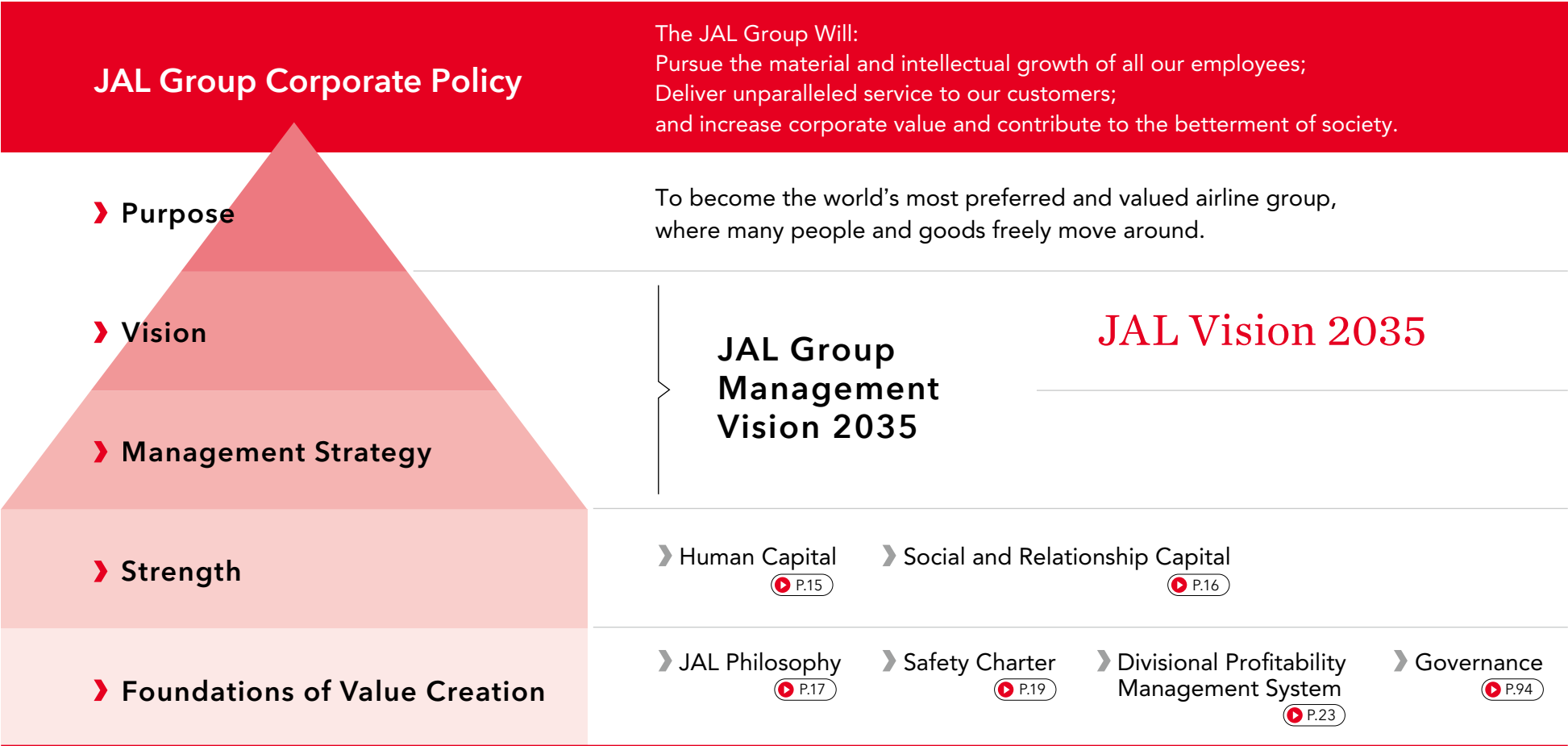


Corporate Policy Framework

We support the **transportation** of people and goods, and by fostering **societal connections** at their destinations across regions, countries, and generations, we contribute to **a vibrant future** where people and goods can move freely.



Our Envisioned Future

Social Issues

- › Environmental issues and population decline are compounded by the weakening of interpersonal relationships and a lack of mutual understanding.
- › Social issues affecting individual well-being are becoming more apparent.



Environmental degradation



Depopulation and regional decline



Realizing an inclusive society



Loneliness and social isolation

Sustainable Well-being Future

Deep social connections between people that transcend regions, countries, and generations spread throughout society.

Societal and individual well-being

Society

A peaceful society where people connect and help one another, creating peace of mind, and where the unique culture and economy of each region are respected.

People

Each individual is connected to society, diverse values are respected, and people can make independent choices about their lives. This sense of fulfillment fosters physical and mental well-being, enabling them to share it with others in a spirit of altruism.

Environmental and social sustainability

Environment

People across regions and generations embrace environmental issues as their own and pass on a rich lifestyle in harmony with nature to future generations.

Social infrastructure

Transportation networks and next-generation mobility connecting every region and countries around the world serve as vital social infrastructure supporting global connections between people and goods.

Sustainable Well-being Future

We will deliver value by leveraging the strengths of the JAL Group to realize a sustainable well-being future.

Our Value

Safety and Peace of Mind for the Future Skies

We will continue to support people and goods to move freely around the world through aviation networks and next-generation mobility. By evolving safety and security through technology and reducing environmental impact, we will lead the way in realizing a sustainable future for the skies.

Encounters and Experiences that Resonate with Customers

We will deliver heartwarming experiences and smart services that stimulate the five senses in every situation, whether you are on the move, traveling, or in your daily life, and encourage you to take a new step forward.

Creating Relationships and Societal Connections

Through the transportation of people and goods, we will create relationships and societal connections that transcend regions, countries, and generations. By co-creating with diverse partners, we will expand these relationships and societal connections that bring well-being to people and society.

Professionalism That Supports Safety and Delivers the Highest Quality Service

JAL Philosophy

A Culture of Transformation and Challenge to Create New Value

Our DNA

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Editorial Policy

JAL Group publishes JAL REPORT 2026 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 the 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 2025 to March 2026 (FY2025).

● Scope of Report

The scope of the report covers 194 companies of the JAL Group, including Japan Airlines, 139 subsidiaries, and 54 affiliates.

● Month of Issue

August 2026

● Reference Guidelines

The International Integrated Reporting Framework proposed by the IFRS Foundation and the Guidance for Value Creation by the 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-jp/sustainability/membership/>

● Future Prospects

This report contains forward-looking statements regarding the 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.

Key Points of This Report

POINT

1

Our Corporate Value Creation Story for the Future We Envision in 2035

P.26

We show how the strengths of the capital we have built over time will drive business portfolio transformation, creating social value and ultimately realizing a Sustainable Well-being Future.

POINT

3

A Financial Capital Strategy for Bold Growth Investment and Greater Resilience to Risk

P.27 P.36

In addition to our proactive investment strategy, we will explain how we are addressing issues of particular interest to the market, including preparations for rising costs, disciplined investment management, expansion of non-aviation businesses, and measures to reduce WACC using perpetual subordinated bonds and other instruments.

POINT

5

A Distinctive Customer Strategy Built on Our New Brand and Core Strengths

P.56

We explain our customer strategy for building deep, lasting relationships with customers by leveraging our strong customer base. We also introduce the thinking behind our new brand slogan, “Soaring Together.”

POINT

2

Our New Management Vision and Growth Road Map

P.27

We provide a structured review of our previous Medium-Term Management Plan and new Management Vision. We also illustrate how business portfolio transformation will enhance resilience and explain our road map for increasing corporate value.

POINT

4

Identifying Our New Materiality and Putting Them into Action

P.33

In line with our new Management Vision, we have identified seven new Materiality. We provide an end-to-end look at how they are being addressed, from the identification process through KPIs and governance to embedding them throughout the organization.

POINT

6

Progress on Our GX Strategy toward Net Zero in 2050

P.75

We achieved our FY2025 target of 1% SAF usage. Looking toward net zero in 2050, we outline how our five-pillar approach, including the transition to more fuel-efficient aircraft, will enable us to pursue both environmental action and business growth.

Statement of Authenticity

The JAL Group has formulated the JAL Group Management Vision 2035 as its new growth strategy. Under this vision, we will transform our business portfolio and steadily pursue strategic investments for future growth, aiming to achieve sustainable growth through the creation of social value to enhance corporate value.

In line with this new direction, we have enhanced the content and restructured this report to communicate the JAL Group’s growth story more clearly to our stakeholders.

I have overseen the preparation of this report and carefully reviewed its content. I hereby affirm that the report faithfully presents the JAL Group’s management policies, initiatives, and approach to the future. I hope it will serve as a valuable platform for dialogue with our stakeholders and deepen their understanding of the JAL Group. We will continue to enhance our disclosures and work toward sustainable growth in corporate value.



TOTTORI Mitsuko
Representative Director,
President
Group CEO

Message from the Group CEO



We will steadily implement the **JAL Group Management Vision 2035**, evolving into a group that continues to **create social value** while achieving sustainable **growth and enhancing corporate value**.

The JAL Group has established JAL Vision 2035, which sets out our envisioned future society 10 years from now and the role JAL aspires to play within that society. To make this vision a reality, we have formulated a new medium- to long-term growth strategy, the JAL Group Management Vision 2035. We will carry forward the unwavering commitment to safety that has always been the foundation of the JAL Group and embrace the radical transformation needed for the decade ahead. Through these efforts, we aim to create social value and achieve sustainable growth while enhancing corporate value for the JAL Group.

Representative Director, President
Group CEO

M. Tottori

*Message
from the CEO*

Message from the Group CEO

Entering My Third Year as CEO

» Achievements and Challenges Over the Past Two Years

It is hard to believe that I am already entering my third summer as CEO of the JAL Group.

When I became CEO, I pledged to stay true to myself and enhance corporate value through the best possible teamwork, drawing on both frontline and management perspectives. Looking back over the past two years, I feel I accomplished some of what I set out to do, but there is still much more to achieve.

FY2025 was the final year of our Medium-Term Management Plan FY2021–FY2025, and we ended the plan on a strong note. Our international passenger business continued to perform well, our domestic passenger business grew as our efforts to stimulate demand gained traction, and our highly profitable Mileage/Finance and Commerce business continued to expand steadily. As a result, revenue reached its highest level since our relisting, and earnings before interest and taxes (EBIT) set a new record. We also achieved our targets for EBIT margin, return on invested capital (ROIC), earnings per share (EPS), and other key measures of cash flow generation, capital efficiency, shareholder value, and corporate value. None of this would have been possible without the strong support of our stakeholders and the dedication of our employees and executives, who came together as one team and continued to challenge themselves to reach ambitious goals.



At the same time, I consider the series of safety-related incidents to be our most serious challenge. The incidents involving inappropriate alcohol consumption by crew members caused tremendous concern and inconvenience to our customers, shareholders, investors, and other stakeholders, and I deeply regret what happened. No matter how

strong our business performance may be, we cannot justify our existence as an airline if people lose trust in our commitment to safety. I again offer my sincerest apologies.

» Headwinds Are What Enable an Aircraft to Take Off

We faced many unexpected events over the years, but the COVID-19 pandemic brought home to us just how volatile our industry can be. At our induction ceremony in April 2026, I told approximately 2,100 new employees across the Group, “Headwinds are what enable an aircraft to take off.” Since becoming an executive officer in 2020, I faced strong headwinds of my own. The past two years as CEO have been no exception, and at times it has felt like one challenge after another.



Flying origami airplanes with new employees at the FY2026 JAL Group induction ceremony

But my years on the front lines have taught me how to push through adversity. In fact, it is often in the most difficult times, rather than when everything is moving smoothly, that I feel we are gaining altitude. The JAL Group has weathered unprecedented crises, including our corporate restructuring and the COVID-19 pandemic. Today, we continue to face significant volatility from geopolitical risks, rising fuel prices, and other factors. Uncertainty in the external environment is increasingly becoming a fact of life. But as Group CEO, I will turn these headwinds into forward momentum, put the company on an upward trajectory, and lead the JAL Group forward.

JAL Group Strengths

» Social and Relationship Capital Built Over Many Years

The business environment is changing at an extraordinary pace, and social challenges are becoming increasingly apparent. Against this backdrop, the JAL Group has looked beyond the traditional five-year Medium-Term Management Plan framework and set out JAL Vision 2035, which defines where we want to be 10 years from now. To make that vision a reality, we have formulated the JAL Group Management Vision 2035 (the “Management Vision”). As I will explain in more detail later, the Management Vision calls for fundamental transformation and bold new challenges that go beyond simply extending what we do today. Through this transformation, we aim to achieve significant

For more details, see:

Message from the Group CFO
PP. 27–29

Message from the Group CEO

profit growth and increase corporate value. What will drive us forward are the strengths we have built across a range of forms of capital over many years.

In particular, the JAL Group takes great pride in the social and relational capital it has built over many years, including its network of partner airlines, strong ties with local communities and business partners, and the JAL Mileage Bank customer base. Today, we do more than simply provide transportation. Through the movement of people and goods, we create relationships and societal connections that span regions, countries, and generations. By bringing together our diverse aviation and non-aviation capital, we aim to forge new connections between people and between people and communities, and in doing so create social value.

The JAL Group Corporate Policy states that we will “increase corporate value and contribute to the betterment of society.” As an airline, we have a responsibility to set clear goals and increase economic value. But I believe our purpose goes beyond that. It is also about addressing the many challenges facing society and growing together with society.

One example is an initiative we launched last year with railway companies that have traditionally competed with us as providers of transportation. By bringing air and rail travel together, we are creating new ways to travel that offer greater value to our customers and unlock the potential of local communities.

We are also working with other domestic airlines to help maintain Japan’s air transport network as the population declines. While we compete in areas such as customer service, we also collaborate in areas such as strengthening airport functions.

We are also building an ecosystem centered on miles and expanding the new value that miles can offer through partnerships with life insurers, local governments, and companies across a wide range of industries. Through these efforts, we aim to encourage greater movement and interaction among people and contribute to enriching our customers’ lives.

Looking further ahead, we plan to offer the Air Mobility Operation Platform (AMOP®), a digital platform that will support next-generation air mobility, including drones and flying cars. By helping solve challenges facing local communities through this platform, we hope to drive further growth for the JAL Group as well.

» Bringing Out the Best in Every Employee

The JAL Group’s greatest strength is our human capital. Guided in their decisions and actions by the shared values of our Safety Charter and the JAL Philosophy, every employee drives change while taking on the challenge of creating new value.

Our employees at regional branches, for example, were deeply engaged with their local communities long before we began talking about relationships and societal connections as we do today. Now, they are going beyond traditional community contribution, taking on the challenge of turning regional issues and local strengths into

business opportunities that can create a sustainable future for both their communities and the JAL Group.

The JAL Group is home to many talented employees whose work might not always be visible to our customers or even within the organization. Day after day, they quietly dedicate themselves to their roles, never content with the status quo and steadily making progress, one step at a time. They continue to innovate, take on new challenges, and develop exceptional expertise in their respective fields. As Group CEO, I want to do even more to create an environment where each of these individuals can take confidence and pride in what they do and continue to challenge themselves without fear of failure.

Looking back on my own career, the instincts I developed over more than 30 years as a cabin attendant remain at the heart of many of the management decisions I make today. On a flight, you know how much time you have until landing and work backward from there. But over the years, I also encountered countless situations that simply could not have been anticipated. When things did not go according to plan, we had to find a way forward with only the people, time, equipment, and information available to us. No matter what happened, we could never compromise on the fundamental principle of safety embodied in the JAL Philosophy: “Valuable Lives Are Entrusted to Us in Our Work.” Through teamwork among the flight crew and cabin crew on board and the employees supporting us from the ground, we always managed to find a solution, even with limited resources. Looking back, I still feel tremendous pride in what we were capable of achieving together. I am convinced that JAL Group employees will become an even greater source of strength if we continue to create an environment that values each individual’s unique skills, perspectives, ideas, and aspirations and enables everyone to contribute to their full potential.



The 2nd JAL Philosophy Awards, recognizing employees who have made significant contributions to the JAL Group’s growth and corporate value

Reflecting on the Medium-Term Management Plan FY2021–FY2025

» Significant Progress in Creating Value Unique to JAL

Before discussing the JAL Group Management Vision 2035, I would first like to reflect on the achievements and challenges of our previous Medium-Term Management Plan FY2021–FY2025, which focused on recovery and growth following the COVID-19 pandemic. As I mentioned earlier, we achieved nearly all our targets. But our success in turning recovery from the pandemic into solid growth was not simply the result of a rebound in our Full Service Carrier (FSC) business. The new growth drivers we built up to reduce our reliance on the FSC business are also steadily beginning to bear fruit.

One example is ZIPAIR, the low-cost carrier (LCC) we launched during the COVID-19 pandemic. As the world's first LCC to operate transpacific flights, ZIPAIR has responded flexibly to market demand and steadily expanded its network. Performance has been extremely strong, with revenue passenger load factors often exceeding 90%. In 2026, JAL received the highest 5-Star rating from SKYTRAX, the international air transport rating organization, for the ninth consecutive year. I am particularly proud of the hospitality that has long set JAL apart. By combining this distinct JAL approach to hospitality with the agility of an LCC, ZIPAIR has created a business model and synergies that have made it a rare success story even by global standards.

In our Mileage and Lifestyle business, we are expanding new value in the non-aviation area, with the JAL Card and its robust customer base at the core. The number of miles issued through non-aviation activities has grown by 20% annually. Our customers already use the JAL Card in a wide range of settings, and we will continue to create new value and expand the business so that even more customers use the card more extensively and for many years to come. We also plan to step up the development of new businesses for younger customers, using mileage to create more opportunities for exciting experiences as well as enriching their everyday lives.

» Business Environment and Challenges to Overcome

In this way, we made steady progress under the previous Medium-Term Management Plan in transforming our business portfolio to make it more resilient and less dependent on aviation. At the same time, we recognize that structural issues such as declining profitability in the domestic passenger business, increasingly severe labor shortages, and rising aircraft and environmental costs are not temporary. They are unavoidable challenges arising from broader changes in society.

Above all, however, safety must remain our highest priority. Following a series of safety-related incidents in FY2024 and FY2025, we received repeated administrative

guidance from the Ministry of Land, Infrastructure, Transport and Tourism and implemented measures to prevent recurrence. Despite these efforts, further incidents involving alcohol consumption by crew members occurred in August 2025 and May 2026, and as CEO, I take this extremely seriously. We must approach our efforts to prevent another occurrence with the firm belief that this is our last chance to regain trust. Safety is never something we can take for granted simply because everything went well today. Even if today passes without incident, we must always be mindful that safety could be compromised tomorrow. With this in mind, we must remain constantly alert to new risks. As with any incident, safety is not something that only those directly involved should work to ensure. It is important for every employee across the Group to recognize that their own work is connected to safety and to take ownership of it. I promise that everyone across the JAL Group will come together as one in our efforts. And in 2035, we will mark 50 years since the Mt. Osutaka accident. With the lessons of that tragedy firmly in our hearts, we will devote ourselves to passing on a safe future in the skies to the next generation.



Message from the Group CEO

“Guided by our 10-year management strategy, we will execute annual plans with the agility to respond to rapid changes in the business environment.”

Formulating the JAL Group Management Vision 2035

» Our Envisioned Future: A Sustainable Well-being Future

Against the backdrop of these changes in the business environment and building on the achievements and challenges of our previous Medium-Term Management Plan, we formulated the JAL Group Management Vision 2035 to continue creating value unique to the JAL Group and achieve sustainable growth in corporate value. The first key feature of the Management Vision is that it goes beyond the traditional five-year Medium-Term Management Plan framework. Through JAL Vision 2035, we have set out the future society we envision 10 years from now and what we want JAL to become within that society. The second is how we will get there. Guided by a 10-year management strategy, we will execute annual plans with the agility to respond to rapid changes in the business environment.

When developing the Management Vision, the first thing I kept in mind was just how quickly the world around us is changing. And it is not only the pace of change. The social challenges we face are becoming increasingly apparent and will likely grow more serious over the next 10 years. Environmental issues, demographic challenges such as the declining birth rate and aging population, and rising geopolitical risks are just some of the issues that can have a profound impact on people's well-being. For more than two years, management and employees across the JAL Group have spent considerable time discussing what kind of strategy we need to grow our business while also helping address these social challenges. We began by considering what we needed to do about the challenges directly in front of us. From there, we looked 10 years ahead and asked what kind of world all our stakeholders would want to live in. The vision that emerged was “A Sustainable Well-being Future.” As technology continues to advance, challenges such

as loneliness and social division are becoming more serious. Against this backdrop, we envision a future where people can connect across physical and psychological barriers, where each individual can choose their own path in life based on their own values and find fulfillment in doing so, and where that well-being extends throughout society as a whole.

» The Thinking Behind Our New Brand Slogan, Soaring Together

Alongside the Management Vision, we also established our new brand slogan, “Soaring Together.” This is something I had been thinking about for many years, going back to my time as head of the Customer Experience Division. As our customers' values become increasingly diverse, I have felt that we need to take our efforts to maximize the customer experience even further, going beyond customer satisfaction to build relationships with our customers based on empathy. Functional improvements such as Wi-Fi and fully flat seats will remain important. But we also want each and every customer to feel that JAL understands and genuinely cares about them, and that JAL shares their values. To make this a reality, we have established Encounters and Experiences That Resonate with Customers as one of our management goals, with customer empathy score as a key performance indicator (KPI). Our goal is to become No. 1 in the world for customer empathy by 2030. The JAL Group has long aspired to become the world's most preferred and valued airline group. Soaring Together is our shared rallying cry for turning that aspiration into concrete action.

» Bringing Out the Best in Every Employee by Leading Alongside Them

Soaring also conveys the idea and aspiration of rising and taking flight. Soaring Together is about more than simply standing by our customers. It is about gently encouraging them to take their next step, while we move forward and soar toward the future together. To make this a reality, our employees must first approach their work with a positive mindset and feel confidence and pride in what they do. It is equally important for us as management to recognize and respect each employee's individual values. If



Key visual for the new brand Soaring Together

Message from the Group CEO

For more details, see:

New Materiality and Strategies to Implement

📌 P. 33

For more details, see:

Message from the Group CFO

📌 PP. 27–29

Financial Strategy

📌 PP. 36–39

employees can feel confident in themselves and in what they are doing, and see that this comes through to our customers, they will take even greater pride in their work. I believe that, in turn, will bring us closer to realizing Soaring Together.

This is also my own approach to leadership: setting a clear direction while working alongside our employees. It is an approach I have followed consistently since my days as a cabin attendant. As a leader who works alongside our people, I will continue to focus on creating the environment and systems that enable each and every employee to realize their full potential.

▶ Linking Our New Materiality Initiatives to a Higher Expected Growth Rate and Lower Cost of Capital

Ahead of formulating the Management Vision, we also reviewed our material issues, reassessing society's sustainability challenges in terms of both risks and opportunities. We identified seven new material issues: Co-creating the Future of Regions, Contributing to the Fulfilling of Our Customers' Hearts, Value Creation through Strengthening Human Capital, Realizing Sustainable and Future Aviation Infrastructure, Respect for Diversity and Human Rights, Passing on Precious Earth to the Next Generation, and Realizing a Safe and Secure Society. We have positioned these as key priorities for achieving JAL Vision 2035 and closely aligned our materiality KPIs with our management targets for 2030. By steadily advancing these initiatives, we will expand opportunities for business growth and increase our expected future growth rate. Moreover, by strengthening the foundations for sustainable management, we will earn greater trust from the capital markets and lower our cost of capital. Through both, we aim to achieve sustainable growth in corporate value.

Business Portfolio Transformation

▶ Targeting Profit Growth on an Entirely New Scale

At the core of the Management Vision, and most directly linked to increasing corporate value, is our business portfolio transformation. We are targeting profit growth on an entirely different scale from the past, with EBIT targets of JPY 300 billion in 2030 and JPY 350 billion in 2035. We have also set targets of ROIC of 9% or more, an equity ratio of around 45%, and an EBIT margin of 10% or more. Business portfolio transformation is our most important strategy for achieving these targets.

▶ International Routes and Mileage and Lifestyle as Growth Drivers

Our international route marketing business, including cargo transportation, and our Mileage and Lifestyle business will be the growth drivers leading our business portfolio

transformation. In international route marketing, we will pursue growth and strategic investment on two fronts: expanding and upgauging our medium- and long-haul FSC fleet and doubling ZIPAIR's fleet by FY2030. By capitalizing on both the convenience of Haneda Airport and the enhanced capabilities of Narita Airport, we will capture growing inbound demand as well as passenger and cargo flows between Asia and North America. Through this strategy, we will increase international available seat kilometers (ASK) to 1.3 times the FY2025 level by FY2030 and accelerate profit growth by capturing growing global passenger demand.

In the Mileage and Lifestyle business, we will build on the strengths of the JAL Card to achieve significant growth in mileage issued through non-aviation activities and expand the business. In addition to expanding partnerships for exchanging mileage and points, which has driven growth to date, we will broaden our partnerships globally and actively invest in new businesses. Over the five years beginning in FY2026, we will make strategic investments of more than JPY 80 billion. By creating more opportunities to earn JAL miles through payments, financial services, and every aspect of daily life, and by expanding attractive rewards comparable to award tickets, we aim to build deeper, longer-lasting relationships with our customers throughout their lives. By FY2030, we aim to increase EBIT in the Mileage/Finance and Commerce business to JPY 70 billion, 1.6 times the FY2025 level. By 2035, we aim for the FSC business and businesses outside the FSC business to each account for 50% of EBIT.

For our domestic route marketing business, improving profitability is an urgent priority, requiring us to complete the transformation of its business structure. To address structurally higher fuel prices, we are considering introducing a fuel surcharge on domestic flights from April 2027. We will also fundamentally reshape the earnings structure by encouraging more inbound travelers to use our domestic flights. In addition to improving our own efficiency through digitalization and productivity gains, we will further expand collaboration across the industry. By steadily implementing these reforms, we aim to establish a stable earnings base in our domestic route marketing business by FY2028, with EBIT of JPY 60 billion and a profit margin of at least 10%. Through these efforts, we will enhance the flexibility and resilience of the business as a whole while creating social value and achieving steady profit growth.

We will also expand our aviation-related infrastructure businesses. At Narita Airport, we will further develop our contract services business, where we hold the leading market share, in line with rising inbound demand and the airport's expanding capabilities. At the same time, to address workforce shortages caused by population decline, we will promote automation and labor-saving measures at airport-related facilities and equipment.

Message from the Group CEO

Human Capital/DX Strategy and Climate Change Initiatives

▶ Expanding Investment in Human Capital and Technology

Our human capital/DX strategy, supported by increased investment in human capital and technology, provides the foundation for these growth strategies and our efforts to increase corporate value. As the working-age population continues to decline and various costs rise, we will pursue fundamental improvements in productivity to reliably maintain our operations while ensuring business viability. Specifically, we plan to invest approximately JPY 260 billion in technology over the five years from FY2026 through FY2030. We will use AI and robotics to further automate and enhance our operations. To achieve the growth described above with approximately the same level of human



capital as today, we will improve efficiency by an amount equivalent to around 10% of our workload by FY2030 and redirect the time this frees up to higher-value-added work. By enabling people and technology to work together while drawing on the strengths of each, we will maintain sustainable operations and transform the way we work. We will also increase human capital investment to an annual average of approximately JPY 80 billion. Through this investment, we will create an environment where every employee can make the most of their capabilities and thrive as a professional. By fostering a corporate culture that embraces transformation and challenge, we will enhance employee well-being.

▶ Achieving Both Climate Goals and Business Growth

As we look to the future, we believe that taking responsible action on climate change and other environmental issues is an important part of our corporate mission. We regard achieving net-zero CO₂ emissions by 2050 as part of our responsibility to pass on a better global environment to future generations. To achieve this goal, we will work to expand the use of sustainable aviation fuel (SAF), working together with our customers, other airlines, and all our stakeholders to promote its adoption across society and reduce our environmental impact. We believe that steadily advancing these environmental initiatives will not only fulfill our responsibility to society but also support the development of a sustainable aviation business and strengthen the foundations for our medium- to long-term growth. Under our previous Medium-Term Management Plan, we steadily achieved targets such as reducing total CO₂ emissions from aviation to FY2019 levels and one percent of SAF usage. In the next stage, we will work toward the ambitious targets we have set for 2030, balancing environmental and economic value while fulfilling the mission that JAL, as an airline, is uniquely positioned to undertake.

In Closing

▶ Building on the Resilience We Have Developed to Increase Corporate Value and Realize a Sustainable Well-being Future

The JAL Group will continue to pursue sustainable growth in corporate value through co-creation with all our stakeholders, including our shareholders and investors. I personally check our share price several times a day, and I am keenly aware of both the expectations our shareholders and investors have for us and the scrutiny under which we operate. Under the JAL Group Management Vision 2035, which targets growth on an entirely different scale from the past, we will make the investments needed for growth while improving capital efficiency. I hope all our stakeholders will watch closely as we put these initiatives into action.

As I mentioned earlier, the JAL Group has overcome many predicaments over the years. Seen another way, those experiences have made us more resilient in the face of risk, and I believe that resilience will be a source of strength as we confront adversity, including rising geopolitical risks. We will use the JAL Group Management Vision 2035 as our compass for navigating these uncertain times and ensure that our growth investments bear fruit so that we can meet your expectations.

We will undoubtedly face unexpected difficulties and new risks in the years ahead. But it is precisely at such times that we must draw on the resilience we have built together with our employees and find the courage to take that extra step forward. With that resolve, we will do everything we can to realize a Sustainable Well-being Future.

I look forward to your continued support as we move forward together.

A Timeline of Embracing Challenges and Transformation

Since its birth in 1951 as Japan's first postwar airline, the JAL Group has continually adapted to changing times, flexibly evolving its business portfolio and contributing to the development of the aviation industry through successive advances in technology and innovation. The "human capital" and "social and relationship capital" we have built through our history of taking on challenges provide a solid foundation for sustainably enhancing corporate value. Looking ahead, we will continue to leverage these strengths to forge a path toward a Sustainable Well-being Future.

1950s » 1970s

Pioneering the skies as Japan's flag carrier and establishing the aviation business foundation

✈ International and domestic air transportation businesses

- › Building international and domestic air transport networks as a matter of national policy
- › Creating overseas tourism demand through JALPAK
- › Enabling mass air transportation through the introduction of large aircraft

Japan Airlines was established in 1951 as Japan was rebuilding after World War II. By launching scheduled international services and enabling mass air transportation, JAL opened up Japan's skies and connected the country with the world. It also developed the capacity for mass transportation and cultivated demand, establishing the business foundation on which JAL would fulfill its mission as part of Japan's public infrastructure.

1980s » 2000s

Restructuring the aviation business through full privatization and management integration, and building customer loyalty

✈ JAL/JAS integration and aviation business restructuring

🏠 Differentiation through mileage, airport, and inflight services

- › Expanding the scale of the business through management integration
- › Building a customer base through the introduction of a mileage program
- › Joining an alliance and further differentiating airport and inflight services

Following its full privatization and management integration, JAL expanded the scale of its business and network. Through initiatives such as introducing a mileage program and joining an international alliance, it also worked to enhance customer convenience and strengthen its global competitiveness.



1950s

1970s



1980s

2000s



1951
Japan Airlines established



1965
First JALPAK overseas tour departs



1970
Jumbo jet enters service



1993
First Japanese airline to introduce a mileage program



2004
JAL and JAS fully integrated



2004
Class J seats introduced

A Timeline of Embracing Challenges and Transformation

2010s » 2020s

Rebuilding the business and shifting to a highly resilient business portfolio

-  FSC/LCC dual-brand model
-  Cargo and Mail
-  Mileage and Lifestyle Business

- › A strong financial foundation built through corporate restructuring and the COVID-19 pandemic
- › Developing new customer segments through a multi-brand LCC strategy
- › Expansion into non-aviation areas, including the Mileage and Lifestyle Business and new areas driven by social value

Following its financial restructuring, JAL established a new Corporate Policy and renewed the foundation for value creation. We have also continued to enhance our aviation business, while creating new demand through our LCC business and expanding into non-aviation areas, thereby transforming our business portfolio to make it more resilient.

JAL Vision 2035

Sustainable Well-being Future



2010s



2012
Launch of the Boston route using Boeing 787 aircraft

2020s



2021
Full-scale launch of Narita-based LCC strategy



2024
Boeing 767-300ER freighter enters service



2025
Immersive theater opens at Expo 2025 Osaka, Kansai, Japan



2026
ARGO PROJECT, the world's first lunar transportation service by an airline, launched

Our Core Strengths | **Human Capital**

Building on Our Enduring DNA and Spirit of Challenge to Further Increase Corporate Value

Human capital is one of the JAL Group's greatest strengths. At the heart of our organization are a tradition of professionalism passed down through generations, a culture of transformation and challenge, and the JAL Philosophy, which embodies the values shared by all our employees. Together, these provide a strong foundation for one of the JAL Group's greatest strengths: our ability to keep taking on new challenges and creating new value while respecting the diverse skills, ideas, and aspirations of every employee. By bringing together the strengths we have developed over the years and our spirit of challenge, we will continue to forge a path toward a new future.

Strengths of Our Human Capital

1 Professionalism That Supports Safety and Delivers the Highest Quality Service

The exceptional professionalism of JAL Group employees, reflected in their continuous pursuit of professional expertise, high ethical standards, and dedication to others, remains an enduring source of competitive advantage even as digitalization advances. Each and every employee carries out their work with pride and a strong sense of responsibility and continues to deliver world-class service.



1951
Inaugural class of stewardesses joins JAL

Strengths of Our Human Capital

2 A Culture of Transformation and Challenge to Create New Value

As a pioneer, the JAL Group has a deeply rooted culture of creating new value through challenge. Since launching Japan's first scheduled international service in the early postwar years, this pioneering spirit has lived on in our expansion into non-aviation fields and our efforts to create next-generation transportation networks. Building on this enduring DNA of transformation and challenge, we will continue to contribute to the sustainable progress and development of society.



1954
Started scheduled international flights for the first time after the war



1964
Launch of electronic seat reservations for domestic flights

Strengths of Our Human Capital

3 The JAL Philosophy: Shared Values for All Employees

The JAL Philosophy provides a common framework for approximately 40,000 employees to make decisions and take action from a shared perspective. By deeply embedding the JAL Philosophy throughout the workforce, we enable our people to continue performing at a high level based on shared values, even amid rapid changes in the business environment.



1988
New uniforms introduced for cabin attendants and ground staff following JAL's full privatization

FY2025 Results

World-Class Quality

SKYTRAX
World Airline
Star Rating: 5-Star

Certified for **9**
consecutive years

APEX
WORLD
CLASS™

Certified for **5**
consecutive years

Record high

Percentage of Highly Engaged Employees **60.7%**



2025
Carrying forward the legacy of Expo 2025 Osaka, Kansai, Japan and taking on the challenge of eVTOLs (flying cars)

» 1950s

1951–1952
Martin 2-0-2 "Suisei" being loaded for Japan's first postwar scheduled domestic commercial flight



1954
Japan's first complete overhaul of a DC-4 begins



1967
Uniforms redesigned to mark the completion of JAL's round-the-world route

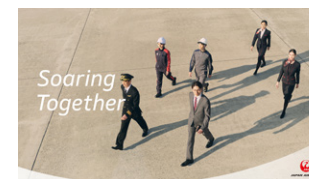


2010
First international flight from Haneda Airport's new terminal



» 2020s

2026
New brand slogan "Soaring Together" established



Our Core Strengths | Social and Relationship Capital

Leveraging JAL's Unique Social and Relationship Capital to Drive Significant Growth and Increase Corporate Value

Since its founding, the JAL Group has shared a long history with society and local communities as Japan's flag carrier. The networks, partnerships, and customer base we have built along the way form an unwavering foundation for our business. This accumulated social and Relationship capital is a strength that underpins both our business activities today and our future growth, and will be a driving force behind the JAL Group Management Vision 2035. By leveraging this capital to the fullest and creating relationships and societal connections that go beyond transportation, we aim to achieve profit growth and increase corporate value.

Strengths of Our Social and Relationship Capital

1 An Extensive Network That Enables Greater Transportation and Connection



We have expanded our network while building relationships with partner airlines to contribute to local communities as part of society's infrastructure. By facilitating the movement of people and goods, we create relationships and societal connections that span regions, countries, and generations.

FY2025 Results

Number of airports served

International
413 locations

Domestic
(including LCC-operated flights)
64 locations

Strengths of Our Social and Relationship Capital

2 Strong Ties with Local Communities and Business Partners



Building on the strong ties with local communities that we have cultivated over many years, we promote regional revitalization through our business activities. Through diverse partnerships that go beyond conventional frameworks, we are building lasting connections.

Number of city partnerships*

61 cities

* Includes some partnership agreements with councils rather than local governments.

Strengths of Our Social and Relationship Capital

3 JAL Mileage Bank Customer Base



More than 40 years after the introduction of our mileage program, JAL Mileage Bank membership continues to grow year by year and now stands at approximately 41 million. By further expanding JAL Mileage Lifestyle, we aim to continue growing our customer base.

Number of JAL Mileage Bank members

Approx. **41** million members

Social and Relationship Capital Built Over Time

Cumulative Passenger Numbers
(International and Domestic) (FY1953–FY2024)

■ Number of international passengers
■ Number of domestic passengers



Our True Values | JAL Philosophy

Advancing our commitment to the JAL Philosophy, the foundation of what makes JAL unique

JAL Philosophy (Our DNA): The Foundation for Realizing the JAL Group Corporate Policy

The JAL Philosophy is the foundation on which the JAL Group continues to grow and create new value. Shared by every employee, it gives us a common compass for making decisions, from the way we manage the business to the choices we make in our daily work. At its heart is one simple question: “What is right as a human being?” Putting the JAL Philosophy into practice is how we work toward realizing the JAL Group Corporate Policy. When each of us makes decisions and takes action based on the Philosophy, we create lasting value, fulfill our responsibilities to society, and generate sound profits. The world around us, however, is changing rapidly. To ensure that the JAL Philosophy continues to bring together the aspirations of our increasingly diverse people, we are evolving how we put it into practice for a new era, without losing sight of the enduring values at its core.

Building a Stronger Culture and Enhancing Corporate Value through a Continuous Cycle of Practice and Reflection

The JAL Philosophy takes root not through classroom learning alone, but through practice and reflection in our daily work. Across our workplaces, we emphasize a continuous cycle of “practice → reflection → sharing → practice.” To support this cycle, we hold a variety of learning sessions tailored to different roles and needs, including Leaders’ Workshop for executives, department heads, and managers; sessions for employees in the early years of their careers; and JAL Philosophy Workshop for all employees. We are also expanding in-person workshops to build “Relationships and Societal Connections” across organizational boundaries and create new value. The JAL Philosophy Awards celebrate day-to-day achievements and foster a culture in which employees recognize and applaud one another for taking on new challenges. Together, these efforts enhance employee well-being and foster a culture that encourages people to take on new

» JAL Philosophy

Part 1: In Order to Lead a Wonderful Life

Chapter 1: The Formula for Success (The Formula for 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 (Measure Your Inflow and Control Your Outflow)
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



challenges, ultimately contributing to greater corporate value.

Transformation and Challenge toward JAL Vision 2035

Our strong organizational culture provides the foundation for realizing JAL Vision 2035, which is to achieve sustainable growth by transforming our business portfolio and creating a Sustainable Well-being Future. Reaching a new level of growth will demand bold transformation and a willingness to embrace new challenges. The greatest force behind that transformation is our employees, guided by the JAL Philosophy. This Philosophy shapes the decisions and actions that keep us safe, inspire outstanding service, and create new value. By embedding it even more deeply throughout the JAL Group and

empowering every employee to put it into practice, we will continue to evolve-creating value for society as we pursue sustainable growth.



The JAL Philosophy Workshop
Building connections through dialogue and aligning the JAL Group

Our True Values | My JAL Philosophy

Our employees are the driving force behind sustainable value creation, taking on bold challenges with the JAL Philosophy as their compass. Here, we share stories of employees across a diverse range of fields who continue to challenge themselves and grow through decisions and actions grounded in the JAL Philosophy.

My Philosophy

Align Mental Vectors



Creating the best possible experience for our customers
Flight Crew Training Department Japan Airlines Co., Ltd.
SUZUKI Shinjiro

Celebrating 40 years of the Boeing 767 with a charter flight ending inside the hangar

To celebrate 40 years of the Boeing 767 at JAL, we organized a special charter flight that ended with the aircraft taxiing directly into the hangar, where passengers disembarked. We imagined the excitement our customers would feel and worked through every detail, refusing to give up until we had made the idea a reality. Along the way, employees came together around a common goal, building stronger connections and a deeper understanding of one another.

My Philosophy

Today Should Be Better Than Yesterday; Tomorrow Better Than Today



Keep improving and always move forward
Pioneer Business Department JAL Sunlight Co., Ltd.
HOSHINO Ai

Winning the Challenge Coffee Barista Competition

In my second year with the airline, I led a team competing in a barista competition for people with disabilities. As someone with a hearing impairment who is often on the receiving end of support, this time my challenge was to support other competitors with disabilities. Over nine months of preparation, we kept making improvements guided by the principle "Today Should Be Better Than Yesterday; Tomorrow Better Than Today." Day by day, we grew stronger as a team and ultimately achieved our goal of winning the competition.

My Philosophy

Put Yourself in the Customer's Position



From giving a message to connecting with customers
Marketing Communications Department Japan Airlines Co., Ltd.
TANIGUCHI Tomoyo

Our YouTube subchannel initiative

One-way communication will not suffice to connect with customers. I believe communication only truly resonates when we bring together what people are interested in with the messages we want to share. By taking an objective look at JAL and creating content firmly from the customer's perspective, we built a YouTube channel that is now enjoyed by many.

My Philosophy

Face Challenges with Courage



Enhancing safety for our customers and our people
Cargo and Mail Service Department JAL Ground Service Osaka Co., Ltd.
YAMADA Mao

Introducing an onboard stretcher compatible with every aircraft type

I saw a need to make the process of transporting customers by stretcher onboard safer for both our customers and the employees assisting them, so I took on the challenge of introducing a stretcher that could be used across all aircraft types. Finding a solution that worked for every aircraft was not easy, but after repeated adjustments, we succeeded in putting it into service. I'm confident this will make a significant contribution to improving accessibility across the JAL Group.

My Philosophy

Make the Best Baton Pass



Caring for every colleague in the transport chain to bring producers' passion to the world
Forwarding Sales Department Jupiter Japan Co., Ltd.
Hoan Long Vo

Developing JAL de Hako-byun in collaboration with JR

We developed JAL de Hako-byun, an international cargo service that combines JR East's Shinkansen high-speed rail network with JAL's international flights to seamlessly connect regional Japan with overseas markets. It is a new approach to transportation created through close collaboration among all the companies involved, with the shared goal of bringing producers' passion to the world. Through transportation, we are opening up new relationships and societal connections between people.

My Philosophy

Align Mental Vectors



Knowing our strengths and making the most of them
Cabin Crew Department J-AIR Corporation
KITAGUCHI Akiyo

Operating the SoraCruise flying car station at Expo 2025 Osaka, Kansai, Japan

We aligned our vectors with the goal to give visitors an unforgettable experience at the Expo. That shared focus allowed each of us to make the most of our individual strengths and skills. The experience also brought us closer as a team, deepening my appreciation for my colleagues and the importance of making the best baton pass.

My Philosophy

"Workfloor" Management



Creating a safer, more comfortable place to work
Airport Operations Department Japan Airlines Co., Ltd.
SHIBATA Hisano

Introducing safety vests with built-in cooling

As summers grow hotter each year, we introduced safety vests with built-in cooling to help our frontline employees work safely and comfortably even in the peak summer heat. Whenever we encountered an obstacle, I came back to the principle of "Workfloor" Management and focused on listening closely to the people doing the work. I firmly believe that creating an environment where our frontline employees can thrive is ultimately what enables us to deliver unparalleled service.

My Philosophy

Never Give Up Until We Succeed



Taking on the challenge of creating new value in financial services across industry boundaries
Mileage and Lifestyle Business Division Japan Airlines Co., Ltd.
YAMAZAKI Masumi

Acquiring Money Square Holdings and integrating the mileage program

In July last year, we acquired shares in Money Square Holdings to further grow our non-aviation businesses. Working across industry boundaries involves unfamiliar terminology and rules and plenty of trial and error, but together we are tackling each challenge and moving forward. By combining the strengths of the JAL Group and the financial sector, we will continue creating new value that enriches the future of our customers and the companies involved.

My Philosophy

Face Challenges with Courage



Being willing to take on even the toughest challenges
Ground Handling Planning Department Japan Airlines Co., Ltd.
FURUICHI Kodai

Putting Level 4 autonomous towing tractors into practical use

We introduced Level 4 autonomous towing tractors that can operate without a driver. With few precedents to follow, there were many challenges to work through, but guided by My Philosophy of "Face Challenges with Courage," I approached each one with a willingness to give it a try. With the support of many colleagues, we successfully put the tractors into operation in December 2025, making our work more efficient in the process.

Our True Values | Unwavering Commitment to Safety

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.

Under its Corporate Policy, the JAL Group has established the Safety Charter as its basic policy on safety, setting out its commitment to and fundamental approach to safety, the essential foundation for value



New cabin attendants reciting the Safety Charter during training

creation as an airline, as well as the actions that put this approach into practice.

All JAL Group employees, including top management, carry the 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.

 **Related Information | The Safety Charter**
<https://www.jal.com/en-jp/safety/charter/>

Safety Management System

In accordance with Annex 19 to the Convention on International Civil Aviation, the JAL Group has established the Safety Management System (SMS) comprising of four pillars: 1) Safety Policy and Objectives, 2) Safety Risk Management, 3) Safety Assurance, and 4) Safety Promotion. In accordance with the Safety Charter, our basic policy on safety, management communicates the Group's safety policy and works to embed it throughout each division. Safety objectives are also established, and all JAL Group employees, including management, work together and perform their duties in accordance with the SMS to maintain and enhance aviation safety.

To ensure a high level of safety, management, each division, and the Corporate Safety and Security Division steadily implement their respective safety-related PDCA cycles and integrate these cycles to ensure that the SMS functions effectively and is continuously improved.

1) Safety Policy and Objectives

This framework establishes the overall direction and objectives for safety across the organization under the leadership of top management. JAL has established the Safety Charter and, through forums such as the Group Safety Enhancement Council comprising senior management, formulates policies, sets objectives, and allocates resources. Management and frontline employees work together to implement the PDCA cycle and continuously enhance safety.

 **Related Information | Safety Policy and Objectives**
https://www.jal.com/en-jp/safety/policy_target/

2) Safety Risk Management

This is the process of identifying hazards inherent in operations and reducing the associated risks. It consists of the following four steps.

In addition to gathering information on an ongoing basis, we quantify risks and identify those exceeding established thresholds as "Safety Issues" for appropriate action. We also analyze the underlying factors behind human error and take steps to prevent incidents before they occur.



 **Related Information | Safety Risk Management**
https://www.jal.com/en-jp/safety/risk_management/

3) Safety Assurance

Safety assurance is a framework for continuously monitoring, evaluating, and improving the effectiveness of safety measures. We conduct internal audits and management reviews by the president and rigorously apply Management of Change to address changes in the operating environment. We also draw on recommendations from the external Safety Advisory Group and third-party assessments such as the IATA Operational Safety Audit (IOSA) to objectively maintain and enhance our level of safety.

 **Related Information | Safety Assurance**
<https://www.jal.com/en-jp/safety/assurance/>

4) Safety Promotion

This framework raises employees' safety awareness and fosters a strong safety culture. In addition to initiatives to pass on lessons learned from past experience, we operate a voluntary reporting system that enables employees to report safety concerns with confidence. We also promote open communication and work across the organization to foster a safety culture.

 **Related Information | Safety Promotion**
<https://www.jal.com/en-jp/safety/promotion/>

Continuously Enhancing Safety and Peace of Mind through Advanced Technology and Professionalism

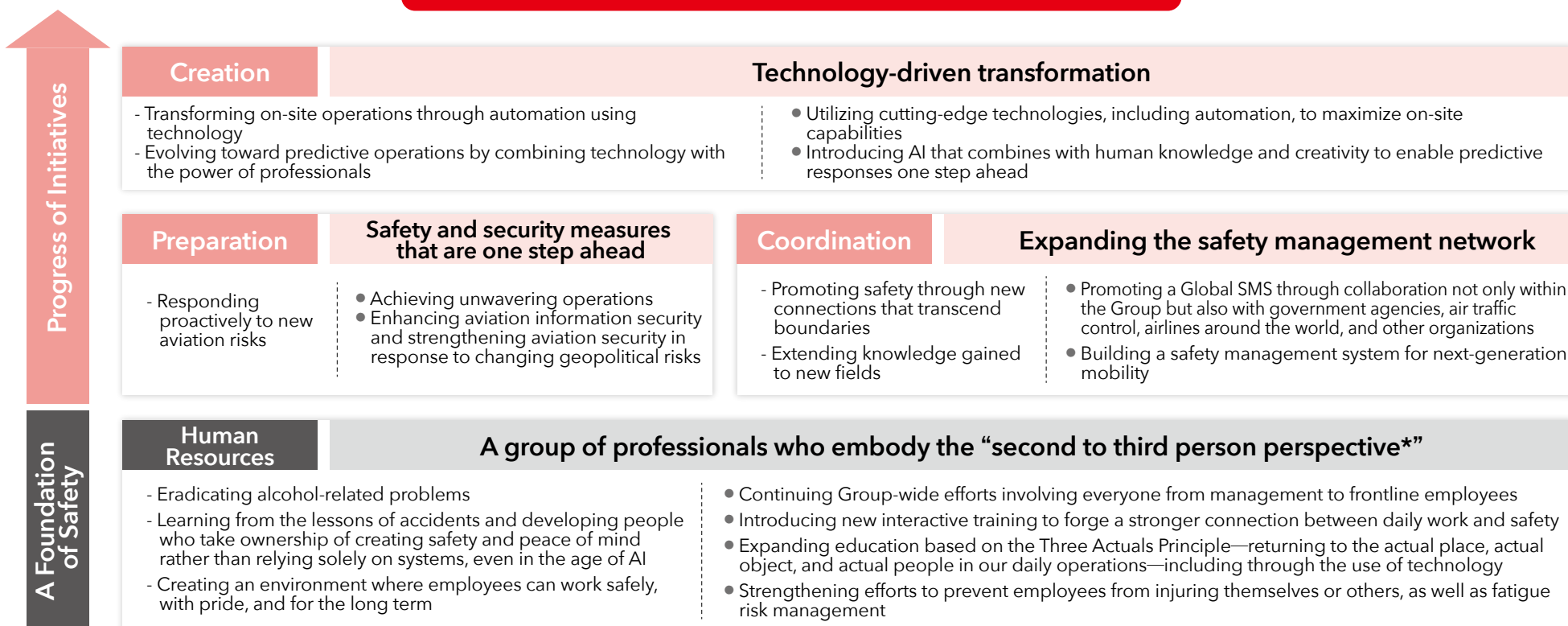
Under JAL Vision 2035, the JAL Group has set a FY2030 target of zero aircraft accidents and serious incidents. These targets have also been established as KPIs for the new materiality “Realizing a Safe and Secure Society” (New Materiality, [P.33](#)), and all employees are

working together to achieve them as early as possible and maintain that achievement. Our newly established Our Value also sets out "Safety and Peace of Mind for the Future Skies." With an eye not only to our existing air transportation network but also to next-generation mobility, we are focused on continuing to support the movement of people around the world. As a group of professionals with a strong commitment to embodying the "second to third person perspective*," we will continue advancing initiatives to carry safety forward to future generations. Rather than simply replacing people with AI in the pursuit

of safety, we will continue to evolve our operations by combining professionalism with advanced technology to create innovative processes unlike anything we have had before. Through these efforts, we will continue to achieve zero aircraft accidents and serious incidents and ensure unwavering safety in the skies of the future, even amid a changing environment.

* A perspective that combines the perspective of what it would be like if you or your family were the customer (first person, second person) and the perspective of a professional (third person).

Aircraft accidents and serious incidents: 0 cases



Main Initiatives

Safety Training Based on the Three Actuals Principle

Drawing on lessons learned throughout its history, the JAL Group works to foster safety awareness and a strong safety culture based on the “second to third person perspective” and the Three Actuals Principle. Specifically, employees are encouraged to reflect deeply on safety through activities such as a memorial climb to Mt. Osutaka, visits to the Safety Promotion Center, and viewing videos of people directly involved in past accidents. At the end of the training, participants put their thoughts into words in the form of a Safety Pledge, connecting what they have learned to their actions in their daily work.

FY2025 results: 258 sessions,
5,224 participants



Praying at Irei-no-Sono Monument

Enhancing Training Ground Handling

We have introduced tablet-based video learning for initial training and in-house certification programs, enabling employees to learn independently anytime and anywhere. The introduction of VR training also allows employees to practice repeatedly under a variety of conditions, regardless of actual flight operations or weather. Around 20 training scenarios, including aircraft towing, are used to build proficiency. While these new methods and technologies are making training more efficient, we continue to value hands-on opportunities to work with actual aircraft and learn face-to-face at operational sites.

We will continue to develop solid technical skills and a strong safety mindset by striking the right balance between effectiveness and efficiency.



Sharing the Latest Weather Information, Including Inflight Turbulence

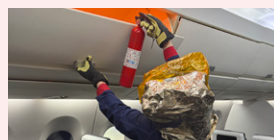
Changes in weather patterns are leading to turbulence-related injuries among passengers and cabin crew around the world.

To better predict turbulence, we launched the “Real-Time Turbulence Forecasting Project” in collaboration with Tohoku University, Weathernews Inc., and other partners. The project was selected for the Ministry of Land, Infrastructure, Transport and Tourism’s Transportation Technology Development Promotion Program. The project will use AI to integrate weather data with real-time data from aircraft in flight, enabling highly accurate turbulence forecasts. By building this system, we aim to improve safety while reducing environmental impact.



Fully Prepared for Inflight Fires Cabin Services

The JAL Group works to reduce the risk of fires on board and ensure that cabin crews are fully prepared to respond quickly and extinguish a fire should one occur. As part of their recurrent training, cabin crews repeatedly undergo practical firefighting drills covering all possible inflight fire scenarios, including overheating or deformation of portable power banks, fires, and smoke. Through this training, we work to maintain and enhance the judgment and skills needed to respond swiftly and effectively to fires, even in unexpected situations.



Initiatives to Achieve SeMS* Level 3 Certification

JAL became the first airline in the world to achieve Operating (Level 2) under the International Air Transport Association’s (IATA) international certification program for aviation security management. With the active involvement of management, we maintain an effective risk management framework that enables us to respond proactively and swiftly to geopolitical risks, emerging threats, and regulatory changes in countries around the world. We also conduct regular inspections, audits, and other assessments to verify the effectiveness of our aviation security regulations and measures and promptly implement any necessary improvements. Through these efforts, we proactively identify and mitigate security risks and continually enhance aviation security standards.

* SeMS: IATA Security Management System Certification Program. A program for airlines, airports, cargo handling facilities, ground handling companies, security companies, and other organizations.



Launch of Jointly Developed System Accelerating DX in Aircraft Engine Inspections Maintenance

JAL, JAL Engineering, and CRESO LTD. jointly developed and launched a system to streamline borescope inspections of aircraft engines. The system extracts images of individual turbine blades from recorded video and centrally manages them in the cloud, enabling comparison with historical data and automatic detection of damage. We will continue to combine the expertise of our maintenance teams with digital technology to further enhance aircraft safety.



Our True Values | Toward Restoring Trust in Safety

Measures to Prevent Recurrence of Inappropriate Alcohol-Related Incidents

JAL takes extremely seriously the fact that, despite implementing measures in response to administrative guidance received in FY2024 concerning alcohol-related incidents, further inappropriate alcohol-related incidents subsequently occurred. We sincerely apologize to our customers and all other stakeholders for the considerable concern and inconvenience caused. Under the leadership of management, the entire Company will work together to ensure the effective implementation of measures to prevent recurrence and restore the trust of our customers and society. In implementing these measures, we will continuously improve and strengthen them based on objective assessments and advice from a verification committee composed of a majority of external officers, external experts on alcohol-related issues, and the Safety Advisory Group.

 Related Information | [Response to Alcohol-Related Issues](https://www.jal.com/en-jp/safety/trouble_info/)

https://www.jal.com/en-jp/safety/trouble_info/

Recurrence Prevention Measures

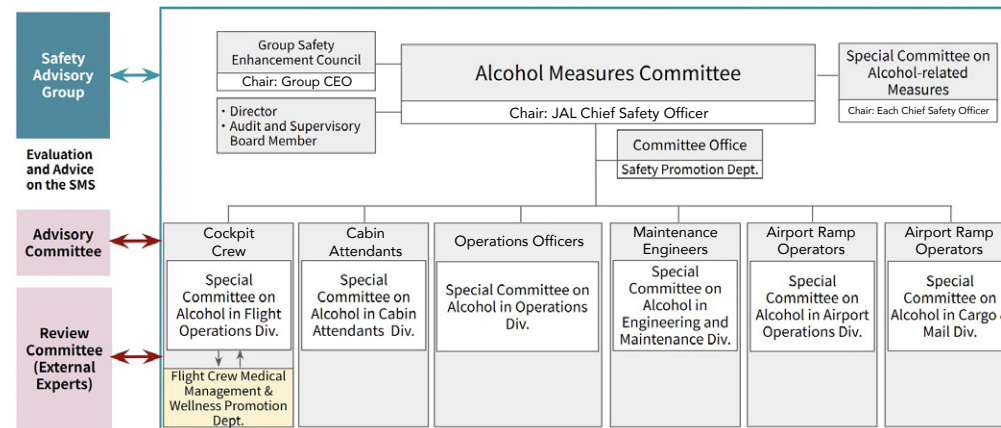
» The key recurrence prevention measures currently being implemented are as follows.

- Ensuring a thorough understanding of alcohol-related risks
 - Providing training focused on the risk of unexpectedly consuming excessive amounts of alcohol, even among those who do not normally drink
 - Encouraging employees to manage their alcohol consumption responsibly based on their individual constitution and physical condition
- Establishing a testing system that prevents employees from reporting for work unless they pass the required test
 - System-based monitoring to ensure that testing is completed by the prescribed time
 - Establishing a system to prevent employees from reporting for work if they do not pass the test
- Measures to minimize operational impacts when employees are not fit for duty
 - Creating, to the greatest extent possible, an environment in which employees can withdraw from duty without hesitation when they are not fit to work
- Addressing organizational issues
 - Strengthening individualized management and support for each employee
 - Implementing company-wide initiatives to enhance psychological safety in the workplace

Objective Evaluation and Advice

» In developing and implementing recurrence prevention measures, we seek objective evaluation and advice to continuously improve and strengthen our efforts.

- Verification Committee
 - Evaluating the progress and effectiveness of recurrence prevention measures through a review committee in which outside directors and other outside officers constitute a majority
 - Providing feedback on recurrence prevention measures based on interviews with frontline employees
- Review Committee of External Experts on Alcohol-Related Issues
 - Conducting regular reviews of standards and practices for managing drinking tendencies and their ongoing improvement
 - Providing expert evaluation of alcohol-related measures overall, including measures addressing inappropriate incidents
- Safety Advisory Group
 - Providing expert evaluation of the safety management system and alcohol-related measures based on extensive knowledge and experience in areas including human factors, analysis of failures and defects, organizational management and culture, and safety



JAL Group Alcohol Risk Management Structure

Our True Values | Divisional Profitability Management System

Through the divisional profitability management system, we will optimize the Group as a whole and maximize earnings, thereby transforming our business portfolio and creating new value.

Management Based on the Participation of All Members

The divisional profitability management system is a business management system based on amoeba management. The system has three key strengths: (1) forward-looking management, (2) participation by all employees, and (3) development of human resource management. Through the system, all JAL Group employees engage directly with the numbers that drive the business and work to maximize profits. Together with the JAL Philosophy, the divisional profitability management system represents a powerful intangible asset that supports our sustainable growth. Together, they serve as twin engines for enhancing corporate value.

(1) Forward-Looking Management

We run a monthly PDCA cycle to achieve our annual earnings plan. Even when faced with soaring fuel costs due to developments in the Middle East, we quickly captured changes in market conditions by updating our latest forecasts each month and took proactive measures to maximize revenue and rigorously control expenses. As a result, in the first quarter of FY2026, was profitable. This approach continues to prove highly effective even in a volatile environment.

(2) Participation by All Employees

We use a standardized Profitability Table that provides an at-a-glance view of actual results, targets, and prospects, making the organization's financial performance visible to everyone. This enables all employees to understand the state of the business from a shared perspective.

(3) Development of Human Resource Management

Leaders of each organization are accountable for its financial performance and work together with all members of their teams to address challenges and achieve their earnings plans. The management experience gained through achieving these targets enhances their motivation as leaders while also helping to develop the next generation of human resource management.

Driving Business Portfolio Transformation

To clarify the financial performance of each business segment and manage our business portfolio appropriately, we have introduced management by business segment in addition to our existing management by organizational unit, such as airport operations and flight operations. We track financial performance monthly, with business leaders taking the lead in bringing together relevant organizations to develop and implement cross-functional measures to maximize earnings. Using EBIT per employee for each segment as an indicator, we assess the productivity of each business and make timely decisions on the appropriate allocation of resources to growth areas.

At the Group Performance Review Meeting, which is attended by all executives, participants discuss the financial performance of each business and the measures being taken, pooling their collective expertise to achieve the annual earnings plan and optimize management across the Group as a whole.

We also run a PDCA cycle to improve productivity. Using indicators such as hour profitability, which measures how efficiently revenue and added value are generated from the resources deployed, we accurately assess current performance, formulate strategies and action plans, and put them into practice. The divisional profitability management system is built: maximum revenues, minimum expenses, and time efficiency. Together, these initiatives contributed to record-high EBIT and improved ROIC in FY2025.

From FY2026, as we pursue JAL Vision 2035, we will continue to leverage the strengths of the divisional profitability management system to drive business portfolio transformation and translate this into sustainable growth and enhanced corporate value for the JAL Group.

VOICE

Business Portfolio Transformation through Participation by All Employees

JAL Airtech Co., Ltd. is a team of technical professionals responsible for maintaining the ground support equipment (GSE) vehicles that underpin aviation infrastructure. I have been involved in the divisional profitability management system since its introduction through my work in the company's Planning Department and am now responsible for internal training. In our day-to-day operations, we maintain a strong focus on profitability, with each business division taking the initiative in setting prices and calculating costs. By pursuing the quality and service that earn our customers' trust, sales from outside the JAL Group have grown to account for 35% of the total.

In our training, we place particular emphasis on helping employees make the system their own. For example, using the operation of an *udon* restaurant as a case study, participants calculate hourly profitability from sales and expenses and consider measures to improve productivity. Rather than allowing the training to end with classroom learning, we aim to turn it into practical knowledge that employees can apply in their own workplaces, empowering them to take the initiative in pursuing maximum revenues, minimum expenses and improving productivity.

We will continue to develop human resources who can lead the airline, combining strong technical capabilities with a keen awareness of profitability.

ITO Kenichi
Planning Department,
Planning Group
JAL Airtech Co., Ltd.



New Value Creation and Enhanced Corporate Value

JAL Vision 2035

Business Portfolio Transformation

Revenue and Expense Plan for the Fiscal Year

JAL Philosophy

Divisional Profitability Management System

Monthly Management Cycle for Divisional Profitability

