivity in response to structural changes in Japanese society, such as a declining population. We need to rapidly implement digital business transformation (DX) to leverage the remarkable technological innovations of recent years, such as AI and data utilization, as a competitive advantage and the source of corporate value.

The productivity gains brought about by digital business transformation will not only contribute to the maintenance and expansion of existing businesses but will be an important driving force in business structure reform that will reinvest the resources generated by the new value creation. In addition, by directly providing new social and economic value to customers, companies, and society through the use of digital technology, we will promote CX strategies and ESG strategies, aiming to realize a society and future in which many people and various things can freely move about and be an exciting society.

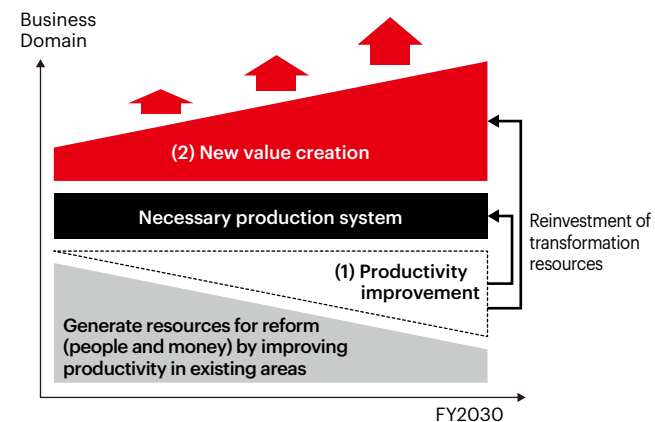
DX Promotion Topics: Consciousness Reform and Co-creation

In promoting DX, we are focusing on consciousness reform and co-creation between the Digital Department and the Operations Department.

Regarding consciousness reform, in order to implement a business reform with digitalization to change the consciousness and culture throughout the Group, a DX promotion project was launched in FY2024 based on the three DX Vision policies of changing the company, changing customer experience, and changing society. In order to promote DX in the midst of accelerating ground speed innovation in digital technology, agile and speedy decision-making that values the autonomy and initiative of employees is crucial. For this reason, both top-down decision-making and direction by the President and Senior Vice President of each division, as well as bottom-up ideas and implementation from the frontline, are vital. Aiming to instill an awareness and culture of change throughout the entire company by sending a strong message from the top, a declaration of intent to promote DX was made by all division Senior Vice Presidents, and in June 2025, President Tottori sent a message to all employees.

The next point is co-creation, in which the digital department not only takes the lead from a technological standpoint, but also works closely with each department that is actually responsible for daily operations. For this reason, we have been working to build a system that allows the Digital Department and the Administration Department to work in unison at all stages

● Concept of business transformation through digitalization

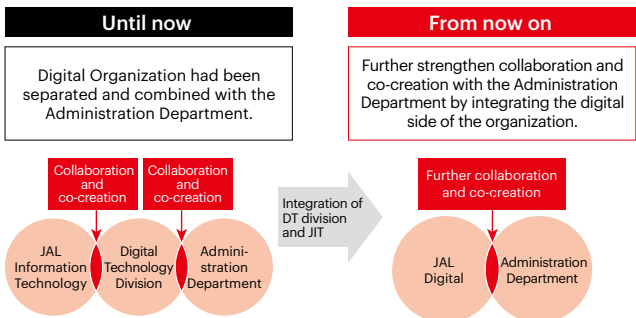


of DX, from the conceptualization stage to the implementation of DX. One of the issues that emerged is the lack of speed due to the insufficient knowledge in operations by the DX division. To accelerate DX, in FY2025 the existing Digital Technology Division and JAL Information Technology were merged to form the new JAL Digital Corporation. While the Digital Technology Division has served as a bridge to the Administration Division and JAL Information Technology in the past, JAL Digital, which brings together the digital Human Resources Management of the JAL Group, will drive the creation of new value for customers, the company, and society through more direct and deeper collaboration and co-creation with the Administration Division.

Accelerating DX Through the use of “AI” x “Data”

After the points on organization and structure for DX promotion, the following is a description of digital technology that forms the core of DX promotion. In other words, AI and Data. Where digital technology, including AI, will evolve, the utilization of accumulated intellectual capital, namely data, will become an essential element for the JAL Group’s sustainable business growth. We will proactively harness the power of this technological innovation and use it as a driving force to

● Reinforcement of DX promotion system through the establishment of JAL Digital



powerfully promote DX. AI and Data are no longer just a back-up for each of our businesses. We will place them at the center of our business, fundamentally transforming conventional business processes and creating new value for our customers, the company, and society.

Regarding AI, we have set up the AI-Centre Concept, in which distributed data and business systems are interconnected, with AI at the center. We will promote business support and AI-ization of business operations using JAL-AI, the generated AI system used by the JAL Group. In terms of data, in order to advance the utilization of data dispersed throughout the airline company, we will not only develop a data infrastructure, but also consolidate and accumulate data, aiming to utilize it in AI.

Aim is to create social value in EX, CX and beyond

This is a description of the three value we aim to create.

The first is the creation of Employee Experience (EX). We aim

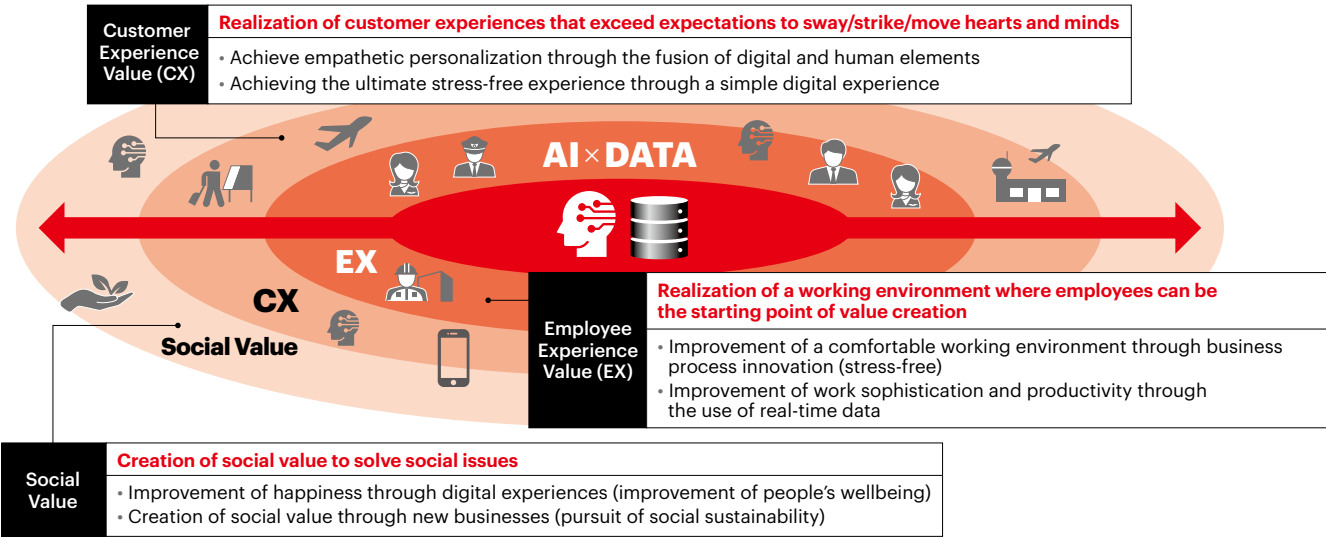
to create a more rewarding and comfortable work environment through the use of data to enhance business sophistication and productivity, and through business process innovation.

Next is the creation of Customer Experience (CX). We aim to provide customers with stress-free experiences through digital technology and services that integrate digital and human resources.

In addition to these improvements in EX and CX, we will also realize value creation for society as a whole. We will pursue the improvement of people’s happiness and a sustainable society through new start-ups.

Last but not least, the unlimited possibilities of business transformation through AI and data-driven digitalization are key factors that will determine the future of the JAL Group. DX promotion is not a fleeting measure but is unceasing and continuous and a source of creating future value. JAL Digital, launched in FY2025, will stand at the forefront of this DX promotion and take on the challenges for a stable system operation in this uncertain society, as well as take up challenges in reforming business through digitalization and create future value.

● AI and data are the core technologies for DX promotion

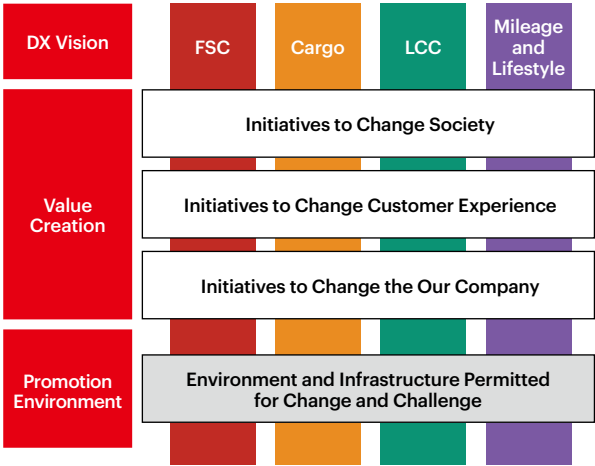


Progress of DX Strategy

Promoting the DX Strategy through Cross-Business Initiatives

The JAL Group has a DX Vision that provides new social and economic value through the transformation brought about by the use of digital technology. This will realize a society and future where many people and many goods can freely move about. To realize this DX Vision, in FY2024, a system was established to promote value creation across all business domains. Furthermore, based on this DX Vision, the JAL Group as a whole has formulated a DX Roadmap that clarifies our goals, current issues, and specific measures to be taken. In line with this roadmap, the entire company is united in its efforts to focus on improving customer experience (CX) and employee experience (EX). Going forward, we will further develop these efforts and focus more on creating social value including the creation of relationships and societal connections and digital transformation in non-airline domains.

● DX Initiatives Across Businesses



Initiatives to Change the Our Company

In the area of EX improvement, each division is making steady progress in specific initiatives that leverage the power of digital technology. For example, in the maintenance division, the use of technology to predict aircraft tire wear has not only improved maintenance quality, but also realized workstyle innovation for maintenance engineers. This initiative has enabled the planned replacement of tires, which not only improves maintenance quality, but also leads to workstyle innovation for maintenance engineers. In the flight operation division, we have also realized the introduction of lightning protection avoidance support technology to reduce the workload of the cockpit crew. Furthermore, in the cabin attendant departments, we are working on a trial to automate report generation using generative AI. We will continue to promote such digitally-enabled operational reforms throughout our company, aiming to improve productivity so that each and every employee can create more value in their daily work.

Initiatives to Change the Customer Experience

In the area of CX improvement, we are also leveraging the power of digital to enhance a more seamless and personalized customer experience. For example, on all Airbus A350-1000 aircraft, we have introduced the ability to pair the JAL app on the customer's smartphone or tablet with a personal monitor in the inflight. This allows customers to control their personal monitor directly from the JAL mobile app in their hand, providing a more comfortable and personalized inflight experience. On domestic flights, JAL aims to simplify procedures at airports and reduce waiting time. As part of this effort, we have improved customer convenience by completely automating the entire process, from applying for a standby seat to actually arranging a seat, which previously had to be done at the counter or on a dedicated aircraft. For international flights, we also provide a service that sends important boarding information to your smartphone or other mobile app at the appropriate time. This service allows passengers to smoothly grasp the process up to departure and travel with more peace of mind. We will continue to make maximum use of digital technology to provide a seamless and personalized environment for our customers.

TOPIC

Maintenance Operations DX using Tire Wear Prediction Technology

To eliminate the unplanned nature of aircraft tire replacement, we have combined operational knowledge and specialized technology to accurately predict and plan the timing of tire replacement. This not only improves safety and quality, but also streamlines maintenance work and realizes workstyle innovation for maintenance engineers.

Streamlining Cabin Report Preparation Using JAL-AI

JAL-AI is being installed on tablet-type devices carried by cabin attendants in an effort to streamline inflight reporting. Instead of writing a report entirely from scratch, AI generates a detailed report by simply selecting simple keywords and options. The time saved can be used to provide more attentive and higher quality hospitality to each and every customer, thereby further improving the quality of service.



Photo by HAYASHI Noriko for Microsoft.

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AI at the Core of Business Transformation

AI-related Initiatives to Date

The use of AI will play an important role in creating EX, CX, and social value. Since FY2023, we have been using JAL-AI, a generative AI that can be used in natural language, throughout the airline company. In FY2024 we promoted its utilization and added functions, achieving a cumulative utilization rate of 100 percent in support departments by the end of the fiscal year. In addition, the use of JAL-AI is expanding to contact centers, airports, and other frontlines. At contact centers, JAL-AI's knowledge search assists operators, and at airports, JAL-AI is used to assist staff in their work.

As for AI infrastructure, we have defined the AI-Centre Platform for FY2024. This is a digital infrastructure that places AI at the center and creates value by interconnecting customers, employees, data, and cloud services in the digital space. Currently, we are steadily developing a flexible AI execution environment and supporting data on this platform.

Future Initiatives

Future AI initiatives is called and being promoted as AI-Agenda. This AI-Agenda includes measures to improve operational efficiency in frontline support departments and support departments, and to increase AI literacy among all employees. We will continue to promote AI-Agenda and the AI-Centre Platform mentioned above, with the aim of realizing a future workstyle in which AI agents will play an active role in every aspect of work.

In the current fiscal year, we will first aim to improve CX in specific business areas. This includes the use of AI in some customer service operations and the use of AI in personalized services and marketing. In EX improvement, AI will be able to search the accumulated internal knowledge to improve employee productivity through efficient information retrieval.

In addition, a new JAL AI College will be offered to help employees acquire the highest level of AI literacy in the industry. This program defines the level of AI literacy required for each

employee's role in AI and provides the most appropriate AI education program for each level. Through this initiative, we will systematically develop human resources with the necessary level of AI literacy as an organization and ensure that each department is equipped with the necessary AI literacy.

On the other hand, AI functions have recently been incorporated into various cloud infrastructures and cloud services, and a wide variety of AI services are rapidly emerging. In light of this situation, there is an urgent need to establish governance for the ethical use of AI, strategic implementation and utilization, and appropriate acquisition processes, to name a few. Basic principles and rules for AI use have already been established, however, in addition to the basic principles and rules already in place for AI use, we will develop and expand rules and operations aimed at multiple perspectives, such as ensuring

consistency between business and IT, reducing risk, ensuring compliance, and ensuring the performance of the AI system itself, in order to strengthen governance in the use of AI across the entire airline company.

Based on the foundation of governance, we will promote functional expansion and human resource development of AI to improve productivity and create value for the airline company, customers, and society.

● JAL Group's AI Strategy for the Future



TOPIC

Achievements of Business Efficiency using JAL-AI

Assists as a Personal Communication Tool

JAL-AI can be installed in Google Chat and used as a personal assistant. Not only is it possible to adjust schedules without opening calendar tools, but it can also provide information and create documents as a generated AI, helping to improve business productivity.

Assists Ringi Creation in Support Departments

JAL-AI prepares Ringi documents on your behalf, requiring only the uploading of documents and the inputting of some information. It is expected to reduce the time required to prepare Ringi documents, an indirect task, and the reduced time will be used to realize value creation.



Assists as a Contact Center Operator through Knowledge Search

Search for knowledge used in the contact center, such as reservation ticketing and airport information, can be carried out enabling the contact center staff to respond to customer inquiries more quickly. This is expected to improve customer satisfaction and productivity.



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Reduce the environmental impact and spread awareness of sustainability in society through our business

OGAWA Noriko

Executive Officer
Senior Vice President, Procurement Division,
Deputy Vice President, General Affairs Division
Chairperson, Sustainability Promotion Committee



We will continue to fulfill our responsibility to society by taking a sincere attitude toward our relationship with environmental issues

From an environmental perspective, the JAL Group recognizes that aircraft are the second largest source of CO₂ emissions per unit of transportation volume after automobiles, and we feel a strong sense of responsibility in response to the critical scrutiny from society. Balancing our responsibility as a social infrastructure to safely and efficiently transport numerous passengers and cargo with our social responsibility to reduce environmental impact is, as an executive in charge, a key challenge.

In recent years, frameworks for CO₂ emission reduction in the aviation industry have been developed and strengthened, including the adoption of CORSIA^{*1} by the International Civil Aviation Organization (ICAO) and the start of the GX-ETS^{*2}, emission trading system in Japan. The JAL Group is also actively participating in these frameworks and is making strategic efforts by disclosing information in accordance with TCFD. At the JAL Group, investments that contribute to global environmental conservation, such as reducing CO₂ emissions, are not only linked to creating social value but also positioned as growth investments for the future of the JAL Group, with resources allocated strategically. Achieving sustainable growth while reducing environmental impact is a crucial theme in realizing sustainability.

We are also focusing on the conservation of biodiversity. Rich nature that nurtures diverse species is a shared heritage of humanity and serve as an essential foundation for the JAL Group, which generates passenger flows based on tourism resources. We sincerely recognize that our activities depend on nature. Since 2023, we have been pioneering industry-wide disclosure of information based on TNFD, while identifying priority in Japan and abroad for conservation efforts.

^{*1} A system that requires airlines operating international flights to purchase eligible credits for "85% of their 2019 carbon credits in excess of the amount of carbon emissions."

^{*2} A framework for carbon emissions trading in GX League established by METI.

Communicating effective strategies and progress both internally and externally toward achieving the ambitious goals declared ahead of the industry

In 2020, JAL Group became the first Japanese airline to declare its goal of achieving net zero CO₂ emissions by 2050. In response, JAL Group Medium Term Management Plan for FY2021-2025 announced in 2021 drew up a roadmap to "reduce total emissions to below the FY2019 level by FY2025" and "to reduce total emissions by 10 percent from the FY2019 level by FY2030". The Green Transformation strategy is based on the three pillars of "upgrading to fuel-efficient aircraft," "use of Sustainable Aviation Fuel (SAF)," and "operational innovations". Based on this strategy, our Group have continued to work together in FY2024 to reduce CO₂ emissions with our stakeholders.

This roadmap is not only a milestone for achieving net zero CO₂ emissions by 2050, but also an important message to show both internally and externally how JAL Group is committed to decarbonization. As such, we believe that it should be constantly verified and refined in light of internal and external environmental changes.

In the recently released Rolling Plan 2025, we have examined the progress of our roadmap based on external factors such as strengthened environmental regulations and technological innovation, as well as internal factors such as changes in our business plan. While the basic policy and targets remain unchanged, the scenario has been modified to include the reduction effects of "carbon credits" and "new technologies for removal of CO₂" in addition to the three existing pillars.

In FY2025, each and every employee will continue to work on these five pillars in their respective areas of responsibility across the entire company.

We would like to expand our attitude of looking toward the future, not only within the company, but also throughout society.

In promoting the Green Transformation strategy, I place particular emphasis on fostering environmental awareness in each and every employee. From the standpoint of business division units, we tend to focus on immediate issues such as numerical targets for each fiscal year, but I believe that it is the role of chairperson of the Sustainability Promotion Committee to address to the entire company so that our eyes will be focused a little further into the future.

It is only 25 years until 2050 in which our goal to achieve net zero CO₂ emissions. We believe that it is the responsibility of every adult living today to imagine what the Earth will be like then, and the environment in which children will be living, and take an action to leave even a slightly better future. We aim to instill this awareness and sense of responsibility toward the future not only within our company but throughout society as a whole.

A symbolic initiative in this effort is the "Let's Fly with Used Cooking Oil" project, which collects used cooking oil from households for domestic SAF. In collaboration with the administration and the retail industry, we have started providing used cooking oil collection bottles to participants in the project. In one year since its launch, over 10,000 people have joined, contributing to ensure stable supply and cost reduction of domestic SAF. The project is also positioned as an opportunity for individuals to realize that their actions contribute to reducing environmental impact.

The same is true of our efforts to conserve biodiversity. For example, through our coral restoration support tours in Okinawa, we communicate the necessity and significance of protecting precious ecosystems to our customers and

encourage them to participate in conservation activities. We hope to spread nature-positive actions throughout society through air transportation, which only airlines can do.

By sharing future perspectives and actions for a better

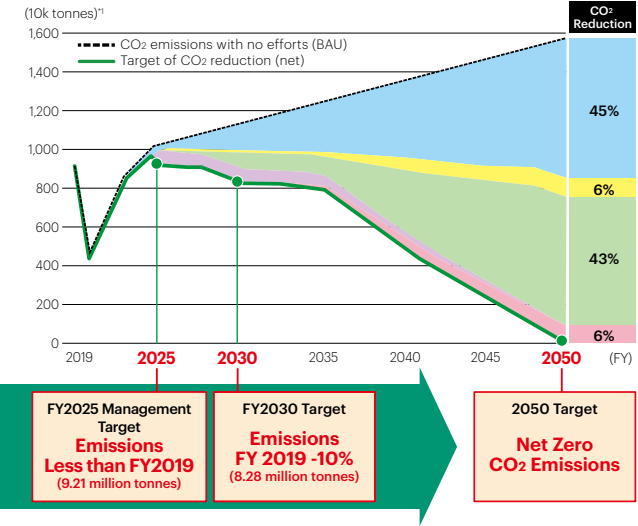
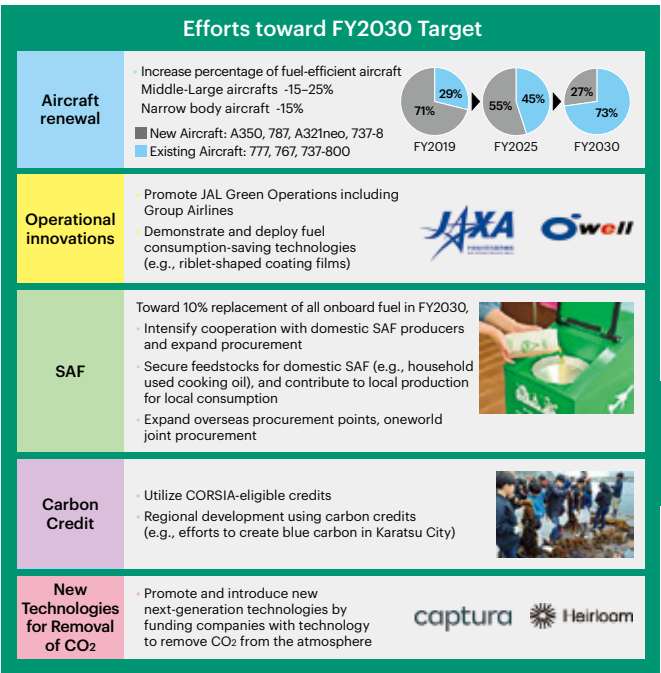
future with many people, the JAL Group can contribute to increase social sustainability simultaneously as enhancing our corporate value. This is the very reason why JAL Group is committed to sustainability.

Issues to be solved for environmental conservation and positioning of Green Transformation strategy

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

- **Addressing climate change (Green Transformation Strategy)** <https://www.jal.com/en/sustainability/environment/climate-action/>
- **Conservation of biodiversity** <https://www.jal.com/en/sustainability/environment/biodiversity/>
- **Effective use of limited resources** <https://www.jal.com/en/sustainability/environment/limited-resources/>
- **Prevention of Environmental Pollution** <https://www.jal.com/en/sustainability/environment/pollution-prevention/>
- **Reduction of Noise** <https://www.jal.com/en/sustainability/environment/noise-reduction/>

Green Transformation Strategy



Initiatives for Environmental Cost Reduction

- Promote cross-industry efforts to raise awareness of SAF
- Public-private partnership to promote stable supply and use of domestic SAF
- Expanding the Environmental Value Sales Program (JCSP*) created by the use of SAF

*1 Scope1 emissions from aircraft *2 JCSP: JAL Corporate SAF Program

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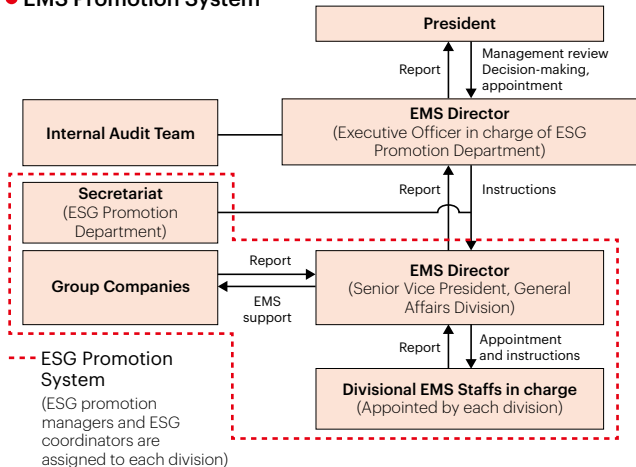
Environmental Management System

Based on the JAL Group Environmental Policy, we have established an Environmental Management System (EMS) to promote environmental conservation activities in a precise manner while making continuous improvements. Goals and action plans tied to our management targets such as reducing CO₂ emissions and single-use plastics are set and carried out by each subsidiary and division. We confirm legal compliance, system conformity, and achievement of targets through quarterly reviews and annual internal audits. When nonconformity is detected, corrective actions, analysis of causes, and review of effectiveness of actions are conducted. In addition, those with high urgency are addressed within the framework of a risk management program.

JAL Royal Catering Co., Ltd., which provides inflight meals, obtained ISO 14001:2015, the international standard for Environmental Management System (EMS), in 2021 and passed the renewal audit in 2024 and the maintenance audit in 2025.

In 2024, we assigned an ESG promotion manager and ESG coordinator to each division under the EMS promotion system. We are promoting ESG strategies on a company-wide basis while leveraging the knowledge and networks of all JAL Group companies to reduce risks and maximize opportunities in all ESG areas.

● EMS Promotion System



Comprehensive Approach to TCFD and TNFD

JAL Group aims to comprehensively address climate change and biodiversity, which are particularly important issues for the sustainability of society, because the preservation and restoration of nature strengthens the social infrastructure. We analyzed the risks and opportunities that various social issues, including environmental issues, pose to society and business risks, and began disclosing information in line with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) in 2021, and in 2023, we made an advance disclosure of information in compliance with the Task Force on Nature-related Financial Disclosures (TNFD).

Governance

The JAL Group's Board of Directors receives regular reports (three times in FY2024) regarding executive initiatives on climate change and biodiversity, and exercises a strong supervisory function. In execution, the Sustainability Promotion Council, chaired by the president, formulates basic policies, sets important targets and manages progress, and deliberates and decides on policies to deal with issues. The Sustainability Promotion Committee, chaired by Executive Officer in charge of ESG Promotion Department, deliberates on individual issues identified through the EMS and issues confirmed through the GX Related Officers Committee (seven meetings in FY2024), whose secretariat is the specialized division for Green Transformation strategy launched in April 2023.

The Board of Directors has identified eight key issues (materiality) in overall sustainability to address social issues through business. The Medium-Term Management Plan incorporates addressing climate change into its management strategy. Based on our strong will to achieve sustainable business operations and increased corporate value through steady efforts to address these issues, we reflect external ESG assessments and the targets for

reduction of CO₂ emissions as indicators in our officer remuneration.

In addition, we place respect for human rights and conservation of biodiversity at the core of our management issues. We promote sustainable business strategies in line with the TNFD framework, and strive to build a sustainable supply chain, including respect for human rights and appropriate labor practices.

Agenda Items for the Board of Directors Meeting and Sustainability Promotion Council for FY2024

- Progress status of key sustainability issues and annual targets
- Revision of JAL Group's Road Map towards net zero CO₂ Emissions by 2050
- Disclosures on TCFD and TNFD, EMS review
- Monitoring and evaluation of human rights due diligence

Note: Please refer to p. 22 for the Governance Structure

Risk Management

The JAL Group defines risk as an event or action that may impede the achievement of the organization's mission, objectives, or goals, and conducts semiannual risk surveys and assessments. Those assessed as particularly important are positioned as priority risks, and the Group Risk Management Council, chaired by the president, confirms the status of risk management and deliberates and decides on countermeasures. With regard to environmental issues such as climate change and biodiversity, which are key issues in our management strategy, we implement risk management through the PDCA cycle based on the EMS, while taking into consideration relevant laws, regulations, and policy trends in the international community.

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Basic Concept

The JAL Group recognizes that an action to climate change is a particularly important issue for the sustainability of society. In June 2020, we announced our commitment to achieve net zero CO₂ Emissions by 2050, in order to steadily promote various initiatives, including the reduction of CO₂ emissions in order to fulfill our responsibilities as an air transport operator. For more information, please refer to our TCFD disclosures.

JAL Group Environmental Policy
<https://www.jal.com/en/sustainability/environment/environment-management/policy/>

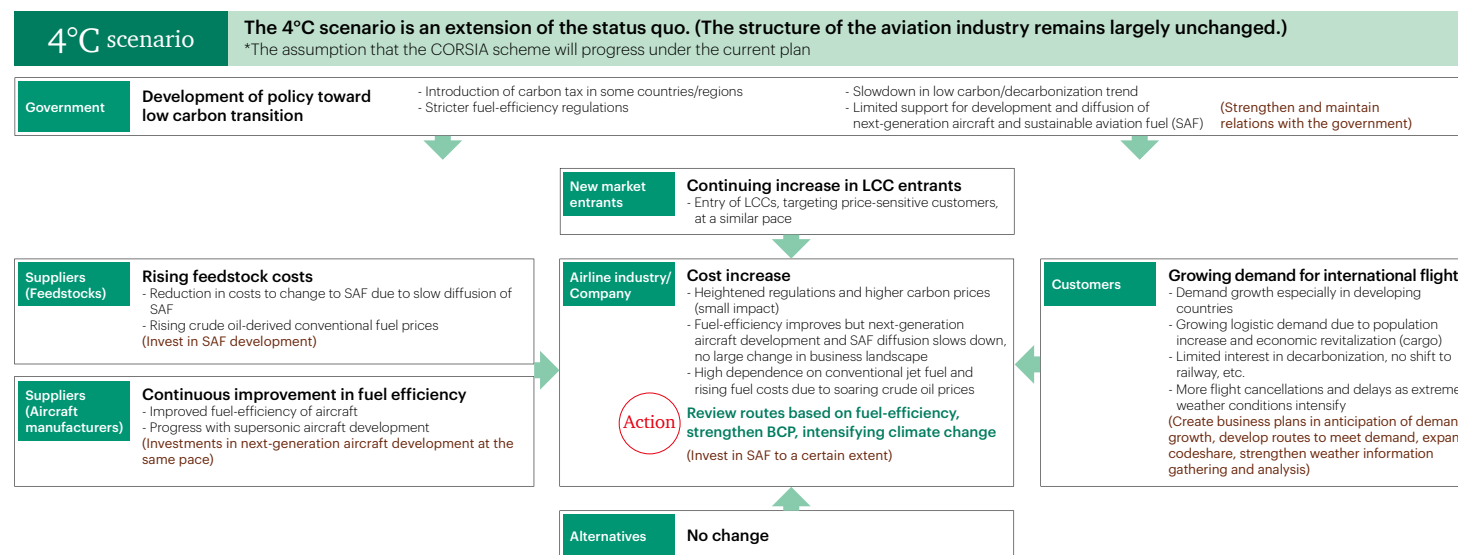
Strategy

Scenario Analysis

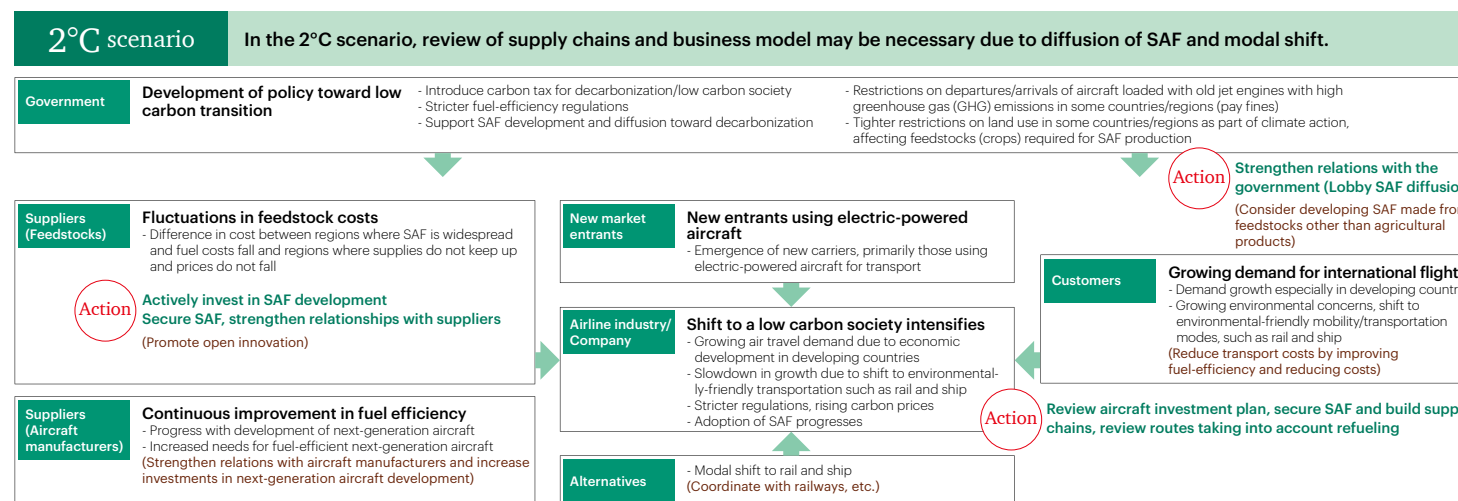
In 2018, the JAL Group participated in the “Project to Support Analysis of Scenarios of Climate Risks and Opportunities in line with TCFD Recommendations” organized by the Ministry of the Environment of Japan and predicted the society in 2030 based on two scenarios (RCP8.5^{*1}, RCP2.6^{*2}) of the International 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 the century.

^{*1} RCP8.5 scenario: High level reference scenario in the IPCC Fifth Assessment Report (scenario corresponding to the maximum greenhouse gas emissions in 2100)

^{*2} RCP2.6 scenario: Low stabilization scenario in the IPCC Fifth Assessment Report (lowest emissions scenario developed with the goal of limiting future temperature increase to below 2°C)



Continue efforts to improve fuel-efficiency, implement measures against rising fuel costs, consider measures to prepare for physical risks



Engagement with suppliers, industry associations, and government is essential to ensure SAF stability

JAL Group's Transition Plan to Achieve Net Zero CO₂ Emissions

Based on the 1.5°C scenario, the JAL Group set a target of net zero CO₂ emissions in 2050 at the shareholders's meeting in June 2020. Subsequently, a specific roadmap was created in consideration of risks and opportunities based on the IEA SDS Scenario^{*3} and other factors, which was reflected in the "JAL Group Medium Term Management Plan 2021-2025" in 2021 and updated in 2025.

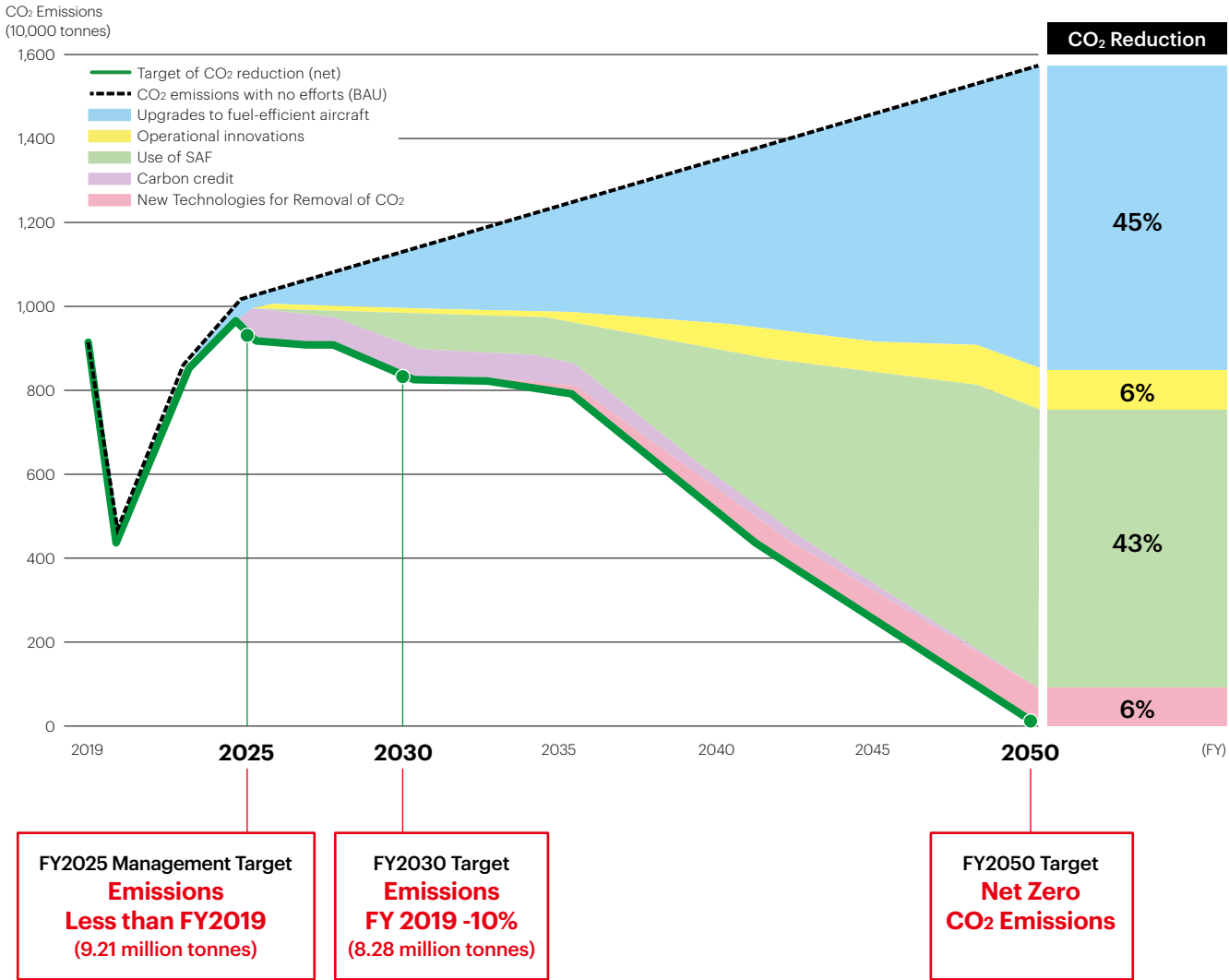
With regard to the reduction of CO₂ emitted by JAL Group's aircraft, we are studying scenarios for CO₂ reduction by 2050, referring to the latest study materials at ICAO, IATA and the latest scenarios such as "WAYPOINT 2050"^{*4} of ATAG^{*5}, and discussing future issues and measures to take. In preparing the scenarios, we calculated the total CO₂ emissions by 2050 by setting the growth of RTK (Revenue Ton Kilometer) based on total demand for both international and domestic flights, and reflected the effects of each initiative.

^{*3} IEA SDS Scenario: Sustainable Development Scenario, a roadmap to fully achieve the Sustainable Development Goals set by the IEA (International Energy Agency).

^{*4} See: <https://aviationbenefits.org/environmental-efficiency/cli-mate-action/waypoint-2050/>

^{*5} ATAG (Air Transport Action Group): A global coalition that promotes sustainability in the airline industry.

● Revision of JAL Group's Road Map towards Net Zero CO₂ Emissions by 2050



* Direct CO₂ emissions from aircraft (Scope 1)

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Risks and Opportunities

Climate change will have a negative impact on the air transport business, which is based on the premise of operating in a “safe and secure society,” and as a result, it may pose an enormous risk to the business continuity. Especially in recent years, there have been many examples of physical risks manifested by climate change.

In addition, the response to climate change, including the reduction of CO₂ emissions by airlines, may have various financial

impacts, such as upgrading to fuel-efficient aircraft and responding to carbon pricing.

The JAL Group organizes and examines these factors that affect its business in accordance with the TCFD classification of risks and opportunities related to climate change and lists them in the table below. The classifications of “timing” and “impact of occurrence” are as specified below.

The following was reviewed at the Board of Directors meeting on July 30, 2025.

Classification	Impact Period
Short term	FY2025 (the applicable period of the current Medium Term Management Plan)
Medium term	FY2026–FY2030 (period up to JAL Vision 2030)
Long term	FY2031–FY2050 (period until net zero CO ₂ emissions are achieved)

Classification	Revenue or expense as incurred (annual)
Small	Less than JPY 3 billion
Medium	More than JPY 3 billion but less than JPY 30 billion
Large	More than JPY 30 billion

Risks

Classification	Risk Overview		Time	Impact of risks	Our response to risk reduction	Actions in FY2024
Transition risks Policy and Regulations Technology Market Reputation	Carbon Credits	Increased cost of purchasing carbon credits due to tighter CO ₂ emission regulations in various countries	Short to long term	Small to medium	- Procurement of carbon credits at stable and reasonable prices - Public-private partnership through the Scheduled Airlines Association of Japan for analysis of supply-demand balance and cost projections for CORSIA Eligible Emissions Units. - Formation and participation in the domestic carbon emissions trading market through participation in the GX League - Fostering the carbon credit industry	- Participation in procurement events organized by the International Air Transport Association (IATA) to promote CORSIA Eligible Emissions Units - Participation in the GX League in April 2024 and submission of 2030 emission targets - CVC investment in Bezero carbon Limited - Obtained J-Blue Credit certification through seaweed farming in collaboration with Karatsu City and Kyushu University - Purchased J-Blue Credits through Hokkaido Air System (HAC) to support Okushiri Town in promoting decarbonization through kelp
	SAF	Insufficient supply due to delays in development, production, and dissemination of SAF Impact on balance of payments due to high prices of SAF.	Short to long term	Medium to large	- Procure SAF with long-term and price advantage from individual or alliance producers - Active involvement in domestic SAF production and expansion of SAF procurement points - Requests for support from both manufacturers and users for SAF the government and other relevant parties in cooperation with the aviation industry, energy industry, etc. - Foster social momentum to promote the use of SAF throughout the supply chain	- Collaboration with domestic and foreign companies to coordinate and conclude procurement contracts to replace 1% of SAF in FY2025 - Promoted the “Let’s Fly with Used Cooking Oil” project (53 collection points established by municipalities and retailers nationwide as of the end of FY2024) - Participation in the “MORISORA Project,” an initiative aimed at producing bioethanol derived from domestic wood that can be used for SAF - Started medium to long-term advocacy activities for stakeholders, including exchanges of opinions with petroleum wholesalers’ planning divisions - Launched “JAL Corporate SAF Program”, which provides SAF certificates that indicate the CO₂ reduction rate achieved by using SAF by the Japan Airlines flights - Participation to Scope 3 environmental value trading demonstration test launched with seven companies including Narita International Airport Corporation to promote the use of SAF.
	Ground Vehicles	Increased costs of electrification of vehicles and using alternative diesel fuels	Short to medium term	Small	Requests for support from the government and other relevant agencies for the replacement of vehicles with electric-powered ones and uses alternative diesel fuel.	- Utilized subsidies for new introduction of electric vehicles - Participation in the “Study Group on CO₂ Reduction in the Airport Sector” organized by the Ministry of Land, Infrastructure, Transport and Tourism
		Delays in the development of airport facility infrastructure for the use of electric vehicles	Short to medium term	Small	- Requests for support from the government and other related parties for the development of airport infrastructure for the use of electric vehicles - Build momentum to promote airport infrastructure development	- Requests for installation of charging infrastructure - Participation in the “Tokyo Hydrogen Supply System Study Council, Including Pipelines”

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Risks

Classification	Risk Overview		Time	Impact of risks	Our response to risk reduction	Actions in FY2024
Transition risks Policy and Regulations Technology Market Reputation	Aircraft	Delay in development of aircraft using new technologies such as hydrogen and electric power, and development of airport infrastructure	Long term	Large	• Collaboration with next-generation aircraft development startups • Collaboration and cooperation with government, airframe and engine manufacturers	• Collaboration with next-generation aircraft development startups “H2FLY GmbH” and “ZeroAvia Inc.”. • Establishment of a new department dedicated to the utilization and promotion of next-generation aircraft and new technologies • Participate in the “Public-Private Council on New Technologies for Decarbonizing Aircraft” and promote initiatives in line with the “Roadmap for New Technologies for Decarbonizing Aircraft”
	Demand	Decrease in preference due to delayed response to climate change, and slowdown in growth of air transport demand in Japan due to modal shift	Medium to long term	Small to medium	• Promote the value of air travel based on thorough CO₂ reduction efforts • Build momentum by strengthening communication of environmentally friendly measures, such as the “Sustainable Challenge” project, communication of SAF’s planned procurement progress, participation in symposiums, etc.	• Implementing the “Sustainable Challenge” project • Speaking at the “Carbon Neutral Sky” Symposium Vol. 3 co-hosted by the Agency for Natural Resources and Energy.
Physical risks Acute Chronic	Operation	Impact on revenue and expenditures due to decrease in total passengers and increase in flight cancellations caused by climate disasters due to severe extreme weather events and changes in precipitation and climate patterns	Short to long term	Medium	• Strengthen crisis management capabilities against typhoons and other disasters • Strengthen efforts to avoid impact of turbulence, lightning strikes on flight operations • Strengthen efforts to avoid impact of high temperature weather on employees • Public-private partnerships, including participation in study groups on disaster response at airport facilities	• Conducted a review meeting after the typhoon season to discuss successful response cases and issues with Group companies and airports, and reflect the results in typhoon preparations for the following season. • Broadcasting inflight videos to encourage passengers to always fasten their seatbelts to prevent injuries caused by sudden turbulence during the flight. • Set aside for cabin attendants to strengthen their response and ensure that both crew and passengers take measures to prevent injuries caused by turbulence. • Continued the operation of “Lilac”, a lightning strike avoidance support system, as a lightning strike countermeasure. • Decided to introduce air-conditioned vests for ground handling staff and maintenance engineers to prevent heat stroke.
	Demand	Impact on air transportation business of a pandemic outbreak of infectious disease caused by ecological and other changes due to rising average temperatures	Long term	Large	• Provide a “safe and secure” flight safety environment through infectious disease countermeasures • Formulate flexible flight operation plans based on passenger demands.	• Conducted a review of the COVID-19 pandemic and revised the Business Continuity Plan (BCP) based on the assumption of an unknown viral infectious disease outbreak to be able to respond flexibly and quickly to the gap between demand and supply.
		Due to long-term climate change, decrease in demand due to abandonment of tourism resources (lack of snow, abandonment of landscape, changes in local products, etc.)	Long term	Large	• Creation of “relationships and societal connections” between people and people, people and goods, and regions through air transportation to solve social issues. • Promotion of tourism resource conservation activities in cooperation with local governments and companies in each country and region • Promotion of efforts to preserve tourism resources by taking advantage of the characteristics of the air transportation business	• Released of “JAL FUTURE MAP” depicting the future of creating “relationships and societal connections through air transportation” • Launched “FURUSATO (hometown) Musubi,” a matching platform connecting regions and cities • Launched “JAL Tabi-Academy,” a program to visit local communities and learn about local issues • Expanded collaboration agreements with local governments and local businesses (Sapporo City, Setouchi Village, Hawaii, etc.) • Promoted red tide monitoring in cooperation with Hokkaido University, using scheduled flight aircraft to detect red tide outbreaks at an early stage and promptly provide information to fishery-related personnel to prevent damage to the fishing industry.

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Opportunities

Classification	Opportunity Overview	Time	Impact of opportunities	Our response to expanding opportunities	Actions in FY2024
Opportunities Resource Efficiency Energy Sources Resilience Markets Products and services	Operation Aircraft	Reduction in fuel consumption through improved fuel efficiency and CO2 reduction through improved infrastructure, including operational innovations, technological improvements to aircraft, and more sophisticated air traffic control. (credit purchase cost reduction)	Short to long term	Large	• Reduction of CO2 through innovations in daily operations and aircraft upgrades • Collaboration with manufacturers, government, and other related parties for introduction of more sophisticated air traffic control and aircraft with new technologies • Diversified financing (ESG finance) • Steady introduction of fuel-efficient aircraft (Airbus A350-900, A350-1000, Airbus A321neo, Boeing 787-9, Boeing 737-8) • Applying riblet shapes in a large area on international route • Deepened public-private partnerships through participation in study groups on CO2 reduction in the aircraft operation sector • Conducting daily coordination with aircraft manufacturers to ensure receipt of aircraft • Issuance of two transition bonds (totaling JPY 80 billion in June FY2024) • Introduced A350-1000 aircraft for international flights and started retiring 777-300ER aircraft • Signing of purchase contracts for 20 Airbus A350-900, 11 Airbus A321neo, and 10 Boeing 787-9 aircraft • Signing of a contract for the purchase of 17 additional Boeing 737-8 aircraft
	SAF	Diversification of fuel supply sources to ensure a stable supply of aircraft fuel and reduce prices and costs	Short to long term	Small to medium	• Procurement of SAF consisting of multiple manufacturing methods • Building momentum to expand the use of SAF in Japan through all-Japan SAF in Japan through ACT FOR SKY, etc. • Contributing the procurement of used cooking oil and wood-derived bioethanol as feedstocks for SAF • Collaboration between the public and private sectors through public-private councils, etc. to solve technical and economic issues in domestic SAF production, such as CAPEX support for SAF production and supply side through GX Transition Bonds, support for business operation costs including SAF feedstock procurement, and the way of incentive support • Foster social momentum to promote the use of SAF throughout the supply chain. • Participation in the ACT FOR SKY Symposium • Promotion of the “Let’s Fly with Used Cooking Oil” project (collection points will be set up at 53 locations nationwide, including municipalities and retailers, by the end of FY2024) • Participation in the “MORISORA Project,” an initiative aimed at producing bioethanol from domestic wood that can be used for SAF. • Responded to requests for support through participation in the SAF Public-Private Council, and to various issues in the realization of support. • Reaching out to stakeholders with a long-term perspective through advocacy activities. • Launched the “JAL Corporate SAF Program”, which provides SAF certificates that indicate the CO2 reduction rate achieved by using SAF by the Japan Airlines flights. • The Scope 3 environmental value trading scheme demonstration test started in cooperation with seven companies, including Narita International Airport Corporation, to promote the use of SAF.
	New Technologies	Diversification of CO2 reduction methods by utilizing CO2 removal technologies such as Direct Air Capture	Long term	Medium	• Invested in and strengthened collaboration with startups which have a technology of removing CO2 from the atmosphere. • Invested in Heirloom, a U.S. startup with direct air capture technology using limestone. • Organizing a discussing session in “CCUS World” held at Makuhari Messe with Captura Corp which Japan Airlines invested in March 2024, to help Captura expand its business.
	Ground Vehicles	Reduction of CO2 through the use of alternative fuels and the use of special airport vehicles that combine various power sources	Short to long term	Small	• Procurement of biodiesel fuel, use of electrically powered special vehicles • Promote decarbonization at airports through public-private partnerships • Expand the number of airports newly introducing alternative fuels to diesel (eight new airports) • New introduction of electric vehicles (from FY2024, new introduction of aircraft towing vehicles, high-lift loaders, belt loaders, eGPUs, etc., instead of only conventional electric towing tractors)
	Demand	Increasing preference and air transport demand through appropriate response to diversifying customer needs	Short to long term	Medium	• Provide low-carbon, environmentally friendly products and services (JAL Corporate SAF Program, JAL Carbon Offset) • Expand disclosure of information on measures to combat climate change, including reduction of CO2 • Build momentum by strengthening communication of environmentally conscious measures. • Launch JAL Corporate SAF Program • Expand the number of contracts for this program (10 companies in FY2024) • Implement the “Sustainable Challenge” Project • Speaking at the “Carbon Neutral Sky” Symposium Vol. 3
Securing new sources of revenue through the creation of new businesses based on low carbon		Short to long term	Large	• Create new businesses utilizing the JAL Group assets. • Promote investments that contribute to CO2 reductions by utilizing Internal Carbon Pricing (ICP) (ICP is used as one of the evaluation items in the selection of new medium-sized aircraft types) • Fostering human resources to lead a decarbonized society • Partnership with Lime Co., Ltd. to promote electric micromobility • Conducted verification with KDDI Corporation and KDDI SmartDrone Inc. toward the realization of a drone-based pharmaceutical delivery business model • Three investment decisions utilizing ICP • Co-hosted “Airplane Workshop 2024” with Institute of Industrial Science, The University of Tokyo to provide opportunities for middle and high school students to think about sustainability. • Jointly developed an educational program for schools on SAF with JTB Corp.	

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Indicators and Targets

Due to the nature of the air transportation business, direct emissions from aircraft account for about 99 percent of CO₂ emissions. Based on this fact, we are addressing the reduction of CO₂ emissions from aircraft as a top priority issue. In addition, we have set high targets for the reduction of CO₂ emissions from non-aircraft sources, such as ground facilities and ground vehicles, which account for about one percent of total emissions, and are working across the organization to achieve these targets. In order to overcome various challenges related to technological innovation and market formation, we will lead the industry with cutting-edge initiatives while strengthening cooperation and collaboration with various stakeholders in Japan and overseas, in line with the international framework for CO₂ reduction and consistent with the “Clean Energy Strategy” of the Japanese government.

🌐 Achievements and targets for CO₂ emission reductions (Indicators and Targets)
<https://www.jal.com/en/sustainability/initiatives/>

Targets and Initiatives to Reduce CO₂ by 2030

In May 2021, the JAL Group became the first Japanese airline to set a specific target for FY2030 (10% reduction in total emissions compared to FY2019) as a milestone toward achieving net zero CO₂ emissions by 2050. To date, we have taken the lead in promoting the decarbonization of the global airline industry through such initiatives as the joint procurement of SAF in alliances and the use of ESG finance for aircraft renewals. Going forward, we will continue to accelerate our existing initiatives, including the steady renewal of fuel-efficient aircraft, reducing CO₂ Emissions in Daily Operations (JAL Green Operations), and the strategic procurement of SAF with specific targets set, using carbon credit, and new Technologies for Removal of CO₂.

● CO₂ Reduction Targets and Results

		Base year	Year 2024	Year 2025	Year 2030	Year 2050
Direct Emissions	Aircraft	FY2019 Result 9.21 million tonnes* ¹	FY2024 Result 9.69 million tonnes	FY2025 CO ₂ Reduction target Total emissions: less than 9.21 million tonnes Less than FY2019	FY2030 CO ₂ Reduction target Total emissions: less than 8.28 million tonnes * 90% compared to FY2019 * Indirect emissions: less than 54,000 tonnes.	Net zero
	Non aircraft	FY2019 Result 96,000 tonnes	FY2024 Result 89,000 tonnes		Total emissions: less than 62,000 tonnes * 65% compared to FY2019	
Indirect Emissions		FY2013 Result 80,000 tonnes	FY2024 Result 57,000 tonnes	Total emissions: less than 54,000 tonnes * 67% compared to FY2013	Total emissions: less than 40,000 tonnes * 50% compared to FY2013	Net zero

*1 Including 120,000 tonnes for FY2019 CO₂ emissions of Spring Japan Co.,Ltd which became a consolidated subsidiary in 2021.

● Efforts toward FY2030 Targets

Aircraft renewal	• Increase percentage of fuel-efficient aircraft* (FY2019 29% ⇒ FY2030 73%) • Through collaboration with start-up companies, contribute to the technological development of next-generation aircraft (hydrogen and electric)	
Operational innovations	• Promote JAL Green Operations including Group Airlines • Demonstrate and deploy fuel consumption-saving technologies (e.g., riblet-shaped coating films)	
SAF	• Toward 10% replacement of all onboard fuel in FY2030. • Intensify cooperation with domestic SAF producers and expand procurement • Secure feedstocks for domestic SAF (e.g., household used cooking oil), and contribute to local production for local consumption • Expand overseas procurement points, oneworld joint procurement	
Carbon Credit	• Utilize CORSIA-eligible credits • Regional development using carbon credits (e.g., efforts to create blue carbon in Karatsu City)	
New Technologies for Removal of CO ₂	• Promote and introduce new next-generation technologies by funding companies with technology to remove CO₂ from the atmosphere	

*2 Percentage of A350, 787, A321neo, 737-8

TOPIC

Karatsu City's Blue Carbon Initiatives Received J Blue Credit® Certification

In January 2025, the Saga Prefecture Karatsu Bay Wakame seaweed Cultivation Experience Project for Developing Human Resources for the Future, a joint initiative of Kyushu University, Karatsu City in Saga Prefecture, Karatsu Municipal Sashi Elementary School, and local fishermen, received J Blue Credit® certification. The CO₂ captured by the wakame seaweed cultivated through this project is absorbed and stored as blue carbon in the marine ecosystem, contributing to the mitigation of climate change. The JAL Group will continue our efforts to expand climate change mitigation measures using algal beds, provide learning opportunities for children who will lead the future, and maintain and revitalize local aquaculture industries.



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Priority Measures

Upgrading to Fuel-efficient Aircraft

The JAL Group is currently upgrading our fleet to more fuel-efficient and low noise models. The latest models reduce approximately 15 percent to 25 percent CO₂ emissions compared to previous. In January 2024, we introduced the Airbus A350-1000 aircraft for international flights. From FY2027, we will introduce 20 new Airbus A350-900 aircraft, which are currently our mainstay aircraft for domestic flights, into our international flights. The Group decided to introduce 10 additional Boeing 787-9 aircraft, to our 50+ aircraft already in operation within the JAL Group. On domestic routes, in addition to the introduction of 38 Boeing 737-8 aircraft from 2026 to substitute our 737-800 aircraft, JAL has decided to introduce 11 Airbus A321neo aircraft from FY2028 as the successor to the Boeing 767 aircraft currently in operation.

As the development of next-generation aircraft equipped with new technologies powered by electricity and hydrogen is gaining momentum, we are actively collaborating with airframe and engine manufacturers to promote technological innovation. Because the development of infrastructure is essential for next-generation aircraft, we will work with the government, airport companies, and other stakeholders to improve the environment.

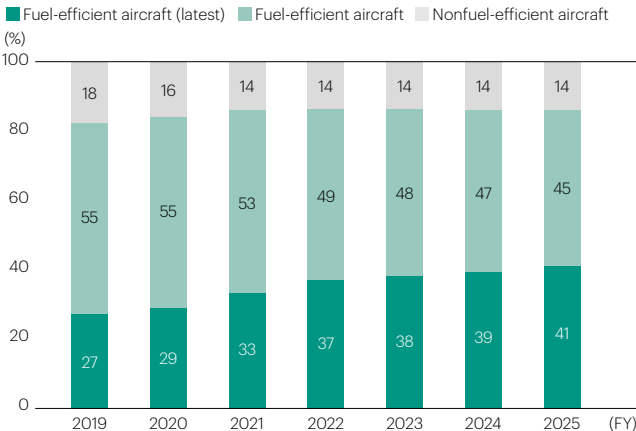
Issuance of Transition Bonds to Procure Fuel-efficient Aircraft

In March 2022, the JAL Group issued the world's first transition bond in the aviation industry in order to steadily renew our fleet of highly fuel-efficient aircraft (Airbus A350, Boeing 787 and etc.) We were selected as a model case study for the 2021 Climate Transition Financing Model Project by the Ministry of Economy, Trade and Industry. In March 2023, we became Japan's first airline to finance a transition-linked loan with a specific use of funds, and the loan was selected as a recipient of the Ministry of Economy, Trade and Industry's FY2022 Subsidy for Global Warming Countermeasures Promotion Project. We are actively and continuously utilizing ESG finance by issuing transition

bonds for the second time in June 2023, the third and fourth time in May 2024. We are also engaging in dialogue with investors to gain their understanding of our initiatives.

Reference site: ESG Finance
<https://www.jal.com/en/sustainability/esg-finance/>

Percentage of Fuel-efficient Aircraft



Fuel-efficient aircraft (latest): Airbus A350, Boeing 787, ATR42-600/72-600
Fuel-efficient aircraft: Boeing 777/737-800, Embraer E170/E190
Current aircraft: Boeing 767, SAAB, Q400

Use of SAF

The JAL Group has set a goal of replacing 1 percent of all fuel on board with SAF by FY2025 and more than 10 percent by FY2030. To achieve this goal, we will promote SAF procurement in Japan and overseas. In Japan, we are working with stakeholders across industry boundaries to promote the use of domestic production and commercialization of SAF. We are also actively participating in the development of future generation SAF, as represented by e-fuel, to promote and expand the use of SAF.

Issues and Initiatives for SAF Procurement

In order to achieve our current goal of replacing 1% of all fuel on board with SAF by 2025, we are promoting SAF procurement both in Japan and overseas, taking advantage of national and regional support programs for the production and use of SAF.

To achieve the ambitious target of “10% or more by FY2030,” it is crucial to promote the widespread adoption of domestic SAF while simultaneously expanding overseas procurement sources. The JAL Group has actively contributed to the establishment and distribution of supply chains through domestic SAF procurement in FY2023 and FY2024. Furthermore, to create an environment where domestic SAF can be stably supplied at internationally competitive prices, the JAL Group is proactively communicating its commitment as an end-user of SAF by participating in the “Public-Private Council for the Promotion of the Introduction of Sustainable Aviation Fuel (SAF),” formulating a comprehensive plan to advance decarbonization in the air transportation business, and engaging in the “GX League.”

The industry has collaborated to request support, leading to the realization of production-side incentives that help reduce SAF costs—such as subsidies for manufacturing facilities funded by “the GX Economy Transition Bonds” in 2023 and tax benefits related to production infrastructure for strategic goods.

Moving forward, we will continue to support the production and mass production of domestic SAF to contribute to establishing a supply chain with a high CO₂ reduction rate that satisfies CORSIA eligibility criteria. (For details on the JAL Group's domestic SAF initiatives, please refer to “Special Feature 2: From upstream to downstream: JAL Group's initiatives to promote the use of SAF” on p. 91.)

To promote the use of SAF, focus on the value of decarbonization through SAF based on the feedback from our valued corporate customers, we launched the JAL Corporate SAF Program in April 2024. Through this program, we will build momentum for the use of SAF and contribute to the promotion of decarbonization in the value chain.

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Reduction in Daily Operations

JAL Green Operations is the name given to our various efforts to reduce CO₂ emissions in our daily operations, including the timing of controls and devising of maneuvering during flight, reducing the weight of the aircraft, and shortening the flight route. We monitor actual flight routes on a daily basis and create flight plans with flight routes that match actual conditions in order to achieve optimization of fuel on board. JAL Group companies are working together to further reinforce and promote in-flight efforts such as the early acceleration and climb method, which has been actively implemented for some time. Together with JAXA and O-well Corporation, we are conducting the world's first flight demonstration test using an aircraft with a riblet applied to the exterior surface coating (image beside). When this technology is put into practical use, it is expected to improve fuel consumption by up to 2 percent and

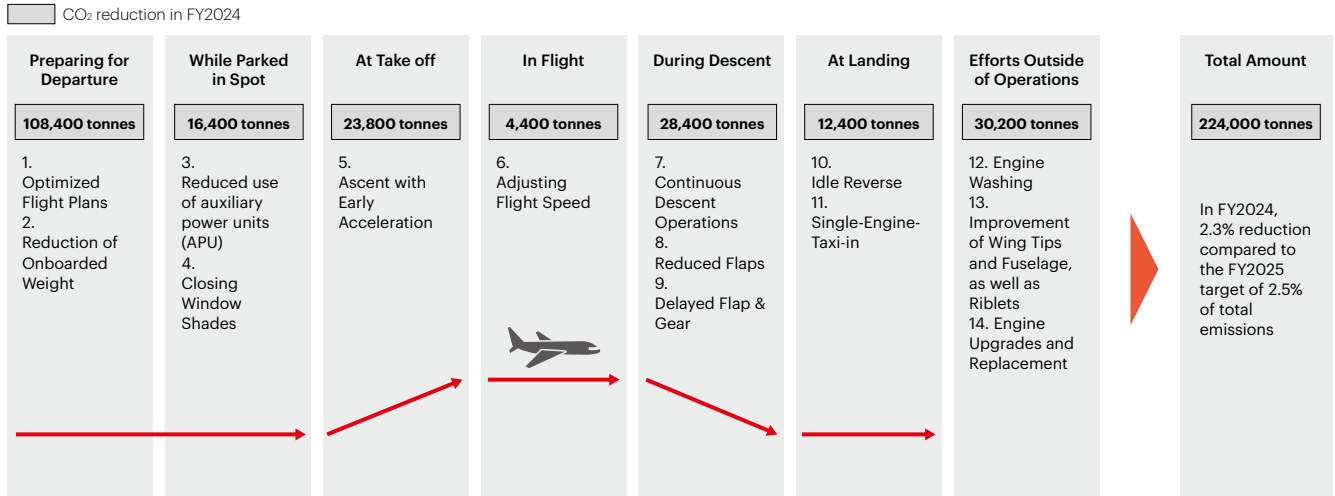
contribute significantly to CO₂ reduction.

In January 2025, we completed the installation to Boeing 787-9 (JA868J) and started operations in international flights. We will continue advancing decarbonization efforts by verifying the durability and appearance of the large-area application of the riblet coating, as well as evaluating its effectiveness in improving fuel efficiency on long-haul international flights, with the objective of further expanding its application scope.



Installation to Boeing 787-9 (JA868J)

● JAL Green Operations



Other initiatives and data on operational innovations are also available on our website.

JAL Green Operations <https://www.jal.com/en/sustainability/environment/climate-action/co2-emissions/>

— Comment

J-Air Co., Ltd. Wins Osaka Governor's Prize, the highest award, in the 2024 Osaka Climate Change Awards

J-Air Co., Ltd. received the Osaka Governor's Prize, which is awarded to the business units that have made the most outstanding efforts in the Osaka Climate Change Action Prize 2024 (publicly solicited category) selected by the Osaka Prefectural Government.

The Osaka Climate Change Award is given to businesses that have made particularly outstanding efforts to mitigate and adapt to climate change in their business activities as a model for other businesses, with the aim of motivating businesses in Osaka Prefecture and promoting the spread of climate change countermeasures. J-Air has ESG as one of its management strategies and will continue to promote ESG in seven projects from 2020: fuel efficiency, unnecessary goods, DEI, corporate citizenship activities, accessibility, regional development, and health and productivity management. In particular, the fuel efficiency project has reduced CO₂ emissions by reducing aircraft weight, improving on-time departure rates, and reducing engine output by refraining from using reverse thrust after landing on the premise of flight safety. These efforts have been made through a process of trial and error while actively incorporating ideas from employees. As a result, we have been highly evaluated as the most outstanding initiative that serves as a model for other businesses with regard to climate change mitigation and adaptation in their business activities, in terms of contribution, ripple effect, sustainability, and other comprehensive aspects.

This award has given momentum to the ESG Promotion Project Team and the entire airline company's efforts. We will continue to set even higher goals for ESG promotion in the future.



J-Air Co., Ltd.
ESG Promotion Project Team

From left: HARADA Koji, Director General, Environment, Agriculture, Forestry and Fisheries Department; YOSHIMURA Hirofumi, Governor of Osaka Prefecture; HONDA Shunsuke, former President and Representative Director, J-Air Co., Ltd.; KATO Saki; FUJIKAWA Hiroshi; Mozuyan, a mascot of Osaka Prefecture spokesperson Vice Governor

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Efforts to Reduce CO₂ in Ground Facilities and Vehicles

The JAL Group has been working towards the target of reducing average unit energy consumption for ground facilities by more than 1% annually over 5 consecutive years. Under the Operator Classification Evaluation System of the Act on Rationalizing Energy Use implemented by the Ministry of Economy, Trade and Industry, the JAL Group has been certified as an excellent operator classification (S Class) for 10 consecutive years since 2015.

To achieve the 2030 carbon half (indirect emissions) target, efforts such as the further promotion of the use of LED in facilities, the introduction of advanced air conditioning control systems, and the purchase of nonfossil certificates (net zero emissions at JAL Headquarters in FY2024) are being implemented. In addition, to reduce CO₂ emissions from special vehicles at airports, we are promoting the deployment of electricpowered special vehicles and increasing the use of biodiesel fuel. Starting with the trial at Kumamoto Airport, in collaboration with local communities and society, the JAL Group has been progressively demonstrating the use of locally produced biodiesel fuel of high purity in vehicles at 19 airports across Japan. Also, Haneda Airport has provided one aircraft towing vehicle to “the Early Implementation Support Project for Fuel Cell Mobility at Airports” and is participating in the hydrogen vehicle test operations.

To further advance CO₂ emissions reduction at airports, it is essential to expand airport infrastructure and collaborate with companies in the vicinity of airports. The JAL Group will continue to promote the use of locally produced recyclable energy at airports throughout Japan.



The towing vehicle provided by the budget of “Early Implementation Support Project for Fuel Cell Mobility at Airports”

New Technology to Remove CO₂ from the Atmosphere

The JAL Group will accelerate our efforts to achieve net zero CO₂ emissions by 2050 by diversifying the approach to decarbonization through the use of new removal technologies beyond the framework of our own value chain.

CVC Investment in Captura, a U.S. startup

In March 2024, through Japan Airlines Innovation Fund, a corporate venture capital fund (CVC) that invests in promising startup companies, we made a funding investment in Captura, a U.S.A. venture company, that serves CO₂ removal technology. Captura aims to commercialize its Direct Ocean Capture (DOC) technology, which efficiently captures CO₂ from the atmosphere by directly extracting CO₂ from seawater. Together with Captura, we introduced the technology to Japanese companies at an exhibition held in Japan in October 2024, helping to raise awareness of the technology in Japan.

Investment in Heirloom, a U.S. startup

In August 2024, we invested in Heirloom Carbon Technologies, a company developing Direct Air Capture technology using limestone without supply constraints. The company began operating its first commercial plant in the U.S.A. in 2023, and is currently developing an industry-leading technology for the operation of a large-scale commercial plant in the U.S.A.



Planning and Participating in Seminars and Symposiums

The JAL Group is working to increase cross-industry engagement on decarbonization by participating in and speaking at seminars and symposiums hosted by government agencies, private companies, and organizations.

Participation in GGX Finance Summit 2024 (October 2024)

We participated in a panel discussion at GGX Finance Summit 2024, organized by Ministry of Economy, Trade and Industry (METI), on the topic of transition planning to address climate change.

Participation in IATA Aviation Energy Forum (November 2024)

At IATA Aviation Energy Forum (800 participants), held by International Air Transport Association (IATA), we participated in a panel discussion on the introduction of hydrogen aircraft and introduced our initiatives. (Image ①)

Participation and speech at the ACT FOR SKY symposium (December 2024)

Vice President Nakagawa, former Senior Vice President of Procurement Division, gave a lecture at the ACT FOR SKY Symposium - Frontiers of Domestic SAF to Pioneer Future Skies (650 attendees) held by ACT FOR SKY, a voluntary organization, in which JAL Group participates to promote the use of SAF beyond industry boundaries.

Participation at Carbon Neutral Symposium for the Sky Vol.3 (January 2025)

We participated in a panel discussion on raising awareness of SAF at this symposium (2,100 attendees), which was jointly organized by Ministry of Land, Infrastructure, Transport and Tourism and Agency for Natural Resources and Energy, METI. (Image ②)

Sponsorship and participation in Tokyo Carbon Credits Conference (April 2025)

Together with Mitsubishi Corporation, we supported the conference co-hosted by BeZero Carbon and South Pole (140 participants), and participated in a panel discussion on the use of carbon credits.



①



②

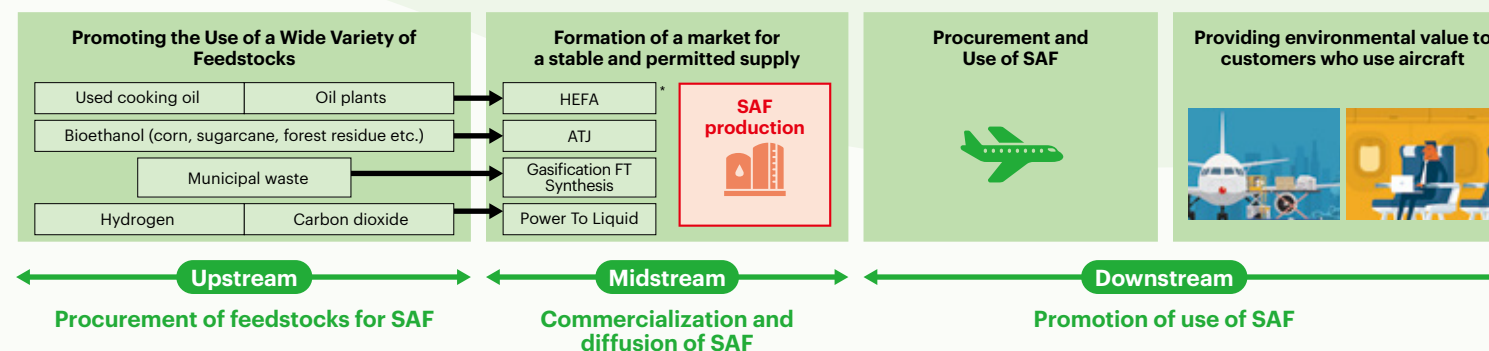


From upstream to downstream: JAL Group's initiatives to promote the use of SAF

The use of SAF is one of the key initiatives toward decarbonization in aviation industry. The JAL Group has been working to promote the use of SAF as a leading company for more than 10 years. Based on our experience, we hope to contribute to the construction of the entire SAF value chain, from upstream (procurement of feedstocks), through midstream (commercialization and dissemination), to downstream (promotion of SAF use). This feature introduces the JAL Group's approach to the entire SAF value chain.

How does the JAL group contribute to building the SAF value chain ?

To promote the use of SAF, it is important to cooperate with companies across industries in each phase such as procurement of feedstocks, commercialization and dissemination, and promotion of SAF use. The JAL Group leverages the partnership we have cultivated through our business and by collaborating with stakeholders to build a value chain.



* The names of technologies to produce SAF. The main ones are Hydroprocessed Esters and Fatty Acids (HEFA), Alcohol to Jet (ATJ), gasification Fischer-Tropsch (FT) synthesis, and synthetic fuel.

JAL Group has been continuing its effort on SAF for more than a decade

JAL Group's efforts related to SAF, which began with the first test flight using SAF in Asia, are now expanding throughout its value chain. Some of these initiatives are introduced on the next page.



Upstream

SAF procurement

Establishing a scheme to collect
used cooking oil from household,
Let's Fly with Used Cooking
Oil project

JAL Group is implementing Let's Fly with Used Cooking Oil project to secure feedstocks for SAF. In addition to JAL's headquarter and cafeterias for employees, collection spots have been set up at supermarkets to collect used cooking oil from household, which had previously been discarded.

In the first year, the number of collection spots has increased to approximately 70, and approximately 13,000 customers have participated to date.



JAL's original box and bottle to collect used cooking oil

Midstream

SAF commercialization
and dissemination

Promote all-Japan efforts to build
a supply chain and promote
dissemination

In March 2022, we co-established ACT FOR SKY, a voluntary organization to accelerate cross-industry collaboration and raise awareness for the commercialization and diffusion of domestic SAF. The group was launched with 16 companies at first, and currently there are 45 active companies and organizations. We will continue to discuss solutions to technical and economic issues related to domestic SAF beyond the boundaries of the industry and work together with the public and private sectors to promote the widespread use of domestic SAF.



Member of ACT FOR SKY (as of June 2025)

Downstream

Promotion of SAF use

Start of supply chain for mass
production and supply of
SAF in Japan

In May 2025, Japan's first domestic SAF made from used cooking oil, which acquired ISCC CORSIA certification*, was supplied to passenger flights at Kansai International Airport for the first time. This marks the start of a supply chain that realizes the practical use and stable supply of domestic SAF.

* ISCC CORSIA certification: A system that certifies the sustainability of SAF to meet the requirements of International Civil Aviation Organization (ICAO) CORSIA.



An event to celebrate the first supply at Kansai International Airport

Revitalizing the market through
environmental value created by
the use of SAF

The use of SAF by airlines reduces direct CO₂ emissions from aircraft (Scope 1 for airlines), and also contributes to the reduction of indirect CO₂ emissions (Scope 3 for airline passengers) as a whole life cycle from corporate customers who use air transportation for cargo and business trips. By marketing this value to customers, JAL Corporate SAF Program contributes to building momentum for SAF and decarbonizing its value chain.



Members of JAL Corporate SAF Program (as of August 2025)

Comment

Expanding co-creation and environmental
value through JAL Corporate SAF Program

As part of our efforts to achieve net zero CO₂ emissions by 2050, JAL Group has established JAL Corporate SAF Program (JCSP) to encourage decarbonization.

JCSP is a solution that enables companies to utilize the "environmental value" generated through the use of SAF and visualize their contribution to CO₂ reductions.

Since awareness of the environmental value of SAF is not yet sufficient, there have been many challenges in establishing a sales system and promoting understanding of SAF as a new products and services. However, multiple departments, including ESG promotion, sales, and public relations, have worked together both internally and externally, to establish a sales scheme, and conduct sales activities for corporate customers. Through cross-divisional

cooperation, a flexible and effective structure is being put in place, and we are aiming to surpass the previous year's contract signing results in FY2025. We will continue to collaborate with relevant departments within the company, and as a partner supporting corporate decarbonization management, we will make further efforts to reduce environmental impact and promote environmental value while staying close to the needs of our customers.



ZHOU Linhui
Solution Sales
Promotion Department

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Basic Concept

The JAL Group aims to build a society in which nature and people coexist in harmony through its business activities. Based on the premise of reducing our impact on nature, JAL will create relationships and connections through mobility, and by working to become Nature Positive, JAL will create a future in which everyone can feel affluence and hope, thereby enhancing our corporate value.

Strategy

The JAL Group follows the LEAP approach proposed by the Task Force on Nature-related Financial Disclosures (TNFD) to systematically assess nature-related risks and opportunities based on scientific evidence, and under the concept of double materiality, identifies priority areas and assesses risks and opportunities from the perspective of both the dependencies and impacts of the company's business on nature. In particular, for the airline business, which accounts for the majority of the JAL

● LEAP Approach Image

L E A P	Scoping Set the destinations for the airline business as the scope as location information can be identified. Destinations are the key revenue source covering most of JAL Group's revenue.
	Locate Mapped out JAL Group destinations, with biodiversity and water risks, and set them as "Sensitive Locations" to identify points of contact with nature.
	Evaluate The demand of air transportation depends on the flow of people to natural heritage sites and other natural tourist attractions. It also relies on nature surrounding the airport by means of protection from natural disasters. Hence, the possible environmental pollution to the area surrounding the airport and other factors are to be identified.
	Assess Based on the identified dependencies and impacts, risk is examined with a focus on destination airports located in areas of biodiversity and water risks. An initial study of future risks was conducted to ensure that overtourism and the reduction of nature do not lead to a decrease in total passengers, while at the same time, opportunities to create the flow of people are being considered through the expansion of initiatives such as ecotourism and crane conservation activities.
	Prepare Acceleration of initiatives, including the expansion analysis of the JAL Group's biodiversity-related disclosure contents.

Group's revenues, interfaces with nature throughout the entire value chain has been identified, as mapped below.

Identifying Priority Areas – Water Risk

The JAL Group recognizes water as an important resource that affects climate change and biodiversity, and is committed to its sustainable management.

JAL's water intake areas are mainly in Japan, where water stress levels are considered low based on analysis using Aqueduct and hence our water-related risks are low. However, the Tokyo metropolitan area (Haneda and Narita), which accounts for 80% of our total water intake, has been identified as a priority area. JAL is actively working to conserve water resources through measures such as recycling water used for washing aircraft parts.

In addition to water, the JAL Group identifies priority areas by focusing on biodiversity itself, including ecosystems such as forests and oceans, as well as the diverse species that inhabit them.

Based on the biodiversity risk filter provided by WWF, the JAL Group recognized that many of its domestic destinations are

in areas of high biodiversity risk.

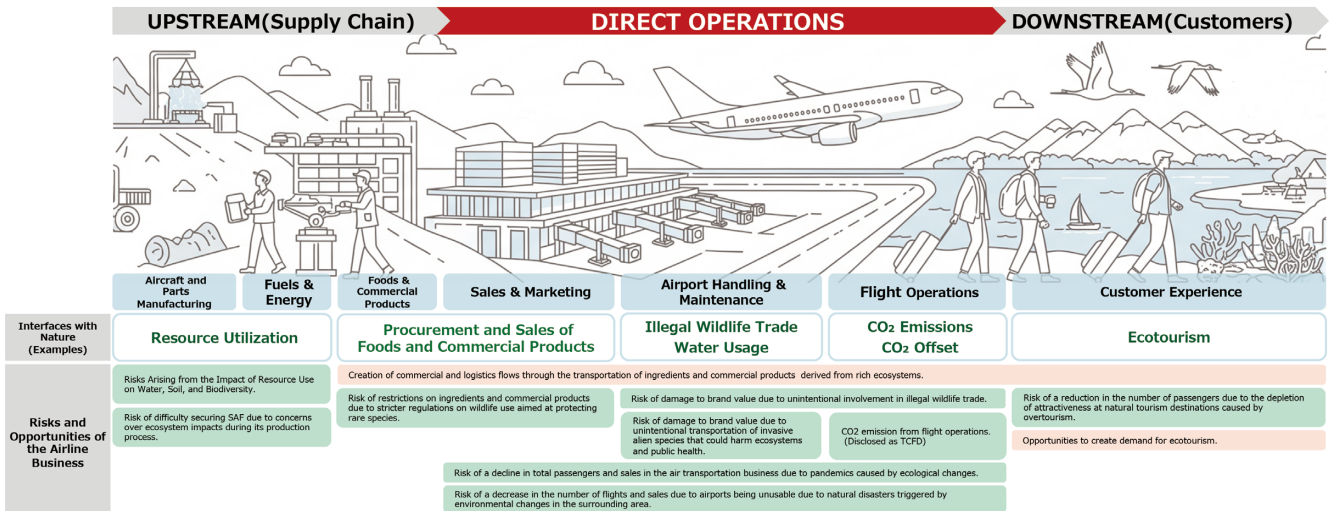
As a result of identifying Sensitive Locations and Material Locations and multiplying them, Hokkaido, Kagoshima, Okinawa, and Tokyo were identified as priority areas, and efforts are being made to cultivate sexually reproducing corals in Okinawa, for example.

For overseas destinations, JAL identified Sensitive Locations by multiplying the four tools recommended by the TNFD (Aqueduct x IBAT x GFW x ENCORE) with Illegal Wildlife Trade (IWT) hot spots. Along with identified material locations, JAL has identified Hawaii and Australia as priority areas where its operations depend on and impact nature, and are promoting initiatives in these areas. For example, in March 2025, restoration activities were conducted at Diamond Head, as well as planting of Hawaiian-native tree species in Honolulu. Both of which were done together with JAL's valued customers.

Water Intake Data ➡ ESG Data <https://www.jal.com/en/sustainability/esg/pdf/esg.pdf>
Initiatives ➡ Conservation of Water Resources p. 96

● For more information, please visit the company website.
<https://www.jal.com/en/sustainability/environment/biodiversity/#strategy>

● Examples of Interfaces with Nature and Risks and Opportunities along the Value Chain of the Airline Business



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Risks and Opportunities

Loss of biodiversity poses a significant risk to the sustainability of the air transportation business, but managing it can also lead to opportunities.

The table below summarizes the nature-related risks and opportunities assessed based on the dependencies and impacts identified in the workshop conducted with WWF Japan

Risks	Types of Risks	Overview of Risks	Actions Taken to Mitigate Risks
Transition Risks - Policies and Regulations - Market - Technology - Reputation		Risk of restrictions on ingredients and commercial products due to stricter regulations on wildlife use aimed at protecting rare species.	• Compliance with internal guidelines based on the IUCN Red List, etc. • Use of sustainable ingredients and commercial products.
		Risk of difficulty securing SAF due to concerns over ecosystem impacts during its production process.	Use of SAFs (e.g., ICAO CORSIA-eligible fuels) that consider feedstocks land use and ecosystem conservation and other relevant factors in the production areas.
		Risk of carbon credits being unusable due to concerns over the negative impacts on biodiversity caused by land-use changes.	Purchase of credits that consider land use and ecosystem conservation and other relevant factors in the production areas.
		Risk of a reduction in the number of passengers due to the depletion of attractiveness at natural tourism destinations caused by overtourism.	Realization of sustainable tourism through appropriate management of the flows of people.
		Risk of damage to brand value due to unintentional involvement in illegal wildlife trade.	Educate employees and collaborate with airport authorities to prevent illegal wildlife trade.
		Risk of damage to brand value due to unintentional transportation of invasive alien species that could harm ecosystems and public health.	Thorough implementation of response procedures upon the detection of invasive alien species.
Physical Risks - Acute Risk - Chronic Risk		Risk of restriction on airport operations due to environmental pollution around airports.	Thorough prevention procedures and post-occurrence response procedures.
		Risk of a decline in total passengers and sales in the air transportation business due to pandemics caused by ecological changes.	• Provide a “safe and secure” air-transportation environment through thorough countermeasures to infectious diseases. • Develop flight operation plans based on passenger demand.
		Risk of a decline in total passengers due to the loss of natural tourism resources caused by ecosystem changes.	Promote efforts to restore natural tourism resources in cooperation with local communities
		Risk of a decrease in the number of flights and sales due to airports being unusable due to natural disasters triggered by environmental changes in the surrounding area.	Preservation of the surrounding environment in cooperation with local airports

Opportunities

Types of Opportunities	Overview of Opportunities	Actions to Expand Opportunities
Business Performance-Based Opportunities - Resource Efficiency - Products and Services - Markets - Capital Flows and Financing - Reputation	Opportunities to create demand for ecotourism.	• Balance tourism and nature conservation by promoting responsible tourism through training of tour guides, etc. • Foster relationships and societal connections through the airline network.
	Creation of commercial and logistics flows through the transportation of ingredients and commercial products derived from rich ecosystems.	Contribution to regional economic revitalization through rapid and fresh transportation of foods and commercial products.
Sustainability Performance Opportunities - Protection, Restoration, and Rehabilitation of Ecosystems - Sustainable Use of Natural Resources	Protection, restoration, and rehabilitation of ecosystems to secure tourism resources.	Implementation of measures such as coral sexual reproduction projects and red-crowned cranes conservations.
	Protection, restoration, and rehabilitation of ecosystems to ensure stable supplies of commercial products.	Use of sustainable commercial materials (such as certified commercial materials) in collaboration with suppliers.
	Contribute to biodiversity through the use of unique airline technologies.	Consideration and implementation of new initiatives through the collaboration between industry and academia.

experts in 2023.

In addition, based on expert dialogues with Ms. Hamashima, then Director of the Office of Biodiversity Mainstreaming, Ministry of the Environment, and Mr. Haraguchi of MS&AD Insurance Group Holdings, Inc., a TNFD Task Force member, for example, the table is reviewed annually. In the future, JAL will deepen our assessment of risks and opportunities through analysis of financial impact.

Metrics and Targets

The JAL Group recognizes that biodiversity is influenced by various environmental issues, including climate change, and is committed to implementing comprehensive solutions.

In addition to setting targets directly related to biodiversity conservation, JAL discloses environmental data such as CO2 emissions, waste, and water consumption. Furthermore, JAL has been disclosing ESG data in accordance with the Core Global Disclosure Metrics required by the TNFD and will keep expanding this in the future.

● For more information, please visit the company website.
<https://www.jal.com/en/sustainability/environment/biodiversity/#indicator>

Initiatives	Metrics	FY2025 Targets
Reduction of CO2 emissions	CO2 emissions from aircraft	Less than 9.21 million tonnes
Reduction of plastics ^{*1}	No use of “new petroleum-based” plastics of JAL original items in airport lounges and cabins	100%
	Percentage of eco-friendly materials contained in cargo and airports ^{*2}	100%
Reduction of inflight meal waste	Yield rate	not more than 2.5%
Reduction of industrial waste	Final disposal rate	Maintain below 1%
Preservation and expansion of tourism resources	[Okinawa] Number of grown sexually reproduced corals	1,000 colonies by 2026
	[Okinawa] Expansion of tours related to the sexual reproduction of coral	Expansion of tours
	[Hokkaido] Expansion of red-crowned crane initiatives	Expansion of initiatives
Utilization of certified commercial products	[Kagoshima(Amami)] Mangrove planting in collaboration with industry, government, and academia ^{*3}	Eco-tours: 3 times
	Percentage of inflight paper items with international certification in consideration of forest resources	100%
Prevention of illegal wildlife trade	Number of illegal wildlife transports	0 times
Incorporating biodiversity considerations into the ingredients and commercial products	Number of violations of internal guidelines related to ESG risk in ingredients and commercial products	0 times
Reducing the impact on ecosystems surrounding airports	[Tokyo] Number of incidents of improper management of water containing hazardous substances	0 times

^{*1} Single-use plastic products provided to our customers
^{*2} Items that do not use new or reduced petroleum-based raw materials, such as biomass, recycled plastic, and certified paper
^{*3} Project based on an industry-academia-government collaboration agreement with Uken Village, Sophia University, and ITOCHU Corporation

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Sexual Reproductive Coral Regeneration Project

Coral reefs in Okinawa are an important natural resource that not only attract people with their beauty, but also play many roles as a place for living organisms to coexist. However, due to rising sea water temperatures and other factors, coral reefs have been depleting and their regeneration is an urgent task.

Since 2020, Japan Transocean Air (JTA), has been supporting coral reef restoration in the Yaeyama and Kumejima regions using the sexual reproduction method by establishing the “Council for Sexual Reproduction and Coral Rehabilitation” in cooperation with local stakeholders.

In May 2024, “complete cultivation” of corals through sexual reproduction was realized, and the raised corals reproduced, achieving great success in maintaining genetic diversity and passing them on to the next generation. In 2024 summer, a large number of natural corals were lost due to bleaching caused by abnormal high water temperatures. However, in FY2025, as in the previous year, coral spawning by the reproduced corals were confirmed. To promote tourism and revitalize the local community, tours are also conducted in support of the coral rehabilitation project, which part of the proceeds being used to pay for the project, thereby contributing to protecting Okinawa’s rich marine environment.

The JAL Group will continue to support the sexual reproduction and coral regeneration in order to pass on the rich nature to the next generation.



Purple tipped acropora cultivated on wire-type shelves Courtesy of Yaeyama Fishery Cooperative Association



Spawning Courtesy of Yaeyama Fishery Cooperative Association

Prevention of Illegal Wildlife Trade

The JAL Group has signed the Buckingham Palace Declaration promoted by the International Air Transport Association (IATA) to prevent illegal wildlife trade. In addition to disseminating internal education and promoting initiatives in the frontline, we are strengthening cooperation with related parties. For example, in 2024, we held dialogues with WWF Japan and Tokyo Customs regarding the transportation of animals and plants, and are working to organize a response flow when illegal wildlife trade is discovered.

In the Amami and Okinawa regions, which are home to many rare wildlife species, continuous measures to prevent poaching and smuggling are being taken cooperating with the ministry of environment and the local governments. In 2024, JAL spoke at a seminar hosted by WWF Japan and explained the details of measures at the front line to prevent rare species from being taken out of Amami Airport, including participation in training to learn about related laws and regulations, and the establishment of a communication network including airport-related organizations when a rare species (or suspected rare species) is discovered. Also the difficulty of responding to the situation in a short period of time just before passengers are

about to board their flight was raised, as well as concerns about the future of the island’s nature from the perspective of creating a sustainable tourism area due to the large number of wildlife, not just rare species, being taken out of the island.

Since it is difficult for a single company to address these issues alone, JAL will deepen the cooperation with companies and organizations with the same ambitions, as well as continuing to lobby the local government and relevant authorities.

Consideration for Biodiversity Regarding Ingredients and Commercial Products

In July 2022, the JAL Group established internal guidelines for ingredients and commercial products we handle in order to give consideration to biodiversity from the perspective of protecting endangered animals and other issues. We are working to disseminate these guidelines within the Group to correctly understand the importance of biodiversity conservation and recognize the relationship between ingredients and commercial products we handle. These guidelines are reviewed as necessary through discussions with internal working groups in light of regulatory and social trends.

— Comment

Achieving Nature Positive through Native Species Conservation and Restoration Activities in Hawai’i

In March 2025, as part of the “OLU ‘OLU! Honolulu!” project on JAL operated flights to Honolulu. I myself participated in the “planting of native species” and “restoration” at the foot of Diamond Head” in Hawai’i, a priority biodiversity conservation area for the JAL Group.

Planting the native species required a lot of effort because each planting was done by hand, but the process of digging in the soil, planting the seedlings, and watering them provided me with an opportunity to imagine the abundance that these seedlings will bring to nature in the future and to feel the strong connection with it.

In addition, restoration at the foot of Diamond Head, organized by a non-profit organization in Hawai’i, involved clearing invasive alien species and turf maintenance. Originally overgrown with invasive species and weeds, illegal dumping and untouched nature had been a problem, but now the area has become a recreational area where

locals and tourists gather. Through the restoration, we realized that we were contributing not only to the restoration of nature but also to the enrichment of the lives of the local community.

In order to protect the beauty of Hawai’i’s natural environment, which is loved by many of our customers, we will continue our efforts to realize nature positive through our biodiversity conservation initiatives.

● ‘OLU ‘OLU! Honolulu! Honolulu website
https://www.jal.com/en/sustainability/flight/2024/#anchor_03



CHIMURA Natsuki
ESG Promotion Dept.
Environmental Promotion Group

Basic Concept and Strategy

To fulfill our responsibility of passing on our precious Earth to the next generations, the JAL Group is committed to achieving a circular economy that effectively utilizes limited resources.

In line with the 3R (Reduce/Reuse/Recycle), effective use and conservation of resources will be taken in all aspects of JAL's business operations, by means of reducing food waste and resources, reducing the use of single-use plastics products and conserving water resources, reducing greenhouse gas emissions as well, through these efforts. To achieve this, along with customers, the reduction of food waste and plastic products usage at all touch points is taking place. JAL is also working with our suppliers to reduce waste along the supply chain.

Food Waste Reduction Program p. 116

Priority Measures

Reduction of Single-use Plastics

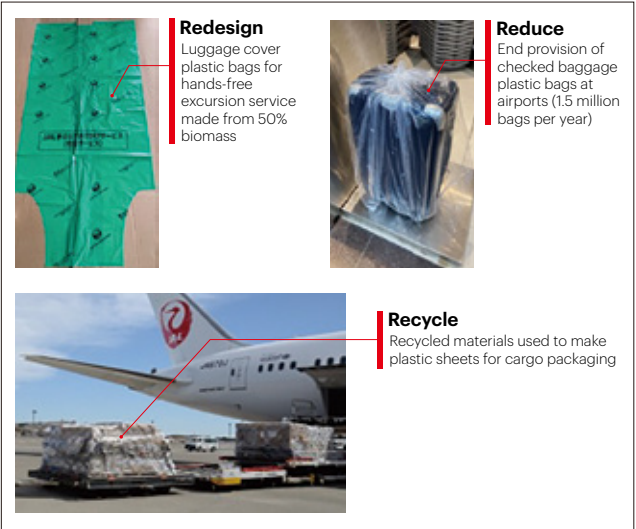
To address the issue of reducing single-use plastics, which contribute to global warming and marine pollution, the JAL Group established targets in May 2021 aiming for achievement by FY2025. With the cooperation of customers, and through the promotion of the 3R (Reduce/Reuse/Recycle) + 1R (Redesign), regarding all single-use plastics items provided to customers in cabins and lounges, a management target has been set to completely phase out all new petroleum-based products. Also, in cargo and airports, a management target of “switching all items to eco-friendly materials contained” has been set.

Management Targets and FY2025 Progress for Reduction of Single-Use Plastics

	FY2025 Targets	FY2024 Results
Cabins and lounges: New petroleum-based products	Total elimination	96% Eliminated
Cargo and airports: eco-friendly materials contained*	100% switched	92% switched

* Items that do not use or reduces the use of new petroleum-based raw materials, such as biomass, recycled plastic, and certified paper

Examples of Reduction of Single-use Plastics



Conservation of Water Resources

The JAL Group is working to conserve and reduce water consumption to address water resource issues. At the aircraft maintenance facility, a target to reduce water consumption by 1 % compared to the previous year has been set. Approximately 240 m³ per day of pure water used in the aircraft maintenance and the component washing process is recycled and recirculated at a treatment facility. The wastewater discharged from the facility is strictly compliant with laws and regulations, and at the wastewater treatment facility in the maintenance facilities the through control of water quality and conservation is being implemented in accordance with the standards. No industrial water is used. At some of our ground facilities, we use gray water and work to conserve water on a daily basis.



For more information, visit the website
<https://www.jal.com/en/sustainability/environment/limited-resources/#anc06>

Recycling of Inflight Waste

In accordance with the JAL Group Environmental Policy, as JAL's unique effort from the perspective of resource circulation, recycling of inflight waste is being done by collecting and separating inflight waste such as bottles, cans, PET bottles, used paper cups, newspapers and inflight magazines, collaborating with recycling companies. Since December 2022, on some domestic flights, collecting and sorting of used paper cups for recycling is being done jointly with Nippon Paper Group. Furthermore, along with Tokan Kogyo Co. Ltd., a paper cup manufacturer, a horizontal recycling scheme of “paper cups to paper cups” was established as a three-company collaboration. In June 2024, drinks were served in recycled paper cups on domestic flights departing from Haneda Airport for a limited period. Also, in collaboration with the “choito®” brand, a paper container recycling project by the Nippon Paper Group, JAL sells paper thread towels made partly from recycled paper cups at the JAL SKY MUSEUM, our factory tour facility.



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About This Chapter

- Perspectives of Outside Directors and the Chair of the Board of Directors
- Mechanisms to Support Strong Corporate Governance
- Constant Risk Management Permitted for an Aggressive Management
- Respect for Human Rights in Cooperation with Stakeholders

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YANAGI Hiroyuki
Outside Director
Corporate Governance Committee Chair
Chairman of Nominating Committee

Promoting Active Discussions under Three Perspectives

At the Board of Directors meetings in FY2024, I focused our discussions on three main perspectives.

The first perspective is about growth strategy. I attempted to provoke in-depth discussions by initiating basic and important issues to the management team, namely how to define JAL's unique growth and how we should view "enclaves," which are often used when discussing growth strategy. Also in the airline business, JAL's high-quality assets should be invaluable and considerable as it can lead to new business and growth. I will support this concept to form a medium- to long-term strategy for FY2026 and beyond.

The second perspective is about the strengthening holacracy. In my experience in management at a manufacturer, I learned that horizontal functions strengthen vertical businesses. In board discussions, the horizontal and vertical structure creates an organic relationship, which leads to a horizontal business approach in the overall picture. I find that JAL has issues in holacracy. The Board of Directors is reviewing strategies

for major horizontal functions, including Human Resource Strategy, DX, GX, CX, and Solution Sales.

The third perspective is about the measures for inappropriate alcohol-related incidents. In FY2024, the JAL Group received an Administrative Guidance from the MLIT for these pilot-derived incidents. On reflection, formerly there were many similar incidents within the JAL Group caused by organizational culture issues, such as "cannot speak clearly to my superior" and "barriers between employees". As the Verification Committee Chair, established in February 2025, I will follow up on the progress and effectiveness of preventive recurrence measures, as well as provide sound advice on how to deal with organizational issues.

Training the Next Generation Management

FY2024 was the first year for the JAL Group to be led by President Tottori. The Nominating Committee evaluation of the President was that she successfully lead her team with the two Executive Vice Presidents and overcame many challenges. Going forward, I believe President Tottori will vigorously promote her motto, "management from the customer's perspective." Specific training methods were discussed for the next generation management, namely having candidates take on more challenging tasks. To strengthen governance, we are discussing ways to optimize the composition of the Board of Directors, including increasing the ratio of external directors to maximize board effectiveness and to introduce a diversity of skills.



MITSUYA Yuko
Outside Director

Contributing to Marketing and Human Resource Development

I have traveled around the world and seen different types of athletes through being involved in sports as a player or as the head of an organization. Based on this experience, I believe that I have two major roles to play as an outside director of JAL Group.

The first is marketing from the customers' perspective, which I have felt as a user of JAL Group. I try to discuss with the awareness of problems whether the business that JAL is promoting is really what customers want and whether it is a service that will satisfy them.

Most recently, I have been facing challenges in customer service utilizing DX. Although we are aware that young people are an important customer segment, our website and mobile apps are not user-friendly, and we are halfway there in terms of creating new experiential value. Improvements have already been made in this regard, and we hope that the service will convey JAL's seriousness to customers.

The other is human resource development based on my experience in training players. As a member of the Nominating Committee, I would like to take

responsibility for the training of the next generation management personnel. To this end, I feel that the challenge is to bridge the information gap regarding human resources between the internal directors and us, the outside directors. In order to deepen our discussions, we would like to know not only superficial information about candidates, but also their personalities. From this perspective, from FY2025, we will increase the opportunities for dialogue with Executive Officers, who are potential candidates for top management, not only at Board of Directors meetings, but also at off-site meetings.

Maximizing JAL's Strengths

Regarding the direction of growing non-aeronautical business potential, we see it as very important in building a corporate structure that is not affected by the business environment. However, there are few blue oceans, and we are forced to compete in red oceans in many cases, so results are still limited. I do believe that it is in such markets that we should make the most of JAL's strengths. I hope we can have such discussions like "is there anything we can do at touchpoints with customers by taking advantage of the customer service skills and hospitality expertise of cabin attendants?"

Two years have passed since I took this role, and I have more opportunities to come into contact with JAL's diverse strengths, including its human resources. At the same time, I am starting to develop feelings and attachments to people, so I will continue to deepen our discussions while reminding myself not to be partial without any speculations.

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KOMODA Masanobu
Outside Director

Contributing to the Enhancement of Corporate Value in a Long-term Perspective

I have been involved in urban development and city planning for over 40 years at a general real estate company. I have also served as chairman of the Tourism Committee of Keidanren (Japan Business Federation) since 2011 and as chairman of the Japan Tourism Promotion Association since 2024.

Because of this experience, I have long felt an affinity with the airline industry, which is also a tourism industry and supports the movement and societal connection of people, and I also feel empathy for the fact that we have overcome the COVID-19 pandemic together.

The real estate industry solves various social issues by creating towns where people can live affluent lives. The airline industry is contributing to corporate citizenship activities by providing excitement to customers through travel in the case of tourism, and by providing efficient transportation as an industrial infrastructure in the case of business. In the process, the two industries have something in common in that they both need to take a long-term perspective and make significant investments. From this perspective, I would like

to contribute to the enhancement of JAL's corporate value.

Pursuing Two Values

On the other hand, in today's market, ROE is being emphasized from the perspective of capital efficiency. If we want to increase ROE in the real estate business, the shortest way is to sell land that does not generate cash, but that will not solve social issues nor create value that will lead to the future. JAL also creates social values in the form of tourism, business, and community revitalization through flight services that provide people with comfortable and safe travel time and space. To achieve this, we must tackle issues in a long-term perspective, without being bound to short-term management indicators.

In addition, JAL is working to create new businesses in the future, and to do so, it is extremely important to foresee how the social structure will change, how people's needs will change, and what social issues will arise, in a long-term perspective.

We believe that social value ultimately creates economic value. I would like to participate in the discussions of the Board of Directors, always keeping in mind that we must pursue both social value and economic value in a long-term perspective.

As an outside director, I will work with the management team to pursue how JAL can expand its wings significantly in the future, while firmly supporting the management team, which is well versed in the core business, from a third-party or user's viewpoint.



AKASAKA Yuji
Chairman of the Board

Our Board of Directors consists of 14 directors and audit and supervisory board members with eclectic knowledge and experience on corporate management and safety. Outside directors provide valuable informed opinions, and the Board of Directors always engages in free and vigorous discussions. Our sustainable growth is based on the diversity and transparency of our governance structure.

Initiatives for FY2024

FY2024 was an important year as our new President Tottori lead our management structure. We aimed to complete the ESG strategies and business structural reforms. Also, the financial base was restructured, which was instigated for the current Medium Term Management Plan formulated for the COVID-19 pandemic, and to smoothly connect them to the next growth trend.

The executives were required to fulfill their responsibilities with strong leadership and high moral principles, to supervise the implementation of business restructuring and other strategies, and to encourage strategic investments and financing for future growth. Furthermore, to focus the supervisory function on more strategic discussions, the Board of

Directors delegated the authority to their subordinates, which improved the speed and flexibility of management.

Direction for FY2025

The current Medium Term Management Plan will conclude in FY2025. It is the year to formulate our next management plan. The rapid decline in Japan's population, with labor shortages, will lead to major environmental changes in the business environment particularly in the domestic operations. Also, the social structure is changing significantly with responses to environmental issues, such as global warming, and technological innovations, such as AI. Thus, a resilient growth story is required to achieve sustainable growth and increase corporate value. We need to quickly respond to the drastically changing environment as well.

On the other hand, as an airline responsible for social infrastructure, we have a mission to maintain safety and continue to provide around-the-clock high-quality services. Our executives are devoting their time and energy to the daily execution of our business. Therefore, we believe that the Board of Directors, with their broad perspectives and diverse viewpoints, is also required to play a role in co-creating the Group's future vision by drawing up medium- to long-term visions and strategies together with the executive officers.

A corporation is a public institution of society, and its raison d'être is to continue to create value on a sustainable basis. The Board of Directors will continue to deepen our relationships with all stakeholders and firmly support our execution as we aim to become the world's most preferred and valued airline group.

Policies and Structure

The JAL Group has established a corporate governance system that provides strong management oversight under a high level of management transparency in order to achieve sustainable growth and enhance social and economic value.

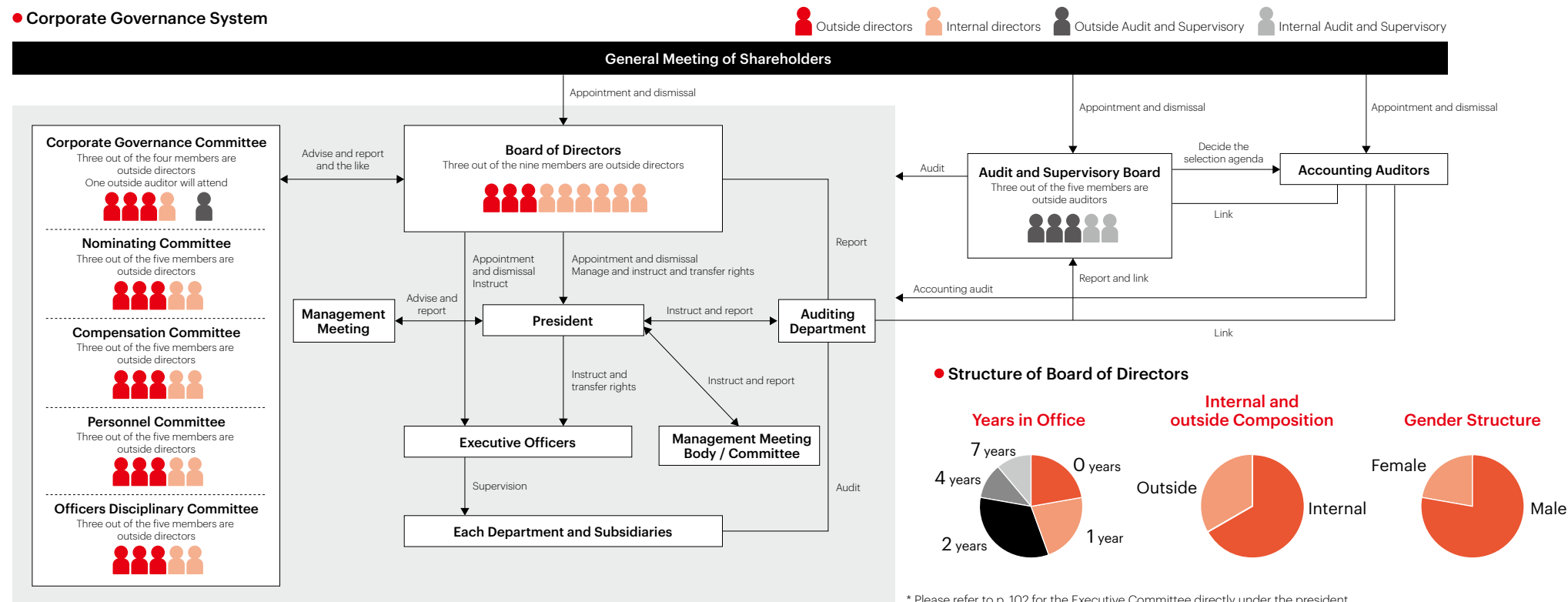
As a company with a Board of Auditors, we have a strong audit function with an independent, self-appointed Audit and Supervisory Board Members, who are independent from the Board of Directors. In addition, the JAL Group has established voluntary committees such as the Nominating and Compensation Committees, which is a hybrid type of institutional design incorporating the good points of a company with committees.

Fundamental Policies of Corporate Governance

The JAL Group, as a leading airline in the transport sector, provides the finest service to our customers while maintaining flight safety, our main premise for existence. The Group maintains an awareness that we are a member of society at large with the duty to fulfill our corporate social responsibility and contribute to society as we develop our business and our mission is to provide the optimum service to our customers. In addition to fulfilling our financial responsibility of earning adequate profits by providing high quality products through fair competition. The JAL Philosophy was established under our Corporate Policy promptly make appropriate management decisions.

We will strive to enhance corporate value and achieve accountability by establishing a corporate governance system that results in high management transparency and strong management oversight, while at the same time engaging in speedy and appropriate management decision making.

- **Corporate Governance System**



* Please refer to p. 102 for the Executive Committee directly under the president.

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Board of Directors and Other Committees

Board of Directors | Held 17 meetings in FY2024

The Board of Directors exercises strong management monitoring with a high degree of transparency through the nomination of directors, Audit and Supervisory Board members and executive officers, decision of officer remuneration, and important decision-making. To fulfill this role, (1) The Board separates the management monitoring and business execution functions. The Board chair is nominated from among Directors who do not concurrently serve as outside officers. (2) At least three highly independent candidates are nominated as an outside director, and the Outside Directors account for at least one-third of all Board members. (3) In June 2023, more females were appointed as directors. (4) Directors and Audit and Supervisory Board members are, in principle, required to basically attend at least 80 percent of all Board meetings. (5) The Board transfers appropriate authority to the president to ensure efficient decision-making.

Corporate Governance Committee | Held three meetings in FY2024

For a sustainable growth of the company and to improve the corporate value in the mid-and-long- term, the Group strengthened the corporate government and conducted necessary findings and recommendations to the Board of Directors. In FY2024, we made recommendations to the Board of Directors on the delegation of authority to the Executive Committee, with the aim of expanding strategic discussions at the Board of Directors. In the evaluation of the effectiveness of the Board of Directors, we made recommendations regarding the evaluation of fiscal 2024 and priority issues for FY2025.

Nominating Committee | Held nine meetings in FY2024

When submitting proposals to the General Meeting of Shareholders for the election of candidates for Executive Officers and Audit and Supervisory Board Members, the Committee is consulted and makes a comprehensive assessment of the candidates' character, knowledge, abilities, experience, and track record, and reports back to the Board of Directors. In FY2024, in addition to matters reported to the Board of Directors, the Committee discussed requirements and processes related to the selection of director candidates for director replacement, the process for confirming the reappointment of the President, and future management human resources succession plans. With regard to the confirmation of the reappointment of the President, the Board of Directors concluded that the reappointment of Ms. TOTTORI Mitsuko as President in FY2025 is desirable for the

Group's management, given her contribution to the enhancement of corporate value, including her efforts to reform the Group by encouraging autonomy and independence among executive officers while maintaining team management through dialogue between the outside directors and the President.

Compensation Committee | Held five meetings in FY2024

The Compensation Committee discusses matters concerning the amount of compensation for directors, executive officers and Audit and Supervisory Board members based on an inquiry from the Board of Directors and reports back to the Board. In addition, the Committee reviews the remuneration system as appropriate to ensure that it provides sound incentives for sustainable growth. In FY2024, the committee discussed matters such as the specific indicators and how to assess the compensation for Directors, who strongly promote the Medium-Term Management Plan and report the contents to the Board of Directors.

Officers Disciplinary Committee | Held four meetings in FY2024

When taking disciplinary action against Directors and executive officers, the Officers Disciplinary Committee makes decisions. In FY2024, the Committee deliberated on matters such as the disciplinary actions taken against officers related to the Administrative Warning and Business Improvement Advisory notified by the Ministry of Land, Infrastructure, Transport and Tourism (MLIT).

Personnel Committee | Held three meetings in FY2024

The committee discusses matters to be consulted by the Board of Directors regarding the appointment and dismissal of executive officers and reports the results to the Board of Directors. In FY2024, the committee discussed matters to be reported to the Board of Directors, and the training of candidates for executive officer positions and the ideal new execution structure.

Audit and Supervisory Board | Held 15 meetings in FY2024

The Audit and Supervisory Board makes objective and appropriate decisions from an independent standpoint, based on their responsibility to our shareholders, in fulfilling their role and responsibility pertaining to their duties, namely, audit of business execution, nomination and dismissal of accounting auditors, and exercise of rights concerning auditor remuneration.

Accounting Audits

KPMG AZSA LLC conducts accounting audits in accordance with the Companies Act and the Financial Instruments and Exchange Act. In addition to periodic audits, accounting issues such as the establishment, amendment and abolition of laws, regulations and rules are checked as necessary to achieve appropriate accounting work.

Internal Audits

The Auditing Department conducts internal audits in accordance with the annual audit plan formulated based on the results of risk analysis, focusing on risks that may hinder the achievement of JAL Vision 2030 in terms of risks that may lead to material losses, effectiveness and efficiency of operations, reliability of reporting, compliance with laws and regulations, and preservation of assets. In addition, as an independent organization under the direct control of the President, the Group conducts overall assessments under the internal control reporting system for financial reporting based on the Financial Instruments and Exchange Law. Furthermore, as a third frontline of defense, we focus on checking the status of monitoring functions in addition to providing support to each organization within the group. Audit results are reported to the President on a case-by-case basis, and information on important events related to internal control is also provided to Audit and Supervisory Board Members and the audit corporation for cooperation. The results of audits are also reported to the Board of Directors on a regular basis.

Support for Directors and Audit and Supervisory Board Members

Legal considerations are explained to directors, as necessary, to ensure that they are fully aware of their duties, including the fiduciary duties of the duty of loyalty and the duty of care. They are provided opportunities for continuous participation in external training and affiliated organizations. In addition to the provision of corporate information, Audit and Supervisory Board members are given opportunities to participate in external training and external organizations. Outside Directors and Outside Audit and Supervisory Board members receive advance explanations on Board agendas, corporate information and other requests, as appropriate. In order to deepen the understanding of the Group, directors and Audit and Supervisory Board members receive explanations on safety matters through visits to frontlines, climb up Mt. Osutaka, tour the Safety Promotion Center to learn about safety. When necessary prior information is provided to matters discussed at meetings and we also provide materials and descriptions of other requested items.

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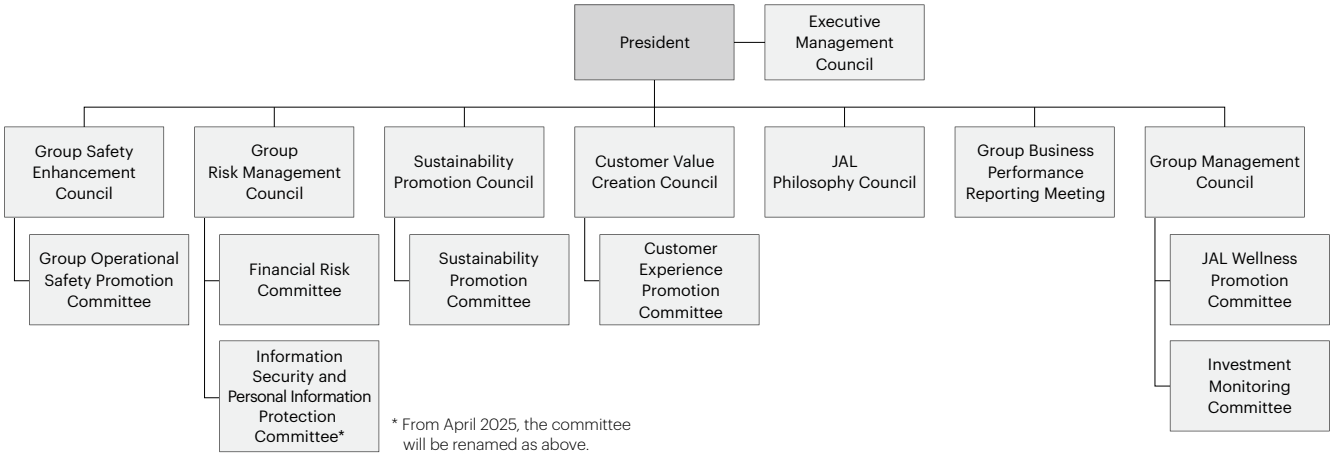
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Respect for Human Rights

Management Committees Directly under the President

The Board of Directors appropriately delegates authority to the President for efficient decision-making. In addition to the Executive Management Council, a decision-making body chaired by the President, the following meetings have been established directly under the President, and important matters supporting management strategies are discussed after clarifying the purpose and roles of each meeting. The contents of the discussions at each meeting are described in the following pages.

The content of discussions at each meeting is reported to the Board of Directors as appropriate, creating a framework for prompt decision-making under appropriate supervision.



Executive Management Council | Held 36 meetings in FY2024

The Executive Management Council is an organ established for the purpose of contributing to appropriate and flexible decision-making by the Board of Directors and the President. The committee will deliberate over important issues requiring a resolution of the Board of Directors and matters requiring approval by the President that need to be confirmed by the Executive Management Council. Main activities in 2024: Discussed important management issues to be submitted to the Board of Directors.

Group Safety Enhancement Council | Held 12 meetings in FY2024

The purpose is to ensure flight safety and promote safety management throughout the JAL Group. Based on the JAL Group's philosophy and policies, the committee determines important policies related to safety management, ascertains the actual status of the safety management system and periodically reviews the system, and determines measures related to safety in daily flight operations control.

Major activities in FY2024: The JAL Group's overall flight safety policy and safety management system were reviewed, and responses to flight accidents and other incidents that occurred during the year were discussed. In particular, we took seriously the fact that we received Administrative Guidance on two occasions in relation to alcohol-related incidents. The Council discussed and confirmed the progress of measures to eradicate the alcohol consumption problem in the JAL Group, with a focus on raising internal awareness and further strengthening flight duty management of flight crews' tendency to

drink alcohol. In the event of an aviation accident or serious incident, the matter is promptly reported to the Board of Directors.

Group Risk Management Council | Held two meetings in FY2024

The purpose is to comprehensively manage risks and stabilize JAL Group Basic Policies on Risk Management. This includes the formulation of basic risk management policies, periodic risk assessments, formulation of countermeasures, and business continuity management.

Major activities in FY2024: Discussions were held on priority risks and responses to priority issues such as cyber security, geopolitical risks, and response to an earthquake directly under the Tokyo metropolitan area, and reports were made to the Board of Directors a total of two times.

Sustainability Promotion Council | Held four meetings in FY2024

The JAL Vision 2030 aims to create "a future where everyone can feel affluence and hope," and to achieve sustainable development together with society. The JAL Group will manage the progress of key issues and annual targets, and conduct reviews of management related to climate change risks and opportunities, Environmental Management System (EMS), and human rights due diligence. Major activities in FY2024: Discussed and reviewed the reorganization of key issues, disclosure on TCFD/TNFD, ESG assessment summary, Dow Jones Best-in-Class Indices assessment results and review, efforts to create relationships and connections through mobility, and addition/revision of goals. The Board of Directors was briefed a total of three times.

Customer Value Creation Council | Held two meetings in FY2024

The committee discusses, decides and monitors important matters and issues across the JAL Group with the aim of creating and enhancing customer values to all our customers and society that come to contact with the JAL Group.

Main activities in FY2024: Starting with the diversifying customer values focused on the international flights, discussions were held on mid-and-long term CX strategies and basic thinking and policies for our brand strategy.

JAL Philosophy Council | Held one meeting in FY2024

This committee formulates, implements and monitors management services for the JAL Group employees to promote day-to-day operations using the JAL Philosophy as the basis for decision-making.

Group Business Performance Reporting Meeting | Held 12 meetings in FY2024

The purpose is to share the "financial results" of the JAL Group's consolidated financial results and each business segment and discuss measures to improve financial results.

Group Management Council | Held 19 meetings in FY2024

The Group Management Council confirmed process and discussed measures regarding the JAL Group important management issues and reported valuable information.

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Progress in Strengthening Corporate Governance

Prior to the Corporate Governance Code, in FY2012 the JAL Group set up Nominating and Compensation Committees voluntarily regarding appointments and honorariums as a airline company with an Audit and Supervisory Board. Also the Group

proactively endeavored to strengthen governance in accordance with the corporate governance code by actively evaluating the effectiveness of Board of Directors meetings.

In 2023 the Group introduced several female directors and

in 2024, under the promotion of DEI in the management level, the Group appointed the first female president and auditor.

	2012	2015	2018	2021	2023	2024
Trends in Corporate Governance		●2015 Established corporate governance codes	●2018 Revised corporate governance codes	●2021 Revised corporate governance codes		
Strengthened Auditing Functions	■FY2012 • Set up a committee to appoint directors and remuneration with outside director as the committee chair		■FY2017 • Introduced a new director remuneration system aimed at shared interests and losses with stakeholders • Established successor plans for President and others	■FY2021 • Outside auditors attend corporate governance committee		
Institutional design as a company with an Audit and Supervisory Board						
Structure of Board of Directors	■FY2012 • Independent outside directors (two directors)	■FY2014 • Chair become non-performance executive director	■FY2016 • Increased outside directions from two to three	■FY2021 • Outside directors to cover one third • New company culture to appoint several female directors	■FY2023 • Two female directors	■FY2024 • Appointed a female president • Appointed a female auditor
Measures to Corporate Governance Code		■FY2015 • Initiated Board effectiveness assessment	■FY2017 • Applied corporate governance code to all rules	■FY2018 • Applied corporate governance code (revised) to all rules	■FY2021 • Applied corporate governance code (revised) to all rules	■FY2023 • Initiated Board effectiveness assessment by an outside organization
Improve effectiveness of Board of Directors			■FY2017 • Initiated a Board effectiveness assessment by an outside organization	■FY2020 • Conducted a Board effectiveness assessment by an outside organization	■FY2022 • Established a system for auditors report directly to Board of directors	
			■FY2019 • Strengthened management meeting regarding risk management	■FY2021 • Promoted national staff as directors		

*Trends after being listed on Tokyo Stock Exchange since September 2012

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Effectiveness Evaluation

Board Effectiveness Assessment

In accordance with the Fundamental Policies of Corporate Governance, the JAL Group aims to improve its corporate value over the medium to long term by conducting an annual Board Effectiveness Assessment and reviewing the operation of the Board of Directors, using the assessments of each Board Member and Audit and Supervisory Board Member as a reference. A third-party assessment is conducted every three years, with the most recent assessment conducted in FY2023.

Given the need to formulate strategies for further growth in FY2026 and beyond, we established and addressed priority issues

● Results of the Evaluation in FY2024

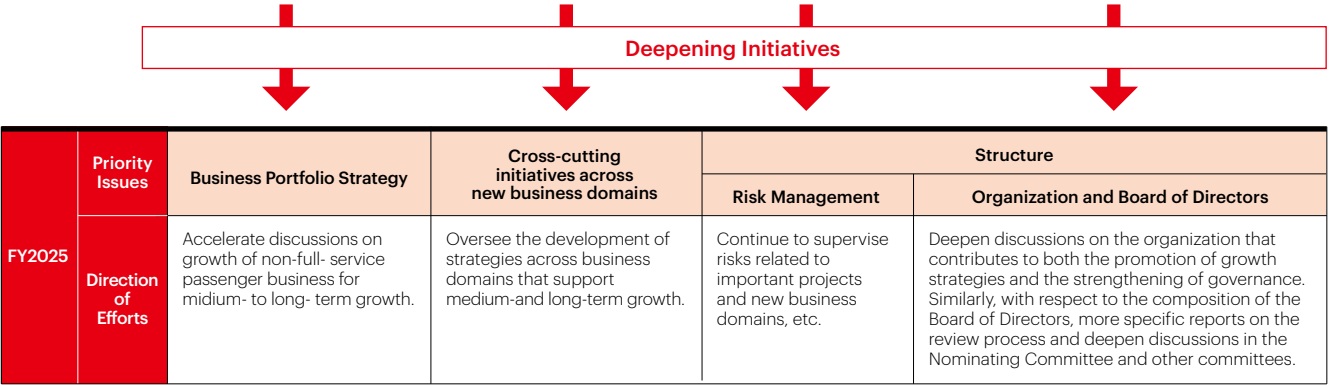
Board composition	Ensured the skills and diversity of the Board of Directors and Audit and Supervisory Board Members.
Supervision	Supervision was conducted in terms of risk management, delegation of authority to the President, monitoring of execution, and disclosure.
Management Strategy	While the immediate strategic issues have been addressed as described below, further discussion on medium- to long-term growth strategies is desirable.
Dialogue with shareholders	Received periodic reports and provided advice on the status of dialogue and other initiatives with institutional investors.
Board Culture	Free, vigorous, and constructive discussions and exchanges of opinions are held.
Contribution of Outside Directors	Outside Directors are aware of their responsibilities and play an appropriate role in supporting both risk-taking and exercising a restraining function, while building a good relationship with the executive officers.
Audit and Supervisory Board Member activities	Audit and Supervisory Board Members report their activities to the Board of Directors in an appropriate manner and express their opinions, thereby exercising their inspection function.
Board perations	The Board operates appropriately in terms of agenda selection, support for Outside Directors, and the like.

for FY2025 in order to formulate medium- to long-term growth strategies while taking into consideration our evaluation of the priority issues for FY2024 as described below. In addition, we will

continue to improve the effectiveness of the Board of Directors through various other initiatives, such as strengthening communication between Outside Directors and Executive Officers.

● Evaluation of Priority Tasks for FY2024 and Priority Tasks for FY2025

		Elevate discussions on medium- to long-term improvement of corporate value	Establish ideal monitoring methods by the Board of Directors		Consider an ideal composition of the Board of Directors, and develop the next generation of management leaders, including the President
			Cross-business domain initiatives	Risk management	
FY2024	Priority Issues	Expand time for discussion of medium- and long-term strategies, among others, while also encouraging risk-taking efforts to further enhance corporate value going forward.	Further clarify the objectives, targets, performance indicators, and roadmap for initiatives across the business domains, including the enhancement of human capital to support business structural reforms and the promotion of DX strategies, among others, in order to complete the Medium-Term Management Plan-Rolling Plan (MRP) 2024, and to strengthen the supervisory function.	Upgrade the JAL Group risk management functions by, for example, accurately identifying risks in new business domains, and the like.	In addition to the discussion on medium- and long-term improvement of corporate value as described on the left, the Nominating Committee and other committees shall deepen the discussion and report regularly to the Board of Directors.
	Evaluation	• The JAL Group is spending too much time discussing immediate issues and individual strategies. • There is a lack of discussion on midium- to long- term growth strategies, such as business portfolios.	• Confirmed the progress of the objectives, targets, performance indicators, and roadmap. • Requires further materialization and acceleration.	• The JAL Group has established a management system to systematically and comprehensively identify risks. • There are some issues in risk recognition and handling of risks related to individual projects.	• Reporting to the Board of Directors on the activities of the Committee has shown improvement, but the review process should be reported in more detail. • The skill sets of the Board of Directors should be expanded and governance should be further strengthened in line with the growth strategy.



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Main Agenda Items of the Board of Directors Meetings	Details of Discussions	
Management Strategy	- FY2021 to FY2025 - JAL Group Medium-Term Management Plan - Progress of the Rolling Plan 2024 - Sustainability Initiatives - Business Restructuring - Promotion of human capital management - Promotion of DX strategy - Other cross-business domain initiatives	JAL Group Medium-Term Management Plan Formulation of the Rolling Plan 2025
Decision and Oversight of Other Important Business Executions	- Selection of small aircraft - Determination of cabin configuration - Renewal of the maintenance core system - Renewal of systems related to the loyalty program	
Financial Results	- Quarterly financial results - Financing - Shareholder return	
Governance and Risk Management	- Report on safety - Assessment of board effectiveness - Revision of the Regulations of the Board of Directors - Verification of policy shareholdings - Policy on listed affiliates - Report and decision by the Personnel Committee on appointment of executives and officer remuneration - Assessment of internal control systems - Reports on risk management - Internal audit reports by the Auditing Department - Audit and Supervisory Board Member audit policy and results - Responses to Audit and Supervisory Board Member audit results	
Dialogue with Stakeholders	- Approval of shareholder return-related proposals at the General Meeting of Shareholders - Status of operation of shareholder special benefit plan - Feedback on IR briefings, and the like - Disclosure of climate change-related information in accordance with the TCFD/TNFD	

Effectiveness Assessment of Audit and Supervisory Board

At the Audit and Supervisory Board, all Audit and Supervisory Board members conducted a questionnaire survey to self-evaluate the status of their audit activities, which was also used as a reference for audit planning for the next fiscal year.

Main Agenda Items of the Audit and Supervisory Board	Details of Discussions
Audit	- Formulation of audit policy and plan - Formulating the Audit and Supervisory Board Activities Report and reporting session to Board/Executive members - Confirmation of risk management status - Audit of general meeting of shareholders’ proposals and related documents - Finalization of Audit Report
Collaboration	- Consent for reappointment resolution of accounting auditors and their remuneration - Prior consent for non-assurance services by the accounting auditor - Interviews for Directors/Executives - Confirmation of the Integrated Report - Confirmation of EMS audit
Remuneration and Self-assessment	- Resolution on individual Audit and Supervisory Board members’ remuneration - Questionnaire Survey (Effectiveness Assessment) by Audit and Supervisory Board members

FY2024	FY2025
- The survey results generally gave high marks to each item (audit policy, audit activities, operation of Audit and Supervisory Board member, among others), and confirmed that effective audits are conducted based on the audit policy and audit plan prepared in the previous year and based on the audit results of the previous fiscal year. - Confirmed that each Audit and Supervisory Board member made unreserved comments during the Board of Directors and other meetings, and that consensus is reached at the Audit and Supervisory Board while respecting the opinions of each Audit and Supervisory Board member.	In formulating the new Medium-Term Management Plan, we will review the status of achievement of the current plan’s targets, and will confirm that collaboration between divisions for the plan’s effectiveness is ensured, that an appropriate internal information escalation system has been established, and that important issues are appropriately discussed and approved in accordance with recently revised decision making criteria by the Board of Directors.

Officer Remuneration

Policy on Decisions about Remuneration for Officers

• Total Remuneration Amount

- (1) Total remuneration amount: Not more than JPY 700 million per year, of which, the total amount of fixed basic remuneration is no more than JPY 350 million consisting of the total amount of outside directors to be no more than JPY 50 million and the total amount of performance-linked bonuses to be no more than JPY 350 million.
- (2) Total amount of remuneration receivables per performance evaluation period of remuneration (meaning the most recent three consecutive fiscal years ended): 1. Maximum number of shares to be issued per performance evaluation period (100,000 shares) multiplied by the maximum amount to be paid in per share*

The Board of Directors, after deliberation and report by the Compensation Committee, determines the following Policy on the Decision of Remuneration for Officers.

For outside directors, only a fixed basic remuneration is paid.

* Maximum amount to be paid in: Performance of applicable period in the execution of duties in which remuneration receivables are used as consideration is the stock price at Tokyo Stock Exchange for three months before and after the expiration of the evaluation period (six months in total) the highest closing price of the common stock

• Basic Policy

- (1) To achieve sustainable and steady growth and increase corporate value over the medium- to long-term, we promote business execution in accordance with the Corporate Policy and management strategies, and strongly motivate directors to achieve specific management targets.
- (2) For the purpose of further promoting the alignment of interests of shareholders, establish appropriate ratios for performance-linked shared based remuneration linked to corporate value in accordance with medium- to long-term performance, in order to contribute to demonstrating sound entrepreneur dynamics.
- (3) We will provide remunerations that are appropriate to our top management in accordance with our business performance.

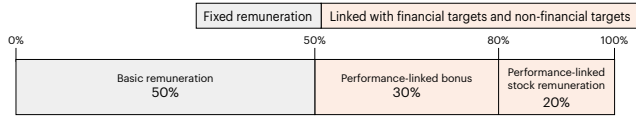
• Remuneration Levels and Remuneration Composition Ratios

- (1) We will set appropriate remuneration levels with reference to the business environment and objective remuneration data in the marketplace.
- (2) Taking into account the nature of the business of our Group and the effectiveness of performance-linked remuneration, the ratios

of (A) the amount of fixed basic remuneration*, (B) the amount of performance-linked bonus to be paid based on the degree of achievement of the target, and (C) the amount of performance linked stock remuneration to be delivered based on the degree of achievement of the target are set as follows (The following percentages are indicative and fluctuate in response to changes in stock prices, and the like).

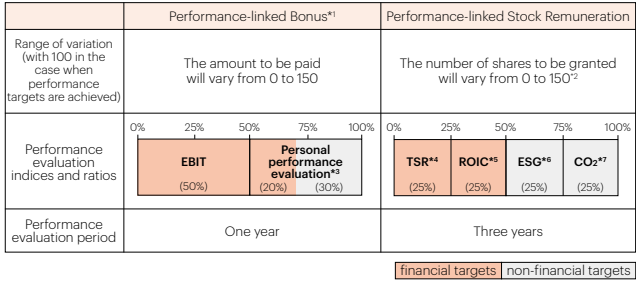
* Excluding the amount of allowances for executive officers who concurrently serve as Directors and the amount of allowances for executive officers, who have the right to represent the Group.

Standard for achieving a target of 100 percent



Framework for Performance-linked Remuneration

Performance-linked bonuses and performance-linked stock remunerate on performance indicators are reviewed as appropriate in response to changes in the business environment and the roles of each executive. In FY2022, we reviewed performance-linked bonuses and performance-linked stock remuneration performance indicators in order to more vigorously promote ESG, business, and financial strategies, which are the three pillars of the Medium-Term Management Plan's management strategy. Performance-linked shares of remuneration commencing in FY2021 will be uniformly not paid based on performance.



*1 The Chair, President, among others, do not set individual performance evaluation indicators for each officer but evaluate them using EBIT. Considering the progress in achieving the targets for flight safety.

*2 The final business year of Medium-Term Management Plan fluctuates between 0 to 200, adjusted according to the achievement of the targets.
*3 Individual indicators for each officer
*4 TSR: Valuation based on the comparison between the total shareholder yield of the Group and TOPIX yield including dividends
*5 Valuation based on consolidated ROIC
*6 Rating based on the number of selected representative ESG issues (DJSI World Index, FTSE Blossom Japan Index, APEX WORLD CLASS, CDP A-, MSCI WIN)
*7 Evaluation based on CO2 emissions per ton-kilometer charged

Procedures for Remuneration Decision

Matters concerning the remuneration of the directors shall be decided by the Board of Directors after deliberation and report to the Compensation Committee, which is voluntarily established by the Group. The majority of the members of the Compensation Committee shall be outside directors, and the chair shall be selected from outside directors. The fixed basic remuneration is paid monthly, and performance-linked bonus and performance-linked stock remuneration are paid once a year.

Reasons the Board of Directors Determined That Individual Remuneration Should Conform to the Policy

With regard to the remuneration, and the like for individuals, the Compensation Committee, which is chaired by an outside director and is attended by a majority of the members, held discussions based on the above-mentioned Policy on the Decision of Remuneration for Officers. Decisions were made at our Board of Directors meeting held on February 21, 2024 with due respect for the deliberations and reports. Therefore, the Group judged that the contents of remuneration, and the like, for individuals in FY2024 are in line with the above policy stipulated by the Group.

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Payment of Remuneration to Directors and Audit and Supervisory Board Members (FY2023)

Category	Number of persons	Total remuneration amount (M)	Total amount of remuneration by type (M)		
			Basic remuneration	Performance-linked bonus (Bonus)	Performance-linked stock remuneration (non-monetary remuneration credits and the like)
Directors	12	482	258	151	72
(Outside directors)	(4)	(36)	(36)	(—)	(—)
Auditors	6	77	77	—	—
(Outside auditors)	(3)	(28)	(28)	—	—
Total	18	560	335	151	72

*1 Performance-linked bonuses and performance-linked stocks remuneration, and the like, represent the amounts recorded as expenses in the relevant fiscal year.
*2 The total amount of remuneration, and the like, for directors does not include salaries for employees who concurrently serve as a Director.
*3 The total amount of remuneration of the Audit and Supervisory Board members is “no more than JPY100 million per annum” (resolution of the Extraordinary General Meeting of Shareholders held on July 10, 2012). Remuneration for Audit and Supervisory Board Members is only fixed remuneration (monthly remuneration) from an independent standpoint, and the decision is made through consultation of Audit and Supervisory Board Members. The number of Audit and Supervisory Board members at the conclusion of so the General Meeting of Shareholders was five (including three Outside Audit and Supervisory Board Members).

Nomination and Election Process for Board Members

Independence of Outside Officers

A person to whom none of the following Independence Standards apply shall be judged to be independent and outside officers, who do not qualify as being highly independent, will not be nominated as outside directors or outside Audit and Supervisory Board members. In addition, individuals, who concurrently serve as directors or Audit and Supervisory Board members at more than four listed companies other than the Group, will not be nominated.

Independence Standards of Outside Officers

- 1. An individual who has executed business (Note) of the Company and the Company’s consolidated subsidiaries at present or in the past ten years.

- 2. An individual who corresponded to the any of the items a ~ f in the past three years.
 - a. A business counterpart or a person who executed business of such business counterpart, whose transactions with the Company for one business year exceeded 1% of consolidated revenue of the Company or the business counterpart.
 - b. A major shareholder or a person executing business of such shareholder having an equity ratio of 5% or more in the Company.
 - c. A major lender of borrowings of the Company or a person executing business of such lender.
 - d. An individual receiving contributions of over 10 million yen a year from the Company or a person belonging to an organization receiving such contributions.
 - e. An individual receiving remuneration of over 10 million yen excluding Director’s remuneration from the Company or a person belonging to an organization receiving remuneration exceeding 1% of consolidated revenue of the Company.
 - f. In case a person executing business of the Company is assigned as outside director of another company, the person executing business of such other company.
- 3. The spouse or relative within second degree of kinship of individuals corresponding to 1 and 2.

Note: A person executing business refers to an Executive Director or Executive Officer.

The three outside directors and three outside Audit and Supervisory Board Members satisfy the requirements of the Tokyo Stock Exchange for being independent directors/auditors who are not likely to have a conflict of interest with general shareholders, as well as the Independence Standards for Outside Directors and Auditors as stipulated by the Group in the preceding paragraph. Therefore, the Group has designated all of them as independent directors and auditors and notified the Tokyo Stock Exchange to that effect.

Succession Plans and Election Process for President

The qualifications required of the President and other leaders are as follows: Persons with qualities to steadily achieve positive results toward realizing the Corporate Policy by working together with all employees based on a firm commitment to flight safety, which is the foundation of business continuity for the JAL Group. They must also display initiative in practicing the JAL Philosophy. The Nomination Committee continuously discusses candidates for the position of president, among others, and provides the candidates with practical and diverse experience, such as management experience at group companies, expatriate experience, and activities at outside organizations, so that they can acquire the necessary background for management at an early stage.

With regard to the development of the next generation of executives, including executive officers, the Personnel Committee holds practical discussions on setting career paths, rotating across departments, forming external networks, and pooling human resources in order to promote diversity and expand capabilities and perspectives.

The Group’s Nominating Committee defines the qualities required of the president and other leaders and takes sufficient time to systematically train candidates for their successors. Through continuous acquisition of knowledge and diverse experiences, the Group ensures that the candidates acquire the necessary management skills at an early stage.

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Board of Directors (As of August 1, 2025)

Directors are selected from those with extensive experience in various fields and high insight and expertise, paying attention to ensuring diversity in terms of gender, international nature, work history, and age, among others. The Group has also established

a system in which there are several female directors. The JAL Group explains legal considerations and other matters to the directors and will ensure that the directors are fully aware of their duties, including the duty of loyalty and the duty of care,

and provide opportunities for outside training and continuous participation in external organizations. The term of office of directors shall be one year to clarify management responsibilities for each fiscal year.

AKASAKA Yuji

Representative Director,
Director, Chairperson

Born on January 3, 1962/age 63
Term of Office: 7 years
Number of shares held* (hundred shares): 133
Number of Board of Directors meetings attended: 17/17



April 1987 Joined Japan Airlines
April 2009 Senior Vice President, Corporate Safety & Security Division Vice President, Customer Relations Department
April 2014 Executive Officer
Senior Vice President, Engineering & Maintenance Division
Representative Director, President of JAL Engineering Co., Ltd.
April 2016 Managing Executive Officer
Senior Vice President, Engineering & Maintenance Division
Representative Director, President of JAL Engineering Co., Ltd.
April 2018 President
June 2018 Representative Director, President
April 2023 Representative Director, President
Chief Executive Officer of the JAL Group
April 2024 Representative Director, Chairperson
April 2025 Chairman of the Board of Directors of the Company (to present)

Reason for Appointment
Since joining the Group, Mr. AKASAKA has been engaged mainly in the Engineering and Maintenance Division, where he has acquired an extremely high level of frontline experience and insight relating to safety flight operations, and the like , and has acquired a high level of knowledge and a wealth of contacts in the maintenance industry. Since 2018, as Representative Director, President and Executive Officer, he has been committed to upholding flight safety as the foundation for the existence of the JAL Group, and by setting an example in accordance with the JAL Philosophy, he has worked together with all employees to realize the JAL Group Corporate Policy. Since 2024, as Chair of the Board of Directors and a member of the Corporate Governance Committee, he has contributed to strengthening the supervisory function of the Board of Directors.

TOTTORI Mitsuko

Representative Director,
President

Born on December 31, 1964/age 60
Term of Office: 2 years
Number of shares held* (hundred shares): 46
Number of Board of Directors meetings attended: 17/17



April 1985 Joined Japan Airlines
May 2015 Senior Director, Cabin Attendants Office II, Narita Cabin Attendants I
May 2016 Vice President, Narita Cabin Attendants II Department
April 2019 Vice President, Cabin Safety Promotion Department
April 2020 Executive Officer and Senior Vice President, Cabin Attendants Division
April 2022 Managing Executive Officer and Senior Vice President, Cabin Attendants Division
April 2023 Senior Managing Executive Officer
Senior Vice President, Customer Experience Division in charge of Brand Communication
June 2023 Representative Director, Senior Managing Executive Officer
Chief Customer Officer of the JAL Group
June 2023 Representative Director, Senior Managing Executive Officer
Chief Customer Officer of the JAL Group
Senior Vice President, Customer Experience Division
April 2024 Representative Director, President
Chief Executive Officer of the JAL Group (to present)

Reason for Appointment
Ms. TOTTORI has acquired a high level of insight and frontline experience in flight safety and service in the Corporate Safety and Security Division. Since 2020, as Head of the Cabin Services Division, she has demonstrated outstanding leadership by balancing human resource development and maintaining employee motivation, thereby contributing to the steadfast maintenance of safe operations. Since 2023, as Head of the Customer Experience Division, she has contributed to enhancing the value delivered to customers. From 2024, as Representative Director, President, Executive Officer and Group CEO, she will continue to refine JAL's unique values and implement reforms with an eye to the future, even as the corporate management environment becomes increasingly complex.

SAITO Yuji

Representative Director,
Executive Vice President

Born on September 26, 1964/age 60
Term of Office: 2 years
Number of shares held* (hundred shares): 25
Number of Board of Directors meetings attended: 17/17



April 1988 Joined Japan Airlines
October 2009 Vice President, Sales Department of Tokyo Branch
January 2011 Vice President, International Route Marketing Department
April 2019 Executive Officer and Senior Vice President, Corporate Control Division
April 2021 Managing Executive Officer
Senior Vice President, Corporate Planning Division
Senior Vice President, Corporate Control Division
April 2023 Senior Managing Executive Officer
Senior Vice President, Corporate Planning Division
Chief Financial Officer of the JAL Group
June 2023 Director, Senior Managing Executive Officer
Senior Vice President, Corporate Planning Division
Chief Financial Officer of the JAL Group
April 2024 Representative Director, Executive Vice President
Head of Corporate Division
Chief Financial Officer of the JAL Group (to present)
June 2024 Japan Airport Terminal Co., Ltd.
Outside Director (to present)

Reason for Appointment
After joining Japan Airlines, Mr. Saito has held positions in the international passenger sales department and the corporate planning department, where he has proven his ability to exercise precise analysis and good judgment. He was appointed as senior vice president, Corporate Control Division in 2019, senior vice president, Corporate Planning Division and senior vice president, Corporate Control Division in 2021, and senior vice president, Corporate Planning Division and Chief Financial Officer of the JAL Group in 2023. He has made significant contribution to formulating the JAL Group's Medium-term Management Plans based on major changes in the times and values and carrying out steps towards the completion of those plans. Since 2024, as Representative Director, Executive Vice President, he has been in charge of the Corporate Division, helping to further strengthen and enhance the management foundation.

AOKI Noriyuki

Director,
Executive Vice President

Born on July 28, 1964/age 61
Term of Office: 1 year
Number of shares held* (hundred shares): 12
Number of Board of Directors meetings attended: 14/14



April 1989 Joined Japan Airlines
March 2012 Vice President, Corporate Control Department
April 2014 Vice President, Passenger System Promotion Department
July 2018 Deputy Senior Vice President, Managing Division Route Marketing Division
(In charge of Passenger System Promotion Department)
April 2019 Executive Officer
Assistant to Senior Vice President, Managing Division Route Marketing Division
June 2019 Executive Officer
Representative Director, President of Japan Transocean Air Co., Ltd. in charge of Okinawa
April 2022 Managing Executive Officer
Senior Vice President, General Affairs Division
April 2024 Executive Vice President
Head of Customer Division
Chief Customer Officer of the JAL Group
Senior Vice President, Customer Experience Division
June 2024 Director, Executive Vice President,
Head of Customer Division
Chief Customer Officer
Senior Vice President, Customer Experience Division (to present)

Reason for Appointment
After joining Japan Airlines, Mr. Aoki successively engaged in the information system department and the corporate planning department. He has steadily realized achievements, including the revamping of the Group's core system, demonstrating his outstanding leadership and planning ability. From 2019, as representative director and president of JAPAN TRANSOCEAN AIR CO., LTD., he contributed to its safety operations and customer satisfaction improvement. He was appointed to senior vice president, General Affairs Division in 2022 and greatly contributed to strengthening corporate governance and implementing ESG strategies. Since 2024, as Executive Vice President, he has been in charge of the Customer Division, helping to increase the value provided to customers and increase revenues.

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* Number of stocks based on the shareholder list as of March 31, 2025.

Outside directors shall be selected from an appropriate number of three or more independent candidates and shall constitute at least one-third of the Board of Directors.

In accordance with the “Criteria for Independence” of

outside directors established by the Group, outside directors who cannot ensure substantial independence, or who concurrently serve as directors of more than four other listed companies, among others, shall not be appointed.

In addition, one of the outside directors will be appointed as the leading independent outside director to strengthen cooperation with Audit and Supervisory Board Members and internal departments.

KASHIWAGI Yoriyuki

Director, Senior Managing Executive Officer



Born on September 5, 1962/age 62

Term of Office: 1 year

Number of shares held* (hundred shares): 16

Number of Board of Directors meetings attended: 14/14

April 1986 Joined Japan Airlines
January 2011 Vice President, Planning Department, Managing Division Passenger Sales Division
July 2013 Senior Vice President, Kyushu Region
April 2016 Executive Officer, Deputy Senior Vice President, Managing Division Passenger Sales Division; Senior Vice President, International Passenger Sales Division; Senior Vice President, Web Sales Division; Senior Vice President, Eastern Japan Region
April 2020 Executive Officer, in charge of Executive Secretariat Department, Strategic Corporate Relations Department, and Policy Management Center
April 2021 Managing Executive Officer, in charge of Executive Secretariat Department, Strategic Corporate Relations Department, and Policy Management Center
April 2022 Managing Executive Officer, in charge of Policy Management Center
April 2024 Senior Managing Executive Officer, in charge of Policy Management Center
June 2024 Director, Senior Managing Executive Officer, in charge of Policy Management Center
July 2024 Director, Senior Managing Executive Officer , in charge of Secretariat Department and Policy Planning Department
President of JAL Aviofuture Lab Co., Ltd. (to present)

Reason for Appointment

Since joining Japan Airlines, Mr. Kashiwagi has accumulated a wealth of experience in sales and marketing departments and human resources departments. He has served as executive officer and senior vice president of Sales Divisions from 2016, contributing to maximizing revenue with his outstanding proposal abilities and negotiation skills, as well as meticulous responsiveness. He took charge of Executive Secretariat Department, Strategic Corporate Relations Department and Policy Management Center from 2020, and as Director, Senior Managing Executive Officer from 2024, he has strengthened external relations activities and greatly contributed to improving the Company's presence. For all of these reasons, he is believed to be the right person for the Company to sustainably enhance its corporate value, so the Company hereby proposes that you elect him as Director.

NAKAGAWA Yukio

Director, Managing Executive Officer



Born on April 24, 1967/age 58

Term of Office: 0 years

Number of shares held* (hundred shares): 5

Number of Board of Directors meetings attended: -

April 1990 Joined Japan Airlines
April 2017 General Manager of Engineering Dept. Vice President, Engineering, JAL Engineering Co., Ltd.
April 2019 Executive Officer of the Company
April 2021 Executive Officer, Senior Vice President, Procurement Division
February 2025 Managing Executive Officer, Senior Vice President, Corporate Safety and Security
June 2025 Director, Managing Executive Officer, Senior Vice President, Corporate Safety and Security
Senior Director, Family Assistance and Support (to present)

Reason for Appointment

Since joining the Company, Mr. NAKAGAWA has been involved in engineering departments and maintenance and contributed to upholding and improving the JALGroup's maintenance quality. He has served as Executive Officer and Senior VicePresident, Procurement Division from 2021, creating new value and reducing costs through procurement activities and contributing to the implementation of the Medium-termManagement Plan. He has assumed Senior VP, Corporate Safety and Security as well as Family Assista.

YANAGI Hiroyuki

Independent Outside Director



Born on November 20, 1954/age 70

Term of Office: 4 years

Number of shares held* (hundred shares): 40

Number of Board of Directors meetings attended: 17/17

April 1978 Joined Yamaha Motor Co., Ltd.
March 2007 Executive Officer of Yamaha Motor Co., Ltd.
March 2009 Senior Executive Officer of Yamaha Motor Co., Ltd.
March 2010 President, Chief Executive Officer and Representative Director of Yamaha Motor Co., Ltd.
January 2018 Chairman and Representative Director of Yamaha Motor Co., Ltd.
March 2019 Outside Director of AGC Inc. (to present)
Outside Director of Kirin Holdings Company, Limited (to present)
March 2021 Chairman and Director of Yamaha Motor Co., Ltd.
June 2021 Outside Director of Japan Airlines (to present)
January 2022 Director of Yamaha Motor Co., Ltd.
March 2022 Advisor of Yamaha Motor Co., Ltd.
June 2022 Outside Director of Mitsubishi Electric Corporation (to present)

Reason for Appointment

Mr. Yanagi has deep insight and extensive experience as a member of top management in a company pushing ahead with international expansion. With such insight and experience, he gives advice to the Group's management and appropriately supervises the performance of duties from practical and diversified perspectives.

MITSUYA Yuko

Independent Outside Director



Born on July 29, 1958/age 67

Term of Office: 2 years

Number of shares held* (hundred shares): 14

Number of Board of Directors meetings attended: 17/17

April 1981 Joined Hitachi, Ltd.
July 2010 Representative Director of Cipher Co., Ltd.
March 2014 Outside Audit and Supervisory Board Member of ASICS Corporation
March 2015 Outside Director of Fujita Kanko Inc.
April 2015 Outside Director of Paloma Co., Ltd.
June 2016 President of Japan Basketball Association (to present)
March 2018 Representative Director of SORA Corporation (currently PIT Co. Limited)
June 2018 Outside Director of The Fukui Bank, Ltd.
June 2019 Outside Director (Audit and Supervisory Committee Member) of JXTG Holdings, Inc. (currently ENEOS Holdings, Inc.)
Outside Member of the Board of DENSO CORPORATION (to present)
June 2021 Vice President of Japanese Olympic Committee (to present)
June 2023 Outside Director of Japan Airlines (to present)

Reason for Appointment

Ms. Mitsuya has gained extensive experience and broad insight as a corporate manager, as well as a wealth of experience and practical knowledge in human resource development. With such insight and experience, she gives advice to the Group's management and appropriately supervises the performance of duties from diversified perspectives.

KOMODA Masanobu

Independent Outside Director



Born on June 8, 1954/age 71

Term of Office: 0 years

Number of shares held* (hundred shares): -

Number of Board of Directors meetings attended: -

April 1978 Joined Mitsui Fudosan Co., Ltd.
April 2005 Managing Officer, Mitsui Fudosan Co., Ltd.
April 2008 Executive Managing Officer, Mitsui Fudosan Co., Ltd.
June 2009 Executive Managing Director
Executive Managing Officer, Mitsui Fudosan Co., Ltd.
July 2010 Senior Executive Managing Director, Senior Executive Managing Officer, Mitsui Fudosan Co., Ltd.
June 2011 President and Chief Executive Officer, Mitsui Fudosan Co., Ltd.
April 2023 Chairman of the Board, Mitsui Fudosan Co., Ltd. (to present)
June 2023 Outside Director, Nippon Television Holdings, Inc. (to present)
Outside Director, Nippon Television Network Corporation (to present)
June 2024 Chairman, Japan Travel and Tourism Association (to present)
June 2025 Outside Director of Japan Airlines (to present)

Reason for Appointment

Mr. Komoda has abundant experience as a top executive of a company engaged in diverse businesses centering on urban development and has broad knowledge of the promotion of tourism in Japan, including serving as Chairman of the Tourism Committee of the Japan Business Federation and Chairman of the Japan Travel and Tourism Association. He provides advice to the Group's management and appropriate supervision of the Company's business execution from a practical and multifaceted viewpoint.

* Number of stocks based on the shareholder list as of March 31, 2025.

Audit and Supervisory Board Member System (As of August 1, 2025)

In addition to attending meetings of the Board of Directors and other important meetings, the Audit and Supervisory Board members will audit important matters related to corporate and business operations and the status of business execution by reviewing important kessai documents. Together with Corporate Auditors Office staff, they will conduct annual audits of each business site and subsidiary and report the results to the representative director. In addition, they will strive to exchange information with the Internal Audit Division and the accounting auditor. They will also have regular meetings with our

subsidiaries’s Audit and Supervisory Board members, to enhance and strengthen our audit throughout our Group.

Our company provides necessary information to Audit and Supervisory Board members, also we provide external training opportunities and continuous participation in external organizations for internal Audit and Supervisory Board members. We will appoint persons with extensive knowledge and experience in a variety of fields as Outside Audit and Supervisory Board members. In accordance with our Outside Director’s Independence Standards established by our Group,

we will not appoint persons who are unable to secure substantial independence. Furthermore, a person who concurrently holds more than four public-listed companies other than our Group will not be appointed as an Outside Audit and Supervisory Board member. Outside Audit and Supervisory Board members, together with other auditors will work with the Internal Audit Division and the Accounting Auditor to ensure the soundness of management by conducting audits from a more neutral and objective perspective.

KIKUYAMA Hideki

Full-time Audit and Supervisory Board Member



Born on March 19, 1960/age 65
Term of Office: 2 years/**Number of shares held* (hundred shares):** 22/**Number of Board of Directors meetings attended:** 17/17/**Number of Audit and Supervisory Board Member meetings attended:** 15/15

April 1983 Joined Japan Airlines
September 2005 Vice President, General Affairs Department, the Americas
April 2007 Vice President, Corporate Planning Office
February 2010 Executive Officer
Deputy Senior Vice President, Corporate Planning
February 2012 Managing Executive Officer
Senior Vice President, Managing Division Route Marketing (Domestic Route Marketing)
April 2013 Senior Managing Executive Officer
Senior Vice President, Managing Division Route Marketing
June 2016 Director and Senior Managing Executive Officer
Senior Vice President, Managing Division Route Marketing
April 2019 Director and Senior Managing Executive Officer
Senior Vice President, Finance and Accounting
April 2020 Representative Director, Senior Managing Executive Officer
Senior Vice President, Finance and Accounting
April 2023 Director
June 2023 Full-time Audit and Supervisory Board Member (to present)

Reason for Appointment

After joining Japan Airlines, Mr. Kikuyama successively engaged in IT systems, passenger reservation, personnel and labor affairs, corporate planning, in the Head Office and the Americas Offices, among others, and made achievements, exercising great leadership and strong planning and coordination capabilities. Since 2013, serving as General Manager, Managing Division Route Marketing, he has been considerably contributing to maximizing route profits. Since 2019, furthermore, serving as General Manager of Finance & Accounting, he has worked to provide highly transparent information disclosure understandable to shareholders and investors and exercise proper management decisions and decision-making skills that benefit the interests of shareholders.

TAMURA Ryo

Full-time Audit and Supervisory Board Member



Born on September 21, 1965/age 59
Term of Office: 0 years/**Number of shares held* (hundred shares):** 12/**Number of Board of Directors meetings attended:** —/**Number of Audit and Supervisory Board Member meetings attended:** —

April 1988 Joined Japan Airlines
April 2016 JAL Engineering Co., Ltd.
Executive Officer
April 2019 Executive Officer, Senior Vice President, Procurement Division
April 2021 Executive Officer, Senior Vice President, Engineering and Maintenance Division
Representative Director and President of JAL Engineering Co.
April 2023 Senior Vice President, Engineering and Maintenance Division
Representative Director and President of JAL Engineering Co.
June 2024 Director, Managing Executive Officer
Senior Vice President, Engineering and Maintenance Division
Representative Director and President of JAL Engineering Co.
April 2025 Director
June 2025 Full-Time Audit and Supervisory Board Member of the Company (to present)

Reason for Appointment

Since joining Japan Airlines, he has been involved in the engineering, maintenance, and procurement divisions and has contributed to the improvement of our maintenance quality throughout the JAL Group. He has been appointed as the Executive Officer of Engineering and Maintenance Division also as the President of JAL Engineering Co. since April 2021, and as a member of the Board of Directors of JAL since June 2024, he has been providing accurate comments from the viewpoint of flight safety at the Board of Directors meetings. He has extensive business experience in the fields of engineering and quality, as well as a wide range of insight in procurement and other areas.

KUBO Shinsuke

Outside Audit and Supervisory Board Member/
Independent Director



Born on March 4, 1956/age 69
Term of Office: 7 years/**Number of shares held* (hundred shares):** 90/**Number of Board of Directors meetings attended:** 17/17/**Number of Audit and Supervisory Board Member meetings attended:** 15/15

April 1979 Joined Sanwa & Co. Tokyo Marunouchi Office (current Deloitte Touche Tohmatsu LLC)
June 1998 Representative Partner of Tohmatsu & Co.
June 2000 Representative Director, President of Tohmatsu Venture Support Co., Ltd.
January 2003 Director of Tohmatsu Turnaround Support Co., Ltd. (current Deloitte Tohmatsu FAS)
March 2010 Member of Compliance Investigations Committee of Japan Airlines Co., Ltd. as a reorganization company
October 2017 Managing Partner of Shinsuke Kubo CPA Office (to present)
January 2018 Representative Director of Japan Enterprise Sustainable Transformation Advisory Co., Ltd.
May 2018 Managing Partner of Kyoei Accounting Office (to present)
June 2018 Outside Audit and Supervisory Board Member (to present)
June 2020 Outside Audit and Supervisory Board Member of KAWASAKI KISEN KAISHA, Ltd.
March 2025 Outside Audit and Supervisory Board Member of KAWASAKI KISEN KAISHA, Ltd. (member of audit committee, to present)

Reason for Appointment

Since joining Sanwa & Co. Tokyo Marunouchi Office (currently Deloitte Touche Tohmatsu LLC), Mr. Kubo has gained a wealth of experience and accomplishments and deep insight into accounting through practical experience in corporate audits, share listings, corporate revitalization, M&A and other cases. The Group has high expectations he will play his role in the internal audit function appropriately as an Outside Audit & Supervisory Board Member, who meets the Group’s Independence Standards for External Officers.

OKADA Joji

Outside Audit and Supervisory Board Member/
Independent Director



Born on October 10, 1951/age 73
Term of Office: 5 years/**Number of shares held* (hundred shares):** 66/**Number of Board of Directors meetings attended:** 17/17/**Number of Audit and Supervisory Board Member meetings attended:** 15/15

April 1974 Joined Mitsui & Co., Ltd.
February 2006 General Manager, Financial Planning Division of Mitsui & Co., Ltd.
April 2008 Managing Officer, General Manager, Accounting Division of Mitsui & Co., Ltd.
June 2011 Representative Director, Executive Managing Officer, CFO of Mitsui & Co., Ltd.
February 2013 Member, Business Accounting Council of Financial Services Agency
July 2013 Trustee of IFRS Foundation
April 2014 Representative Director, Executive Vice President, CFO of Mitsui & Co., Ltd.
June 2015 Full-time Audit & Supervisory Board Member of Mitsui & Co., Ltd.
November 2017 Chairperson of the Japan Audit & Supervisory Board Members Association
October 2019 Member of the Management Council, Grant Thornton Taiyo LLC (to present)
June 2020 Outside Audit and Supervisory Board Member of the Company (to present)
October 2020 Governor (Outside) of Japan Exchange Regulation (to present)
June 2023 Chairperson of ACFE JAPAN (to present)
Outside Director of NEC Corporation (to present)
June 2024 Director, Accounting Education and Training Institute of Japan (to present)

Reason for Appointment

Mr. Okada possesses rich experience and track records along with expertise as a manager in the administration and the finance & accounting department of a general trading company. In addition, through his professional experience as a Full-time Audit & Supervisory Board Member of a general trading company and Chairperson of the Japan Audit & Supervisory Board Members Association, he has significant insight into all aspects of audit work including governance and risk management.

MATSUMURA Mariko

Outside Audit and Supervisory Board Member/
Independent Director



Born on September 24, 1959/age 65
Term of Office: 1 year/**Number of shares held* (hundred shares):** —/**Number of Board of Directors meetings attended:** 14/14/**Number of Audit and Supervisory Board Member meetings attended:** 11/11

April 1988 Registered as Attorney at law (Dai-ichi Tokyo Bar Association)
Joined Braun Moriya Hoashi & Kubota
February 1994 Joined Ryudo Sogo Law Office
January 2006 Partner and Attorney at Law of SHINWA LAW (to present)
February 2017 Outside Corporate Auditor of Fund Creation Group
June 2018 Independent Outside Member of the Board of Meiji Holdings Co., Ltd. (to present)
April 2022 President of Dai-ichi Tokyo Bar Association
Vice-President of Japan Federation of Bar Associations
June 2023 Outside Audit & Supervisory Board Member of Komatsu Ltd. (to present)
Outside Member of the Board of SODA NIKKA CO., LTD. (to present)
June 2024 Outside Audit and Supervisory Board Member (to present)

Reason for Appointment

Since registering as Attorney at law in April 1988, Ms. Matsumura has served as President of Dai-ichi Tokyo Bar Association and other positions, gaining a wealth of experience and insight in legal and compliance fields.

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* Number of stocks based on the shareholder list as of March 31, 2025.

Committee Appointments of Directors and Audit and Supervisory Board Members and Skill Matrix

Position at the Company	Name	Appointment of Committee Members					Skill Matrix								
		Corporate Governance Committee	Nominating Committee	Compensation Committee	Personnel Committee	Officers Disciplinary Committee	Management Experience	Finance & Accounting	Legal/Risk Management	Personnel Affairs/Talent Development	Safety Management	Global Experience	CX/Marketing	DX/IT/Technologies	GX/Environment
Chairman of the Board	AKASAKA Yuji	●					●				●			●	●
Representative Director, President Executive Officer	TOTTORI Mitsuko		●	●	Chairperson	●				●	●		●		
Representative Director, Executive Vice President	SAITO Yuji		●	●	●	●		●					●	●	●
Director Executive Vice President	AOKI Noriyuki						●		●			●	●	●	●
Director Senior Managing Executive Officer	KASHIWAGI Yoriyuki									●		●	●		
Director, Managing Executive Officer	NAKAGAWA Yukio								●		●	●		●	●
Independent Outside Director (Lead Independent Outside Director)	YANAGI Hiroyuki	Chairperson	Chairperson	●	●	Chairperson	●					●	●	●	●
Independent Outside Director	MITSUYA Yuko	●	●	●	●	●	●			●			●		
Independent Outside Director	KOMODA Masanobu	●	●	Chairperson	●	●	●	●	●	●		●			●
Full-time Audit and Supervisory Board Member	KIKUYAMA Hideki							●	●	●		●		●	
Full-time Audit and Supervisory Board Member	TAMURA Ryo						●				●	●		●	
Outside Audit and Supervisory Board Member/ Independent Director	KUBO Shinsuke							●	●			●			
Outside Audit and Supervisory Board Member/ Independent Director	OKADA Joji	Observer						●	●			●			
Outside Audit and Supervisory Board Member/ Independent Director	MATSUMURA Mariko								●	●					

	Reasons for selection of each skill	Requirements for each skill
Management Experience	Items required from the perspective of conducting management to achieve sustainable growth and medium- to long-term corporate value enhancement.	Experience as a representative director of a group company, or experience in a position in another company.
Finance & Accounting	Items required from the perspective that knowledge of finance and understanding of related laws and regulations are necessary to improve corporate value.	Experience as an officer or department head in charge of an accounting or finance department, or experience as a person in charge of the practical operation of such a department, as well as equivalent knowledge and experience.
Legal/Risk Management	Items required from the perspective of familiarity with legal systems and various regulations, establishment of appropriate governance systems, and risk management.	Experience as a director or department head in charge of legal affairs and compliance, or experience as a person in charge of legal affairs and compliance, as well as equivalent knowledge and experience.
Personnel Affairs/Talent Development	Items required from the viewpoint of conducting human resources management to develop human resources who will be responsible for flight safety and business restructuring.	Experience as an appointment of new executives, department heads, and the like or as a person in charge of human resources in a human resources division or production divisions, or experience as a person in charge of practical operations, or knowledge and experience equivalent thereto.
Safety Management	Items required in terms of knowledge and experience related to safety, which is the basic premise of value creation for flight safety, and the implementation of safety promotion.	Experience as a director, department head, among others in charge of a frontline or safety management department or as an administrator, as well as equivalent knowledge and experience.
Global Experience	Items required from the perspective of strategic planning, decision-making, and management in business execution from a global perspective.	Experience as a director, department head, among others in charge of overseas divisions or overseas business units, or experience as a person in charge of practical operations, as well as knowledge and experience equivalent thereto.
CX/Marketing	Items required from the perspective of marketing and product development to create new values and meet diversifying customer needs.	Experience as a director or department head in charge of a sales or marketing related department, or experience as a person in charge of the business, as well as equivalent knowledge and experience.
DX/IT/Technologies	Items required from the perspective of promoting innovation and new business using the latest technology and digital techniques.	Experience as a director, department head, among others in charge of a department related to technology, such as digital, IT, line maintenance, and the like, or experience as a person in charge of practical operations, as well as equivalent knowledge and experience.
GX/Environment	Knowledge of strategies toward carbon neutrality, among others, and items required from the perspective of promoting solutions to such issues.	Experience as a director or department head of a department related to GX and the environment, or experience as a person in charge of practical operations, as well as equivalent knowledge and experience.

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Effectiveness Evaluation
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Audit and Supervisory Board Member System
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Risk Management

Risk Management Structure

The Group Risk Management Council, chaired by the president, has been established for the purpose of comprehensively overseeing JAL Group risks and stabilizing management. The Council deliberates on basic risk management policies, countermeasures for priority risks identified through risk surveys and assessments, and business continuity management. The responses to priority risks determined by the Council are reported to the Board of Directors, and further measures are discussed when necessary, thereby establishing a multilayered risk governance system.

In addition, separate risks related to information security and personal information protection and financial risk committees have been established under the Council to deal with information security risks and financial risks in greater detail and with greater frequency.

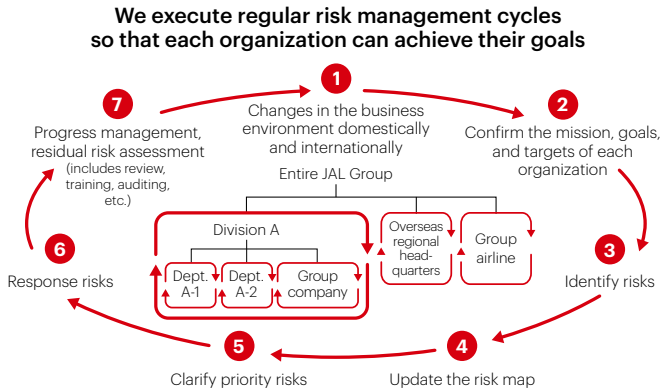
Risks related to flight safety are discussed at the Group Safety Enhancement Council, and risks related to sustainability in general (environment, human rights, and the like) are discussed at the Sustainability Promotion Council, where risk management policies and necessary countermeasures are discussed and reported to the Board of Directors.

In addition, in order to clarify where the responsibility for risk and each function lies, and to exercise mutual checks and balances, the Group companies and business units that are directly responsible for managing risk are positioned as the first line, the head office management division that provides support and guidance to business units is positioned as the second line, and the audit division that evaluates the operations of the first and second lines, assures their appropriateness, and provides necessary advice is positioned as the third line. Under the above organizational structure, the Risk Management Department, under the supervision and leadership of the Group Risk Management Council and the Board of Directors, is responsible for overall risk management and provides control risk assessment and risk consulting for high priority risks in the first and second lines.

Related Information ● Risk Management System
<https://www.jal.com/en/sustainability/governance/riskmanagement/#risk>

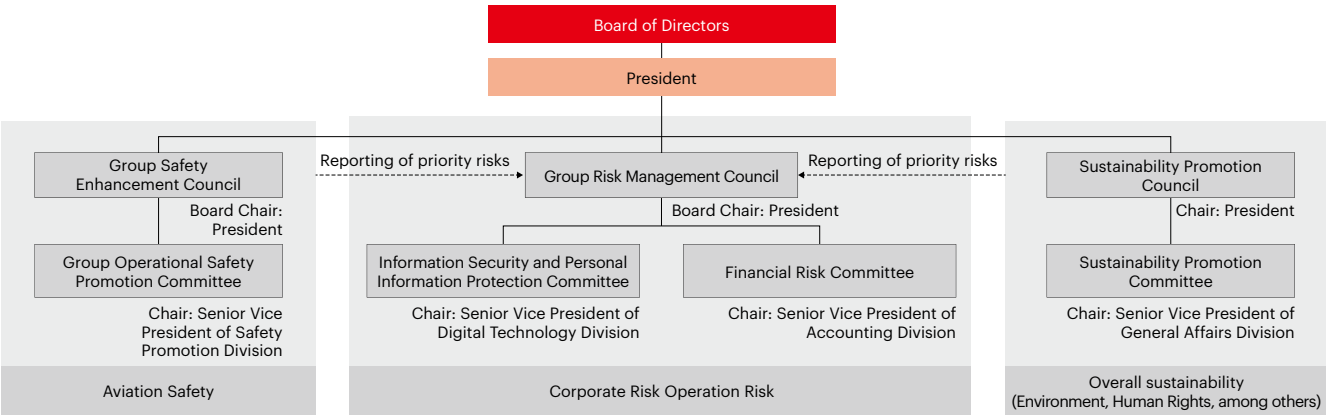
Risk Management Efforts

The JAL Group defines risk as “any event or action that threatens the achievement of the mission, objectives, or goals of an individual or organization,” thereby obligating all organization managers to control risk as risk administrators. Regarding preventive risk management, the risk administrator conducts a risk assessment twice a year, identifies priority risks, and implements risk responses. Priority risks are reassessed by a specialized organization responsible for risk, and their risk responses are reinforced through workshop-style control self-assessments, and risk consulting is provided as needed.



Strengthening BCM

To fulfill our mission as a public transport company that plays a role in the social infrastructure, we promote Business Continuity Management (BCM) and have established a system that enables us to properly carry out our operations in the event of an emergency. In order to protect the safety of our customers, employees, families, and related parties, as well as to continue the JAL Group’s important air transport services, including reservations and information services, and payment and settlement operations, we have established individual Business Continuity Plans (BCP) that stipulates basic items such as the necessary policies and systems, in response to unknown viral infections, large-scale IT failures, and earthquakes directly under the Tokyo metropolitan area. To keep improving the efficacy and validity of BCP, the BCP is constantly upgraded while consulting outside experts and frequently conducting training sessions. The JAL Group’s business continuity capabilities have been highly evaluated by various evaluation organizations.



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Risk Management System

When the JAL Group detects or confirms the occurrence or threat of aviation safety, aviation security, natural disaster, pandemic, or other risks related to air transportation business operations, the administrator quickly determines the level of crisis management (Level I - III) according to the situation and has a system in place to respond immediately. In recent years, in response to various risks, including safety and aviation security risks in specific regions and air routes following the Russian invasion of Ukraine, we have established respective Command Offices to collect and analyze information and respond to such risks. We also conduct regular exercises and educational training to raise the crisis management awareness of each and every one of our employees.

Level I	Risk Manager Response
	• The risk manager (the head of the department responsible for the risk that has occurred) will convene those they deem necessary to respond to the risk. • The risk manager will report to the person responsible for making the level determination whether to change the level from Level II to Level III.
Level II	Special Subcommittee
	• Management Department shall serve as the secretariat, composed of Vice Presidents of major organizations, and shall be responsible for crisis response. The Vice President of the Risk Management Department shall report to the person responsible for making level determination whether change the level from Level III to Level I.
Level III	Command Office
	• A Headquarters Command Office headed by the President (or Executive Vice President) will be set up promptly shifting the normal system to a crisis system.

Information Security Measures

Basic Policy

The JAL Group has established the JAL Group Fundamental Safety Policy on Information Security in light of the importance of information security and Personal Information Protection Regulations in the advanced information and

telecommunications society. The JAL Group discloses on its website its compliance with laws and regulations and internal rules, establishment of management systems, implementation of safety measures, implementation of education and awareness-raising activities, cooperation with contractors, measures to be taken in the event of accidents, and a clearly defined consultation window. By putting the basic policy into practice, we strive to properly manage and protect important information such as our customers' personal information.

For details of the JAL Group Basic Policy on Information Security, please visit our website.

Related Information ● Basic Policy on Information Security
<https://www.jal.com/en/sustainability/governance/riskmanagement/information-security/>

Governance

Information Security and Personal Information Protection Committee has been established to promote management related to personal information and information security in order to prepare for increasingly sophisticated and complex cyber-attacks from external sources and to reduce business risks such as information leaks. In addition, under the supervision of the senior vice president, Digital Technology Division, who is the Chief Information Security Officer (CISO), the JAL Group is a member of Traffic ISAC*1 and AVIATION ISAC*2, a member of ISO 27001, the global standard for information security, and a member of the JAL Group-wide ISO 27001 certification system. We are striving to further improve our information security management system by acquiring ISO 27001 certification for the divisions responsible for the JAL Group's overall system infrastructure and for the divisions responsible for frontline systems.

*1 An organization that promote activities that contribute to improving the collective defense capabilities of transport operators.
*2 Global information sharing organization consisting of airlines, aircraft manufacturers, to name a few.

Priority Policies

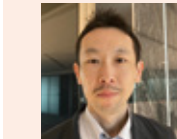
As a critical infrastructure operator responsible for public transportation, we have implemented measures against cyber incidents such as information leaks and unauthorized access in

accordance with the guidelines set forth by the Ministry of Land, Infrastructure, Transport and Tourism. In particular, in December 2024, a system failure caused by a concentration of accesses affected our operations, causing inconvenience and concern to our customers, and we are working to strengthen our countermeasures. In addition, to prevent cyber incidents before they occur and to respond quickly when they do occur, we are conducting regular e-Learning security training for all employees, establishing a Computer Security Incident Response Team (CSIRT), and conducting various types of training. In addition, as a measure to strengthen security during telework, we have established a system that fully encrypts and constantly monitors the communications of computers even when outside the company. In cooperation with external parties, a specialized organization monitors threats 24 hours a day, 365 days a year, and conducts periodic audits.

Comment

Be Prepared for Cyber Attacks

In recent years, attacks targeting the JAL Group and other public infrastructure disruptions have been on the rise. Our systems, which are open to the internet, are also constantly exposed to attackers. To ensure that our customers can always use our company website with peace of mind, we are constantly striving to collect information on trends in the world so that we can be fully prepared for cyber attacks. Following the System failure due to concentration of access at the end of last year, I am working with my team members to make the JAL Group's systems more robust. Although there are many systems and a wide range of knowledge is required, it is a challenging environment where I can gain new knowledge every day and improve myself.



TAKAHASHI Tomoyuki
System Management Dept.
Security Planning Group

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The JAL Group Code of Conduct is the JAL Group's commitment to society as it conducts its business and the guiding principle that all employees must follow in order to create sustainable value through their daily work.

Along with putting the JAL Philosophy into practice, we will fulfill our commitment to society, including solving SDGs and other social issues, by ensuring that everyone thinks and acts in accordance with the Code of Conduct.



JAL Group Code of Conduct Commitment to Society

1. Safety
2. Pursuit of customer satisfaction
3. Trust from stakeholders
 - (a) Disclosure and dialogue
 - (b) Prohibit insider trading
4. Respect for each individual and job satisfaction (Human Rights and Labor)
 - (a) Respect for human rights and diversity
 - (b) Motivating work environment
5. Mission and responsibility as a member of society
 - (a) Contribution to regional revitalization through business
 - (b) Responsibility as a company that plays a role in society's infrastructure
 - (c) Responsibility as a corporate citizen
6. Passing on a greener environment to future generations (Environment)
 - (a) Environmental preservation initiatives
 - (b) Disclosure of environmental information and dialogue
7. Fair Business Conduct
 - (a) Ensure compliance
 - (b) Prevent corrupt practices
 - (c) Fair business relationships with suppliers
 - (d) Free and fair competition
 - (e) Management of personal information and intellectual property
 - (f) Intercept antisocial forces

For the full text of the JAL Group Code of Conduct, please visit our website.
<https://www.jal.com/en/philosophy-vision/codeofconduct/>

Disclosure and Dialogue

Basic Concept

- In order to continue to be a trusted member of society, the JAL Group strives to engage in better dialogue with a wide range of stakeholders and to enhance and improve the quality of disclosure, which is a prerequisite for such dialogue.
- We will engage in disclosure through careful provision of information and constructive dialogue with shareholders, investors, and other stakeholders.
- As one measure to achieve this, we publish a variety of information on our website, including the JAL REPORT, an integrated report on financial and ESG issues, the JAL Group Safety Report, which summarizes our brace position on safety, as well as our Corporate Policy, Corporate Profile, safety and quality information, sustainability information, and investor relations information. We also disclose information on management plans and financial results in a timely, fair, and appropriate manner. We then engage in dialogue with a wide range of stakeholders to promote their understanding and enhance our corporate value.

Careful Disclosure

The JAL Group discloses information in an appropriate manner in accordance with the Disclosure Policy to ensure that stakeholders have an accurate and in-depth understanding of our company's situation and business environment, and in compliance with the Companies Act, Financial Instruments and Exchange Act, other laws and regulations, and the Tokyo Stock Exchange's rules on the timely disclosure of corporate information. We disclose information appropriately in accordance with the Companies Act, the Financial Instruments and Exchange Act, and other laws and regulations, as well as the Tokyo Stock Exchange's rules on timely disclosure of corporate information. In addition, in order to secure the "trust of stakeholders," we disclose information that is useful to society in an accurate and fair manner in accordance with the JAL Group Code of Conduct.

Please refer to "Corporate Governance: Dialogue with Institutional Investors" on page 38 for details of our dialogue

with institutional investors and various events.

We will continue to strive to build better relationships with our stakeholders by proactively disclosing information and strengthening communication through dialogue events, IR materials, and other means, and by conducting high-quality IR activities.

Promoting Fair Business Conduct

Basic Concept

- The JAL Group will conduct its business activities in a fair manner in order to continue to be a trusted member of society.
- Toward fair business conduct, we are committed to thorough compliance, prevention of corrupt practices, free and fair competition, management of personal information and intellectual property, and blocking antisocial forces.
- To this end, we will raise awareness of compliance and behavior based on the Code of Conduct through education and other means for each and every employee. In addition, we will establish a consultation service to detect any irregularities at an early stage.
- In particular, we are working to strengthen our anti-bribery and anti-money laundering measures by complying with the laws and regulations applicable in each country and region where we do business globally, as well as with international treaties.

Governance

Compliance initiatives, including the promotion of fair business practices, are reported to the Group Risk Management Council, which reports directly to the president, and the status of these initiatives is supervised. In addition, the JAL Group Compliance Network has been established, consisting of executives from JAL Group companies, to ensure thorough compliance across the Group.

Enhancement of Employee Training

For each of our employees to understand and practice the Code of Conduct, the JAL Group holds an annual compliance workshop for all employees in May. Furthermore, every October is the compliance month where all employees are trained in the Code of

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Conduct. The training in FY2024 focused not only on the importance of the Code of Conduct, but also on “decision-making and actions that capture the essence of the Code of Conduct,” leading to the steady implementation of the Code of Conduct. After the training, we obtain questionnaires from the trainees to improve the curriculum every year. In addition, we are continuing to provide education for each level of employees, including executives, as well as education tailored to the issues at each workplace, with the aim of further raising awareness and ensuring that each employee acts in accordance with the Code of Conduct in order to remain a company trusted by society.

Internal Reporting System

A whistle-blowing and consultation service, permitted to be used anonymously by any employee of the JAL Group, has been established both internally and externally (available 24 hours a day, 365 days a year, in Japanese and English languages, and anonymity permitted). In addition, each JAL Group company has its own consultation counter to ensure early detection and correction of misconduct and other irregularities. The number of whistle-blowing cases in FY2024 was 349 cases (236 cases in the previous year). In addition, to make the contact point more accessible to employees, we are continuously improving the whistleblower system through internal education and other measures.

FY2024 Number of Code of Conduct Violations

In FY2024, the number of violations of the Code of Conduct (number of disciplinary actions) in the Group is shown below. When violations are discovered, we not only investigate and take appropriate disciplinary actions, but also make efforts to prevent recurrence of similar cases by regularly sharing cases, providing internal education, and establishing a system to prevent violations. The number of cases of harassment was 1.07 (+1 case) compared to the previous year. Since there is a lack of knowledge about harassment, such as unconscious bias (unconscious prejudice and assumption), we will continue to conduct training mainly through case studies to raise awareness.

Item	Number of events
Bribery or corruption	0
Discrimination	0
Harassment	14
Customer privacy	0
Conflict of interest	0
Money laundering or insider trading	0

Promoting Responsible Procurement

Basic Concept

- The JAL Group will conduct procurement in a fair and public manner in order to build the trust of stakeholders and corporate citizenship activities toward the realization of a sustainable society in the course of air transport services and various other business activities.
- We will promote responsible procurement not only from the perspectives of quality, price, and delivery time, but also with the aim of coexistence and co-prosperity with our business partners, and with an environmentally friendly approach to sustainability, including global environmental conservation, respect for human rights, and appropriate labor practices.

Governance

The Board of Directors exercises strong oversight of responsible procurement activities by obtaining approval from the Board of Directors each fiscal year, and the Sustainability Promotion Committee, which reports directly to the President, monitors the status of initiatives. In addition, the Sustainability Promotion Committee under the Board of Directors meets monthly to confirm and discuss the progress of Group-wide initiatives among relevant officers.

ESG Initiatives

The JAL Group’s business is supported by the supply chains of a wide variety of suppliers. We operate a supply chain ESG program to promote responsible procurement activities that take sustainability into consideration throughout the supply chain and to identify and address significant risks and impacts from an ESG perspective. The program checks for compliance with the JAL Group Supplier

Code of Conduct and implements purchasing activities accordingly. We present the JAL Group Supplier Code of Conduct to all suppliers and request their understanding and compliance. For significant suppliers, we select 60 primary suppliers that are significant to us based on their ESG (environment, human rights, labor, anti-corruption, and the like) risks in the supply chain and their degree of dependence on the JAL Group. We will continue to implement a series of initiatives such as desk surveys, on-site inspections, and improvement activities using Sedex* and our own self-assessment questionnaires. In addition, we have selected suppliers who handle fuel-efficient aircraft procurement and SAF, which are indispensable in the execution of our ESG strategy, as significant primary suppliers, and we communicate with them on a daily basis to ensure reliable procurement. At the same time, we continuously educate our internal procurement staff on ESG perspectives by informing them of new laws, guidelines, and improvements made during on-site inspections, in order to strengthen our responsible procurement activities. In the course of these activities, The JAL Group is enhancing our assessment efforts. During the on-site verification, our procurement staff visits suppliers who need further verification as a result of the self-assessment questionnaire and conducts frontline inspections, document verifications, and worker interviews. Specific examples of improvements include the posting of multilingual posters and the implementation of human rights education for all employees. In addition, as an initiative for 23 secondary suppliers, we have asked primary suppliers, who understand the importance of social trends and initiatives related to sustainability, to complete a self-assessment questionnaire and provide feedback based on the results of their responses.

* Sedix is an NPO that was founded in the United Kingdom in 2004. They provide platforms that are helpful in managing and sharing supply chain data to conduct ethical and responsible business customs.

Consultation Service for Business Partners

From FY2023, we continue to support cases on our JAL Supplier Hotline. Based on the opinions from outside experts, we periodically visit our suppliers and read the Code of Conduct with the manager class. We will continue to monitor our suppliers by making periodic visits.

Food Initiatives

Food-related greenhouse gases account for 21 to 37 percent of total emissions, and one third of food is wasted throughout the supply chain. Food can present many potential problems including the effects of fishing and farming on biodiversity, workers' rights, and imbalanced nutrition. While our customers enjoy delicious, sustainable meals that are both eco-friendly and labor-friendly, our efforts persist as excess food is repurposed into resources instead of being discarded.

Implementing a Food Loss and Waste Reduction Program that Includes the Supply Chain



Pursuit of Sustainability

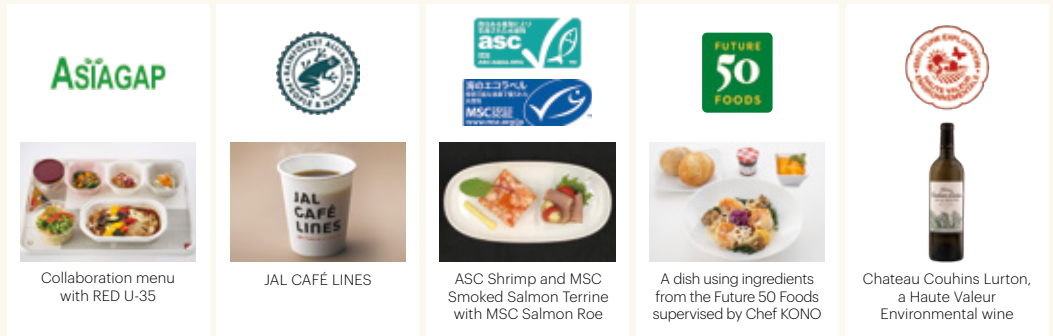
Utilization of Third-party Certification Systems

- In February 2020, we were the first airline to obtain MSC/ASC CoC (distribution) certification.
- Our inflight meals and lounge menus are made from Future 50 Foods, which are nutritious and have a low environmental impact.
- We serve wines made from grapes grown on farms that minimize their impact on soil, water, and biodiversity.

For more information on other initiatives using certified ingredients, please see below.

Click here for an explanation of individual certifications
<https://www.jal.com/en/sustainability/governance/csr-procurement/certified-products/>

Click here for nutritional initiatives
<https://www.jal.com/en/sustainability/human/wellness/nutrition/>



Pursuit of Food Safety

JAL's hygiene auditors, who are knowledgeable about FSSC 22000, the international standard for food safety, conduct annual and regular hygiene audits of our lounges and companies that prepare inflight meals in accordance with the Group's food safety policy. (See below for our hygiene policy)

<https://www.jal.com/en/safety/food-safety/>

Note: Image is for reference only.



Voice

Inflight Meals Made with Certified Ingredients

Our assortment of dishes inspired by seasonal flavors actively incorporate MSC and ASC certified ingredients that meet global standards for sustainability and are considerate of marine resources, the environment, and labor. The menu card includes a certification mark and information about the certified ingredients so that customers, at a glance, can easily identify which ingredients are certified. In addition to this selection of ingredients, we will continue to provide safe, delicious, and sustainable meals through traceability management and annual audits by a third-party auditing organization.



YAMAGUCHI Tomoko
Catering Operation Group
Catering Administration Office
Product and Services Department
Customer Experience Division

Basic Concept

All officers and employees of the JAL Group shall fulfill their responsibility to respect the human rights of all people.

Based on the JAL Group Human Rights Policy, we will prohibit discrimination based on gender, age, nationality, race, ethnicity, religion, social status, disability, sexual orientation or gender identity. In our business activities, we shall endeavor to prevent customers from suffering physical or mental distress when providing products and services, to prevent human trafficking in air transport services, and to prevent human rights violations in our supply chain.

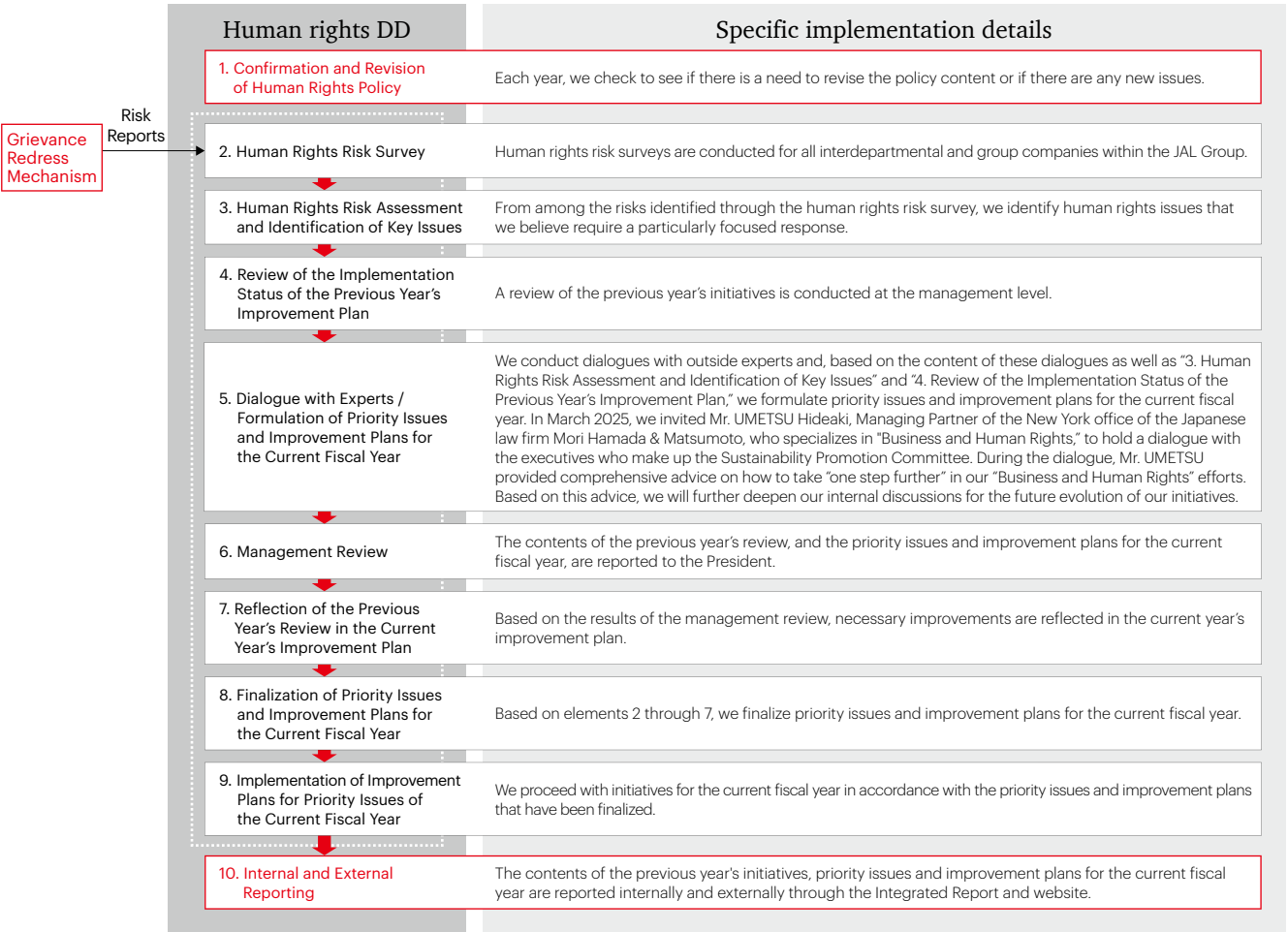
To this end, we have incorporated human rights due diligence and grievance mechanisms into our business processes. Each fiscal year, we conduct a group-wide human rights risk survey. After assessing risks and identifying issues related to human rights and engaging in dialogue with outside experts, we identify issues of particular importance each fiscal year and promote initiatives to eliminate negative impacts on human rights. We will then disclose the status, including the results of our efforts, to society and continue to make improvements. In addition, we will promote understanding of gender equality and LGBTQ+ issues among the JAL Group employees and provide training on the prevention of human trafficking, as well as supply chain initiatives (see p. 115 Promoting Responsible Procurement Activities).

JAL Group Initiatives for Respecting Human Rights

The JAL Group aims to realize a society in which the human rights of all people are respected through our business activities and in which people can play an active role with peace of mind. Therefore, in accordance with the JAL Group Human Rights Policy, we will work to prevent and mitigate negative human rights impacts on all stakeholders, including customers, business partners, local residents, and JAL Group employees.

In FY2024, we set and worked on 11 priority issues from the

● Flow for Respect for Human Rights Initiatives (Each fiscal year, the Group will follow this flow to promote respect for human rights.)



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three perspectives of suppliers, customers, and employees. Based on a review of these initiatives, the identification of issues through human rights risk surveys, and dialogues with experts, we will continue to promote initiatives in line with the priority issues in FY2025, and deepen discussions to essentially evolve our initiatives, such as how to set issues to resolve and improve human rights issues. Our basic approach to each stakeholder is as follows.

Suppliers

Together with our suppliers, we will strive to build a sustainable supply chain, including respect for human rights and appropriate labor practices, and will conduct risk assessment and monitoring to confirm the soundness of our supply chain. We will also strive to respect human rights through dialogue with suppliers and procure human rights-conscious commercial materials for service supplies and meals served inflight and lounge areas.

Customers

We will focus on three key issues: Improving accessibility to create a society where everyone can enjoy a richer life through travel; preventing complicity in human trafficking through the misuse of air transportation by traffickers; and preventing unintentional human rights violations through outward communications.

Employees

We will promote respect for diversity by supporting the active role of women's participation in the workplace and employees with disabilities, in addition to improving the working environment by preventing harassment, controlling long working hours, and preventing the leakage of personal information. In addition, with regard to non-Japanese employees, who are expected to increase in number in the future, we will promote initiatives to prevent any cases of human rights violations. In addition, in FY2024, the JAL Group Basic Policy on Customer Harassment was

disseminated to clarify the policy, definitions, and applicable items related to customer harassment. We are committed to providing the best possible service and safe and secure air travel to all our customers by improving the work environment through education, training, and appropriate support for our employees.



Dialogue with outside experts

● Priority Issues and Initiatives

Stakeholders	Issues	Initiatives		Related Indicators
Suppliers	Ensure respect for human rights in the supply chain	We endeavor to build a sustainable supply chain initiated with the respect for human rights, compliance with laws and ordinances, global environmental conservation and proper labor management. In FY2024, we conducted self-assessment questionnaires for 60 significant Tier-1 suppliers that we assessed as potentially posing a high human rights risk, and conducted on-site audits as necessary to confirm the soundness of the supply chain. We also confirm the soundness of Tier-2 suppliers and beyond through significant Tier-1 suppliers.		• Implementation rate of self-assessment questionnaires for significant Tier-1 suppliers: 100 percent (60 companies) • Implementation rate of human rights audits for significant Tier-1 suppliers subject to audit: 100 percent (23 companies)
	Procurement of commodities that take human rights into consideration	For service supplies and meals provided to customers inflight and in lounges, we have adopted certified products that have considered the human rights of workers involved in forestry, agriculture, and fishery as well as those of indigenous peoples, and we have striven to ensure that we have not contributed to human rights violations such as poor working conditions, child labor, or infringement on indigenous land rights. In FY2024, we replaced 96.5% of our paper products with certified products and prepared 26 inflight meals with certified vegetables and marine products. In FY2025, we will continue our efforts to achieve 100 percent use of certified paper products.		• Percentage of inflight items that use internationally certified paper that is respectful of forest resources: 96.5 percent
	Respect for human rights related to nature, including biodiversity	Our initiatives are based on the understanding that protecting the nature of the land leads to respecting the human rights of its residents, including their right to reside in their community. In FY2024, we conducted interviews with local staff involved in our business in the Amami Islands, which is one of our target areas for biodiversity conservation, to confirm the status of our efforts. We confirmed that they are working on biodiversity conservation and respect for human rights while reflecting the voices of the local communities in their initiatives. In addition, we incorporated this issue into our training program on respect for human rights to promote employee understanding.		• Conduct internal awareness-raising activities and confirm status of initiatives regarding respect for human rights related to nature, including biodiversity: continue to implement.

Stakeholders	Issues	Initiatives	Related Indicators
Customers	Improving accessibility	Based on the “JAL Group Service Policy on Accessibility,” we are working to create enjoyment and enrichment through travel by providing all customers with stress-free experiences and a variety of travel options. In FY2024, our initiatives progressed under four pillars, which are employee education, environmental maintenance, dissemination of information and accessible tourism, with a particular focus on the development of aviation infrastructure, including the introduction of speech-to-text devices and the renewal of upper body support belts.	Percentage of passengers with mobility barriers: 0.82 percent
	Prevention of human trafficking	We consider unintentional complicity in human trafficking by air transportation to be a particularly major human rights concern. In FY2024, we conducted education related to respect for human rights, including content related to the prevention of human trafficking, for all employees. In addition, as part of our efforts with external stakeholders, we held a public-private partnership forum on the prevention of human trafficking by air, jointly with other companies, to strengthen cooperation and disseminate information among stakeholders.	Percentage of employees receiving education related to respect for human rights: 75.5 percent
	Prevention of human rights violations by external transmissions	A checking system is being maintained to confirm that human rights are not being infringed unintentionally with external media such as promotions and advertisements. In FY2024, the managing department has been appropriately operating a check system as well as included the relevant content in training programs related to respect for human rights in order to raise employee awareness.	Percentage of employees receiving education related to respect for human rights: 75.5 percent
Employees	Prevention of harassment	We have established “Regulations on Prevention of Harassment in the Workplace,” which clearly prohibits harassment based on a detailed definition of harassment, and clearly states that any violation will be subject to disciplinary action. In addition to the Harassment Consultation Desk, we are striving to maintain a healthy work environment free from harassment by establishing a Consultation Desk for general compliance issues and a Hot Line for JAL Cabin Attendants. In FY2024, we conducted education for all employees and formulated a new “JAL Group Basic Policy on Customer Harassment” and communicated it to the public.	Number of Code of Conduct violations (harassment): 14 cases
	Prevention of long working hours	Long working hours are being prevented with a system that supports a flexible workstyle and an environment to encourage employees to take paid leave. In FY2024, we continued to follow up with departments that have issues with working hour management and worked to raise awareness through employee education.	Total actual working hours: 1,875 hours/person Percentage of employees working long hours: 3.33 percent Percentage of usage of annual paid leave: 80.0 percent Monthly average of overtime and holiday work: 10.2 hours/person
	Fair and equitable recruitment, hiring, and promotion	We aim to be a company where everyone can thrive regardless of gender, age, nationality, race, ethnicity, religion, social status, disability, sexual orientation, gender identity, or company of origin. In FY2024, we reviewed our promotion system and replaced it with a system that abolishes seniority. This has created an environment in which each and every employee can play an active role according to their ability, regardless of age or gender. Regarding employment of people with disabilities, we worked to expand the scope of duties, raise awareness within the company, and provide retention support. In FY2025, we will promote efforts to increase the proportion of women among upper-level managers and executives, and promote active participation without gender gaps.	Proportion of women managers: 31.5 percent Percentage of employees with disabilities: 2.91 percent
	Prevention of discrimination	We are working to develop human resources who respect diverse cultures and values and can create new values. In FY2024, as part of our efforts for foreign employees, we conducted on-site audits, including interviews with those concerned, in accordance with the “Regulations Concerning Employment Support for ‘Specified Skilled Worker.” In addition, we actively participated in LGBTQ+-related events around Japan and conducted in-house training programs to promote understanding of LGBTQ+ issues.	 LGBTQ+ related events Percentage of audits conducted on group companies employing specified skilled workers: 33 percent
	Prevention of personal information leakage	To raise employees’ awareness of information security and the protection of personal information, we provide education on the handling of personal information through Information Security Training and Compliance Training for all employees every year, and conduct training against targeted e-mail attacks. In FY2024, the Group held an Information Security Enhancement Month and the Information Security Department conducted roving to frontline departments to further enhance employee literacy and foster an organizational culture that ensures information security. In addition, we promoted the acquisition and maintenance of international standard certification (ISO27001) for information security within the Group, which was highly evaluated by the certification inspection company, and made efforts to prevent leakage of personal information of customers and employees.	Number of information leak incidents: 2 cases

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Data Collection

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- Evaluation and Analysis of Past to Current Financial Performance
- Business Data and Results in the Airline and Non-aviation Domains
- Outside Evaluation of Initiatives

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Key Financial Data

	Japanese GAAP					
	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019
	(Billion yen)					
Management Results						
Operating revenue	1,344.7	1,336.6	1,288.9	1,383.2	1,487.2	1,411.2
Operating expenses	1,165.0	1,127.4	1,118.6	1,208.6	1,311.1	1,310.5
Operating income	179.6	209.1	170.3	174.5	176.1	100.6
Ordinary income	175.2	209.2	165.0	163.1	165.3	102.5
Net profit attributable to owners of parent	149.0	174.4	164.1	135.4	150.8	53.4
Cash flow from operating activities	261.1	312.3	253.1	281.5	296.7	60.0
Cash flow from investing activities	-199.2	-207.2	-215.5	-180.1	-186.3	-221.5
Cash flow from financing activities	-67.3	-49.6	-53.5	-55.8	-37.0	-30.1
Free cash flow*2	61.8	105.1	37.5	101.3	110.3	-161.5
Depreciation and amortization	85.8	88.5	95.7	110.8	124.1	138.0
EBITDA*3	265.5	297.7	266.1	285.4	300.2	238.6
EBITDAR*4	292.7	321.1	286.2	305.4	320.1	260.2
Capital investment (purchase of non-current assets)	198.6	210.6	233.1	208.0	222.1	239.6
Financial Situation (at the end of the fiscal accounting year)						
Total assets	1,473.3	1,578.9	1,728.7	1,853.9	2,030.3	1,859.3
Net assets	800.7	870.5	1,003.3	1,094.1	1,200.1	1,131.8
Interest-bearing debt	100.5	92.6	116.0	125.7	142.3	191.7
Shareholders' equity	776.4	843.0	972.0	1,060.3	1,165.1	1,094.8
Stock						
Number of shareholders	94,289	105,163	127,583	123,474	144,308	236,234
Outstanding shares issued	362,704,000	362,704,000	353,715,800	353,715,800	349,028,700	337,143,500
Information per stock (JPY)						
Profit attributable to owners of parent	411.06	481.29	456.56	383.23	432.10	155.66
Net assets	2,142.00	2,325.79	2,749.71	3,019.52	3,340.15	3,249.27
Dividends	104.00	120.00	94.00	110.00	110.00	55.00
Average number of shares during the fiscal year (thousands of shares)	362,584	362,500	359,594	353,334	349,006	343,101
Key Performance Indices						
Operating margin (%)	13.4	15.7	13.2	12.6	11.8	7.1
ROE (%)	20.3	21.5	18.1	13.3	13.6	4.7
ROA (%)*5	12.8	13.7	10.3	9.7	9.1	5.2
Shareholders' equity ratio (%)	52.7	53.4	56.2	57.2	57.4	58.9

	IFRS*1					
	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024
(Billion yen)						
Management Results						
Revenue	1,385.9	481.2	682.7	1,375.5	1,651.8	1,844.0
Operating expense	1,308.8	885.0	940.2	1,344.6	1,542.2	1,693.4
EBIT	88.8	-398.3	-239.4	64.5	145.2	172.4
Profit before tax	88.1	-404.0	-246.6	52.4	139.3	158.9
Profit attributable to owners of parent	48.0	-286.6	-177.5	34.4	95.5	107.0
Cash flow from operating activities	80.8	-219.5	-103.5	292.9	363.9	381.5
Cash flow from investing activities	-233.7	-91.0	-173.7	-112.7	-195.0	-281.1
Cash flow from financing activities	-38.8	388.6	359.2	-38.4	-105.0	-64.9
Free cash flow*2	-152.8	-310.5	-277.3	180.1	168.8	100.4
Depreciation and amortization	162.4	182.4	178.4	157.4	147.5	155.8
EBITDA*3	251.2	-215.8	-61.0	222.0	292.7	328.2
Capital investment (purchase of non-current assets)	239.6	89.6	161.3	117.4	218.0	289.9
Financial Situation (at the end of the fiscal accounting year)						
Total assets	1,982.2	2,107.2	2,375.7	2,520.6	2,649.2	2,794.9
Total equity	1,049.6	981.5	846.0	856.9	948.3	1,016.6
Interest-bearing debt	277.4	515.1	928.4	925.5	887.2	896.0
Shareholders' equity	1,014.2	947.4	799.7	816.2	909.9	975.0
Stock						
Number of shareholders	236,234	366,626	447,693	453,286	444,761	486,262
Outstanding shares issued	337,143,500	437,143,500	437,143,500	437,143,500	437,143,500	437,143,500
Information per stock (JPY)						
Profit attributable to owners of parent	140.04	-764.99	-406.29	78.77	218.61	245.09
Shareholders' equity	3,009.71	2,168.06	1,830.03	1,867.91	2,082.23	2,232.63
Dividends	55.00	0.00	0.00	25.00	75.00	86.00
Average number of shares during the fiscal year (thousands of shares)	343,167	374,766	437,007	437,007	437,007	436,730
Key Performance Indices						
EBIT margin (%)	6.4	—	—	4.7	8.8	9.4
ROE (%)	4.6	—	—	4.3	11.1	11.4
ROA (%)*5	4.3	—	—	2.6	5.6	6.3
ROIC (%)*6	4.7	—	—	3.3	7.3	8.1
Shareholders' equity ratio (%)	51.2	45.0	33.7	32.4	34.3	34.9

	Japanese GAAP					
	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019
	(Billion yen)					
Key Performance Indices						
D/E ratio (times)	0.1x	0.1x	0.1x	0.1x	0.1x	0.2x
EBITDA margin (%)	19.8	22.3	20.6	20.6	20.2	16.9
EBITDAR margin (%)	21.8	24.0	22.2	22.1	21.5	18.4
Unit cost (yen)* ⁹	8.7	9.1	9.4	10.1	10.4	10.6
Unit cost (yen) (Including fuel cost)	12.3	11.7	11.7	12.5	13.1	13.2
Dividend payout ratio (%)* ¹⁰	25.1	25.0	25.1	29.4	32.3	35.3
Business Data						
International passenger operations						
Passenger revenues	454.8	448.7	415.2	462.9	530.6	476.2
ASK (million seat kms)* ¹¹ * ¹²	47,696	50,563	50,621	51,836	54,925	54,324
RPK (million passenger kms)* ¹¹ * ¹³	36,109	40,305	40,633	42,013	44,659	41,905
Revenue passengers carried (1,000)* ¹¹	7,793	8,460	8,394	8,585	9,128	8,277
Revenue passenger load factor (%)* ¹¹	75.7	79.7	80.3	81.0	81.3	77.1
Yield (yen)* ¹¹	12.6	11.1	10.2	11.0	11.9	11.4
Unit revenue (yen)* ¹¹	9.5	8.9	8.2	8.9	9.7	8.8
Domestic passenger operations						
Passenger revenues	487.5	501.2	498.6	518.2	528.0	514.6
ASK (million seat kms)* ¹²	36,306	35,869	35,423	35,714	36,116	36,199
RPK (million passenger kms)* ¹³	23,993	24,341	24,550	25,643	26,195	25,443
Revenue passengers carried (1,000)	31,644	32,114	32,570	34,033	34,859	33,783
Revenue passenger load factor (%)	66.1	67.9	69.3	71.8	72.5	70.3
Yield (yen)	20.3	20.6	20.3	20.2	20.2	20.2
Unit revenue (yen)	13.4	14.0	14.1	14.5	14.6	14.2
International cargo operations						
Cargo revenue	60.3	54.2	43.3	56.0	65.4	59.7
Revenue cargo tonne-km (million tonne kms)	1,754	1,724	1,887	2,233	2,429	2,407
Domestic cargo operations						
Cargo revenue	24.2	23.3	22.2	22.4	21.8	20.7
Revenue cargo tonne-km (million tonne kms)	356	363	357	364	343	328

	IFRS*1					
	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024
(Billion yen)						
Key Performance Indices						
Shareholders' equity ratio based on credit rating*8	—	—	41.0	39.3	41.0	41.1
D/E ratio (times)	0.3x	0.5x	1.2x	1.1x	1.0x	0.9x
EBITDA margin (%)	18.1	—	—	16.1	17.7	17.8
Dividend payout ratio (%)	39.3	—	—	31.7	34.3	35.1
Business Data (Full Service Carrier)						
International passenger operations						
Passenger revenues	486.2	27.9	68.7	417.5	622.3	696.3
ASK (million seat kms)*11 *12	53,910	11,918	22,780	38,039	47,328	49,971
RPK (million passenger kms)*11 *13	45,551	2,196	6,027	27,310	37,201	41,916
Revenue passengers carried (1,000)*11	8,958	357	892	4,348	6,628	7,584
Revenue passenger load factor (%)*11	84.5	18.4	26.5	71.8	78.6	83.9
Yield (yen)*11	10.7	12.7	11.4	15.3	16.7	16.6
Unit revenue (yen)*11	9.0	2.3	3.0	11.0	13.1	13.9
Domestic passenger operations						
Passenger revenues	529.7	174.0	235.1	451.1	550.8	571.5
ASK (million seat kms)*12	36,199	19,452	24,535	35,243	35,184	35,082
RPK (million passenger kms)*13	27,496	9,282	12,089	23,090	26,771	27,666
Revenue passengers carried (1,000)	36,411	12,212	16,238	30,109	35,109	36,127
Revenue passenger load factor (%)	76.0	47.7	49.3	65.5	76.1	78.9
Yield (yen)	19.3	18.7	19.4	19.5	20.6	20.7
Unit revenue (yen)	14.6	8.9	9.6	12.8	15.7	16.3
International cargo operations						
Cargo revenue	59.7	96.5	182.8	188.9	100.3	123.3
Revenue cargo tonne-km (million tonne kms)	2,407	1,948	3,113	2,795	2,515	2,767
Domestic cargo operations						
Cargo revenue	20.7	21.7	20.7	20.0	19.5	27.9
Revenue cargo tonne-km (million tonne kms)	328	237	231	280	282	305

*1 IFRS is adopted from FY2020. *2 Free cash flow = Cash flow from operating activities + Cash flow from investing activities

*3 [Japanese GAAP] EBITDA = Operating Profit + Depreciation and Amortization [IFRS] EBITDA = EBIT + Depreciation and Amortization *4 [Japanese GAAP] EBITDAR = Operating income + Depreciation expense + Aircraft lease

*5 [Japanese GAAP] ROA = Operating profit / Average of total assets at beginning and end of a fiscal year [IFRS] ROA = EBIT / Average of total assets at beginning and end of a fiscal year

*6 [IFRS] ROIC = EBIT (after tax) / Average of fixed assets*7 at the beginning and end of the fiscal year *7 Fixed assets = Inventories + noncurrent assets - deferred tax assets - assets for retirement benefits

*8 Shareholders' Equity Ratio based on credit rating evaluation considering Hybrid Finance *9 Unit cost = Consolidated air transport cost (excluding fuel costs) / ASK

*10 This is calculated by excluding the impact of the adjustment amount for corporate taxes from the parent company's net income for the current period.

*11 From FY2015, revenue passengers carried, revenue passenger kilometers, available seat kilometers and load factor include codeshare tickets sold by other companies for JAL operated flights.

*12 ASK (available seat kilometers): A unit of passenger transport capacity: Total number of seats x Distance flown (kms) *13 RPK (revenue passenger kilometers): Total flight distance covered by revenue passengers: Number of revenue passengers x Distance flown (kms)

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Aviation Business Area (FSC, LCC, Cargo and Mail)

				Unit	FY2020	FY2021	FY2022	FY2023	FY2024
Safety	Aircraft accidents			case	0	2	3	1	3
	Serious incidents			case	1	1	0	1	1
	Irregular operations*1			case	39	47	48	39	42
	Safety events*2	System problems (engine)		case	6	6	10	17	18
		System problems (other than engine)		case	13	23	22	30	21
		Parts departing from aircraft		case	1	1	3	2	3
Aircraft	Large aircraft	Airbus A350-1000		aircraft	0	0	0	3	8
		Airbus A350-900		aircraft	8	15	16	15	15
		Boeing 777-300ER		aircraft	13	13	13	13	12
		Boeing 777-300		aircraft	4	4	0	0	0
		Boeing 777-200ER		aircraft	11	8	3	0	0
		Boeing 777-200		aircraft	9	4	0	0	0
	Mid-sized aircraft	Boeing 787-9		aircraft	20	22	22	22	22
		Boeing 787-8		aircraft	29	29	30	31	31
		Boeing 767-300ER		aircraft	29	29	27	27	27
		Boeing 767-300		aircraft	2	0	0	0	0
	Small aircraft	Boeing 737-800		aircraft	61	65	62	62	62
		Airbus A321ceo P2F		aircraft	0	0	0	2	3
	Regional aircraft	Embraer E170/Embraer E190		aircraft	32	32	32	32	32
	Propeller aircraft	ATR42-600/ATR72-600		aircraft	11	13	14	15	15
		De Havilland DHC-8-400CC		aircraft	5	5	5	5	5
		SAAB340B		aircraft	3	0	0	0	0
	Total			aircraft	237	239	224	227	232
Flight Data	Airports served	Domestic flights Including LCCs		destination	61	61	64	65	64
		International flights		destination	368	380	376	384	395
	Number of flights	Domestic flights		flight	134,325	244,022	263,585	266,243	267,064
		International flights		flight	8,138	17,127	28,688	40,834	44,734
		Total		flight	142,463	261,149	292,273	307,077	311,798
	Percentage of flights operated	Domestic flights		%	97.12	98.06	98.46	98.03	98.39
		International flights		%	99.04	99.24	99.82	99.90	99.80
	On-time departure rate	Domestic flights		%	96.74	94.15	91.33	84.69	83.69
		International flights		%	93.17	88.98	74.05	81.06	81.11
		Total		%	96.02	93.38	89.63	84.21	83.32
	On-time arrival rate	Domestic flights		%	96.27	92.99	88.88	80.75	79.67
		International flights		%	95.33	91.78	79.74	81.59	80.44
		Total		%	96.38	92.81	87.99	80.86	79.78
	Number of partner airlines	Domestic flights*3		company	3	3	4	4	5
		International flights		company	35	35	34	34	34

Aviation Business Area (FSC, LCC, Cargo and Mail)

			Unit	FY2020	FY2021	FY2022	FY2023	FY2024
Flight Data	Number of flights (ZIPAIR Tokyo)	Total	flight	943	2,041	3,100	5,061	5,518
	Number of flights (SPRING JAPAN)	Domestic flights	flight	—	837	4,500	4,068	2,416
		International flights	flight	—	118	335	2,037	4,390
		Total	flight	—	955	4,835	6,105	6,806
Traffic Data	Domestic flights (FSC)	Total passengers	people	12,212,131	16,238,833	30,109,920	35,109,846	36,127,464
		Increase in domestic passenger traffic*4	%	-74.2	-59	-15	2	3
				Excluding LCCs	Excluding LCCs			
		Number of inbound travelers to Japan	people	49,188	121,844	582,180	912,578	1,161,629
		Dokokani miles	people	—	—	approx.540,000	approx.630,000	approx.710,000
		Revenue passenger kilometers*5	1,000 passenger-km	9,282,122	12,089,054	23,090,624	26,771,128	27,666,782
	International flights (FSC)	Available seat kilometers*6	1,000 seat-km	19,452,985	24,535,597	35,243,210	35,184,302	35,082,824
		Passenger load factor	%	47.7	49.3	65.5	76.1	78.9
		Total passengers	people	357,519	892,471	4,348,562	6,628,180	7,584,536
		Revenue passenger kilometers*5 *7	1,000 passenger-km	2,196,423	6,027,871	27,310,618	37,201,833	41,916,185
		Available seat kilometers*6 *7	1,000 seat-km	11,918,047	22,780,657	38,039,283	47,328,459	49,971,886
		Passenger load factor*7	%	18.4	26.5	71.8	78.6	83.9
	Cargo and Mail	Domestic revenue cargo tonne-km	1,000 tonne-km	237,874	231,515	280,599	282,974	305,220
		International revenue cargo tonne-km	1,000 tonne-km	1,948,205	3,113,671	2,795,737	2,515,410	2,767,480
		Increase in domestic freight traffic*4	%	-30	-34	-17	-15	-8
		Results of pharmaceutical transportation*4	tonnes	+18%	+92%	+123%	+437%	+614%
Customer Satisfaction	Net Promoter Score (NPS)*8	Domestic flights	point	+23.0	+71	+3.0	+6.8	+2.2
		International flights	point	+30.0	+7.4	-3.3	+3.3	-2.5
	Customer comments		case	19,712	21,095	30,795	30,487	25,516
Accessibility	Number of customers who find it difficult to travel	Ratio of these passengers on board	%	0.29	0.64	0.71	0.81	0.82
		Number of wooden wheelchairs, which go through metal detectors	vehicle	478	478	508	508	461

Figures in the table are based on Japanese GAAP and International Financial Reporting Standards (IFRS).

*1 A situation in which partial malfunction of multiple aircraft systems occurs, for example, and the pilots respond according to the manual and return to the airport to ensure safety, resulting in a schedule change including the destination (excluding bird strike, lightning strike, etc.). In general, it is not a situation that immediately affects the safety of operations.

*2 Article 111-4 of the Civil Aeronautics Act and Article 221-2-3 and 4 of the Ordinance for Enforcement of the Civil Aeronautics Act mandate reporting to the MLIT, and the following situations are applicable. Accidents specified in each item of Article 76 (1) of the Civil Aeronautics Act and situations (serious incident) in Article 76 (2) of the Act do not fall under this category. Generally speaking, they do not immediately lead to an aircraft accident.

*3 Partnership with Jetstar Japan on international connection routes only

*4 Compared to FY2019. The results of handling and delivering pharmaceutical in cargo includes dedicated pharmaceutical temperature storage at Narita Airport.

*5 Revenue Passenger Kilometers: The total distance flown by revenue paying passengers. Number of revenue passengers x distance flown (kilometers)

*6 Available Seat Kilometers: Measures passenger carrying capacity. Total seats x distance flown (kilometers)

*7 Calculation of figures for revenue passengers carried, revenue passenger kilometers, available seat kilometers, and load factor for international flights include code-sharing of JAL operated flights sold by other airlines.

*8 FY2020 includes comparison for first performance from FY2017. After FY2021 comparison for first performance in FY2021.

For more safety data, please visit the JAL website for our Safety Report.  Safety Report: <https://www.jal.com/en/safety/report/>

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Non-Aviation Area (Mileage, Lifestyle and Infrastructure)

			Unit	FY2020	FY2021	FY2022	FY2023	FY2024
Mileage and Card	Total number of JMB members		1 million	approx. 35	approx. 36	approx. 37	approx. 38	approx. 39
	Issuance mile index*1		FY18 = 100	81.7	87.6	101.4	124.1	137
	Total number of JAL CARD members		1 million	3.58	3.46	3.44	3.48	3.57
	JAL CARD, INC. revenue*2	Sales revenue	billion yen	18.6	18.5	17.1	13.2	13.4
Travel	Number of people who handle JALPAC Travel Co., Ltd.	Total	people	1,141,342	1,004,500	2,149,697	1,765,244	1,690,044
		Overseas travel	people	45	68	17,447	59,905	67,060
		Domestic travel	people	1,141,293	1,004,450	2,131,981	1,704,610	1,621,667
		foreign visitors to Japan	people	4	32	269	729	1,317
	JALPAK Co., Ltd. revenue*2	Sales revenue	billion yen	55.5	45.8	108.8	115.4	110.9
Retail	JALUX Co., Ltd. revenue*2	Revenue	billion yen	—	—	27.9	32.0	39.3
Contracted Services	Number of flights entrusted to foreign airlines	Passenger service	10,000 flight	0.3	1.1	2.3	6.1	7.8
		Cargo flights	10,000 flight	0.6	0.6	0.6	0.5	0.5
		Total	10,000 flight	0.9	1.7	2.9	6.6	8.3
Collaboration with External Parties	Promotion of JAL Wellness & Travel		number of affiliated municipalities	—	—	4	5	9
	Number of city partnerships*3		city	25	41	47	49	54
	Number of school partnerships*4		school	30	32	33	34	34
	Number of Lab Alliances*5		company	12	12	11	11	0
	Promoting workstyle research with outside stakeholders*6		number of research group member organizations	—	—	52	77	78

Figures in the table are based on Japanese GAAP and International Financial Reporting Standards (IFRS).

*1 Number of miles issued excluding air boarding

*2 Each figure is for before the elimination of consolidated transactions. In addition, the Company has applied the Accounting Standard for Revenue Recognition (ASBJ Statement No. 29, issued on March 31, 2020) and the Guidance on Accounting Standard for Revenue Recognition (ASBJ Guidance No. 30, issued on March 31, 2020) since FY2020.

*3 Some of these include cooperation agreements with councils rather than municipalities.

*4 Japan Airlines Co., Ltd. only

*5 Activities ended in February 2024.

*6 Excerpt from the Sustainability Promotion Committee materials

Major Awards (2024-2025)

Major evaluations and awards are also posted on our website.  Evaluations and Awards <https://www.jal.com/en/company/awards/>  Press Release: Awards <https://press.jal.co.jp/en/awards/>

Evaluations Regarding Sustainability

- S&P Dow Jones Indices



Dow Jones Sustainability Asia Pacific Index
S&P Global CSA Top 5% ESG Score

Three consecutive years
- FTSE Russell



FTSE Blossom Japan Index

Four consecutive years



FTSE Blossom Japan Sector Relative Index

Four consecutive years



FTSE4Good
- CDP



Supplier Engagement Assessment (SEA) A
- Sompo Sustainability Index



Sompo Sustainability Index

Comprehensive Evaluation of Service Quality, Safety and Security Initiatives, and Sustainability Efforts

- APEX



WORLD CLASS Four consecutive years

WORLD CLASS LOUNGE First time awarded

Evaluation of Products and Services at Airports and Inflight

- SKYTRAX



SKYTRAX World Airline Star Rating "5 Star"

Eight consecutive years



SKYTRAX World Airline Awards

 - Best Premium Economy Class in Asia
 - Best Economy Class Airline Seat

Eight consecutive terms, nine times in total

Evaluation of On-Time Performance

- Cirium



Cirium On-Time Performance 2024 Asia Pacific 1st place
(On-time arrival rate: 1st in Asia Pacific)

Evaluation of DEI Promotion

- Work with Pride Incorporated Association



PRIDE Index 2024 "Gold", the highest rank

Nine consecutive years
- JobRainbow



D&I Award 2024 the highest evaluation "Best Workplace"

Four consecutive years



D&I Award

Second time
- MSCI



2024 CONSTITUENT MSCI JAPAN EMPOWERING WOMEN INDEX (WIN)

Japan Equity Index for Women's Participation in the Workplace (WIN)

Note: THE INCLUSION OF Japan Airlines Co., Ltd. IN ANY MSCI INDEX, AND THE USE OF MSCI LOGOS, TRADEMARKS, SERVICE MARKS OR INDEX NAMES HEREIN, DO NOT CONSTITUTE A SPONSORSHIP, ENDORSEMENT OR PROMOTION OF Japan Airlines Co., Ltd. BY MSCI OR ANY OF ITS AFFILIATES. THE MSCI INDEXES ARE THE EXCLUSIVE PROPERTY OF MSCI. MSCI AND THE MSCI INDEX NAMES AND LOGOS ARE TRADEMARKS OR SERVICE MARKS OF MSCI OR ITS AFFILIATES.

Evaluation of Health and Productivity Management and Wellness Promotion

- Ministry of Economy, Trade and Industry
- Tokyo Stock Exchange



2025
健康経営優良法人
認定
ホワイト500

Certified Health & Productivity Management Outstanding Organizations Recognition Program
30 JAL Group companies certified
- Sports Agency



JAL was certified as a "Sports Yell Company 2025" by Sports Agency.
In addition, JAL has been certified as a "Silver" company more than seven times, continuing on from last year.

Evaluation of DX Promotion

- Ministry of Economy, Trade and Industry
- Tokyo Stock Exchange
- Information-technology Promotion Agency, Japan



DX注目企業2025
Digital Transformation

DX Hot Companies 2025
- The Association for Information Technology in Enterprises



Received the "IT Award (Open Innovation Area)" award at the 42nd IT Awards 2024

Evaluation of Innovation

- Cabinet Office, Government of Japan



7th Japan Open Innovation Awards

 - Minister of Land, Infrastructure, Transport and Tourism Award "Drone-based Emergency Response Service for Residents in Setouchi Town, Amami Oshima Island"
 - Selection Committee's Special Award "Ecosystem Construction Connecting Japan and Low Earth Orbit: Toward the Landing of the Dream Chaser Spaceplane at Oita Airport"

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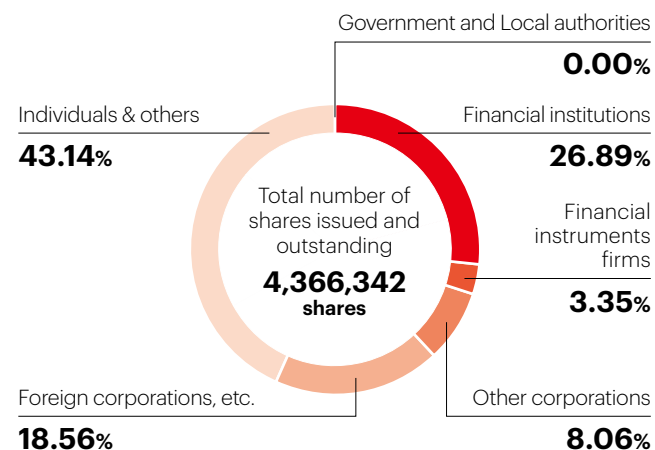
 JAPAN AIRLINES

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Stock Information (as of March 31, 2025)

- **Stock Exchange** Prime Market of the Tokyo Stock Exchange
- **Stock Code** 9201
- **Number of Shares Per Unit** 100 shares
- **Account Closing Date** March 31
- **Ordinary General Meeting of Shareholders** June each year
- **Date of Finalizing Shareholders Eligible to Exercise Voting Rights at the Ordinary General Meeting of Shareholders** March 31
- **Date of Record for Dividend** September 30 and March 31
- **Shareholder Registry Administrator** Mitsubishi UFJ Trust and Banking Corporation
- **Contact**
Stock Transfer Agency Department
Mitsubishi UFJ Trust and Banking Corporation
1-1, Nikko-cho, Fuchu-shi, Tokyo, Japan
Mailing address: 〒137-8081 ShinTokyo Post Office PO Box 29
Phone: 0120-232-711 (toll free (only within Japan))
Open: 9:00 am to 5:00 pm except weekends and public holidays (Japan time)
Website: www.tr.mufig.jp/daikou/ (only in Japanese)
- **Method of Official Announcement**
Electronic public notice at:
URL www.jal.com/ja/corporate/publicnotices/ (only in Japanese)
Provided, however, that if the electronic notice cannot be made due to an accident or any unavoidable reason, the public notice shall be published in the Nihon Keizai Shimbun.
- **Outstanding Shares Issued**
Common stock 437,143,500 (number of shares per unit: 100)
Number of shareholders 486,262
Note: The total number of shares issued includes 586,479 shares of treasury stock.

● **Status by Shareholder (excluding shares less than one unit)****Company Profile** (as of March 31, 2025)**Corporate Name** Japan Airlines Co., Ltd.**Head Office** Nomura Real Estate Building.,
2-4-11 Higashi-Shinagawa Shinagawa-ku
Tokyo 140-8637, Japan
Phone: +81 (0)3-5460-3121**Established** August 1, 1951**Representative Director, President**
TOTTORI Mitsuko**Capital** JPY 273,200 million**Employees** Consolidated employees 38,433 people
Employees 14,431 people**Business** 1. Scheduled and non-scheduled air transport
2. Aerial work services
3. Other related business**Other Media**

In addition to this report, detailed information is available on our corporate website and various booklets for stakeholders.

• **JAL Corporate Website**<https://www.jal.com/en/>

The following detailed information is also posted on the JAL corporate website.

• **Corporate Policy and Company Profile**<https://www.jal.com/en/company/>• **Safety**<https://www.jal.com/en/safety/>• **Sustainability**<https://www.jal.com/en/sustainability/>• **Investor Relations**<https://www.jal.com/en/investor/>• **Other Media****JAL Group Safety Report**<https://www.jal.com/en/safety/report/>**Corporate Governance Report**<https://www.jal.com/en/philosophy-vision/governance/>**Consolidated Financial Results and Statements**<https://www.jal.com/en/investor/library/finance/>

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Japan Airlines Co., Ltd.

General Affairs Department

Finance Department

2-4-11 Higashi-Shinagawa, Shinagawa-ku, Tokyo

Phone: +81-3-5460-3121

The JAL Website ——— <https://www.jal.com/en/>

Corporate Information — <https://www.jal.com/en/company/>

Sustainability Information — <https://www.jal.com/en/sustainability/>

Investor Information — <https://www.jal.com/en/investor>

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About the front cover

The CO₂ emissions by the JAL Group is approximately 99 percent of direct emissions from aircraft. Thus to address environmental issues is extremely important for us. On the front cover is the Airbus A350-900 aircraft first introduced on domestic routes in 2019. This aircraft has reduced noise and fuel consumption significantly compared to existing aircraft of the same size. Going forward, an additional 20 aircrafts on international flights will be introduced.

The JAL Group will continue to protect the rich global environment while providing safe and secure air transportation to our stakeholders and creating relationships and societal connections that derive beyond. All the JAL Group employees will work together to enhance our corporate value to continue to be an airline company that lives together with and is needed by society.

