

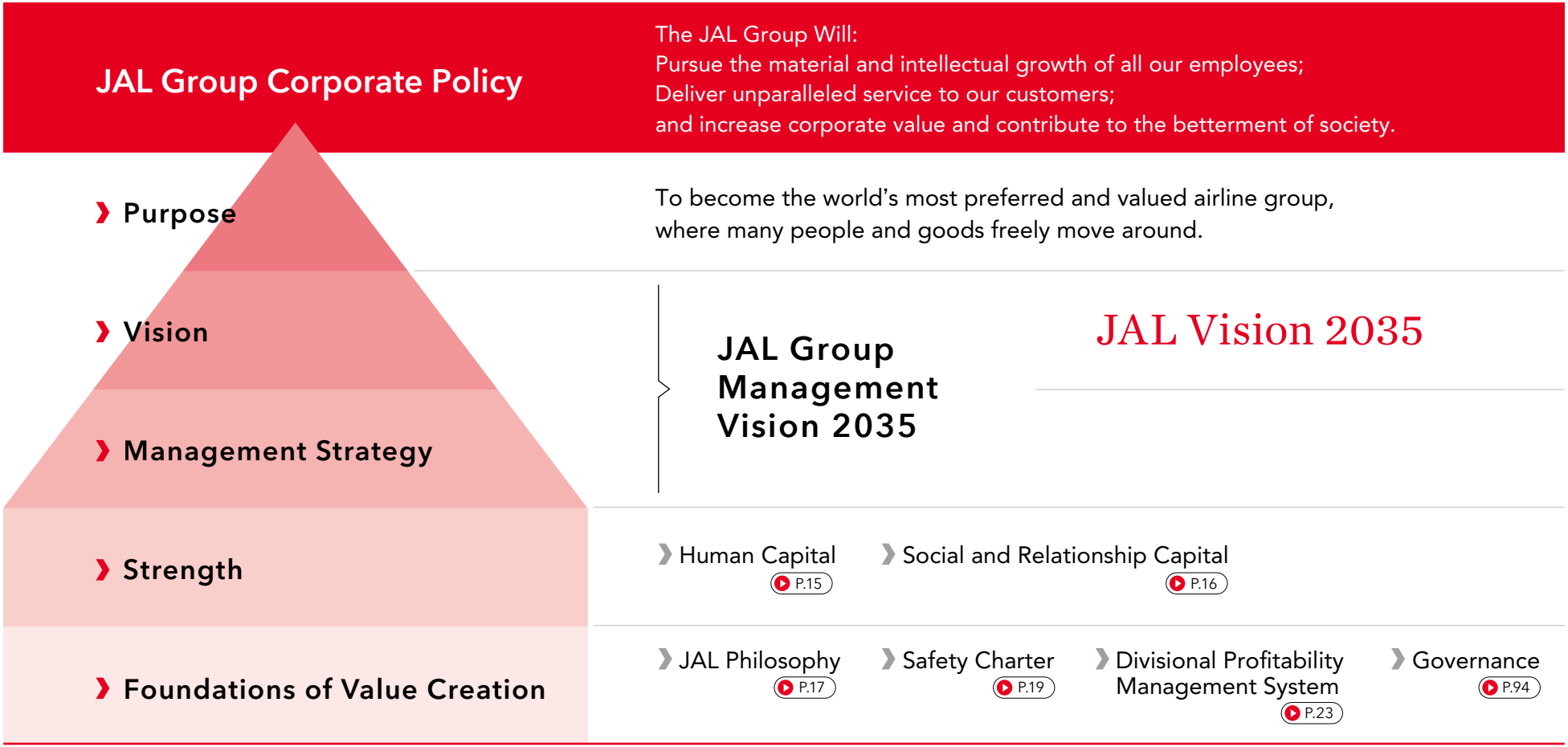
JAL REPORT 2026

JAL Group Integrated Report | March 2026

JAPAN AIRLINES

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

Sustainable Well-being Future

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

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



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.



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.

Our DNA

Professionalism That Supports Safety and Delivers the Highest Quality Service

JAL Philosophy

A Culture of Transformation and Challenge to Create New Value

Table of Contents

Prologue

Corporate Policy Framework ····· 1
Our Envisioned Future ····· 2
JAL Vision 2035 ····· 3
Table of Contents ····· 4
Key Points of This Report ····· 5
Message from the Group CEO ····· 6
A Timeline of Embracing Challenges and Transformation ····· 13
Special Feature 1: Our Core Strengths
Human Capital ····· 15
Social and Relationship Capital 16
Our True Values | JAL Philosophy ····· 17
Unwavering Commitment to Safety ····· 19
Divisional Profitability Management System ····· 23

RUNWAY 01
Becoming the Airline of Choice for Investors through Foresight and Growth Potential ····· 24

Strengthening Operating Capital ····· 25
Value Creation Process ····· 26
JAL Group Management Vision 2035 for Enhancing Corporate Value
Message from the Executive Vice President and Group CFO ····· 27
Review of Past Medium-Term Management Plans/Positioning of the JAL Group Management Vision 2035 ····· 30
Operating Environment and Strategic Framework ····· 31
Enhancing Corporate Value by Creating Social Value and Achieving Management Targets to Realize JAL Vision 2035 ····· 32
New Materiality and Strategies to Implement ····· 33
Identification of New Materiality ····· 34
Financial Strategy ····· 36
Business Overview ····· 40
Full Service Carrier (FSC) ····· 41
Cargo and Mail ····· 43
LCC ····· 45
Growth of International Route Business Driven by Three Core Pillars ····· 47
Mileage/Finance and Commerce ····· 48
Special Feature 2: Further Growth of the Mileage/Finance and Commerce Business and Maximizing Economic and Social Value ····· 50
Ground Handling Contracts ····· 52
Next-Generation Mobility ····· 53
Creating Value through Relationships and Societal Connections ····· 54

RUNWAY 02
Becoming the Airline of Choice for Customers through Empathy ····· 56

CX Strategy
Message from Our Group CCO ····· 57
Details of the CX Strategy ····· 59

RUNWAY 03
Becoming the Airline of Choice for Human Resources through Growth Opportunities ····· 62

Strengthening Human Capital
Message from the Executive Officer in Charge of Human Capital ····· 63
Human Capital Management ····· 65
Strengthening Intellectual Capital
Message from the Director in Charge of DX ····· 70
DX Strategy ····· 72
Productivity Improvement ····· 74

RUNWAY 04
Becoming the Airline of Choice for the Next Generation through Sustainability ····· 75

Measures for Sustainability of Natural Capital
Message from the Director in Charge of Green Transformation Strategy ····· 76
Environmental Management, TCFD and TNFD Governance and Risk Management 78
Addressing Climate Change (TCFD) and Green Transformation Strategy ····· 79
Biodiversity Conservation (TNFD) ····· 90
Effective Use of Limited Resources ····· 93

Governance ····· 94

Messages from Outside Directors and the Chair of the Board of Directors ····· 95
Corporate Governance ····· 97
Risk Management ····· 109
JAL Group Code of Conduct ····· 111
Respect for Human Rights ····· 114

Data Collection ····· 117

Key Financial Data ····· 118
Business Data ····· 120
Major Awards ····· 123
Stock Information/Company Profile ····· 124

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 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 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 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 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 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

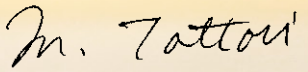
Message from the Group CEO



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



Message from the 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.

For more details, see:

Message from the Group CFO
PP. 27–29



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

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

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.

For more details, see:
New Materiality and Strategies to Implement
P. 33

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.

For more details, see:
Message from the Group CFO
PP. 27–29
Financial Strategy
PP. 36–39

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.

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 CO_2 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 CO_2 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

JAL Vision 2035

Sustainable Well-being Future

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.



2010s



2012
Launch of the Boston route using Boeing 787 aircraft



2021
Full-scale launch of Narita-based LCC strategy

2020s



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

Special Feature 1

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.

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.

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.

FY2025 Results

World-Class Quality

SKYTRAX World Airline Star Rating: 5-Star	APEX WORLD CLASS™
Certified for 9 consecutive years	Certified for 5 consecutive years

Record high

Percentage of Highly Engaged Employees 60.7%



1951
Inaugural class of stewardesses joins JAL



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



1964
Launch of electronic seat reservations for domestic flights



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



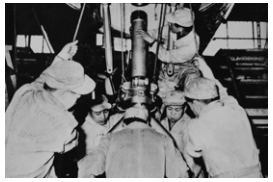
2025
Carrying forward the legacy of Expo 2025 Osaka, Kansai, Japan and taking on the challenge of eVTOLs (flying cars)

1950s **2020s**

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



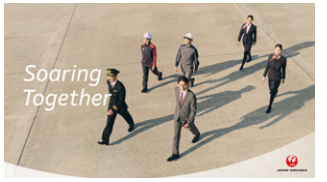
1967
Uniforms redesigned to mark the completion of JAL's round-the-world route



2010
First international flight from Haneda Airport's new terminal



2026
New brand slogan "Soaring Together" established



Special Feature 1

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.

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.

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.

FY2025 Results

Number of airports served

International	Domestic (including LCC-operated flights)
413 locations	64 locations

Number of city partnerships*

61 cities

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

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)

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 challenges, ultimately contributing to greater corporate value.



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

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

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

"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

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

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

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

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

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

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.

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



New cabin attendants reciting the Safety Charter during training

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/

Our True Values | Unwavering Commitment to Safety

Safety Goals

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

Progress of Initiatives

Creation — Technology-driven transformation

- Transforming on-site operations through automation using technology
- Evolving toward predictive operations by combining technology with the power of professionals

- Utilizing cutting-edge technologies, including automation, to maximize on-site capabilities
- Introducing AI that combines with human knowledge and creativity to enable predictive responses one step ahead

Preparation — Safety and security measures that are one step ahead

- Responding proactively to new aviation risks

- Achieving unwavering operations
- Enhancing aviation information security and strengthening aviation security in response to changing geopolitical risks

Coordination — Expanding the safety management network

- Promoting safety through new connections that transcend boundaries
- Extending knowledge gained to new fields

- Promoting a Global SMS through collaboration not only within the Group but also with government agencies, air traffic control, airlines around the world, and other organizations
- Building a safety management system for next-generation mobility

A Foundation of Safety

Human Resources — A group of professionals who embody the "second to third person perspective*"

- Eradicating alcohol-related problems
- Learning from the lessons of accidents and developing people who take ownership of creating safety and peace of mind rather than relying solely on systems, even in the age of AI
- Creating an environment where employees can work safely, with pride, and for the long term

- Continuing Group-wide efforts involving everyone from management to frontline employees
- Introducing new interactive training to forge a stronger connection between daily work and safety
- Expanding education based on the Three Actuals Principle—returning to the actual place, actual object, and actual people in our daily operations—including through the use of technology
- Strengthening efforts to prevent employees from injuring themselves or others, as well as fatigue risk management

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 CRESCO 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/

Recurrence Prevention Measures

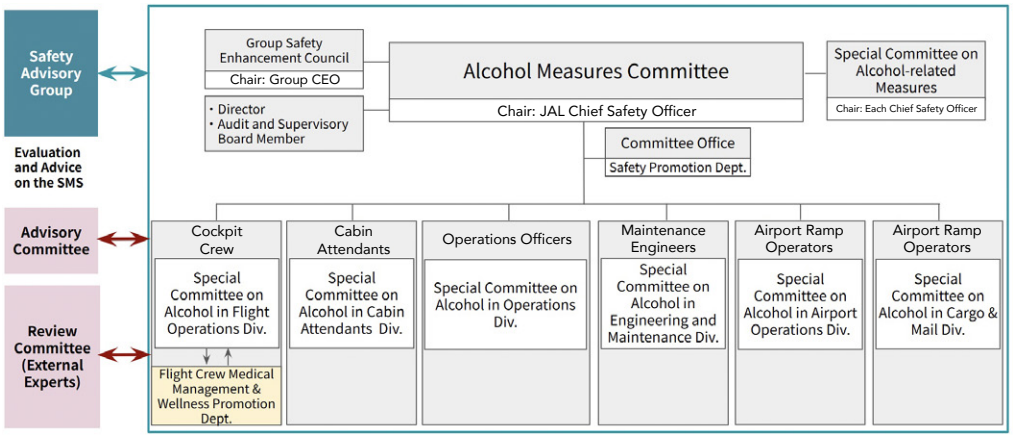
The key recurrence prevention measures currently being implemented are as follows.

1. 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
2. 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
3. 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
4. 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.

1. 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
2. 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
3. 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.

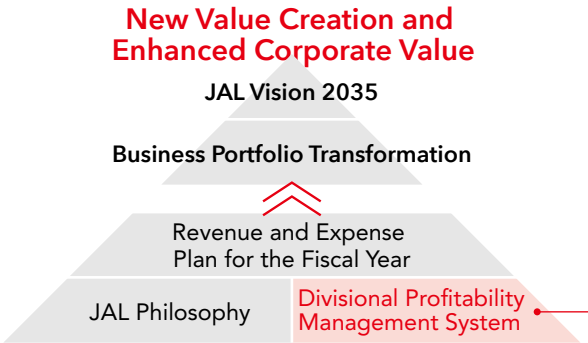
Driving Business Portfolio Transformation

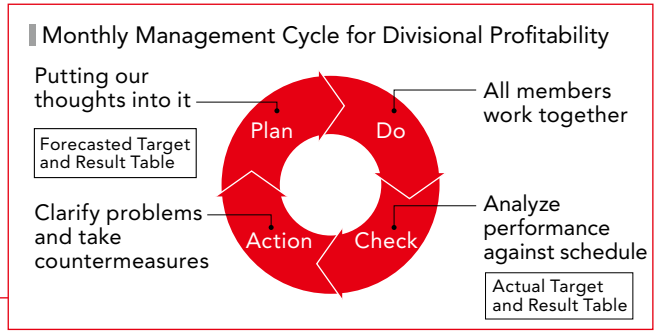
To clarify the financial performance of each business segment and manage our business portfolio appropriately, we have introduced management by business segment in addition to our existing management by organizational unit, such as airport operations and flight operations. We track financial performance 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.





RUNWAY
01

Becoming the Airline of Choice for *Investors* through Foresight and Growth Potential

Key Points in This Chapter

- The JAL Group's Medium- to Long-Term Growth Strategy
  JAL Group Management Vision 2035
- Key Issues the JAL Group Must Address and Business Portfolio Transformation
- Strategies and Progress in Each Business
- Business Model of the Growing Mileage / Finance and Commerce Business
- Value Creation through Relationships and Societal Connections

Strengthening Operating Capital

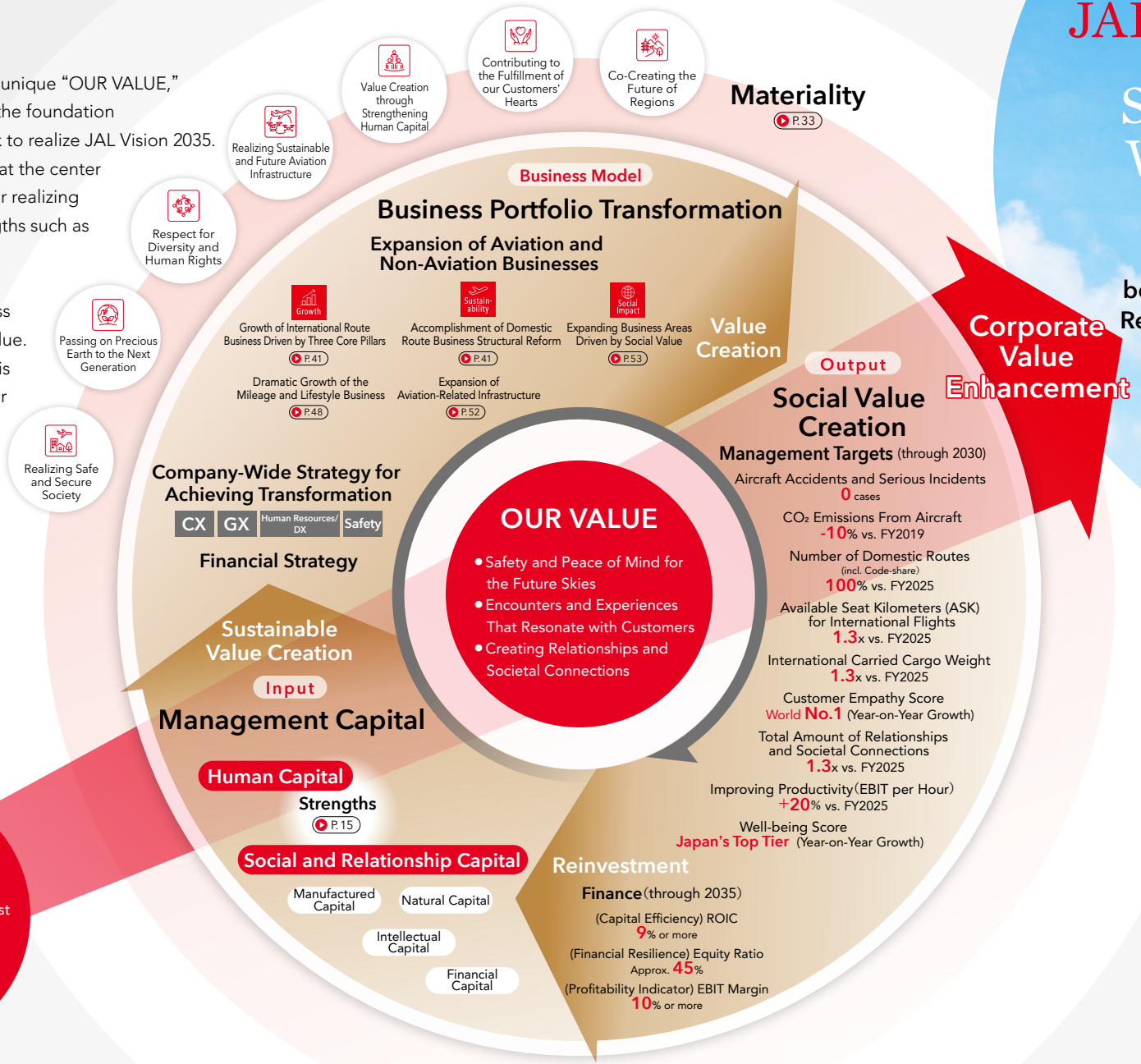
To achieve sustainable growth, enhance corporate value, and realize our vision for the future, we are focusing on the following initiatives to strengthen our operating capital.

Main Capital	Aim	Input	Measures to Achieve Our Vision	KPIs and Key Initiatives	Actual Results in FY2025	Targets for FY2030	Key Related Material Issues
Human Capital	• A team of professionals who continually embrace transformation and new challenges to create value	・Advanced expertise of each individual supporting safety and quality ・Broad knowledge and experience of diverse talent ・Employees who enjoy a high level of well-being	・Empowering employees to excel as professionals ・A culture of transformation and challenge that creates new value ・Foundational initiatives (JAL Wellness; further embedding and deepening the JAL Philosophy, the foundation of what makes JAL unique)	・Productivity improvement (EBIT per hour)	・No FY2025 results as these are newly established KPIs	・More than 1.5 times the FY2025 level	・Value creation through maximizing human capital ・Respect for diversity and human rights
				・Well-being score		・Among the highest levels in Japan, (year-on-year growth)	
Intellectual Capital	• Safety and peace of mind for the future skies • Enhanced CX and EX • Connecting the world through digital technology to create new value	・Regulations and manuals to ensure flight safety ・IT system to realize high quality and DX in aviation domain	・Fostering a safety management system and safety culture ・Fostering DX culture to promote DX ・Close cooperation and co-creation between the Digital Department and the Administration Department ・Development and strategic allocation of digital human resources with expertise and business understanding	・Aircraft accidents and serious incidents	・Total of four cases	・0 cases	・Contributing to the fulfillment of our customers' hearts ・Value creation through maximizing human capital ・Realizing sustainable and future aviation infrastructure ・Realizing a safe society with peace of mind
				・Increased technology investment	・No FY2025 results as these are newly established KPIs	・Approximately JPY 260.0 billion (Total of FY2026 to FY2030), 1.2 times the FY2025 level	
				・R&D into the latest technologies		・Profits from JAL Digital will be regularly allocated to R&D expenses and returned to the business	
				・Development of tech savvy human resources		・10% of all employees by FY2030, approximately double the FY2025 level	
				・A framework for driving transformation		・Approximately 100 DX promotion leaders connecting management with frontline operations by FY2030, including overseas regions, 1.4 times the FY2025 level	
Social and Relationship Capital	• Encounters and Experiences that Resonate with Customers • Networks that increase connections with transportation • Partnerships that work together to solve social issues	・Customer base that spans airline and non-aviation businesses ・Domestic and international route networks ・Airline partnerships ・Collaboration with local communities and business partners	・Expanding the customer base and strengthening customer relationships ・Capturing demand originating overseas and restructuring the domestic route business ・Driving business growth through stronger collaboration with external partners	・Customer empathy score	・No FY2025 results as this is a newly established KPI	・World No.1 (year-on-year growth)	・Co-creating the future of regions ・Contributing to the fulfillment of our customers' hearts ・Realizing sustainable and future aviation infrastructure
				・Available Seat Kilometers (ASK) on international flights	・52,795,858 thousand ASK	・1.3x vs. FY2025	
				・Number of domestic routes (including codeshare routes)	・140 routes	・100% vs. FY2025	
				・International carried cargo weight	・585,321	・1.3x vs. FY2025	
				・Total amount of relationships and societal connections	・9.6 million persons/times *CY2025	・1.3x vs. FY2025	
				・Number of airline partnerships	・39 airlines	・Strengthening collaboration	
				・Number of cities with which JAL has comprehensive cooperation agreements	・61 cities	・Strengthening collaboration	
				・Number of partner schools	・35 schools	・Strengthening collaboration	
				・Number of JAL Mileage Bank members (total)	・Approx. 41 million people	・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	・Number of aircraft in fleet	・234 aircraft	・Maintaining and expanding the network through fleet expansion	・Realizing sustainable and future aviation infrastructure ・Passing on precious earth to the next generation
				・Proportion of fuel-efficient aircraft	・45%	・67%	
Natural Capital	• Passing on precious Earth to the next generation • Realizing sustainable and future aviation infrastructure	・Aviation fuel ・Tourism resources (such as living organisms, forests, soil, water, and atmosphere) ・Merchandise and food ingredients handled throughout the supply chain	・Addressing climate change ・Biodiversity conservation ・Effective use of limited resources	・Reduction of CO_2 emissions from aircraft*1	・9.13 million tonnes	・10% reduction from FY2019	・Passing on precious earth to the next generation
				・SAF usage	・1%	・10%	
				・Emission reduction through SAF	・No FY2025 result as this is a newly established KPI	・5%	
				・Reduction of single-use plastics*2*5	・Cabins and lounges: Eliminate virgin petroleum-based plastics*3	・Cabins and lounges: Maintain 100% elimination of virgin petroleum-based plastics*3	
					・Cargo and airport: Change to 100% eco-friendly contained material*4	・Cargo and airport: Maintain 100% use of eco-friendly materials contained items*4	
				・Note: KPIs for detailed measures are on P.84, P.92, and P.93			
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 value	・Improving profitability and capital efficiency ・Achieving an optimal capital structure ・Cost of capital and business risk ・Improving growth expectations	・EBIT margin	・10.8%	・10% or more	・Contributing to the fulfillment of our customers' hearts ・Value creation through maximizing human capital ・Realizing sustainable and future aviation Aviation Infrastructure ・Passing on precious earth to the next generation
				・Return on invested capital (ROIC)	・9.5%	・ 9% or more, exceeding WACC	
				・Equity ratio	・40.3%	・Approx. 45%	
				・Enhanced shareholder returns	・Dividend payout ratio: 31.3% ・Total return ratio: 46.2%	・Dividend payout ratio: Approx. 35% ・Total return ratio: Approximately 35% to 50%	

*1 Includes reduction effects by SAF and carbon offsets *2 Single-use plastics products provided to our customers *3 JAL original items *4 Items that do not use virgin petroleum-based raw materials or have reduced their use by utilizing materials such as biomass, recycled plastic, and certified paper, etc.
*5 Japan Airlines Co., Ltd. only

Value Creation Process

The JAL Group will create its unique "OUR VALUE," with "OUR DNA" serving as the foundation for value creation, as we work to realize JAL Vision 2035. The virtuous cycle illustrated at the center will serve as a driving force for realizing this vision. Drawing on strengths such as human capital and social and relationship capital, we will transform our business portfolio and create social value. By continuously sustaining this cycle while also improving our financial indicators, we will enhance corporate value.



OUTCOME

JAL Vision 2035

P.3

Sustainable Well-being Future

Joyful Connections between People across Regions, Countries, and Generations Spread throughout Society

Well-Being of Society and People

Environmental and Social Sustainability

JAL Group Management Vision 2035 for Enhancing Corporate Value

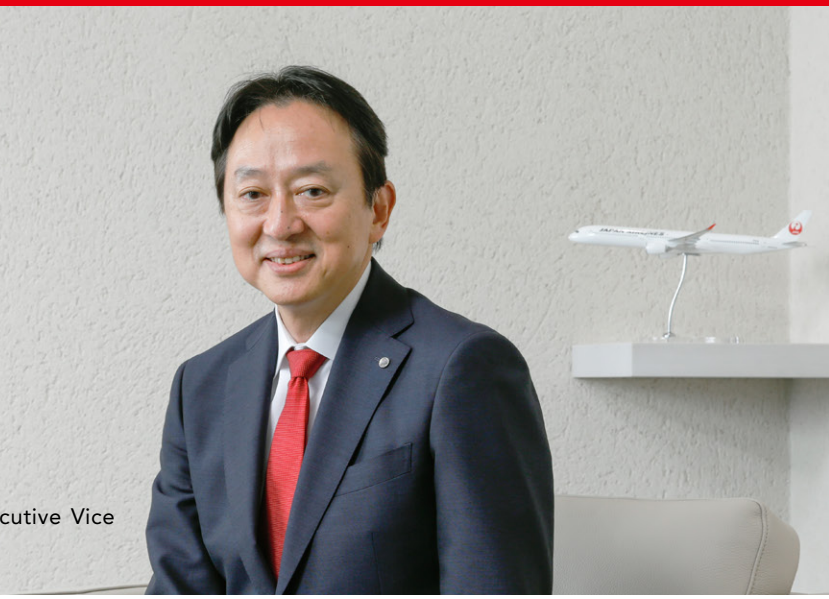
Message from the Executive Vice President and Group CFO

JAL Group Management Vision 2035 and Our Financial Strategy for Enhancing Corporate Value

Having concluded the previous Medium-Term Management Plan with record-high EBIT, the JAL Group has now embarked on a new growth strategy under the JAL Group Management Vision 2035, aiming for a step change in profit growth on a scale unlike anything we have pursued before.

In this message, the executive vice president and CFO explains the vision in greater detail, the path to realizing it, and the economic and social value we aim to create, from the perspectives of both management strategies and financial strategy.

SAITO Yuji
Representative Director, Executive Vice President, Group CFO



Looking Back on the Three Medium-Term Management Plans Since Relisting

Where JAL Stands Today: Review of Past Medium-Term Management Plans

The FY2012 to FY2016 Medium-Term Management Plan, our first following JAL's relisting, was above all about rebuilding the airline after bankruptcy. At the time, as we had lost some of our competitive strength as a full service carrier (FSC), we focused on rebuilding a high-quality FSC business and differentiating JAL from its competitors over those five years. We laid the foundations for the future by introducing the Boeing 787, moving forward with negotiations for the Airbus A350 (hereinafter A350), and overhauling our passenger service system, while also working to firmly establish the JAL brand.

We worked to further embed the JAL Philosophy and divisional profitability management system introduced during the restructuring process. This included strengthening employees' awareness of profitability, rigorously managing earnings on a monthly basis, and building an organization capable of responding effectively to changes in the business environment. As a result, we achieved our financial targets of an operating profit margin of at least 10% and an equity ratio of at least 50% for five consecutive years, establishing a highly profitable business and a strong financial foundation.

Under the subsequent FY2017 to FY2020 Medium-Term Management Plan, we focused on two priorities in preparation for the major growth opportunity presented by the further expansion of Haneda Airport in 2020: strengthening our FSC business and expanding our business beyond the FSC domain. Alongside the introduction of the A350 and establishment of ZIPAIR, our medium- and long-haul international LCC, we accelerated expansion into aviation-related areas, including business jets, drones, and regional revitalization initiatives. On the financial front, we placed greater emphasis on the cost of capital and capital efficiency, setting a target of ROIC of 9% or higher, while raising our equity ratio to around 60%.

Against this backdrop, however, the COVID-19 pandemic began to have a severe impact on our business toward the end of FY2019. We were forced to make securing liquidity our top priority and consequently fell short of our financial targets. Nevertheless, the strong financial foundation we had built during the medium-term plan period gave us the resilience to weather the nearly three years of the pandemic that followed. The pandemic also brought home the vulnerability of a business portfolio heavily dependent on aviation and underscored the need to build a more resilient portfolio capable of withstanding volatility.

Under the subsequent FY2021 to FY2025 Medium-Term Management Plan, our focus shifted to recovery and growth following the pandemic. We placed ESG strategy at the heart of management and pursued structural reform of our business, including expanding our LCC operations and driving strong growth in the Mileage and Lifestyle domain. As we transformed our earnings structure, we also rebuilt our financial foundation. I believe this has made us increasingly resilient to geopolitical and other risks, as demonstrated most recently by our ability to maintain our full-year earnings forecast despite the surge in fuel prices triggered by the escalating tensions in the Middle East in 2026.

We also achieved all the management targets we set across safety and peace of mind, sustainability, and financial performance, with the exceptions of aircraft accidents and serious incidents, international flights, and domestic passenger and cargo volume. EBIT reached a record high of JPY 218.0 billion, while ROIC rose to 9.5%, exceeding our WACC of approximately 6%.

JAL Group Management Vision 2035

Shifting to a Hybrid Management Approach Combining a Long-Term Perspective with Agility

Building on the experiences and achievements of the past 13 years, and with the increasingly uncertain business environment in mind, we formulated the JAL Group Management Vision 2035 in March 2026. Under the vision, we will make strategic investments by backcasting from where we want the JAL Group to be 10 years from now and use annual plans to respond quickly and flexibly to changes in the immediate business environment. In this way, we are shifting to a hybrid management approach that combines a long-term perspective with agility.

This approach also addresses some of the limitations of conventional medium-term management plans. Fundamental transformation of our business structure requires a longer time horizon than three to five years. At the same time, fixed medium-term plans

JAL Group Management Vision 2035 for Enhancing Corporate Value

Message from the Executive Vice President and Group CFO

can constrain our ability to respond swiftly to sudden changes in the business environment.

Business Environment: Megatrends, Risks, and Opportunities

Global travel demand is growing strongly, fueled by population growth worldwide and continued economic expansion in Asia. This is driving particularly robust growth in international travel from Asia to Japan and between Asia, North America, and other destinations within the region, placing the JAL Group in an excellent position to capture substantial growth opportunities.

Japan's cashless payment market, which is closely linked to our mileage business, is also expanding at around 10% annually and offers significant room for further growth. Meanwhile, increasingly diverse values and rising expectations for companies to contribute to society represent another important opportunity. We see these trends as a catalyst for the JAL Group to evolve beyond its traditional role as a social infrastructure company and become a social value creation company that creates connections and societal relationships.

The outlook for our domestic passenger business is more challenging. With Japan's population expected to decline over the medium to long term and online meetings now firmly established, there is limited scope for significant market growth. The aviation industry also continues to face rising costs due to factors including the weaker yen and inflation. Japan's shrinking population is increasingly being felt within the JAL Group as well, as labor shortages gradually emerge across our operations. Further improving operational efficiency is therefore a key priority.

We must also contend with an environment in which volatility driven by geopolitical risks, increasingly frequent natural disasters, and other disruptions has become the norm, and we expect these risks to remain a feature of the aviation industry. Aviation is also relatively carbon intensive, meaning that environmental measures such as the use of sustainable aviation fuel (SAF) will become increasingly important, with the associated costs also set to rise. Based on our assessment of these megatrends, risks, and opportunities, and in conjunction with the formulation of the JAL Group Management Vision 2035, we revised the eight materiality issues established in 2023 into seven new materiality issues. The revision clearly distinguishes between "growth" and "risk management" elements. Through initiatives addressing each materiality issue, we will work to raise our expected growth rate while reducing the cost of capital and business risks, thereby steadily advancing the realization of JAL Vision 2035 and enhancing corporate value.

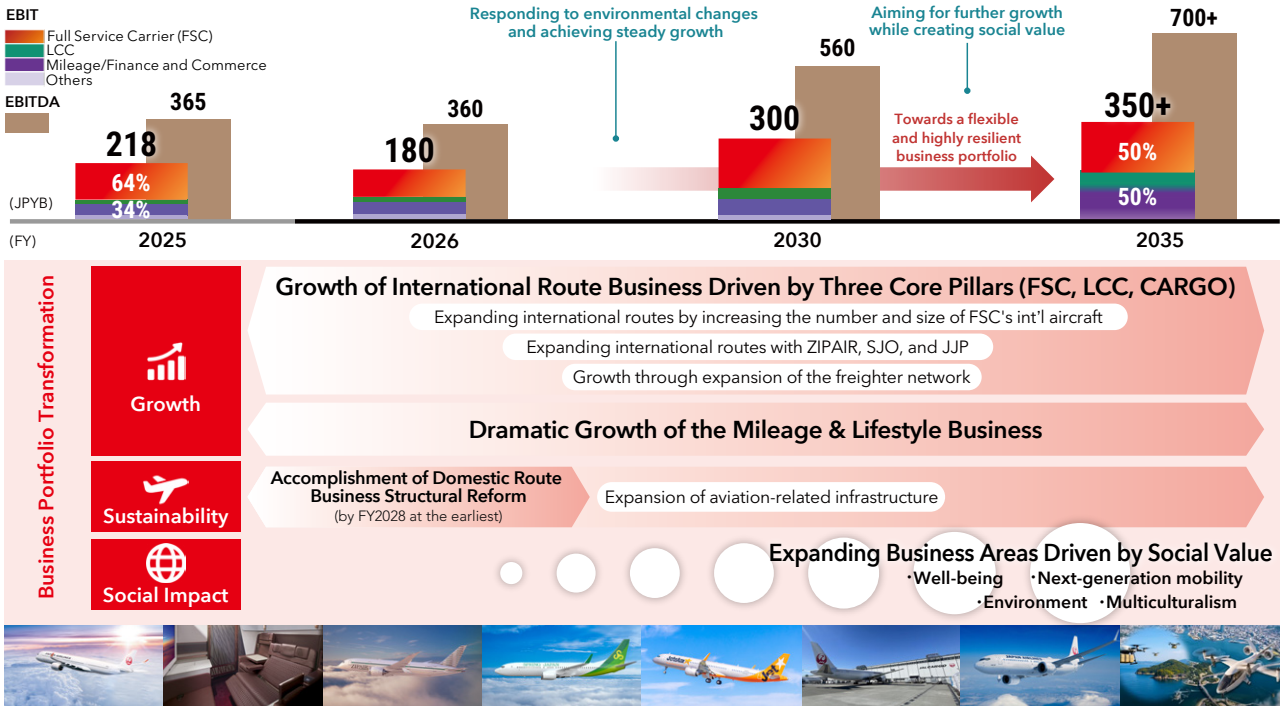
Aiming for Profit Growth on an Unprecedented Scale

We have set out an ambitious growth vision for 2035. Our targets of JPY 300.0 billion in EBIT for FY2030 and at least JPY 350.0 billion for FY2035 might at first glance appear to be an extension of steady growth. However, excluding the pandemic, JAL's EBIT has remained broadly in the range of JPY 170.0 billion to JPY 200.0 billion throughout the roughly 13 years since our relisting. Raising EBIT to JPY 300.0 billion over the next five years therefore represents an extremely ambitious growth vision. To achieve this, we plan to invest approximately JPY 2 trillion in growth and technology over five years, more than double the previous high of approximately JPY 1 trillion for five-year strategic investment. We intend to take risks proactively through investments on this scale and deliver a substantial increase in earnings. At the same time, we will raise capital efficiency, including ROIC and ROE, with the aim of significantly enhancing corporate value. (→ For details, see **Financial and Capital Strategy** on PP.36–39.)

Three Pillars Supporting Business Portfolio Transformation

Business portfolio transformation is our most important strategy for delivering a substantial increase in earnings. We will pursue this transformation through three pillars: Growth, capturing business growth opportunities; Sustainability, adapting flexibly to changes in the operating environment and emerging risks to make our aviation infrastructure more sustainable; and Social Impact, expanding into new business areas with social value as the starting point.

Under Growth, we will pursue growth across multiple areas of the international route business and dramatically expand the Mileage and Lifestyle business through investment and global expansion. In the



Message from the Executive Vice President and Group CFO

international route business, we expect the global aviation market to continue expanding over the medium to long term, supported in part by economic growth in Asia. Against this backdrop, we will accelerate growth through three drivers: FSCs, LCCs, and cargo. By focusing particularly on capturing inbound demand and passenger and cargo demand between Asia and North America, we aim to establish a position that combines world-class quality with world-class profitability.

In the Mileage and Lifestyle business, JAL Card has the highest growth rate in transaction volume among card companies in Japan. Building on our strong customer base of JAL Card members, increasing JAL Card usage and thereby expanding mileage issuance will be a source of revenue. In addition, through business investment and M&A, primarily in the finance and lifestyle domains, we will further expand opportunities for customers to earn miles in their daily lives. We will also continue to enhance our unique advantage of enabling customers to redeem miles for award tickets. By going beyond the traditional boundaries of a points program and helping enrich our customers' lives, we aim to achieve dramatic growth in the Mileage and Lifestyle business.

Under Sustainability, we will improve profitability by restructuring domestic route marketing and maintain and expand the infrastructure that supports aviation. Although Japan's domestic aviation market is expected to mature and gradually contract over the long term as the population declines, tourism and efforts to attract inbound visitors to regional destinations should continue to support demand for the time being. We will therefore maintain our route network as we press ahead with structural reform, enabling us to continue fulfilling our role as social infrastructure.

Our third pillar, Social Impact, goes beyond the pursuit of economic value. We will tackle increasingly pressing social challenges and seek to translate the social value generated through "proactive sustainability," including regional revitalization and contributions to people's emotional well-being, into economic value.

When aviation demand was hit hard by the COVID-19 pandemic, we took the opportunity to ask ourselves what the true role of an airline is. The answer we arrived at was that our role extends beyond providing transportation as social infrastructure. Travel creates connections between people and between people and communities, and through those connections, we can help enhance people's well-being. This concept of creating social value lies at the very heart of the JAL Group Management Vision 2035.

Leveraging JAL's Unique Culture and Working to Quantify Social Value

JAL's culture will be a major driving force behind Social Impact. Having spent many years providing essential social infrastructure and then rebuilding JAL following its bankruptcy, we have developed a deeply rooted sense of responsibility to contribute to society and give back. From senior management to frontline employees, this commitment is simply part of who we are. It is a culture unique to the JAL Group and a powerful force behind our pursuit of Social Impact.

Businesses that create social value may be recognized for the positive contribution they make, but for them to grow sustainably, they must also generate economic returns commensurate with the social value they create. This requires us to quantify that value and demonstrate how it is growing. We have yet to establish a specific methodology for doing so, but we see this as one of the key challenges in expanding these businesses and intend to pursue it with persistence.

Accelerating Growth and Delivering Business Portfolio Transformation through Both Management Strategies and Financial Strategy

I served as head of the International Route Marketing Division for approximately eight years from 2011, when JAL was still undergoing restructuring. In 2019, just before the COVID-19 pandemic, I became head of the Corporate Control Division, and in FY2021, I took charge of the Corporate Planning Division. Since FY2023, I have served as Group CFO as well. Through these roles, I have led the JAL Group's efforts to enhance corporate value from both the management strategies and financial strategy perspectives.

Traditionally, I believe the role of an airline CFO centered primarily on risk management and crisis response. Looking back at my own experience, during the pandemic my focus was indeed on applying the brakes and maintaining control, ensuring that we could withstand a tail-risk event of that magnitude while preserving our financial health. Since then, the role has increasingly called for the accelerator and steering as we pursue growth. In addition to rebuilding our FSC business as demand recovered, we have accelerated new growth strategies, including the expansion of our mileage business and LCC operations. I believe our ability to accelerate these initiatives is one of the benefits of my having overseen both management strategies and financial strategy.

We will also bring these two perspectives, management strategies and financial strategy, to bear on the business portfolio transformation envisioned under the JAL Group Management Vision 2035. By doing so, we aim to successfully reshape our business portfolio and achieve a 50:50 split in EBIT between the FSC and businesses outside the FSC by FY2035. To get there, we will invest aggressively in growth outside the FSC business. At the same time, substantial investment will also be needed to strengthen the competitiveness of our core FSC business. We therefore intend to maintain a strong financial foundation that enables us to invest actively in both.

As we pursue this business portfolio transformation, we will accelerate fundamental improvements in productivity through technology. We will also allocate management resources strategically and boldly to harness the value-creating potential of diverse talent and encourage transformation and new challenges that break free from conventional thinking in the FSC business. Throughout this process, we will maintain firm financial discipline.

Expect Further Growth in Corporate Value

Since becoming CFO, I have actively engaged in dialogue with capital market participants, and I believe there is still considerable room to improve our share price and price-to-book ratio, which are proxies for corporate value. In the past, these discussions tended to focus primarily on our FSC business. Since around last year, however, I have increasingly sensed that our mileage business is also being recognized as one of JAL's growth businesses.

Our business portfolio transformation is not simply about moving away from an overreliance on the highly volatile aviation business and making JAL more resilient to risk. I am convinced that the strong profitability and growth potential of businesses outside the FSC business, including our mileage business and LCC ZIPAIR, will lead to greater expectations for JAL in the capital markets. In FY2025, we achieved record-high earnings, but the JAL Group is now in the midst of a fundamental transformation that extends beyond earnings growth to a reshaping of both our earnings structure and business portfolio. (→ For details, see "Financial Strategy" on PP.36–39.)

We hope you will share our confidence in the potential of the JAL Group Management Vision 2035 to drive significant growth in corporate value.

JAL Group Management Vision 2035 for Enhancing Corporate Value

Review of Past Medium-Term Management Plans/ Positioning of the JAL Group Management Vision 2035

Shift to a long-term vision looking 10 years ahead and agile single-year plans to enhance corporate value even in a highly uncertain future

To respond appropriately to changes in the external environment and achieve sustainable growth, we will shift from our conventional five-year medium-term management plan plus rolling plans to a long-term vision looking 10 years ahead and agile single-year plans. We will pursue fundamental business transformation under this new framework and respond swiftly and flexibly to near-term changes in the operating environment through our annual plans.

Medium-Term Management Plan FY2012-FY2016

- Pursue the JAL brand as a full service carrier (FSC)
- Enhance route networks, products, and services
- Enhance cost competitiveness

Medium-Term Management Plan FY2017-FY2020

- Refine our FSC business
- Expand business domains
- Create and develop new revenue sources leveraging our strengths

Medium-Term Management Plan FY2021-FY2025

- Create new value by promoting ESG strategies
- Transition from COVID-19 recovery to growth through business structure transformation

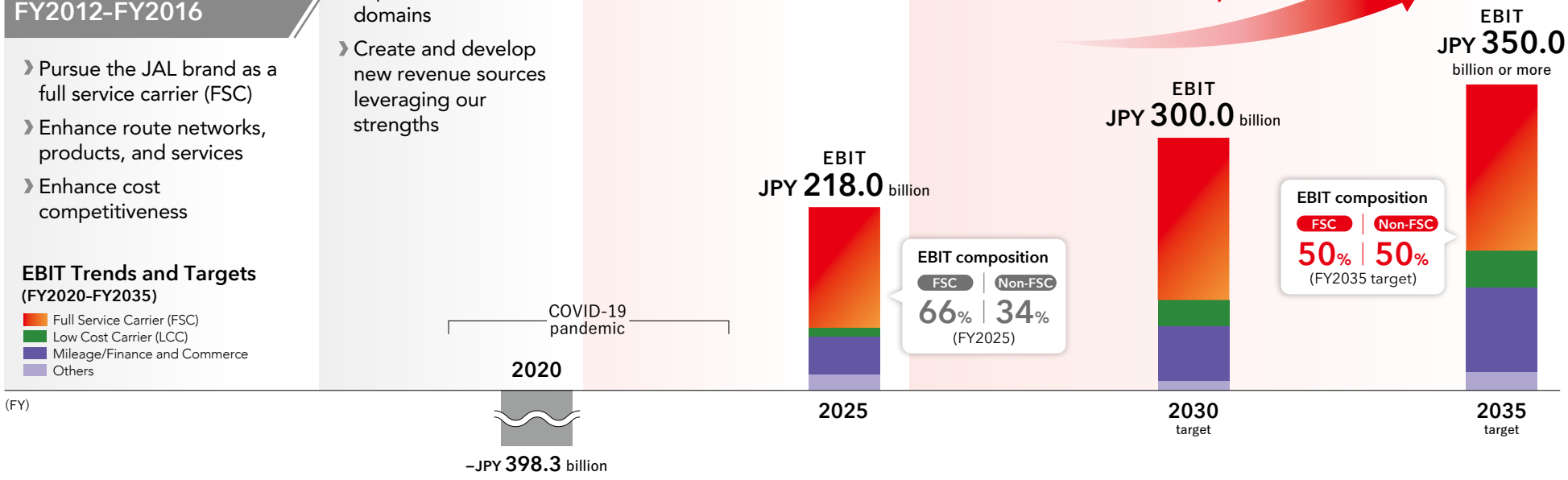
JAL Group Management Vision 2035

- **Create social values as the core of our business and the driving force behind growth**
- **Promote business portfolio transformation to achieve new growth**

JAL Vision 2035

Achieving sustainable growth and enhancing corporate value through business portfolio transformation

Building a flexible and resilient business portfolio



Operating Environment and Strategic Framework

Responding flexibly to various volatility risks while steadily capturing robust air travel demand and technological advances as growth opportunities

The JAL Group operates in an environment where volatility has become the norm, including rising costs due to inflation and the weaker yen, increasing environmental costs, and geopolitical risks. At the same time, growth opportunities are emerging from expanding global air travel demand and advances in technology. To adapt swiftly and flexibly to these changes and achieve sustainable growth and enhance corporate value, we will promote business portfolio transformation while implementing a company-wide strategy and financial strategy to drive this transformation.

Achievements and Challenges: COVID-19 to the Previous Medium-Term Management Plan

Results

- EBIT: Increased 2.4-fold — 88.8 (2019) → 218.0 (2025) (JPYB) (FY)
- EBIT margin: Up 4.4 points — 6.4 (2019) → 10.8 (2025) (%) (FY)
- ROIC: Up 4.8 points — 4.7 (2019) → 9.5 (2025) (%) (FY)
- EPS: Up JPY166 — 140.04 (2019) → 306.96 (2025) (JPY) (FY)
- Environment (Total CO_2 emissions): Down 80,000 t — 921 (2019) → 913 (2025) (10,000 t) (FY)

Challenges

- Safety (Number of aircraft accidents): 4 cases — 4 (2025) (Cases) (FY)

Key Aspects of the Operating Environment

- Global population growth and expanding air travel demand
- Depopulation and labor shortages in Japan
- Diversifying values and needs
- Advances in AI and robotics
- Expectations for corporate social responsibility
- Geopolitical risks, infectious diseases, and frequent disasters

Emerging Near-Term Risks

- Sharp cost increases due to the weaker yen, inflation, supply chain disruptions, and other factors
- Accelerating increases in environmental costs
- Growing difficulty in securing human resources
- Persistent volatility due to geopolitical risks

Growth Opportunities

- Growing flows of people and goods between Asia and North America and expanding inbound tourism demand
- Enhancement of Narita Airport's functions
- Business growth through addressing social issues
- Productivity improvements through technology and AI

New Materiality

- Co-creating the Future of Regions
- Contributing to the Fulfillment 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
- Realizing a Safe and Secure Society

Business Portfolio Transformation

- Growth
  - Growth of International Route Business Driven by Three Core Pillars (FSC, LCC, Cargo)
  - Dramatic Growth of the Mileage and Lifestyle Business
- Sustain-ability
  - Accomplishment of Domestic Route Business Structural Reform
  - Expansion of Aviation-related Infrastructure
- Social Impact
  - Expanding Business Areas Driven by Social Value

Company-Wide Strategy

- CX
  - Building Deep, Long-Term Relationships with Customers Based on Empathy
- GX
  - Achieving Both Climate Goals and Business Growth
- Human Resources/ DX
  - Establishing a Sustainable Operational Structure through People and Technology
  - Human Capital Management Centered on the Well-being of Each Employee
- Safety
  - Pioneering the Future of Safe Skies

Financial Strategy

- Finance
  - Achieving Both a Strong Financial Position and High Capital Efficiency
  - Strategic Allocation of Management Resources

For more information P.33

JAL Group Management Vision 2035 for Enhancing Corporate Value

Enhancing Corporate Value by Creating Social Value and Achieving Management Targets to Realize JAL Vision 2035

Setting 2030 management targets based on JAL's unique value proposition and DNA as a milestone toward realizing JAL Vision 2035

To realize the future society envisioned in JAL Vision 2035, we aim to create social value by delivering value unique to the JAL Group and have newly established management targets for FY2030 as a milestone toward this vision. We will work as one Group to achieve these targets and significantly enhance corporate value.

	Topics	Priorities	2030 Management Targets	JAL Vision 2035
OUR VALUE	Safety and Peace of Mind for the Future Skies	Safety Aircraft Accidents and Serious Incidents	2025 **0 cases** 2030	Unwavering pursuit and continuation of safety excellence to achieve zero aircraft accidents and serious incidents
		GX CO_2 Emissions from Aircraft*1	2019 **10% reduction** 2030	Steady progress in CO_2 reduction toward the goal of net-zero CO_2 emissions in FY2050
		Sustainability Number of domestic routes (including codeshare)	2025 **Maintain 100%** 2030	Building our domestic network as essential social infrastructure
		Growth International available seat kilometers (ASK) / International Cargo Volume	2025 **1.3 fold** 2030	Expanding the international network in anticipation of 60 million inbound visitors and the enhancement of Narita Airport's functions
	Encounters and Experiences That Resonate with Customers	CX Customer Empathy Score*2	2025 **Year-on-year improvement** 2030 **World No.1**	World No. 1
	Creating Relationships and Societal Connections	Social Impact Total amount of relationships and societal connections*3	2025 **1.3 fold** 2030	Steadily contributing to regional revitalization and individual well-being by further expanding the number of people with ongoing ties to local communities
OUR DNA	Professionalism That Supports Safety and Delivers the Highest Quality Service	Human Resources/DX Productivity Improvement (EBIT per Hour)	2025 **1.5 fold or more** 2030	Aiming to more than double productivity (EBIT per hour)
	Culture of Transformation and Challenge that Creates New Value	Human Resources/DX Well-being Score*4	2025 **Year-on-year improvement** 2030 **Top tier in Japan**	Top tier in Japan
FINANCIAL BASE	Finance	Finance (Capital Efficiency) ROIC	**9% or above**	
		Finance (Financial Resilience) Equity Ratio	**Approx. 45%**	
		Finance (Profitability Indicator) EBIT Margin	**10% or above**	

Realize
JAL Vision 2035
Sustainable Well-being Future

*1 Including SAF reduction effects and carbon offsets *2 JAL Group Net Promoter Score (NPS): Advantage over benchmark carriers (by market)
*3 Number of JAL Group passengers who travel to the same location at least twice a year × level of engagement with the local community (average number of trips to the same location)
*4 Measured based on questions from a well-being survey designed by an external organization

JAL Group Management Vision 2035 for Enhancing Corporate Value

New Materiality and Strategies to Implement

Risks, Opportunities, KPI Targets, and Materiality Owners for Each Materiality Owner

▲ Risks ● Opportunities

Materiality	Risks and Opportunities	Materiality KPIs and Targets	Materiality Owner	Strategy	Business portfolio transformation: Growth	Business portfolio transformation: Sustainability	Business portfolio transformation: Social Impact	Company-Wide Strategy: CX	Company-Wide Strategy: GX	Company-Wide Strategy: Human Resources/DX	Company-Wide Strategy: Safety
Co-creating the Future of Regions	▲ Regional economic stagnation caused by population decline and a decrease in inbound tourism ▲ Negative impacts of overtourism on local communities and reduced traveler satisfaction ● Revitalization of local economies through the creation of relationships and societal connections ● Expanded business opportunities by showcasing the appeal of Japan to the world	• Inbound tourists to Japan using domestic flights: FY2030 target: 2,700,000 people • Export Volume of Fresh Products/Specialty Products: FY2030 target: 160% compared to FY2025	Route Marketing Division Cargo and Mail Division	Business Strategy P.40	●	●	●				
Contributing to the Fulfillment of Our Customers' Hearts	▲ Decline in customers' empathy and expectations due to delays in responding to changes in the external environment and diversifying needs ▲ Loss of social connections and fewer opportunities for transportation ● Earning customer empathy and building deep, long-term relationships using data and AI ● Expansion into new business domains that contribute to greater well-being and regional revitalization by creating relationships and societal connections through transportation	• JAL Group NPS (Net Promoter Score): Customer empathy*1: FY2030 target: World No.1 (Year-on-Year Growth) Management targets • Total amount of relationships and societal connections*2: FY2030 target: 130% Compared to FY2025 Management targets • Non-airline issued miles: FY2030 target: 150% compared to FY2025	Customer Experience (CX) Division Sales and Marketing Division Mileage and Lifestyle Business Division	Business Strategy P.40 CX Strategy P.56	●		●	●			
Value Creation through Maximizing Human Capital	▲ Declining productivity and a weakened business operating foundation resulting from lower engagement and well-being ▲ Lost business opportunities due to talent attrition and delays in transforming the business portfolio ● Strengthening our ability to drive transformation by fostering a corporate culture that encourages employees to take on challenges, pursuing job satisfaction and productivity, and attracting and retaining highly motivated professionals with diverse expertise ● Enhancing corporate value and contributing to the sustainable development of society through strategic investment in human capital and maximizing the potential of every employee	• Productivity (EBIT per hour): FY2030 target: More than 1.5 times the FY2025 level Management targets • Well-being Score*3: Japan's Top Tier (Year-on-Year Growth) Management targets	Human Resources Division Human Resources Division	Human Capital/DX Strategy P.62						●	
Realizing Sustainable and Future Aviation Infrastructure	▲ Decline in air travel demand due to changes in people's behavior resulting from modal shifts, advances in digital technology, and other factors ▲ Contraction of the air transportation network due to declining air travel demand and rising costs associated with population decline ▲ Reputational damage caused by natural disasters or misinformation, and the impacts of terrorism, regional conflicts, and other events ▲ Disruptions to operations caused by delays in aircraft deliveries ▲ Declining public acceptance of next-generation transportation and transportation infrastructure ● Expansion of business opportunities through the optimization of the air transportation network in line with demographic trends and the promotion of greater interaction and exchange ● Provision of next-generation transportation and transportation infrastructure that meets regional needs	• Number of domestic routes, including codeshare routes: FY2030 target: 100% of the FY2025 level Management targets • International available seat kilometers (ASK): FY2030 target: 1.3 times the FY2025 level Management targets • International cargo volume: FY2030 target: 1.3 times the FY2025 level Management targets • Domestic cargo load factor for wide-body aircraft belly (at daytime slots in main lines) FY2030 target: +5pt compared to FY2025 • Building a platform that digitally integrates air mobility operations to achieve optimization (FY2030 target)	Route Marketing Division Route Marketing Division Cargo and Mail Division Cargo and Mail Division Innovation Division	Business Strategy P.40	●	●	●				
Respect for Diversity and Human Rights	▲ Human rights violations affecting customers, workers in the supply chain, local communities, and employees ▲ Lost business opportunities, diminished social trust, and talent attrition resulting from human rights issues, a lack of respect for diversity, or inadequate consideration for diverse needs ● Expanding customer segments and mobility opportunities, creating new business opportunities, and fostering mutual growth with suppliers through consideration for diversity and improved accessibility ● Securing talent and creating new value by fostering an environment in which a diverse workforce can thrive	• Human rights due diligence implementation rate: FY2030 target: 100% • Maintain a ratio of female managers at 30% or higher and aim for the same gender balance as that of all employees: (FY2030 target) • Flight Customer Satisfaction for customers who find it difficult to travel FY2030 target: Establish a quantitative overall satisfaction target • Annually select significant suppliers considering changes in the business environment and other factors, and implement a cycle from assessment to improvement activities	Human Resources Division Human Resources Division Customer Experience (CX) Division Procurement Division	Human Capital P.63 CX Strategy P.56			●	●		●	
Passing on Precious Earth to the Next Generation	▲ Declining customer preference and fewer passengers due to extreme weather events and climate-related disasters ▲ Increased environmental costs resulting from stricter CO_2 emissions regulations in each country ▲ Declining customer preference due to delays in addressing climate change and advancing resource circularity ▲ Delays in the development of decarbonization technologies, including fuel-efficient aircraft and Sustainable Aviation Fuel (SAF) ▲ Loss of natural tourism resources and fewer passengers due to changes in ecosystems ● Lower costs through operational improvements and the use of fuel-efficient aircraft, SAF, and other initiatives ● Enhanced customer preference through the provision of environmentally responsible products and services ● Creating flows of human through nature conservation and nature-based experiences, and generating commercial and logistics flows through food products and merchandise derived from healthy ecosystems	• Net CO_2 emissions from aircraft*4: FY2030 target: 10% reduction from FY2019 Management targets • Ratio of SAF to total fuel*5: FY2030 target: 10% • Emission reduction through SAF*5: FY2030 target: 5% • Percentage of fuel-efficient aircraft: FY2030 target: 67% • Reduction of single-use plastic*6: FY2030 target: Cabins and lounges: Maintaining 100% elimination of virgin petroleum-based plastics*7 Cargo and airport: Maintaining 100% use of eco-friendly materials contained items*8	General Affairs Division General Affairs Division General Affairs Division Corporate Planning Division General Affairs Division	GX Strategy P.75	●	●	●		●		
Realizing a Safe Society with Peace of Mind	▲ Declining demand for air travel due to the failure to maintain the foundations of safety and peace of mind, including issues related to alcohol consumption, cyberattacks, and system failures ▲ Declining demand due to the spread of infectious diseases ● Enhancing corporate value as a public transportation provider by carrying forward our well-established safety culture into next-generation transportation and transportation infrastructure ● Contributing to the continuity of social life through the transportation of pharmaceuticals	• Aircraft accidents and serious incidents: FY2030 target: 0 cases Management targets • Critical system failures: FY2030 target: 0 incidents • Confidential information leaks: FY2030 target: 0 incidents • Pharmaceutical handling volume*9 (Transportation + Export storage): FY2030 target: 190% compared to FY2025	Corporate Safety and Security Division Digital Technology Division Digital Technology Division Cargo and Mail Division	Safety P.19 Business Strategy P.40	●	●	●			●	●

*1 JAL Group NPS: Advantage over benchmark carriers (by market). *2 The total amount of relationships and societal connections is a JAL-specific KPI that measures the scale of ongoing connections between people and local communities. It is calculated by multiplying the relationship population, defined as the number of JAL customers who traveled by air to the same destination at least twice within a one-year period, by the level of community involvement, defined as the average number of visits made by the relationship population to the same destination. *3 Measured using questions from a well-being survey developed by an external organization. *4 Including SAF reduction effects and carbon offsets *5 Assumes a stable supply of SAF at stable volumes and prices. Also includes reductions achieved through the purchase of environmental attributes. *6 Single-use plastic products provided to our customers. Japan Airlines Co., Ltd. only. *7 JAL original items. *8 Items that do not use virgin petroleum-based raw materials or have reduced their use by utilizing materials such as biomass, recycled plastic, and certified paper, etc.
*9 Includes other airlines' pharmaceuticals handled by JAL in dedicated temperature-controlled pharmaceutical storage facilities.

JAL Group Management Vision 2035 for Enhancing Corporate Value

Identification of New Materiality

The JAL Group defines materiality as “events, including risks and opportunities, that have the potential to significantly impact corporate value based on social issues and represent key issues that should be addressed to achieve sustainable enhancement of corporate value.” In identifying materiality, we begin with a comprehensive understanding of social issues, analyze risks and opportunities from the perspective of double materiality,* incorporate the opinions and expectations from external stakeholders, and obtain approval from the Board of Directors. In FY2025, in conjunction with the formulation of the JAL Group Management Vision 2035, we revised the eight material issues established in 2023 into seven new material issues. Going forward, we will continue to promote understanding of materiality throughout the Group while reviewing the materiality itself on an annual basis.

* Double materiality is a concept that encompasses both financial materiality, which is the significance of changes in the global environment and society from the perspective of their impact on a company’s financial performance, and impact materiality, which is the significance of a company’s activities from the perspective of their impact on the global environment and society.

1. Understanding Social Issues

Comprehensive understanding of social issues and social changes

Specific implementation details

- Identified the social issues that the JAL Group should address based on the five social issues, which are adapting to changes in the global environment, regional decline, depopulation, realizing an inclusive society, and physical and mental well-being, that are identified from the perspective of business creation and disclosed in the JAL Group Medium-Term Management Plan–Rolling Plan 2025 (FY2021–FY2025).
- Identified four social issues, which are environmental degradation, depopulation and regional decline, realization of an inclusive society, and loneliness and social isolation.

2. Analysis of Risks and Opportunities

Management discussed the JAL Group’s risks and opportunities from the perspectives of contribution to social issues, threats, and opportunities

Specific implementation details

- Identified events in which the JAL Group contributes to social issues (contribution), events that could have a significant impact on the JAL Group (threats), and events through which the JAL Group contributes or can contribute to solving social issues (opportunities).
- Also analyzed the priority risks identified through the company-wide risk management cycle.
- Reframed the identified risks and opportunities as materiality expressed in positive terms to support a strategic response.

3. Stakeholder Dialogue

Refined the materiality through dialogue with external experts

Specific implementation details

- Through dialogue with external experts, we discussed the positive and negative impacts of each issue caused by the JAL Group; the significance of and level of stakeholder interest in each issue from the perspective of society and stakeholders; and the positive and negative economic impacts of each issue on the JAL Group.

4. Identification of Materiality

Approved by the Board of Directors / Established indicators (materiality KPIs) and targets

Specific implementation details

- The Sustainability Promotion Council discussed and determined that the issues identified through the analysis as having high materiality should be designated as materiality, after which they were reported to and approved by the Board of Directors.
- Established indicators (materiality KPIs) and targets linked to the identified materiality.

Background and Objectives of the Materiality Revision

Following the COVID-19 pandemic and the emergence of a new normal and changing market conditions, we identified eight material issues in 2023 and have been creating value through concrete initiatives to address them. Today, however, we face a growing number of social issues that affect individual well-being, including environmental challenges, recurring geopolitical risks, and population decline. In response to these changes, and in conjunction with the formulation of the JAL Group Management Vision 2035, we have revised our materiality.

In doing so, we looked ahead to the sustainable and well-being future envisioned in the JAL Group Management Vision 2035 and asked both internal and external stakeholders what key issues the JAL Group should address to achieve the sustainable enhancement of corporate value. We also strengthened the linkages with our management targets, business strategy, and financial strategy, and thus consolidated these into seven key material issues to be addressed across the company.

Comment from External Experts

ADACHI Eiichiro

Fellow, The Japan Research Institute, Limited



To support the JAL Group’s commitment to sustainability, I advised the Group to collect data, envision future scenarios, confirm and clearly articulate its values, and take action based on rational decision-making. I also provided comments on how to present the materiality matrix based on the concept of double materiality. I believe that, as a result of these revisions, the concept of double materiality is now communicated more clearly.

KANIE Norichika

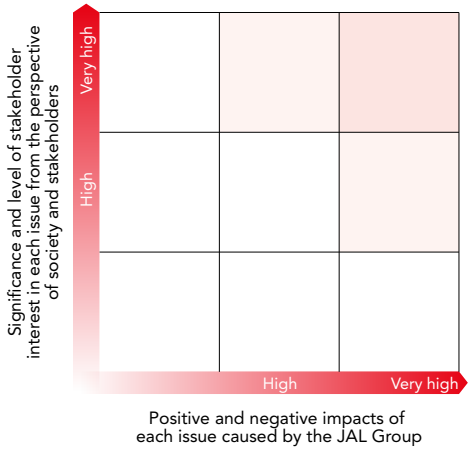
Professor, Graduate School of Media and Governance, Keio University



Drawing on developments beyond the SDGs, I offered recommendations on how the JAL Group should approach well-being and sustainability. While maintaining targets such as those related to plastics initiatives and the ratio of women in management positions, I believe the Group could go a step further by not only incorporating external values but also helping to shape society’s values through its own activities. I also hope to see further progress in climate change adaptation initiatives and stronger engagement with younger generations.

Identification of New Materiality

Materiality Matrix



The events, such as risks and opportunities identified through the materiality identification process are mapped according to the positive and negative impacts of each issue caused by the JAL Group on the horizontal axis and the significance and level of stakeholder interest in each issue from the perspective of society and stakeholders on the vertical axis. Those falling within the upper-right quadrant are identified as materiality.

The positive and negative economic impacts of each issue on the JAL Group will be further assessed from the perspectives of likelihood and magnitude of impact.

Sustainability Governance

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 with 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 the Environmental Management System (EMS)
- Monitor and evaluate human rights due diligence

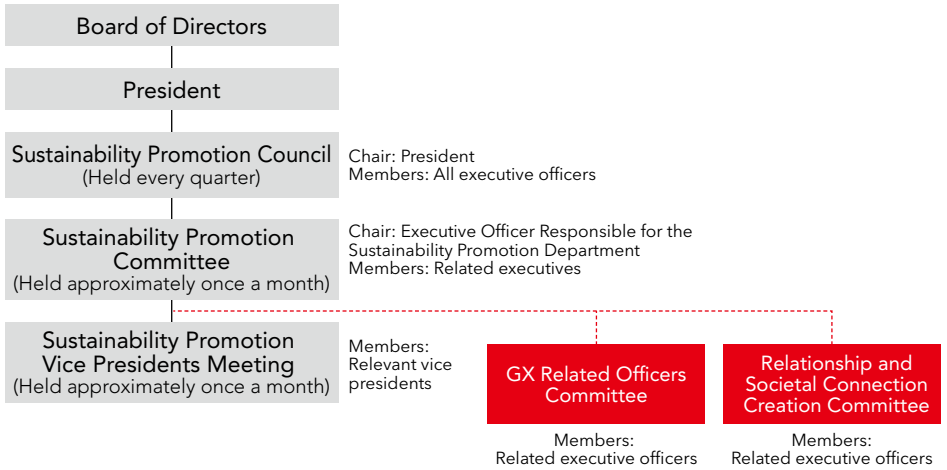
The Sustainability Promotion Committee, a subordinate body of the Sustainability Promotion Council chaired by the executive officer responsible for the Sustainability Promotion Department, meets approximately once a month to monitor the progress of initiatives and discuss related matters.

In FY2025, the Committee discussed the reorganization of the material issues, namely materiality and related indicators and targets, disclosures aligned with the TCFD and TNFD recommendations, the results and review of the Dow Jones Best-in-Class Indices assessment, and initiatives to foster relationships and societal connections through transportation. It reported to the Board of Directors twice during the fiscal year.

In addition, the Green Transformation (GX) related officers committee, launched in April 2023, and the Relationship and Societal Connection Creation Committee, launched in July 2024, are being utilized as derivative meetings of the Sustainability Promotion Council, and they have configured a system that can manage the progress of the projects, measures, and operations in each of its specialized field.

Furthermore, the JAL Group reinforces its sustainability governance by incorporating the number of ESG investment indices in which the company is selected as one of the evaluation criteria for executive compensation.

Governance Structure



Promoting Internal Awareness of Materiality

Following the revision of our materiality in conjunction with the formulation of the JAL Group Management Vision 2035, we will promote internal awareness of the new materiality to support the sustainable enhancement of corporate value.

Specifically, through employee training and other educational opportunities, we will deepen our employees' understanding of how initiatives related to our materiality contribute to the Societal and Individual Well-being and Environmental and Societal Sustainability set out in the JAL Group Management Vision 2035, as well as how they enhance corporate value by increasing the company's expected growth rate and reducing its cost of capital.

We will enhance engagement with our materiality to instill a strong sense of ownership and steadily pursue our materiality KPIs.

JAL Group Management Vision 2035 for Enhancing Corporate Value

Financial Strategy

Basic Policy

Achieving Both a Strong Financial Position and High Capital Efficiency

Under the JAL Group Management Vision 2035 (the "Vision"), our basic financial and capital strategy is to achieve both a strong financial position and high capital efficiency. Through the strategic allocation of management resources, we aim to achieve sustainable growth in corporate value. This means not only maintaining the financial strength needed to protect against risk but also building the foundation for an offensive strategy centered on bold growth investment. We will therefore actively pursue growth investments within the limits required to maintain our financial soundness and credit rating, steadily strengthening profitability and cash generation. At the same time, we will improve asset efficiency by maintaining ROIC above our cost of capital.

Numerical Targets

Targeting an EBIT Margin of 10% or Higher and Maintaining an Equity Ratio of Around 45%

For profitability, we are targeting an EBIT margin of 10% or higher and an EBITDA margin of 20% or higher. For capital efficiency, we are targeting ROIC of 9% or higher and ROE of 12% or higher and we will aim to raise both even further. In terms of financial soundness, we are targeting an equity ratio of around 45%, compared with 40% in FY2025, and will aim for an A flat credit rating. This will provide us with a rock-solid financial foundation and the confidence to pursue our growth strategy without hesitation.

Since the COVID-19 pandemic, the JAL Group has pursued business restructuring to build a business portfolio and earnings structure that are not dependent on the FSC business, transforming itself into a more resilient organization. Within the FSC business as well, we have established a structure for earning foreign currency by increasing the proportion of passengers originating overseas, enabling us to absorb the impact of exchange rate fluctuations. As a result, we have become more resilient to changes in the external environment, such as sharp shifts in traffic flows due to heightened tensions in the Middle East and surging fuel costs, and have evolved into an organization capable of generating stable earnings.

To achieve the targets set out in the JAL Group Management Vision 2035, we will steadily advance the three pillars supporting the aforementioned business portfolio transformation and further enhance our resilience to changes in the business environment. In addition, we will strategically utilize equity-like financing, including perpetual subordinated bonds and bond-type class shares, to lower WACC, while giving due consideration to a more flexible and aggressive financial and capital strategy and enhanced shareholder returns.

Initiatives and Numerical Targets for Enhancing Corporate Value

Corporate Value Enhancement
Indicators: Stock price, P/B ratio

Improve capital efficiency and maintain a strong financial position
Indicators: ROIC, ROE

Reduce capital costs and improve growth expectations
Indicator: PER

Improve profitability and asset efficiency	●Maintain ROIC above capital costs as we aggressively invest in growth ●Steadily improve cash generation
Optimal capital structure	●Support growth investments while maintaining financial soundness (credit rating) ●Increase dividends in line with profit growth and flexible share buybacks
Reduce capital costs and business risk	●Deepen business structure reform (increasing the proportion of profits in the Mileage/Finance and Commerce domains, among others), and strengthen capital cost reduction measures, such as optimizing fundraising methods
Improve expected growth rate	●Maintain close dialogue with the capital markets through initiatives such as IR Days and facility tours ●Increase social value through sustainability initiatives such as ecosystem building

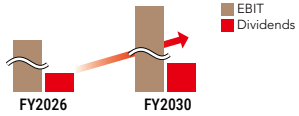
Quantitative Targets

Profitability	Efficiency	Safety
●EBIT margin: 10% or higher ●EBITDA margin: 20% or higher	●ROIC: 9% or higher*1 ●ROE: 12% or higher	●Equity ratio: Approximately 45% ●Credit rating: A flat*2 ●Liquidity on hand: equivalent to 5.0 to 5.6 months of passenger revenue*3

●··· Indicators established as 2030 management targets / JAL Vision 2035 targets

Shareholder Return

Increase dividends through profit expansion and flexible share buybacks
Dividend payout ratio: Approximately 35%
Total return ratio: Approximately 35%–50%



*1 ROIC = EBIT (after tax) / average fixed assets at the beginning and end of the fiscal year (Fixed assets = inventories + non-current assets − deferred tax assets − assets for retirement benefits)
*2 R&I: A−; JCR: A (as of August 31, 2026)
*3 Includes commitment lines

Toward Enhancing Corporate Value

Further Expanding the ROIC–WACC Spread

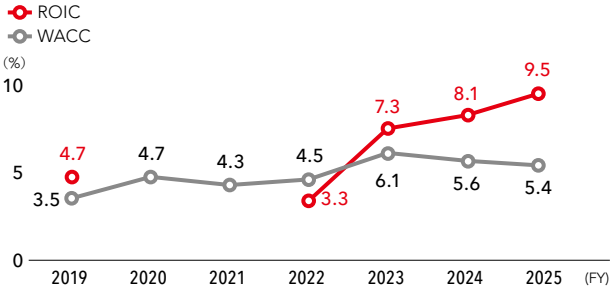
To further expand the ROIC-WACC spread, which directly contributes to enhancing corporate value, we introduced a range of measures under the previous Medium-Term Management Plan to embed a greater focus on capital efficiency throughout the organization and encourage the selection of high-return investments. These included pursuing greater efficiency in each business segment, setting hurdle rates appropriate to the risks of each business, and disclosing our

Financial Strategy

WACC. As a result, ROIC rose to 9.5% in FY2025, and achieving the ROIC-WACC spread of four percentage points was another major accomplishment.

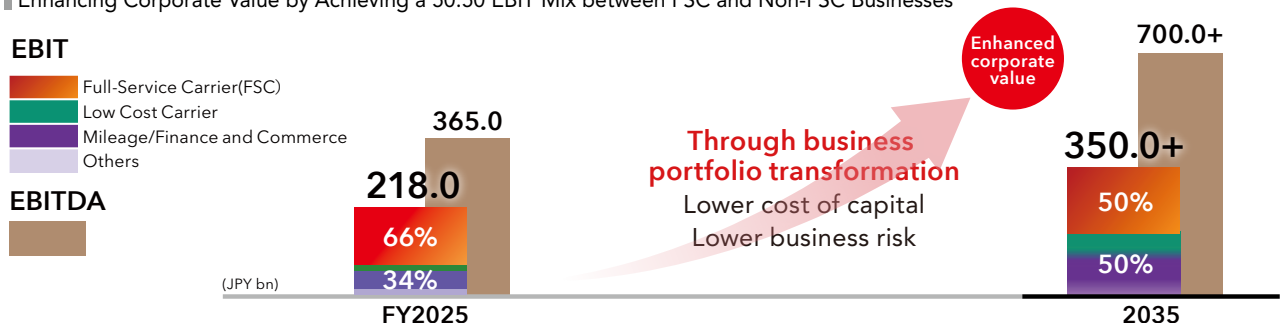
At the same time, we believe there is further scope to reduce our WACC. We will seek to lower our beta by continuing to proactively transform our business structure, as demonstrated by the capital alliance with Lifenet Insurance in April this year. We will also utilize the aforementioned equity-like financing and other financing to increase the proportion of lower-cost funding and continue share buybacks to further improve capital efficiency.

Transitions in ROIC and WACC

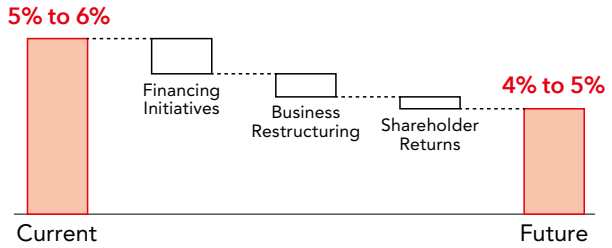


ROIC = EBIT (after tax) / Average of fixed assets* at the beginning and end of the fiscal year
* Fixed assets: Inventories + Non-current assets – Deferred tax assets – Assets for retirement benefits

Enhancing Corporate Value by Achieving a 50:50 EBIT Mix between FSC and Non-FSC Businesses



Measures to Reduce the Cost of Capital (Illustrative)



Reducing Business Risk and the Cost of Capital through Business Portfolio Transformation and Growth outside the FSC Business

Through our business portfolio transformation, we aim to achieve a 50:50 split in EBIT between the FSC business and businesses outside the FSC business by FY2035. The fundamental reason for this shift is to increase the contribution from businesses that are less volatile and carry less risk than FSC operations. This will strengthen the resilience of the JAL Group as a whole, lower our cost of capital, and ultimately enhance corporate value.

As noted earlier, our ability to maintain our full-year earnings forecast for FY2026 despite heightened tensions in the Middle East is a testament to the effectiveness of these efforts. Going forward, through initiatives under the three pillars supporting our business portfolio transformation, we aim to further reduce our cost of capital.

Enhancing the Expected Growth Rate

To further raise our expected growth rate, we will engage actively with capital market participants, as described below, and communicate more effectively our strategic advantages and the factors that differentiate us from our competitors. In addition, we will focus on increasing social value through growth-oriented sustainability initiatives.

Building on the aforementioned social value creation story, we will strengthen initiatives that contribute to regional revitalization and enrich people's lives through our businesses, and translate social value into economic value. We firmly believe that demonstrating to the market this growth model of creating economic value from social value will be key to raising expectations for JAL's growth.

Steadily Increasing Dividends as Earnings Grow

Our basic approach to shareholder returns is to increase dividends in line with earnings growth. We will continue to provide stable dividends based on a payout ratio of around 35%, and conduct share buybacks flexibly, using a total return ratio of approximately 35%–50% as a guide. At the heart of this policy is our commitment to steadily growing EBIT and delivering sustainable returns to shareholders. Accordingly, when earnings decline due to temporary factors, as in FY2026, we intend to maintain dividends at the current level. For share buybacks, however, we will prioritize investment opportunities that are expected to generate returns above our ROIC target and direct capital toward growth investments. Through these investments, we will enhance corporate value and seek to meet shareholders' expectations by delivering capital gains over the medium to long term.

JAL Group Management Vision 2035 for Enhancing Corporate Value

Financial Strategy

Strategic Allocation of Management Resources

Prioritizing Management Resources for Growth Areas such as International Routes and the Mileage and Lifestyle Business

To achieve the targets outlined above, we will strategically allocate management resources to growth areas such as international routes and the Mileage and Lifestyle business. We plan to double annual growth investment from FY2025 levels to JPY 420.0 billion, with the goal of increasing annual operating cash flow to JPY 440.0 billion.

For aircraft investment, we plan to allocate JPY 300.0 billion annually, more than double the FY2025 level. Just under 80% of this will be directed toward expanding international routes, introducing larger aircraft, and growing our LCC fleet, which will be key drivers of future growth. In the FSC business, we will increase the use of larger aircraft on international routes and progressively replace existing aircraft with the latest models. We also plan to double ZIPAIR's fleet to 15 aircraft by FY2030, increasing capacity and strengthening highly profitable long-haul routes. Aircraft deliveries are currently being delayed by supply chain disruptions and other factors. We will therefore continue to source aircraft from both Boeing and Airbus to diversify procurement risk. We are also strengthening our contingency plans, including extending the retirement dates of existing aircraft if new deliveries are delayed. Together, these measures will enable us to pursue aircraft investment and fleet plans that support steady growth even in an uncertain business environment.

In the Mileage and Lifestyle business, which will drive growth in our non-aviation businesses, we will allocate JPY 16.0 billion, around 80% of our annual strategic investment of JPY 20.0 billion, to this growth area. This is 3.3 times the FY2025 level. Through alliances and investments with companies in other industries, M&A, and business investments aimed at global expansion, we will dramatically expand our customer base and mileage issuance and grow segment profit.

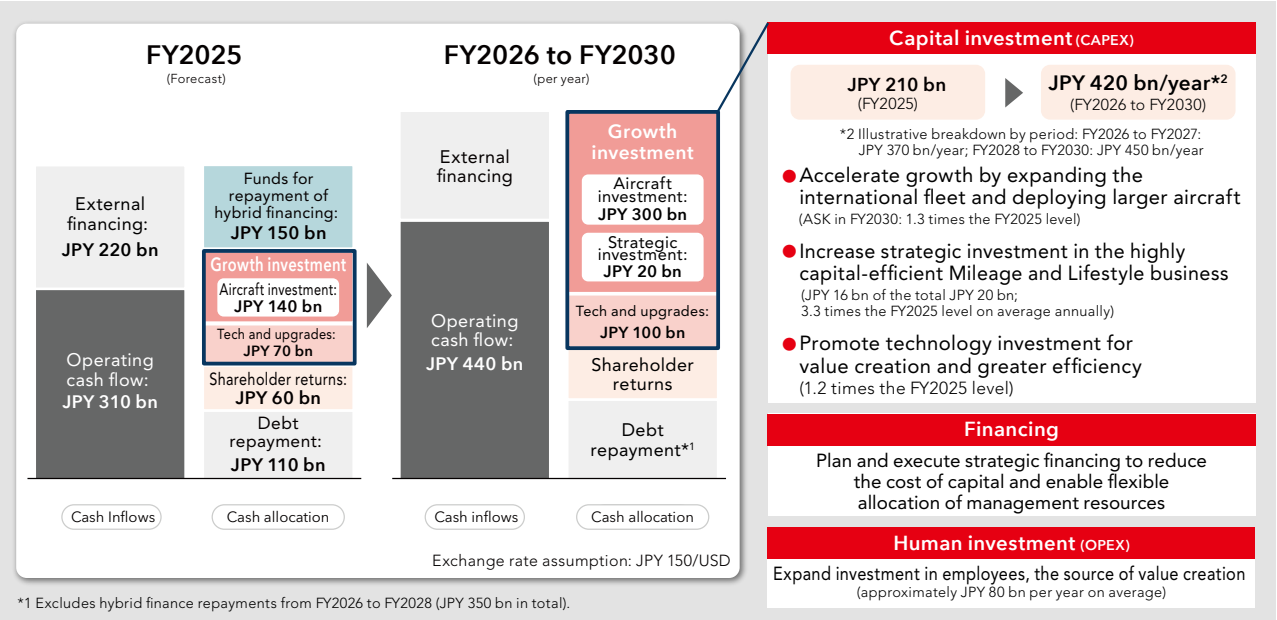
We will also allocate JPY 100.0 billion annually to technology investment, 1.4 times the FY2025 level, to improve operational efficiency through the proactive use of AI and digital technologies and create value by combining the capabilities of our people with data. We will simplify and shift to self-service more of the work currently handled by staff at reservation centers, airports, and sales divisions. We will also digitalize frontline operations through investments in advanced equipment and automation, creating an environment where our people can focus on more creative work. Through these initiatives, we aim to reduce workloads by 10% and create new customer experiences (CX).

Expanding Investment in Our People, the Source of Value Creation

As Japan's declining population intensifies competition for talent, we will invest JPY 80.0 billion annually in our people. This investment, which includes base pay increases, higher bonuses, and regular salary increases, will help us attract and develop diverse talent, empower employees to excel as professionals, and foster a culture of transformation and challenge across the organization. Through these efforts, we aim to raise the well-being of every employee to among the highest levels in Japan. Combined with the aforementioned use of technology, these investments will fundamentally improve productivity and contribute to enhancing corporate value over the medium to long term.

We are also reviewing our compensation framework for managers to further encourage transformation and new challenges. In particular, for department heads with significant responsibility for driving transformation and challenge, we will introduce a system that sets target levels according to their roles and what is expected of them, with these targets reflected in their compensation. Our engagement surveys show that our people find a strong sense of meaning in their work. To further enhance engagement and well-being, we will ensure that each individual's efforts and achievements are appropriately recognized and rewarded.

Strategic Allocation of Management Resources



Financial Strategy

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 continued close communication with the capital markets, we will strive to strengthen corporate governance, further reduce our cost of capital, and increase our expected growth rate.

Dialogues with Institutional Investors

Number of Events Held for Institutional Investors

	2021	2022	2023	2024	2025 (FY)
Meetings on Financial Results and Management Plans for Institutional Investors	4	4	5	5	5
Events for Institutional Investors	3	3	4	5	4
IR Day	1	1	1	1	1
Guided Tour of Facilities	0	0	1	2	2
CEO Small Meeting/ CFO Small Meeting	2	2	2	2	1
Conferences Sponsored by Securities Firms	11	12	8	9	9

Number of Institutional Investors Interviewed (Total)

	2021	2022	2023	2024	2025 (FY)
Meetings with Investors in Japan	188	162	171	144	193
Meetings with Investors in Other Countries	164	230	214	201	210
Total	352	392	385	345	403
Interviews with Top Management	91	112	124	75	80
President	12	17	15	15	11
Executive Vice President	1	7	14	15	14
Group CFO and Senior Vice President, Finance and Accounting Division	74	86	95	45	55

TOPICS

IR Day

At IR Day, held in March 2026, members of the management teams of JAL, ZIPAIR, and Spring Japan, including their presidents, engaged in dialogue with institutional investors on topics including the JAL Group Management Vision 2035 and the Group's medium-term growth strategy. The event provided investors with a deeper understanding of the JAL Group from a variety of perspectives, including the business strategies of its FSC, LCC, and Mileage/Finance and Commerce businesses, as well as its financial and human capital strategies.

Guided Tour of Facilities

❶ Visit to Airbus's Toulouse Facilities

In January 2026, we organized a tour of Airbus's A350 final assembly line and ATR's facilities in Toulouse, France. Participating investors gained a deeper understanding of the advantages of the aircraft introduced by the JAL Group and Airbus' stable production system, further strengthening their confidence in the Group's medium- to long-term fleet and growth strategies.

❷ Haneda Airport Facilities Tour

In September 2025, we organized a tour of Haneda Airport's aircraft apron and back-office operations to deepen investors' understanding of the departments that support frontline operations, including airport, flight operations, and maintenance. Participants observed initiatives such as productivity improvements through the use of remotely operated towing tractors and pre-departure alcohol testing to ensure safe flight operations. JAL executives also provided firsthand explanations of the Group's initiatives to secure future workforce, strengthen safety, and advance organizational reform, followed by an active exchange of views.



Sharing with Top Management

Feedback to Our Directors and Councils

We regularly share investors' key areas of interest and feedback with the Board of Directors and management and use these insights to enhance both corporate management and our investor relations activities.

Specifically, in the JAL Group Management Vision 2035, we articulated the growth story of our internationally recognized mileage business, as well as our strategy for enhancing the sustainability of our domestic airline business in anticipation of changes in the operating environment. We also incorporated investor feedback calling for a more proactive investment approach rather than an overly conservative one by lowering our target equity ratio from approximately 50% to approximately 45%, thereby enabling more ambitious growth investments.

JAL Group Management Vision 2035 Developed Based on Investor Feedback



Business Overview

Supporting the **movement and societal connections** of people and goods

	Full service carrier (FSC)	Cargo and Mail	Low-cost carrier (LCC)	Mileage/Finance and Commerce	Others	
					Ground handling services	Next-generation mobility
						
Business Strategy	Improving profitability by expanding capacity in growth markets and advancing business structure transformation to address rising costs	Achieving significant business growth by expanding the freighter network	Creating new value by leveraging the strengths of the LCC business model	JAL Mileage Lifestyle helping to enrich customers' lives	As a leading provider of contracted services, creating inbound flows of people and goods to Japan and contributing to Japan's development as a tourism-oriented nation	Creating new regional infrastructure that generates value by connecting society with people and goods, going beyond simply providing transportation
Related Business Portfolio Transformation	Growth, Sustain-ability, Social Impact	Growth, Sustain-ability, Social Impact	Growth, Sustain-ability, Social Impact	Growth, Sustain-ability, Social Impact	Growth, Sustain-ability, Social Impact	Growth, Sustain-ability, Social Impact
FY2025 Results	Number of airports served - Domestic: 64 airports - International: 413 airports Revenue Passenger Kilometers (RPK) - Domestic: 29,272 million passenger-kilometers - International: 45,305 million passenger-kilometers Number of airline partners: - 39 airlines (total of domestic and international)	Revenue cargo tonne-km - Domestic: 311,132 kilotonnes-km - International: 3,220,293 kilotonnes-km	- Number of aircraft: 14 aircraft - Number of routes: 19 routes (excluding Jetstar Japan and cargo flights)	- Number of JMB members (cumulative): Approximately 41 million members - JAL Card members: 3.69 million - JAL Card revenue: JPY 11.4 billion - JALUX revenue: JPY 42.6 billion	Number of contracted services for overseas airlines - Passenger flights: 77,000 flights - Cargo flights: 5,000 flights	- Obtained Drone Service Quality Certification (JIS Y1011) - Prepared for the launch of eVTOL (flying car) operations by Soracle - Expanded JAL MaaS
FY2025 Sales Revenue Composition Revenue by segment is presented before the elimination of intersegment transactions. Accordingly, the sum of revenue by segment does not equal consolidated revenue.	Sales composition ratio **64.0%** JPY 1,397.7 billion	Sales composition ratio **8.7%** JPY 189.7 billion	Sales composition ratio **5.3%** JPY 114.9 billion	Sales composition ratio **10.2%** JPY 222.2 billion	Sales composition ratio **11.9%** JPY 259.0 billion* * Travel, consignment, etc.	
Major Brands	JAPAN AIRLINES J-AIR JAPAN AIR COMMUTER HOKKAIDO AIR SYSTEM JAPAN TRANSOCEAN AIR RYUKYU AIR COMMUTER	JAL CARGO	ZIPAIR SPRING JAPAN Jetstar	JALMall JAL Pay JAL MILEAGE BANK JAL CARD	JAPAN AIRLINES	JAL DRONE JAL AIRTAXI JAL MaaS Soracle



Full Service Carrier (FSC)

Related Business Portfolio Transformation

Growth | Sustain-ability | Social Impact

Improving profitability by expanding capacity in growth markets and advancing business structure transformation to address rising costs

Key strategic initiatives

✓ Capturing inbound demand by increasing international seat capacity

✓ Business structure transformation of domestic operations

Toward Achieving the JAL Group Management Vision 2035

As a full-service carrier (FSC), we provide high-quality products and services that meet diverse customer needs, along with a convenient network. By leveraging the unique strengths of our Group airlines rooted in their local communities, as well as partnerships with joint business and codeshare partners, we aim to build a sustainable airline business that connects Japan with the world and cities with regional communities.

For international flights, we will enhance our product offering to capture growing demand originating overseas and, together with the JAL Group's low-cost carriers (LCCs), drive growth across the JAL Group. Specifically, we will increase seat capacity by deploying larger Airbus A350 and Boeing 787 aircraft and standardizing the fleet, while enhancing competitiveness by introducing more private business class seats. Building on these initiatives, we will develop networks that leverage the respective strengths of Haneda and Narita airports and strengthen marketing in high-yield segments, thereby expanding the scale of the business and further improving profitability.

For domestic flights, we will pursue structural reforms to create a business capable of generating stable profits, in light of declining business travel demand and significant cost increases driven by recent inflation, market conditions, and exchange rate movements. We will work to reduce rising costs by optimizing flight frequencies, restructuring our fleet composition, and improving productivity through DX. To increase revenue, we will continue to raise unit revenues, capture inbound demand, and create new flows of people. We will also work to improve convenience and efficiency by deepening cooperation with other airlines, taking into account discussions by the Expert Panel on the Future of Domestic Aviation.

We will also work to balance climate action with business growth by introducing more fuel-efficient aircraft and collaborating with stakeholders to expand the use of sustainable aviation fuel (SAF).

Growth Opportunities

- Further growth in robust inbound demand
- Increased demand for connecting flights between North America and Asia
- Collaboration with companies in other industries and competitors
- Increased productivity due to technological advancements

Risks

- Cost increases due to exchange rate fluctuations and inflation
- Global economic slowdown and geopolitical risks
- Impact of natural disasters, terrorism, infectious diseases, and large-scale accidents on flight operations
- Supply chain disruptions and labor shortages in the aviation industry

Strengths

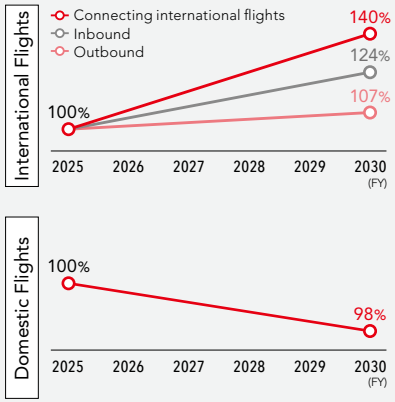
- Fleet enhancement through the continued introduction of fuel-efficient aircraft and other measures
- Competitiveness of products and services at airports, cabins, and the like
- Operational structure that can respond to flexible route planning

Challenges

- Attracting high-yield inbound passengers
- Increasing average domestic passenger fares
- Further increase in inbound passengers and attracting them to the region
- Creating new flows of people
- Reducing costs in initiatives to reduce environmental impact and other measures

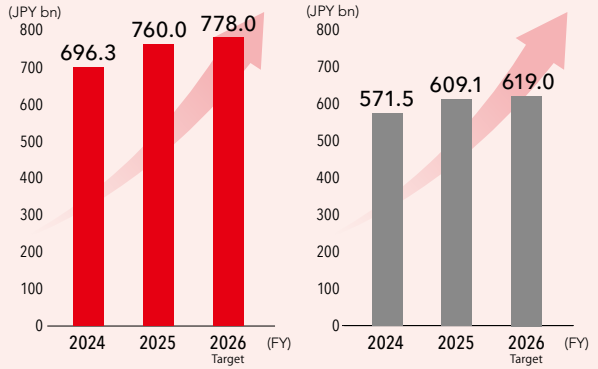
Business Environment

Projected Total Air Travel Demand
(FY2025 = 100%)



Past Performance and Targets

Passenger Revenue



Full Service Carrier (FSC)

Achievements and Future Direction

Progress in FY2025

- Robust inbound demand, successful demand stimulation initiatives, and effective revenue management resulted in record-high revenue passenger load factors on both international and domestic flights.

International Flights

- Expanded capacity by adding Airbus A350-1000 aircraft, launching new routes from Narita and Okinawa, and strengthening partnerships. Offset rising costs, including those caused by inflation, through revenue management and other measures in response to strong demand from overseas, while increasing average passenger fares. Captured demand in growth markets through enhanced marketing.

Domestic Flights

- Passenger numbers increased significantly, driven by demand related to Expo 2025 Osaka, Kansai, Japan, and growth in inbound demand. However, the increase in average passenger fares was insufficient to offset the substantial rise in costs.

Policy for FY2026

- Responding flexibly to rising fuel prices driven by developments in the Middle East.

International Flights

- Strengthen the review of the fuel surcharge system in response to rising costs and further enhance revenue management, while expanding revenue from ancillary services and further enhancing marketing together with our alliance partners to capture robust inbound demand.

Domestic Flights

- Revise fares and strengthen revenue management, particularly during peak-demand periods, to improve passenger yield. Accelerate initiatives to capture robust inbound demand while improving profitability through route network restructuring.

TOPICS

International Flights

1. Strengthen acquisition of inbound passengers

We continued our efforts to capture robust inbound demand on international flights. We expanded our fleet of Airbus A350-1000, which offer the highest levels of comfort, including private business class suites, from eight aircraft at the end of FY2024 to 11, deploying them on the flights to Paris in May 2025 and the flights to Los Angeles in June. This strengthened our competitiveness in attracting high-yield passengers.

We also conducted promotional campaigns highlighting the appeal of our products and services, which have been recognized by external organizations as being among the world's best, to encourage purchases.



2. Expanding supply to growing markets

In line with growing air travel demand driven by economic growth, we worked with our joint business partners to expand capacity to North America and Asia. JAL launched the Narita–Chicago route in May 2025 and the Narita–Delhi route in January 2026, expanding connecting networks using Narita Airport as a hub to link North America with India and Southeast Asia. In February 2026, JTA also leveraged Okinawa's geographic advantages to launch the Naha–Taipei (Taoyuan) route, its first scheduled international service. As a result of these and other initiatives, seat capacity on JAL Group-operated flights increased to 103% of the FY2024 level.

To provide an international network that JAL could not offer on its own, we also launched a joint business with Garuda Indonesia in April 2025, enhancing convenience for our customers.

Domestic Flights

1. Promoting structural reforms

In response to changes in the operating environment, including declining business travel demand, Japan's medium- to long-term population decline, and rising costs due to inflation and the weaker yen, we are advancing structural reforms to our domestic operations.

We are working to increase revenue by strengthening revenue management to raise average fares, capturing inbound demand, and creating new flows of people.

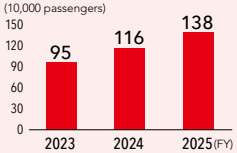
To address rising costs, we are working to improve productivity by advancing DX and reviewing operational workflows, as well as exploring operational partnerships with other airlines, particularly at regional airports. As a provider of infrastructure that supports Japanese society, we aim to achieve sustainable operations by optimizing our route network while fully leveraging the resources of our Group airlines.

2. Capturing inbound passengers

We are focusing on encouraging inbound passengers, whose numbers have grown significantly in recent years, to travel to destinations throughout Japan.

To enhance the effectiveness of our marketing, we identify high-demand markets and conduct customer research to understand purchasing behavior and needs. Based on the data obtained, we work to capture demand by selecting destinations to promote in line with customer needs and developing effective channel strategies, fare initiatives, and promotional methods. We are also working to capture demand beyond our own network by expanding codeshare partnerships with foreign airlines and taking other measures.

Number of Domestic Inbound Passengers





Cargo and Mail

Transformation of Related Business Portfolios

Growth | Sustain-ability | Social Impact

Driving significant business growth through the expansion of our freighter network

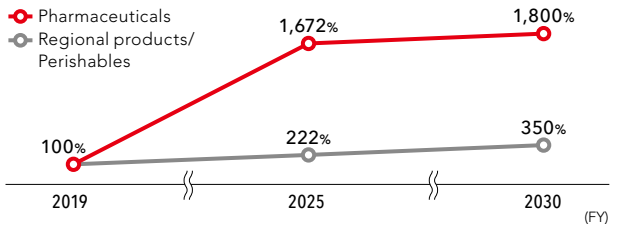
Strategic priorities ❯ Expanding capacity between Asia and Europe/U.S. by increasing the number of large freighters ❯ The vision for a new international logistics hub at Narita Airport

Toward Achieving the JAL Group Management Vision 2035

As a key driver of growth for the JAL Group's international route business, the international cargo business will expand its freighter network. By increasing the number of large freighters, we will expand capacity in the rapidly growing Asia–Europe/U.S. market while linking our Boeing 767 freighter network in Asia with belly cargo across our broader route network. We will also open WING NRT, a new international logistics hub, and, in line with the enhancement of Narita Airport's functions, contribute to making Narita Airport a global hub for international air cargo and to the Airport City Project. In FY2026, we will launch new codeshare flights with Cargolux Airlines and further expand capacity on European routes. We will also expand the transportation of high-value-added cargo, including pharmaceuticals and AI- and EV-related products, which is essential to society and well suited to air transport, thereby contributing to social infrastructure while establishing a stable earnings structure. In addition, through new transportation services such as *JAL de Hako-byun* developed in collaboration with the JR East Group, we will expand exports of regional products from across Japan and help build relationships and societal connections among regions and countries through the movement of goods.

In response to concerns over declining transportation capacity resulting from the shortage of truck drivers, the domestic cargo business will promote a new modal shift to air transportation, help build a sustainable logistics network, and contribute to addressing societal issues.

Expansion of High-Value-Added Cargo Volume
(FY2019 = 100)



Growth Opportunities

- Growing demand for international air cargo from China and Asia to Europe and the U.S. (e.g., growth in international express shipments, AI- and EV-related markets)
- Growing demand for pharmaceuticals and for regional products from Japan
- Modal shift from domestic truck transportation

Strengths

- High-quality flight operations and cargo handling system
- Flexible supply system combining our own freighters, belly cargo space, and partner airlines' freighters
- Japan's geographic advantage (an ideal transit hub between the fast-growing Chinese/Asian and North American markets)
- Export services for regional products from Japan integrated with other modes of transportation
- Expansion of infrastructure around Narita Airport in line with the enhancement of the airport's functions (increasing cargo handling capacity)

Risks

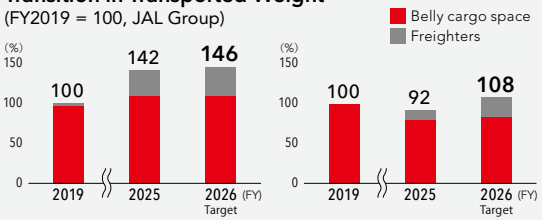
- Disruption in global markets caused by soaring fuel prices
- Insufficient supply of medium- and large-sized freighters amid growing market demand for freighters

Challenges

- Automation of cargo handling operations and improved productivity (addressing labor shortages)
- Early expansion of the large freighter network (addressing fleet shortages)
- Enhancing sales and marketing capabilities through the development and utilization of data infrastructure

Business Environment

Transition in Transported Weight
(FY2019 = 100, JAL Group)

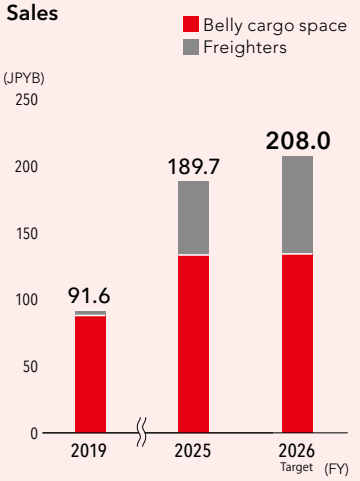






Results and Targets

Sales



Cargo and Mail

Results and Policy

Progress in FY2025

- Expanded the international freighter network
- Expanded freight volume of high-value-added cargo
- Launched *JAL de Hako-byun*, a new one-stop transportation service connecting regional Japan with overseas markets
- Collaborated with industry organizations to promote a new modal shift in domestic logistics and launched a cargo security screening service
- Established a fresh-off-the-farm business model in Japan

FY2026 Policy

- Further expand the international freighter network
- Expand the Europe/U.S. freighter network through partnerships with Kalitta Air and Cargolux Airlines and others capturing strong cargo demand from Asia to Europe/U.S.
- Further expand transportation of high-value-added cargo, contributing to social infrastructure and building a stable earnings structure
- Promote exports of regional products from Japan
- Strengthen sales activities to capture new demand for domestic cargo, promote a new modal shift, and expand the cargo security screening service

TOPICS

International Flights

1. Steadily expanding the freighter network to drive revenue growth

In addition to increasing the frequency of flights on our Boeing 767 freighter routes across East Asia, we launched new services to Hanoi and Bangkok. We also launched scheduled freighter services on North American routes with Kalitta Air and reached an agreement with Cargolux Airlines, advancing preparations to secure cargo capacity on European routes. Through these initiatives, we steadily expanded our freighter network. As a result, both volume and unit price exceeded the previous year (volume +14.2%; unit price +6.2%), resulting in a significant increase in revenue from the previous year.





2. Launch of a new service to enhance customer convenience

To help create connections among regions through the movement of goods, we launched *JAL de Hako-byun*, a new transportation service developed in collaboration with the JR East Group. By significantly reducing transportation lead times, we aim to further expand exports of high-quality regional products from Japan. We also revamped our website to enhance customer convenience. Going forward, we will continue to develop a platform that is convenient, intuitive, and easy for customers to use.





Domestic Cargo

Initiatives to promote a new modal shift

To promote a new modal shift to air transportation, we collaborated with regional transport bureaus and industry organizations to hold seminars on improving logistics efficiency through the use of air transportation. We also launched a cargo security screening service to capture future demand. In addition, leveraging JALCARGO's high-quality handling, we provided fast and efficient refrigerated transportation, enabling the rapid delivery of regional products, such as fresh tuna from Okinawa to the Tokyo metropolitan area while preserving their freshness. Going forward, we will contribute to enhancing the value and recognition of regional products by expanding new sales channels through air transportation and establishing a fresh-from-the-farm business model.



Others

Preparing for the future enhancement of Narita Airport's functions/high-quality handling

In preparation for the increase in cargo handling volume accompanying the future enhancement of Narita Airport's functions, we announced the WING NRT concept, a new international logistics hub integrating a cargo warehouse and logistics facilities. Through the integrated operation of facilities both inside and adjacent to the airport, we will contribute to establishing Narita Airport as a global hub for international air cargo and advancing the Airport City Project. In addition, the JAL Group won the overall championship at the 2026 Forklift World Championship. Going forward, we will continue to provide the highest quality of service.







LCC

Related Business Portfolio Transformation

Growth | Sustain-ability | Social Impact

Creating new value by leveraging the strengths of the LCC business model

Key strategic initiatives ✓ Accelerating growth in international route marketing by combining high profitability with business expansion

Toward Achieving the JAL Group Management Vision 2035

The three LCCs based at Narita Airport are well positioned to capture growing inbound demand and increasing flows of people and logistics between Asia and North America. Their business model gives customers the freedom to choose the services they want at affordable fares, allowing us to realize high profitability and accelerating growth, primarily in international route marketing.

Narita Airport's expansion will open up further opportunities. By taking full advantage of Japan's geographic position, we aim to capture this growing demand and generate social and economic value by encouraging greater movement of people and goods.

We will continue to improve productivity to stay agile in the face of geopolitical risks, rising costs, a shrinking workforce, and other challenges.

Closer collaboration with JAL will also help strengthen sales and our brands, making our LCC services better known and more convenient for customers.

Each LCC has a distinct role to play. ZIPAIR will expand its fleet and build on its position as a pioneer of medium- and long-haul LCC services in Japan, with a particular focus on gaining share in the long-haul market. SPRING JAPAN will continue to expand its business, primarily on routes between Narita and China, by leveraging the brand strength and sales capabilities of its joint investment partner, Spring Airlines, thereby improving profitability. For Jetstar Japan, JAL and Qantas Airways signed a memorandum of understanding in February 2026 on plans to transition to a new shareholder structure led by Japanese capital. From FY2026, as it enters its next phase of growth and sustainable development, the airline will transition from the Jetstar brand to a new brand and, in addition to expanding its international routes, leverage its extensive domestic network to contribute to regional revitalization.

Growth Opportunities

- Strong growth in inbound demand
- Growing connecting demand between Asia and North America
- Productivity gains through technological advances

Strengths

- A distinctive Narita-based network targeting markets different from those served by JAL
- Safety standards and quality on par with full service carriers

Risks

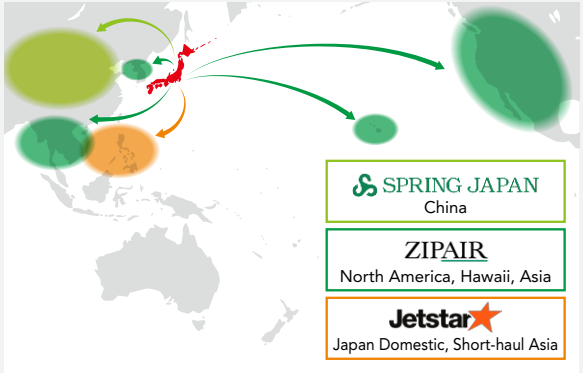
- Rapid cost increases due to the weaker yen, inflation, supply chain disruptions, and other factors
- Persistent volatility due to geopolitical risks

Challenges

- Keeping pace with business expansion
- Further strengthening competitiveness through higher aircraft utilization
- Responding to rising environmental costs

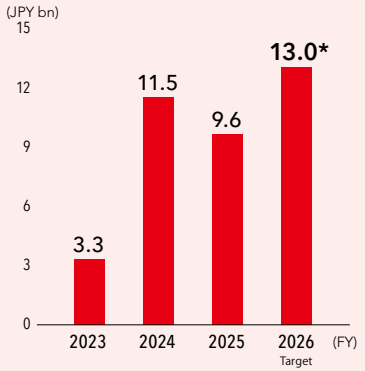
Business Environment

Route network of JAL Group LCCs



Results and Targets

EBIT



* Total of EBIT of two consolidated subsidiaries (ZIPAIR and SPRING JAPAN) and equity earnings of Jetstar Japan, an equity-method affiliate

LCC

Results and Policies

Progress in FY2025

- ☑ With further growth in international demand, we pursued a range of initiatives to capture strong inbound demand.

ZIPAIR

- ☑ Advanced plans toward the launch of scheduled services through the operation of charter flights

SPRING JAPAN

- ☑ Established a structure for stable operations on the international routes to China that expanded in FY2024

Jetstar Japan

- ☑ Captured further inbound demand by expanding its international route network

Policy for FY2026

- ☑ Further improve profitability by combining business expansion with higher productivity

ZIPAIR

- ☑ Further expand the business by increasing the fleet and launching new routes

SPRING JAPAN

- ☑ Maintain and improve profitability by developing routes that capture demand, and leverage the Spring Airlines brand to capture outbound demand from China

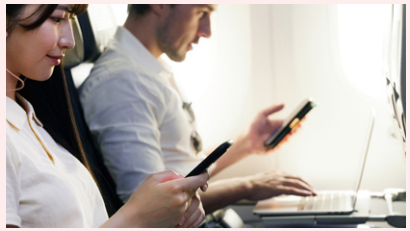
Jetstar Japan

- ☑ Change the brand and expand the international route network in line with the strategic plan to change the shareholder structure

TOPICS

ZIPAIR





Expanding the Fleet and Introducing High-Speed Inflight Wi-Fi

ZIPAIR operated its first charter flights in 2025, flying to Taipei in October and, from February to March the following year, becoming the first Japanese airline to operate nonstop flights to Orlando in the United States. These flights enabled ZIPAIR to capture new demand and explore the potential for future scheduled services.

ZIPAIR also began introducing Starlink, providing free high-speed inflight Wi-Fi to every passenger on every flight and offering a more comfortable connectivity experience. In June 2026, it operated its first charter flight to Las Vegas and plans to further expand its network by launching service to Kuala Lumpur by the end of the year. Through this agile approach, ZIPAIR will continue to capitalize quickly on opportunities such as demand generated by major events. The airline will also add two Boeing 787-8 aircraft, bringing its fleet to 10 as it moves to double the scale of its business.

SPRING JAPAN

Initiatives to Capture Inbound Demand from China

SPRING JAPAN has expanded its international operations to 56 flights per week serving seven cities in China, enabling it to capture growing inbound demand from the country. In its cargo business, the airline has also continued working with Yamato Holdings Co., Ltd. to address social challenges in the logistics sector through their joint business.

In March 2026, SPRING JAPAN became the first Japanese airline to introduce Alipay, an offline QR code payment service, for inflight purchases. This has made payments more convenient for customers and contributed to further improving profitability. In FY2026, the airline will develop routes that capture further growth in inbound demand and improve productivity at the same time, driving continued business growth.

Jetstar Japan

Expanding the International Route Network under a New Brand

Jetstar Japan has operated as an LCC based at Narita Airport for approximately 14 years. Under the strategic plan to change its shareholder structure announced in February 2026, the airline will transition from the Jetstar brand to a new brand. With this new identity, it aims to further strengthen its position as one of Japan's leading LCCs.

As it expands its international route network, Jetstar Japan will pursue structural reforms to further improve productivity and fully capitalize on the strengths of the LCC business model.

The planned expansion and enhancement of Narita Airport also present a significant opportunity. Jetstar Japan will leverage the advantages of its Narita base to turn this development into a catalyst for further business growth.

Growth of International Route Business Driven by Three Core Pillars

Related Business Portfolio Transformation

Growth | Sustainability | Social Impact

Growth and Optimization across FSCs, LCCs, and Cargo

The JAL Group will pursue a step change in the growth of its international route business, driven by three core pillars: FSCs, LCCs, and Cargo. Through initiatives such as introducing new aircraft, expanding medium- and long-haul routes, and growing our freighter network, we aim to increase international available seat kilometers (ASK) to 1.3 times the FY2025 level by FY2030, positioning us to capture growing passenger demand worldwide.

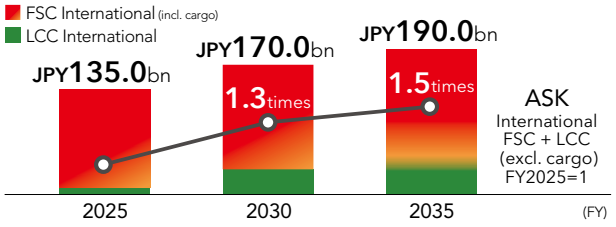
In our international FSC business, we will continue to enhance our products and services. Over the longer term, we will also transition to "Modern Airline Retailing," a new approach to airline ticket distribution advocated by IATA, evolving from selling airline tickets to providing travel and experiences tailored to each customer, and, in turn, enhance CX and maximize revenue.

In the LCC business, we will double ZIPAIR's fleet and expand its network. On short-haul routes, SPRING JAPAN and Jetstar Japan, which is set to adopt a new brand following its strategic change in shareholder structure, will capture inbound demand and encourage more visitors to travel beyond Japan's major cities to regional destinations.

In cargo, we will expand our freighter network to capture further growth in the logistics market. To meet strong cargo demand between Asia and Europe/North America, we will increase capacity using large freighters, including through partnerships with other airlines. We will also transport more high-value cargo such as pharmaceuticals and semiconductor manufacturing equipment, thereby maximizing profitability.

As the business environment evolves, we will flexibly optimize resources across these three businesses to strengthen resilience and aim to generate EBIT of JPY 170.0 billion in FY2030 and at least JPY 190.0 billion in FY2035.

EBIT for International Route Business



Growth through FSCs and LCCs

FSC

Medium- to long-haul routes Focus routes — North America and Southeast Asia

JAPAN AIRLINES

- Expansion leveraging both the convenience of Haneda Airport (including domestic connections) and the enhanced capabilities of Narita Airport
- Larger aircraft and expansion of the medium- and long-haul fleet
- Expanding private suites in Business Class
- Modern Airline Retailing: Transforming ticket sales into personalized travel and experiences

ZIPAIR

- Expanding international routes as Narita Airport enhances its capabilities
- Expanding fleet size: Doubling the fleet from eight aircraft (FY2025 → FY2030)
- Expanding full-flat seats (787-9)
- High-speed Wi-Fi and other cutting-edge technologies

LCC

Short-haul routes Focus routes — China and Asia

SPRING JAPAN / Jetstar

- Growth in line with rising inbound demand
- Expanding international routes under a new brand

*Each initiative is targeted for completion by FY2030

Flexibly optimizing resource allocation across FSCs, LCCs, and Cargo in response to changes in the business environment

Growth through expansion of the freighter network

CARGO

JAL CARGO

- Expanding capacity between Asia and Europe/North America by adding large freighters (including through partnerships with other airlines). Targeting a step change in business growth by linking this capacity with the Boeing 767 freighter network within Asia.
- Expanding transportation of high-value cargo such as pharmaceuticals and semiconductor manufacturing equipment.

Expanding the Network through Fleet Expansion

The Airbus A350-1000, which was introduced in January 2024, continues to serve our key international routes and will grow to a fleet of 13 aircraft by FY2027. We also plan to introduce 20 Airbus A350-900 aircraft, currently used primarily on major domestic routes, into international service. In addition, we are adding 10 more Boeing 787-9 aircraft to accelerate the renewal of our international fleet. By deploying larger aircraft, we will provide the capacity needed to expand our medium- and long-haul network, where demand is expected to grow further.

With this fleet renewal, our international FSC and ZIPAIR fleets will consist exclusively of Airbus A350 and Boeing 787 aircraft. Standardizing the fleet around these aircraft families will improve aircraft utilization and reduce costs.

Expanding the Network through Fleet Expansion

Expansion of the Medium- and Long-Haul Fleet	Fleet Standardization	ASK Growth
89 aircraft	**A350/787**	**1.3** times
FY2030: 90% of fleet (99 international aircraft)	Higher Aircraft Utilization and Lower Costs (FSC International + ZIPAIR)	FY2025→FY2030 (FSC International + ZIPAIR + SPRING JAPAN)

Transition in the International Fleet Size

FSC International + ZIPAIR + SPRING JAPAN

(FY)	2025	2030	2035
Number of international aircraft	88	99	105+
Of which, medium- and long-haul aircraft	77	89	95+
Of which, short-haul aircraft	11	10	10+

*Number of aircraft and ASK exclude three freighters. Short-haul aircraft comprise Boeing 737s, whereas medium- and long-haul aircraft comprise Airbus A350s and Boeing 767s, 777s, and 787s.



Mileage/Finance and Commerce

Related Business Portfolio Transformation

Growth | Sustain-ability | Social Impact

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

Key strategic initiatives

✓ Expansion of the JAL Mileage Lifestyle

✓ Global expansion of mileage partnerships and business investment

Toward Achieving the JAL Group Management Vision 2035

Our Mileage/Finance and Commerce business offers a diverse range of services that are part of our customers' everyday lives as well as their travel experiences. These include financial services such as JAL Card, JAL Pay, and JAL NEOBANK; lifestyle services such as JAL Mobile, JAL *Hikari* home fiber-optic internet service, and JAL *Denki* ("JAL Electricity"); and e-commerce services such as JAL Mall and *Totteoki-no-Ippin*. We also offer inflight shopping and operate airport stores that add enjoyment to the travel experience. Together, these services are expanding JAL Mileage Lifestyle, bringing JAL miles into more aspects of our customers' lives and helping make their everyday lives and broader life experiences richer and more rewarding.

To achieve the JAL Group Management Vision 2035, we will continue to evolve JAL Mileage Lifestyle, creating greater economic value and contributing to the social value we provide by enriching our customers' lives.

On the earning side, we will create an ecosystem that makes it easy for customers to accumulate miles through everyday activities such as payments and shopping.

On the redemption side, we will offer more of the special experiences that only JAL miles can provide, our "priceless rewards." Alongside award tickets and the *Dokokani* Mile domestic discount award ticket service, which is celebrating its 10th anniversary, customers will be able to use their miles for experiences such as sporting events, theater performances, and invitations to special restaurants. By giving customers more ways to use their miles, we can better meet their diverse needs and make JAL miles even more attractive.

In e-commerce, we fully transitioned our domestic inflight shopping service to an online format known as inflight Shopping at Home in March 2026, allowing us to offer customers a much broader selection of products. We will continue to develop commerce services with a distinct JAL character.

To take the business to a new level of growth, we will expand global mileage partnerships and make strategic investments that will broaden the scope of our business. These initiatives will also allow us to develop more compelling rewards that can stand alongside award tickets as another major attraction of JAL miles.

Growth Opportunities

- Growing adoption of cashless payments
- Expansion of e-commerce markets
- Growth potential of financial domain business
- Establishment of digital communication platforms such as JMB mobile app
- Expansion of the customer base into overseas markets
- Scope to expand into new business areas as lifestyles become more diverse

Risks

- 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

- Excellent membership base centered on JAL CARD members
- Wide range of extraordinary redemption awards
- Highly productive operating structure
- Ability to expand overseas backed by a global aviation network
- High resilience of the JAL CARD business to inflation

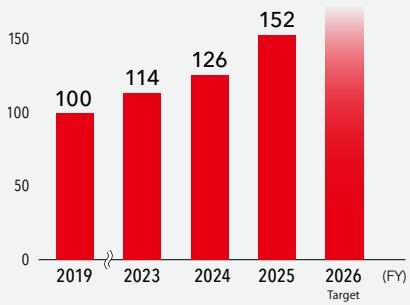
Challenges

- Establishment of 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

Business Environment

Number of miles issued for non-air transport services

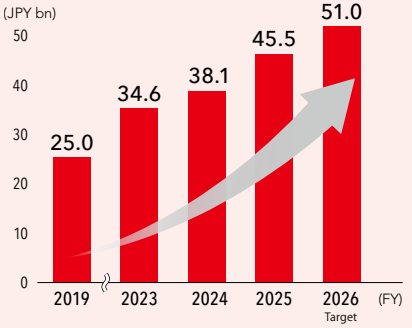
(Index with FY2019 = 100)



Results and Targets

EBIT

Achieve +100% growth vs. pre-COVID 19



The Evolution and Future of JAL Mileage Lifestyle

In the Mileage/Finance and Commerce business, we have been expanding JAL Mileage Lifestyle to help enrich our customers' lives by giving them more opportunities to earn miles in their everyday activities and use them for special experiences.

Under our previous Medium-Term Management Plans, we introduced a diverse range of services that fit naturally into our customers' daily lives and support them through different life stages, steadily expanding the opportunities to earn and use miles.

In FY2023, we launched the JAL Mileage Bank app, creating a new touchpoint with customers, and introduced the Life Status Program to build deeper, longer-lasting relationships with them.

In FY2025, we further strengthened our presence in customers' everyday lives with the launch of JAL Mobile and the issuance of the JAL-JCB Card Platinum Pro and JAL Luxury Card. We also expanded into new areas through business investment, including the launch of *Toraripi*, which allows customers to earn JAL miles, and continued to expand JAL Mall. At the same time, we created more compelling ways for customers to use their miles. These included expanding Mile de Experience, which offers memorable experiences beyond the everyday, and *Totteoki-no-Ippin*, where miles can be redeemed for rare and exclusive products.

Looking ahead, we will continue to create connections with our customers in both their everyday lives and special moments, evolving our mileage program to make their lives richer and more rewarding.



Results and Policies

FY2025 Results and Challenges

- Launched JAL Mobile, JAL-JCB Card Platinum Pro, and JAL Luxury Card
- Launched mileage partnerships with overseas financial services companies, including Capital One
- Acquired shares in Money Square Holdings jointly with the SBI Group, and in February 2026 launched Toraripi, which allows customers to earn JAL miles
- Fully transitioned the domestic inflight shopping service to an online format known as inflight Shopping at Home
- JALUX achieved revenue growth by expanding its aviation-related businesses and wholesale business for duty-free stores

Policy for FY2026

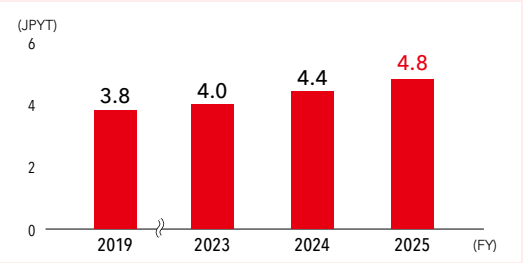
- Achieve dramatic growth in the everyday domain by further expanding existing businesses such as JAL Card, JAL Mall, and inflight shopping, and by growing our global mileage partnerships
- Strengthen resilience by using strategic business investment to establish new business pillars in the Mileage/Finance and Commerce domain

TOPICS

Growing the JAL Card Business by Expanding Life Status Program (LSP) Membership

In FY2025, we focused on further developing the Life Status program by expanding the range of attractive services that earn LSPs and attracting new members. These initiatives, supported by a series of successful campaigns, helped drive JAL Card transaction volume to JPY 4.8 trillion. In the FY2025 Japanese Customer Satisfaction Index (JCSI), JAL Card ranked first in the credit card category for the first time, demonstrating how the business has grown into one that customers actively choose.

JAL CARD transaction volume



Accelerating Growth in the JALUX Business

JALUX achieved steady revenue growth, led by its aviation-related and retail businesses.

Going forward, we will further diversify the business portfolio by directing more management resources toward non-aviation businesses.

Accelerating Growth in the JAL Pay Business

We focused on making JAL Pay more convenient by strengthening integration with JAL NEOBANK and introducing the Mile Up Program. Looking ahead, we will continue to respond to customer needs as we pursue a step change in business growth.

Special Feature 2

Further Growth of the Mileage/Finance and Commerce Business and Maximizing Economic and Social Value

The Mileage/Finance and Commerce business will play a central role in JAL's business portfolio transformation and profit growth toward FY2035. Here, we explore the strengths of the business and the value it creates.

Strengths of JAL's Mileage/ Finance and Commerce Business

The mileage business, one of the key growth drivers under the JAL Group Management Vision 2035, has three major strengths.

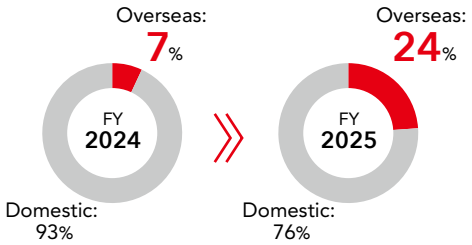
The first is a high-quality customer base. JAL Card is widely used by highly loyal customers, and annual spending per card has consistently been higher than at major credit card companies in Japan. This high-quality customer base is a key driver of further business growth.

The second is the wide range of customer touchpoints we have built across many aspects of everyday life. Beyond the special experience of air travel, customers can earn miles through a diverse range of everyday services, including JAL Mall for shopping and JAL Card and JAL Pay for payments. The airline industry is highly volatile and susceptible to changes in the external environment. Giving customers opportunities to earn miles through everyday services where demand is more stable provides us with a foundation for steady, sustainable growth.

The third is our broad network of partners. We have steadily expanded partnerships with companies in other industries, including major loyalty point providers and financial institutions. In recent years, we have also expanded our network of overseas partners as we continue to develop JAL into a truly global mileage program.



Overseas Share of Mileage Partnerships and Point Exchange Revenue

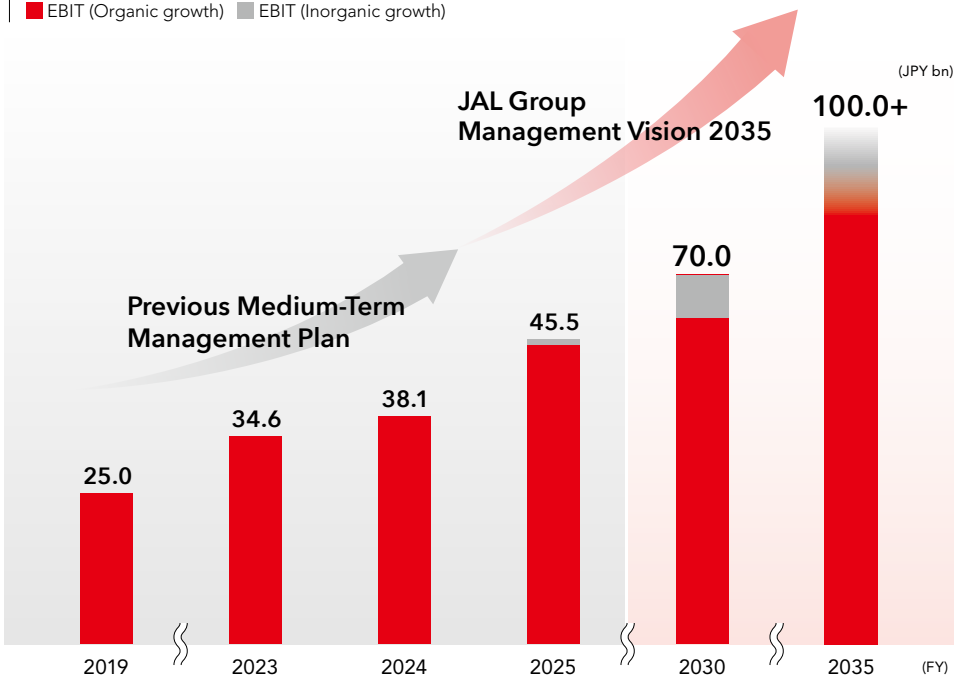


Life Status Program Delivering Results

To build on these strengths and give customers more opportunities to earn and use miles in their everyday lives, we launched the JAL Life Status Program in January 2024.

The program retains the existing benefits, such as priority boarding and lounge access based on annual flight activity, but also gives customers a new way to earn status through their everyday use of JAL-branded services. In addition to flying, customers can now earn status through purchases with JAL Card and the use of services such as JAL Mobile and JAL Mileage Park.

EBIT Trends and Targets for the Mileage/Finance and Commerce Business



These initiatives have significantly accelerated EBIT growth in the Mileage/Finance and Commerce business. EBIT grew 10.1% year on year in FY2024 and 19.4% in FY2025, with a further 12.1% increase forecast for FY2026. This accelerating growth has further strengthened the business's role as a growth driver and enhanced the economic value it creates.



JAL Sakura Lounge (Haneda Airport Domestic Lounge)

Special Feature 2

Further Growth of the Mileage/Finance and Commerce Business and Maximizing Economic and Social Value

Creating a Better Society by Expanding the JAL Mileage Lifestyle Ecosystem, Where Customers, Partners, and JAL All Benefit

Another distinctive strength of JAL's Mileage/Finance and Commerce business is the way it connects customers, JAL, and our partners through miles aiming to create a better society. JAL Mileage Lifestyle, which enables customers to earn miles in their everyday lives and use them for special experiences, not only helps enrich customers' lives but also brings partners more customers and greater use of their services, while enabling the JAL Group to further expand the range of attractive services it offers. In this way, we aim to further develop an ecosystem that creates a virtuous cycle of value for customers, partners, and JAL alike.

The key to taking this ecosystem to a new level of growth and scale is expanding our network of partners, co-creating value with them, and bolstering our collaboration. We will therefore actively pursue strategic business investments and alliances, combining the attractive services offered by our partners with the JAL Group's strengths. Through these efforts, we aim to achieve the dramatic growth of the Mileage and Lifestyle business envisioned in JAL Vision 2035.

Earn Miles in Everyday Life

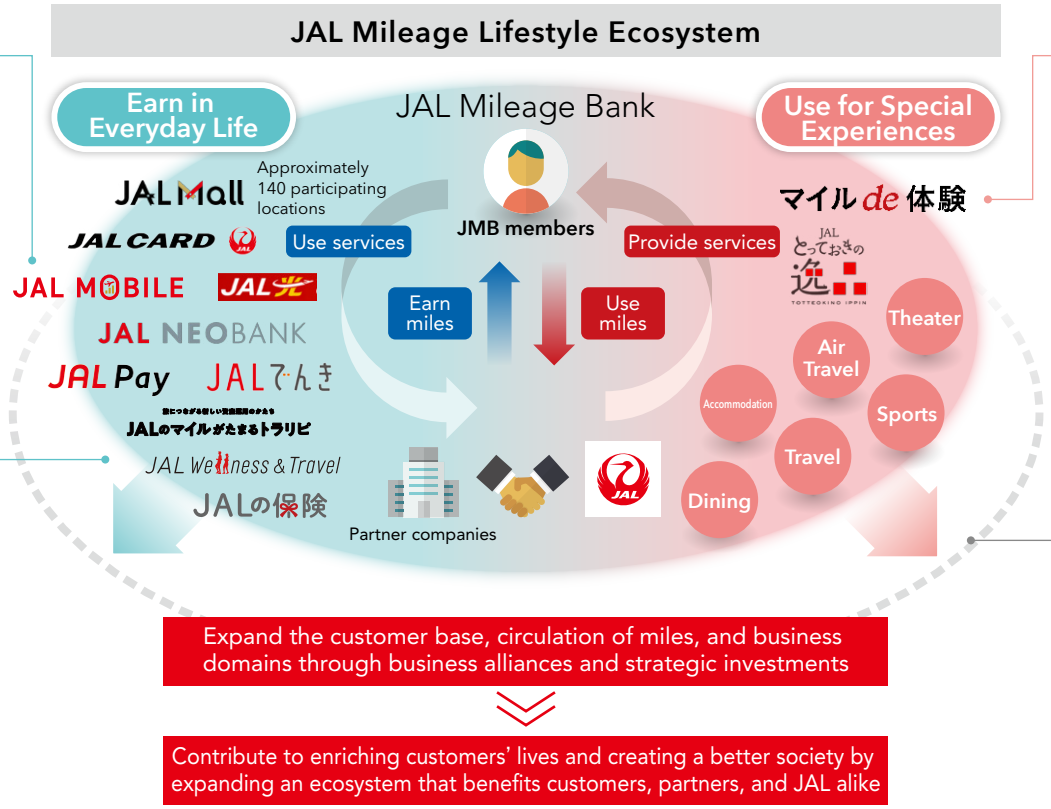
Launch of JAL Mobile powered by ahamo (June 2026)

JAL Mobile, launched in April 2025, expanded its partnerships beyond Internet Initiative Japan Inc. to include NTT DOCOMO, INC., with the launch of JAL Mobile powered by ahamo in June 2026. The new service is designed to make mobile connectivity more convenient when traveling overseas, an area closely aligned with JAL's airline and mileage businesses, and to attract a new customer segment of frequent international travelers.

Earn Miles in Everyday Life

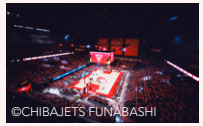
Launch of a New Asset Management Service That Earns JAL Miles: Toraripi (January 2026)

In August 2025, we made MONEY SQUARE HOLDINGS, which provides investment solutions primarily for foreign exchange margin trading, an equity-method affiliate. We then launched a new form of asset management that connects investing with travel, allowing customers to earn miles at an unprecedented rate through the company's flagship Toraripi service. Going forward, we will continue to expand and enhance mileage services that fit naturally into customers' everyday lives, including this new offering.



Use for Special Experiences

Mile de Experience (Since 2025)



This service offers special experiences that only JAL miles can provide, including sporting events, regional leisure activities, and unique experiences created by JAL. We will continue to develop these into compelling rewards alongside award tickets and further expand the range of experiences available, helping to make our customers' lives richer and more rewarding.

Expanding JAL Mileage Lifestyle

Capital and Business Alliance with Lifenet Insurance (April 2026)

We will explore the development of insurance products that combine JAL's brand strength, customer base, miles, and other assets with Lifenet Insurance's presence as an online life insurer, expertise in building partnerships, and strong customer touchpoints and experiences. By co-creating products and services that give customers greater safety and peace of mind throughout their daily lives and life journeys, we aim to create new value in life insurance.



Ground Handling Contracts

Related Business Portfolio Transformation

Growth | Sustain-ability | Social Impact

As a leading provider of airport ground handling services, we will create inbound flows of people and logistics to Japan and contribute to the country's growth as a tourism destination.

Key strategic initiatives

- ✓ Building a sustainable ground handling framework
- ✓ Further expanding the ground handling business by leveraging our expertise in maintenance and cargo

Toward Achieving the JAL Group Management Vision 2035

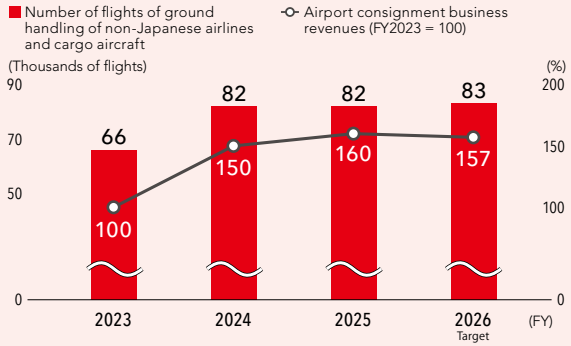
Our ground handling business provides the essential ground services that airlines need to operate flights at airports across Japan. As a leading provider of these services, we also help generate inbound flows of people and logistics to Japan, contributing to the country's growth as a tourism destination.

With strong inbound travel and international air cargo demand expected to drive further growth in flights to Japan, we will leverage one of our key strengths, an integrated service package spanning ground handling, cargo, and maintenance, to deliver high-quality services and maximize revenue. The foundation of these services is our frontline workforce. We are committed to fair business practices in accordance with the Ministry of Land, Infrastructure, Transport and Tourism's Guideline for Fair Transactions in the Airport Ground Handling Services and to providing a safe and secure working environment. We are also working to build a more sustainable operating model that is resilient to fluctuations in demand from non-Japanese airlines. In FY2025, we took an important step in this direction by entering into a partnership agreement in Hokkaido and beginning to establish a framework for sharing risk appropriately. In addition, we will create further revenue opportunities by expanding aircraft maintenance services that draw on the JAL Group's advanced technical capabilities and expanding cargo handling services to capitalize on the planned expansion of Narita Airport.

To maximize the value of our frontline talent, we will continue to rely on people in areas where the human touch creates value, thereby enhancing customer service. At the same time, we will pursue full automation wherever machines and AI can take over, helping us prepare for a future decline in the working population. In line with this approach, we began commercial deployment of Level 4 autonomous driving at Haneda and Narita airports in FY2025.

By combining these two approaches, maximizing revenue by leveraging our strengths and service quality, and optimizing costs through automation and higher productivity, we will build a business structure capable of reliably generating profits even as the external environment changes.

Results and Targets



Growth Opportunities

- Strong inbound demand
- Growth in e-commerce and the pharmaceutical transportation market

Risks

- Demand volatility specific to non-Japanese airlines

Strengths

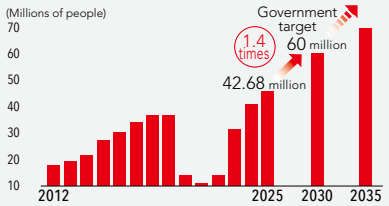
- Integrated package spanning ground handling, cargo, and maintenance, a unique strength of an airline group
- Safe and secure working environment compliant with the guidelines, supported by a strong frontline talent base

Challenges

- Dramatic productivity improvements in preparation for a shrinking working population

Business Environment

Transition in the Number of International Visitors to Japan



Source: Japan National Tourism Organization (CY)

Results and Policies

FY2025 Results and Challenges

- ✓ Supported strong inbound demand as the industry leader in ground handling services
- ✓ Commercial deployment of Level 4 autonomous driving at both Haneda and Narita airports

Policy for FY2026

- ✓ Expand new ground handling business and strengthen collaboration with local governments and other stakeholders
- ✓ Improve productivity through DX and greater visibility into operational capacity



Next-Generation Mobility

Transformation of Related Business Portfolios

Growth | Sustain-ability | Social Impact

Not just a means of transportation, but a new value-creating infrastructure for local communities

Key strategic initiatives

✓ Transforming into a new digital platformer beyond the role of an airline operator

Toward Achieving the JAL Group Management Vision 2035

Looking ahead to a society characterized by a declining fertility rate, an aging population, population decline, and increasing depopulation in regional areas, the JAL Group is driving its transformation to transcend its role as a traditional airline operator, evolving into a new digital platformer for the skies. In a future where electric Vertical Take-Off and Landing (eVTOL) and drones move freely to help address regional issues, next-generation mobility will go beyond simply providing a means of air transportation to become an infrastructure that creates new value by connecting people, goods, and communities. At the core of this strategy is the development of the Air Mobility Operation Platform (AMOP). AMOP is a digital platform and business support infrastructure that enables the safe and efficient integrated management of complex low-altitude airspace.

Using the AMOP OS as its data engine, the JAL Group will package the frameworks and standards that enable safe operations, together with the resources required, including aircraft, management systems, and operational know-how, and co-create an ecosystem with a diverse range of partners, such as aircraft manufacturers, vertiport operators, and air mobility service providers.

Furthermore, by expanding Mobility as a Service (MaaS) centered on AMOP, we will not only address customer inconvenience but also help alleviate overtourism, eliminate transportation gaps, and revitalize regional economies by leveling the flow of people through collaboration with local communities and business operators, creating new modes of transportation, and enabling on-demand, personalized mobility services.

We will also establish a multimodal network spanning land, sea, and air through the introduction of next-generation mobility solutions, including electric seagliders. In the space domain, we will further create social value through businesses involving space transportation and the utilization of satellite data.

Growth Opportunities

- 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

Risks

- 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

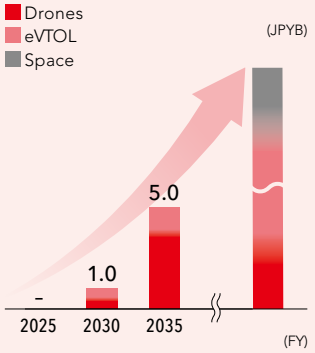
- A route network connecting Japan and the rest of the world
- Safe and secure flight know-how and human resources cultivated through our aviation business
- Relationships and societal connections with local communities

Challenges

- 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

Results and Targets

Target Profit Composition



Results and Policy

Progress in FY2025

- ✓ Established the next growth platform in the mobility and space domains by promoting open innovation, including the establishment of a self-managed corporate venture capital (CVC) fund
- ✓ Became the first airline in Japan to obtain JIS Y1011 drone service quality certification
- ✓ Enhanced public acceptance of eVTOL and advanced preparations for real-world implementation through exhibits by our eVTOL company at Expo 2025 Osaka, Kansai, Japan

FY2026 Policy

- ✓ Build and launch AMOP initial services through the co-creation in the ecosystem with various partners
- ✓ Build a platform for wide-area travelers centered on JAL MaaS
- ✓ Promote business co-creation in the space domain
- ✓ Create additional businesses centered on the three domains of transportation, daily life, and local communities

Creating Value through Relationships and Societal Connections

Building a Well-Being Ecosystem through Relationships and Societal Connections

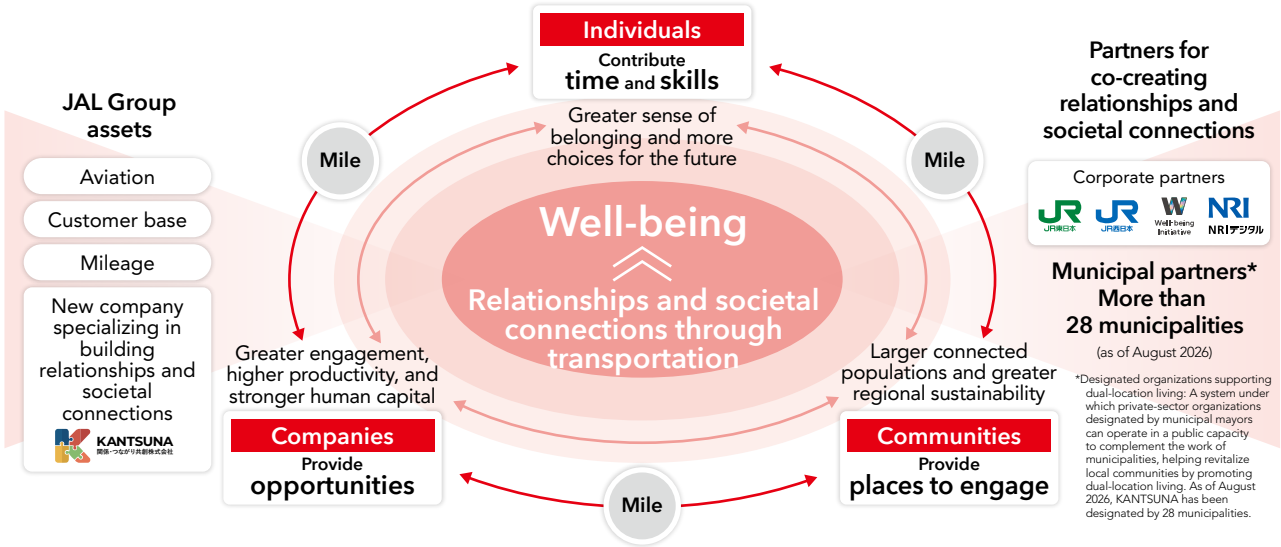
Under our new growth strategy, the JAL Group Management Vision 2035, we are transforming our business portfolio with a 10-year horizon and building the resilience needed to respond flexibly to a wide range of risks. Central to this transformation is the creation of relationships and societal connections. We see this as a new area of business that can directly address social challenges such as depopulation and social isolation. Our ambition goes beyond simply generating one-off visits to different regions or contributing to society through donations. By creating relationships and societal connections through travel, we want to give people a greater sense of belonging and open up more possibilities for enriching their lives. Achieving this requires an ecosystem that connects people with a passion for getting involved, the capabilities and resources of businesses, and the unique strengths of different regions. We will draw on our own assets, the social and relational capital we have built with local communities and customers, and our partnerships with organizations that share our vision. Together with these co-creation partners, we will work to improve the well-being of individuals and society as a whole.

Our goal is to create a sustainable cycle in which travel generates social value that can in turn be developed into viable businesses.

Specifically, we identify needs such as regional sustainability and create opportunities for people and organizations to build lasting connections with local communities, including through dual-location living and corporate training programs. We then demonstrate the social value these relationships create, such as greater individual well-being and stronger corporate engagement, and develop them into growth businesses that generate revenue through B2B and B2G projects, consulting services, and other activities. Through this business cycle, we aim to increase the total volume of relationships and societal connections to 1.3 times the FY2025 level, or 13.3 million people/interactions, by FY2030, and expand it further toward FY2035 to improve well-being. We also aim to grow profits, including synergies with our existing businesses, to at least JPY 2.0 billion in FY2030 and at least JPY 6.0 billion in FY2035.

Well-Being Ecosystem Diagram/Co-Creation Model

An ecosystem in which individuals, companies, and communities share resources to co-create relationships and societal connections, fostering the well-being of people and society



Value Creation Cycle

Goal Turn social value into viable businesses, going beyond demand creation

Starting with social challenges, we design opportunities for travel, sojourn, and interaction that enhance well-being and revitalize communities. Generating demand is an important outcome, but our goal is to create value and generate revenue.

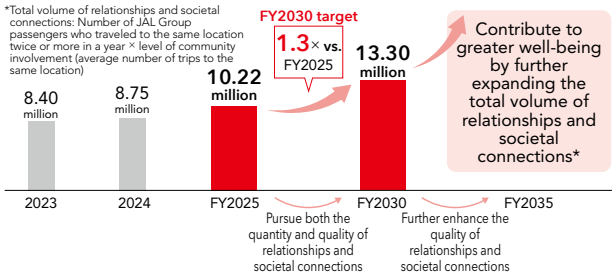
1 Social challenges and key needs
- Depopulation and workforce shortages
- Social isolation/well-being Community sustainability

2 Build relationships through transportation
- Dual-location living
- TABI ACADEMY (regional experience program)/regional exploration
- Corporate training/employee benefits

3 Demonstrate social value
- Individual well-being
- Community and individual well-being/welfare
- Corporate engagement

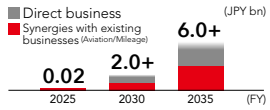
4 Generate economic value
- BtoB/BtoG contracts
- Consulting/administrative services/exhibition fees
- LTV/repeat visits/regional exploration

Relationships and Societal Connections Targets under the JAL Group Management Vision 2035



Targeted social impact
- Individuals: Enhanced well-being
- Corporations: Higher productivity and engagement
- Communities: Larger connected populations and increased local spending

Target profit scale



Initiative 1

Tsunagaru, Ni-chiiki Gurashi, Connect by Dual-Location Living



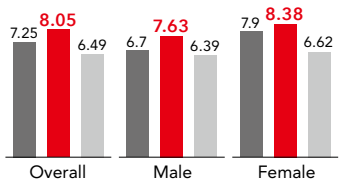
As a concrete initiative to deepen relationships and societal connections, we are offering "Tsunagaru, Ni-chiiki Gurashi," a program that enables people to experience living in two different regions. The program brings together individuals who want to build connections with a community and municipalities seeking more people to play an active role in their communities. To reduce travel costs, which can be a barrier to participation, we work with municipalities to offer promotions using JAL miles. We also help municipalities secure funding through mechanisms such as the Furusato Nozei hometown tax donation program, as we work to build a sustainable ecosystem. In FY2025, we conducted pilot programs in six communities across Japan and received approximately three times as many applications as there were places available. Around 40% of applicants had never visited the participating communities before, showing that the program is a powerful catalyst for bringing new visitors to these areas. The program's impact on participants' well-being is particularly noteworthy. A survey using the Japanese government's subjective well-being indicators found that people interested in dual-location living already reported higher levels of subjective well-being than the national average. After spending time in the participating communities, their scores increased further. Based on these results, we will continue expanding the program to more communities and help create a society where people can enjoy richer, more fulfilling lives.

Well-Being Survey of Tsunagaru, Ni-chiiki Gurashi Participants

On a scale from 0 to 10, where 10 means "very happy" and 0 means "very unhappy," how would you rate your current level of happiness?

- Before participating in the pilot program
- After participating in the pilot program
- Digital Agency "Regional Well-Being" Survey

* Regional Well-Being Indicators FY2024 Nationwide Survey Results



Participant Feedback

Male, 30s
Region: Kanto ⇔ Mitoyo City, Kagawa Prefecture

I joined because I wanted to have a place where I belonged outside of my family home and workplace. What I value about dual-location living is being able to engage with local people as equals and think together about what we can achieve.

Initiative 2

JAL Gakutsuna Project



The JAL Gakutsuna Project, aimed at younger generations, is also now underway. Under the program, students spend several weeks in a community, working to address local challenges with transportation and accommodation support from municipalities and companies. Through immersive experiences in communities outside their usual environment, they develop a deeper attachment to the places they visit. The program encourages young people to take on new challenges while fostering lasting connections with local communities.

Participant Feedback

Student participant
Region: Mashike Town, Mashike District, Hokkaido

For two weeks, I immersed myself in discovering what makes Mashike cherries so special. As I met local people with such a deep love for Mashike, I found myself wanting more people to discover the place I had come to love. The friends who shared both the highs and lows of the experience with me became like family, and the bonds we formed are something I will treasure for the rest of my life.

Host Municipality Feedback
Municipal representative
Region: Mashike Town, Mashike District, Hokkaido

The students who took part embraced the challenges they encountered and eagerly learned about the community. Their ideas and determination to become actively involved themselves inspired local residents and helped foster enthusiasm for new initiatives, including collaboration between government and academia.

Establishment of KANTSUNA Co-Creation Co., Ltd.

To accelerate and drive forward the development and commercialization of an ecosystem centered on relationships and societal connections, the JAL Group established KANTSUNA Co-Creation Co., Ltd. (brand name: KANTSUNA), as a new operating company. Rather than a subsidiary created by carving out a function of the existing aviation business, KANTSUNA is a strategic organization at the heart of the JAL Group's new business initiatives, with a mission to enhance well-being through relationships and societal connections. As a co-creation platform connecting communities, individuals, and businesses, KANTSUNA will develop a virtuous cycle that addresses social challenges while generating revenue, thereby creating both social and economic value. By combining the JAL Group's network with the expertise of KANTSUNA, which has been designated as an organization supporting dual-location living,* we will further strengthen collaboration with municipalities and corporate partners.

By ensuring that travel is more than simply getting from one place to another and transforming it into rich, lasting relationships and societal connections, we will create new vitality and contribute to greater well-being across society.

* For details, see page 54.

Main Business Areas

KANTSUNA
関係・つながり共創株式会社

For Individuals	Programs to build lasting connections with communities, including dual-location living
For Companies and Schools	Cross-boundary training and talent development programs focused on solving local challenges
For Communities	Building lasting connections with people who can play an active role in communities and fostering vibrant local communities
Medium- to Long-Term Development	Business development for local ventures and places where people can connect, and social impact research

KANTSUNA Co-Creation Co., Ltd.
https://www.kantsuna.com/



RUNWAY
02

Becoming the Airline of Choice for Customers through Empathy

Key Points in This Chapter

- The Connections with Customers That the JAL Group Values
  New Brand Slogan: Soaring Together
- CX Strategy Leveraging a Strong Customer Base

Message from Our Group CCO

Earning Customer Loyalty and Building Lasting Relationships — Leveraging Intangible Assets to Enhance Corporate Value



AOKI Noriyuki
Director, Executive Vice President (Group CCO)

Realizing Our Management Vision through Customer-Centric Management

In the spring of 2020, the world was confronted with the devastating impact of the COVID-19 pandemic. Despite the shock of seeing nearly empty airports and aircraft, we continued to enhance our products and services. We have now moved beyond recovery and into a new phase of growth. In FY2025, we had the privilege of serving a great many customers across the JAL Group, and I would like to express my sincere gratitude for their continued support.

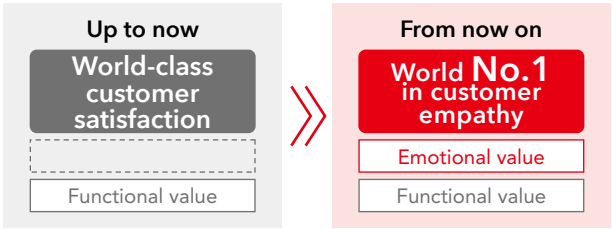
To put our JAL Group Corporate Policy of delivering unparalleled service to our customers into practice in more concrete terms, we recently established the JAL Group Customer-Oriented Management Policy. The policy expresses our collective commitment to responding to the diverse values of our customers and society, ensuring that customers can use our services with safety and peace of mind, and continually improving our products and services based on their valuable feedback. As Chief Customer Officer (CCO), I reaffirm my commitment to embedding this policy throughout the JAL Group, strengthening our competitiveness, and ultimately realizing our Management Vision.

Delivering Encounters and Experiences That Resonate with Customers, Aiming for World No. 1 in Customer Empathy

This year marks our 75th anniversary, and we are deeply grateful to have reached this milestone. Around the world, some airlines have histories spanning more than a century, while others have only just begun operations. As airlines compete and learn from one another and the industry continues to grow and evolve, standards of comfort and convenience continue to rise. To remain the airline of choice in this environment, we believe it is essential to connect with our customers on an emotional level.

We have set a 10-year goal of becoming the world's No. 1 airline group in customer empathy. In addition to the tangible functional value we provide through safety and quality, we want to create intangible emotional value through our brand and hospitality, creating encounters and experiences that truly resonate with our customers. Our ambition goes beyond customer satisfaction. We want to earn our customers' empathy and build deep, lasting relationships with them. This cannot be achieved overnight, but our engines are now in motion as we press forward toward the future we envision.

Customer-Related Management Targets



Building a JAL Brand for the Future

Two major changes are reshaping the environment around us. The first is a shift in the values of our customers and society. As remote interactions have become part of everyday life, the enduring value of meeting and connecting in person is being rediscovered. We are also welcoming far more international customers as inbound demand continues to grow. At the same time, people are placing greater importance on their own well-being, alongside the sustainability of society and the environment. The second change is taking place within the JAL Group itself and in the way we connect with our customers. As we transform our business , our offering has evolved into a multi-brand portfolio across LCCs and the Mileage and Lifestyle business. Our workforce, too, reflects an increasingly diverse range of values.

In light of these changes, we have established a new brand slogan, Soaring Together, to build a JAL brand suited to the future. Alongside the iconic Tsurumaru red crane logo, a symbol of the JAL Group, the new slogan gives us a shared language for the experiences and emotions we want to create for our customers. By bringing that promise to life through storytelling, we aim to build a brand that truly resonates with them.

CX Strategy

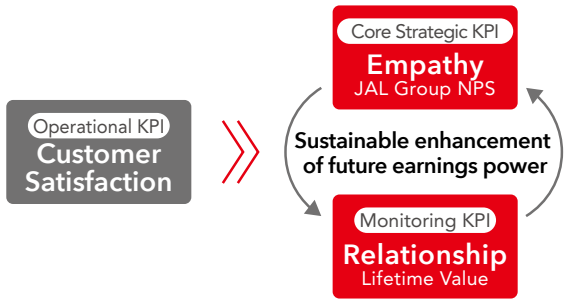
Message from Our Group CCO

Understanding What Matters to Our Customers through Data

As our customers' values and expectations become more diverse, understanding what truly moves them becomes increasingly important. This is where one of the JAL Group's greatest strengths comes into play: our customer base. We have a wealth of data across approximately 41 million JAL Mileage Bank members, 3.69 million JAL Card members, and our many other customers. By bringing together insights from usage histories, customer feedback, and other data, we can better understand what matters to our customers and what resonates with them.

To realize our Management Vision, we have developed two proprietary metrics to help us understand both customer empathy (JAL Group NPS) and the strength of our long-term customer relationships (LTV: Lifetime Value). We are also updating the way we measure day-to-day customer satisfaction. Listening to customer feedback, continually improving our products and services, and personalizing experiences to individual values are all essential. But our ambition goes further. We want to understand how everyday satisfaction develops into empathy, and how that, in turn, builds lasting relationships, encourages repeat business, and attracts new customers. By gaining a deeper understanding of this cycle, we can turn the strength of our customer base into sustainable growth in corporate value.

Customer KPIs and Their Positioning



Creating a Consistent, Unique Customer Experience

The experiences we create through our products and services give us countless opportunities to move and inspire our customers. Consumer expectations continue to evolve, shifting from material goods to experiences and, increasingly, to experiences with deeper personal meaning. Yet the value of authentic experiences that awaken the senses will only become more important. Our goal is to deliver a consistent JAL experience at every touchpoint, not only when customers fly with us but also before and after their journeys and in their everyday lives.

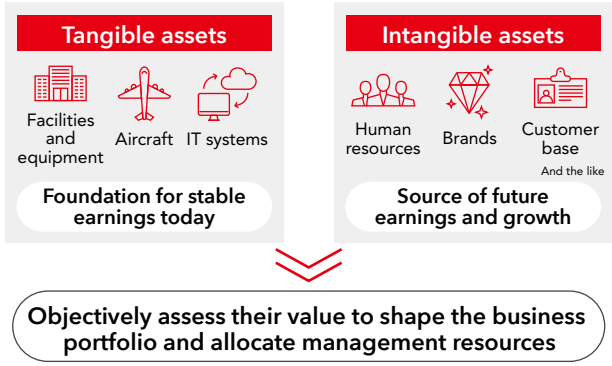
At the heart of that experience is our greatest strength, which is our people and the hospitality they provide. This is something our competitors simply cannot replicate. By bringing together physical, service, and digital elements, we will make that human connection even more powerful. With the JAL brand and customer data at the core, we will draw on Japan's unique culture and character, relationships and societal connections between people and communities, and a global perspective to create a customer journey rich in experiences that only the JAL Group can offer.

Turning Intangible Strengths into Corporate Value

Our human resources and their exceptional hospitality, our brand, and our customer base are all powerful intangible assets that set JAL apart. Their importance has long been recognized, but putting a value on them has never been easy. Today, that is beginning to change. With the growing wealth of data available to us and advances in technologies such as AI, we can begin to see more clearly how these strengths work together and ultimately create value.

We also need to rethink how we talk about intangible assets. Rather than simply dividing value into financial and non-financial, I believe we should adopt the perspective of 'pre-financial value'—intangible strengths held today that will generate financial value in the future. Our Management Vision embodies the CEO's ambition for JAL's future, and my role as CCO is to help translate that ambition into the design of our business portfolio. Beyond tangible assets and financial returns, I need to identify where our intangible strengths can create the greatest potential for growth and ensure we make the most of them. By assessing their value objectively and reflecting it in how we allocate resources, we can turn these strengths into sustainable growth in corporate value.

Leveraging Intangible Strengths to Enhance Corporate Value



Creating the Moments Today That Shape Tomorrow

No one can know for certain whether we will earn our customers' empathy 10 years from now. That is precisely why what we do today matters as we need to create the moments we believe will lead us toward that future. I still remember living alone in Okinawa while on assignment, when a few warm words from the owner of a local restaurant touched me deeply and stayed with me. Sometimes, the simplest moments are the ones that resonate most. If we can create more of these moments consistently across the JAL Group, I believe they will bring us closer to becoming the world's No. 1 airline group in customer empathy.

We want to cherish every moment we have with our customers, earning their empathy and loyalty and building deep, lasting relationships. With safety and peace of mind as our foundation, every JAL Group employee will work together to embody the JAL brand and deliver unparalleled service to our customers.

Details of the CX Strategy

Basic Concept

As stated in our Corporate Policy, the JAL Group is committed to delivering unparalleled service to every customer. We provide clear and understandable information about our products and services, carefully review customer feedback, and continually use those insights to develop and improve our products and services.

To meet the diverse values of our customers and society, we incorporate customer feedback into our development and improvement efforts and pursue innovation in our products and services.

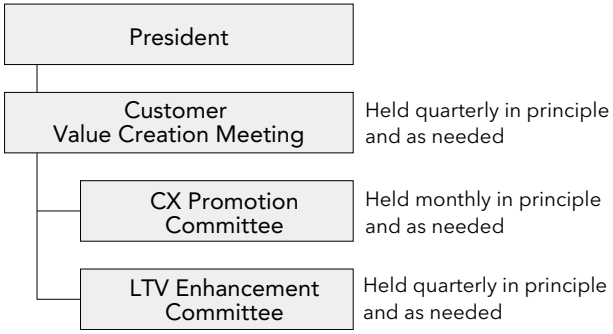
To this end, we have now formalized this commitment in our Customer-Oriented Management Policy as mentioned above, reflecting our determination to further enhance customer satisfaction and develop products and services that reach the hearts of every customer.

JAL Group Customer-Oriented Management Policy
https://www.jal.com/en-jp/sustainability/human/satisfaction/customer-oriented/



Promotion System

To ensure fast, consistent decision-making with the customer at the center, we have established the following promotion system. Discussions and progress at meetings are reported to and reviewed by the president, ensuring senior management oversight as we work to make our initiatives more effective across the JAL Group.



Overall Strategy

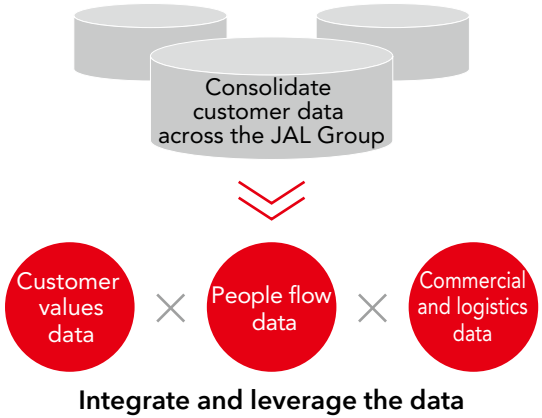
The JAL Group aims to become the world's No. 1 airline group in customer empathy by building deep, lasting relationships with our customers. Four priorities are central to this goal, which are gaining a deeper understanding of our customers, responding flexibly to change, further improving service quality, and achieving both higher quality and greater productivity.

Two foundations underpin these efforts, namely our customer data platform and the JAL brand, both of which we continue to strengthen every day.

Our customer data platform will help us better understand the diverse needs of each customer and offer services that are most relevant and appealing to them. We will expand its application internationally, scaling it seamlessly across our global network. By combining the insights this data provides with a consistent expression of the JAL brand, we will create a seamless customer experience across every stage of the customer journey. At each touchpoint, we want to create moments that gently lift our customers' spirits. Together, these moments will bring us closer to our goal of becoming the world's No. 1 airline group in customer empathy and forging deep, lasting relationships with our customers.

Customer Data Strategy

To earn our customers' empathy, we need to understand their values and lifestyles and use those insights to make our marketing and communications more effective. A key foundation for this is the wealth of data available across the JAL Group, which helps us better understand how our customers behave. By bringing this data together and combining information on customer values with patterns in the movement of people, goods, and commerce, we can develop services that deliver the greatest possible value to our customers.



CX Strategy

Details of the CX Strategy

Enhancing Corporate Value through the JAL Brand Strategy

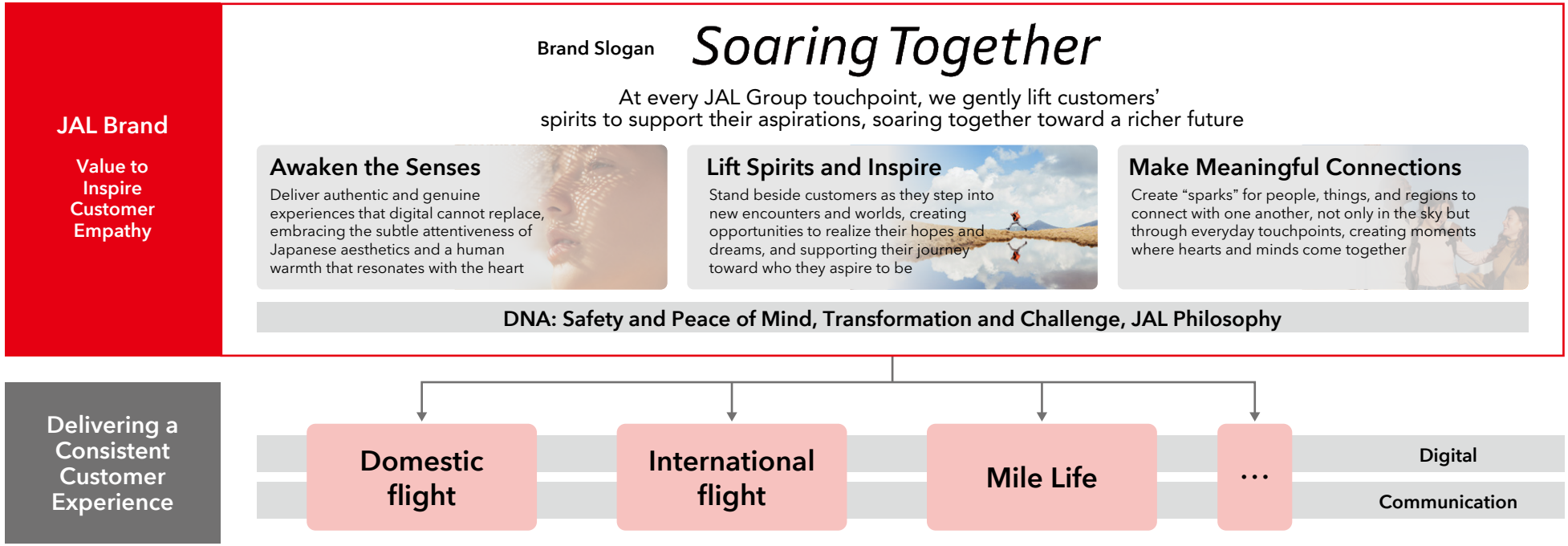
Establishing a New Brand Slogan

Under the JAL Group Management Vision 2035, we have established Soaring Together as our new brand slogan. Since our founding in 1951, we have cherished countless moments where people meet, connect, and nurture relationships alongside our customers. In recent years, our touchpoints have expanded significantly from air travel into daily life as customer values have become increasingly diverse. In response to these changes, we have evolved the JAL brand to better reflect today's lifestyles. Soaring Together embodies the collective determination of approximately 40,000 JAL Group employees and our commitment to being a partner to our customers, gently uplifting their spirits and empowering them to pursue their aspirations.

What We Want Our Customers to Experience

Under "Soaring Together," we want our customers to experience three things. The first is authentic experiences that awaken the senses. As digital connections become ever more pervasive, people are rediscovering the unique value of experiences in the real world. The second is inspiring our customers to take a new step forward. In a world of rapid change and increasingly diverse lifestyles, our pioneering spirit puts us in a unique position to stand by our customers as they step toward new encounters and worlds. We want to spark dreams and hopes and empower them to move forward toward the lives they envision. The third is meaningful connections that enrich people's lives. At a time when opportunities for human and emotional connection are diminishing, the bonds we share with people and communities have become an irreplaceable part of a fulfilling life. Building on our long-standing strength in connecting, we will create opportunities to bring people, goods, and communities together, not only in the skies but also throughout daily life, creating moments when people truly connect with one another.

We are also investing in internal branding. At our April 2026 welcome ceremony for new employees, for example, we shared the new slogan and what we want our customers to experience. Our goal is for every employee to deepen their understanding of the brand and bring it to life across the many ways customers interact with the JAL Group, from our services to our broader initiatives. Whether during travel, at their destination, or in their daily lives, we want to create moments that uplift their spirits.



Details of the CX Strategy

Customer Experiences That Resonate

The JAL Group is pursuing a range of initiatives to create memorable experiences for our customers as we work to enhance corporate value through our CX and JAL brand strategies.

Make Meaningful Connections: Domestic Services and Mileage and Lifestyle

Japan Airlines has been progressively renewing its domestic services since April 2026 under the new concept, New Angles, New Stories—Uncovering the Hidden Charms of Japan. Specifically, we invite customers to rediscover the charms of Japan that are often overlooked in daily life, from the distinctive character of different regions to their local cultures and customs. On board, for example, our inflight magazine introduces lesser-known attractions across Japan, and First Class customers can enjoy bento-style meals featuring ingredients from regions highlighted in the magazine. To keep that sense of discovery and excitement alive, we are connecting every stage of the journey—from airport flow and cabin ambiance to inflight shopping before and after the trip, and even into everyday life. We want to offer more than a means of transportation. Our goal is to create meaningful connections with the places and people our customers encounter, enriching their lives long after they return home.

Through our Mileage and Lifestyle services, we are also expanding the ways customers can earn and use miles beyond air travel, with a range of services designed to enrich their everyday lives. Our status program, LSP, recognizes customers' everyday engagement with JAL and allows us to stay connected with them as part of their daily lives. Through these connections, we aim to build deeper, longer-lasting relationships with our customers.



Lift Spirits and Inspire

Under the banner of the New JAL Digital Experience, the JAL Group has been renewing its major digital services since FY2025. The JAL Mileage Bank app now offers greater personalization, helping customers feel connected with JAL both in their everyday lives and when they travel. The JAL app, renewed in April 2026, combines a simple design with timely information tailored to each customer's journey. It also provides a clearer path to connecting to inflight Wi-Fi, making the process more seamless. We are upgrading inflight Wi-Fi with faster connectivity, giving customers greater freedom to spend their time on board in the way that suits them best. Our digital services are designed to support customers throughout their journeys, helping everyone travel with confidence and peace of mind. By making travel simpler and more seamless, we aim to empower our customers to step toward new encounters and worlds.

Awaken the Senses: International Services

As digital experiences become an increasingly familiar part of everyday life, people are rediscovering the value of authentic, real-world experiences. On JAL Group international flights, we offer special menus created in collaboration with leading Japanese chefs in Japan and around the world, designed to awaken the senses. We have also expanded our beverage selection, including Japanese teas, and introduced seasonal menus that bring a sense of discovery and delight to dining in the skies. We are also building on the human hospitality that has always been at the heart of JAL. Our dessert cart service, for example, creates opportunities for personal interaction, further elevating our renowned human hospitality even in cabins optimized for personal privacy. By continuing to refine this distinctly human approach to hospitality and responding to the diverse needs of our customers, we will create new experiences that truly resonate with them.









RUNWAY
03

Becoming the Airline of Choice for *Human Resources* through Growth Opportunities

Key Points in This Chapter

- Human Capital Strength, JAL Group's Greatest Strength
- DX Strategy Essential for Future Value Creation
- Improving Productivity to Enhance Corporate Value

Strengthening Human Capital

Message from the Executive Officer in Charge of Human Capital

Enhancing Employee Well-Being and Productivity to Drive New Value Creation



OHORI Tetsu
Managing Executive Officer, Senior Vice President,
Human Resources Division

Achievements over the Past Five Years

The previous Medium-Term Management Plan, launched in 2021, began in the midst of the COVID-19 pandemic. Faced with this unprecedented crisis, management was determined above all to protect employment at all costs and ensure that our employees could continue working and maintain their livelihoods. At the time, many employees were seconded to organizations outside the Group. I remain deeply grateful to everyone who provided our employees with opportunities to work and welcomed them so warmly. Today, those employees have returned to the workplace with diverse experiences and new knowledge gained through their secondments and have become an important foundation supporting our human capital management.

The COVID-19 pandemic forced us to transform the business itself. This prompted us to reassess our existing structures, systems, and values, break down long-standing barriers, and accelerate reform. One concrete example is our promotion of DEI. We achieved our target for the percentage of women in management positions one year ahead of schedule. More importantly, with President and Group CEO TOTTORI Mitsuko taking the lead, I believe our firm commitment to advancing DEI has taken root throughout the company.

The relationship between the airline, its organizations, and individual employees has also changed significantly. We have moved away from an era in which employees entrusted their careers to the company toward one in which individuals are autonomous and the company and its employees have an equal relationship of choosing and being chosen. There is now a shared sense of urgency that unless we provide an attractive workplace for every employee, we will not be chosen by talented people and will be unable to sustain the organization.

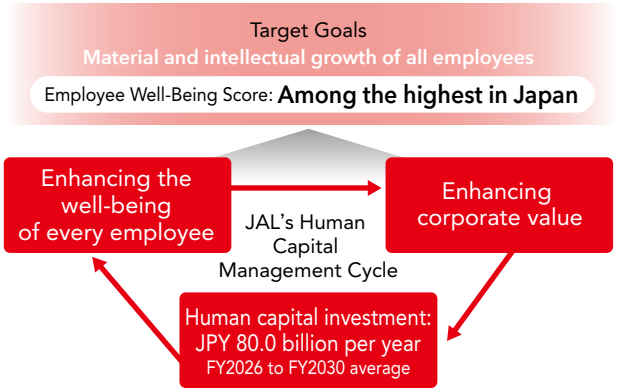
Human Capital Risks, Opportunities, and Gaps in Realizing JAL Vision 2035

The greatest human capital challenge we face in realizing JAL Vision 2035 is the decline in the working population, which is progressing faster than anticipated. This labor shortage is not simply a matter of numbers but also has a qualitative dimension, and the shift toward a relationship in which the company and its employees are “choosing and being chosen” is further intensifying the challenge.

I also see this, however, as an opportunity to fundamentally transform the way we work. Working alongside technology will become the norm, and each of us will need to maintain a healthy sense of urgency and think about how to keep our businesses viable. This mindset will itself help drive transformation forward.

Our airline business has a deep pool of highly specialized talent, with a wealth of accumulated technical expertise and knowledge, who support safe flight operations. We are now approaching a turning point, however, as experienced employees retire and the workforce ages. Simply continuing with the same approaches as before will make it increasingly difficult to ensure that the solid foundation underpinning safe flight operations is passed on to the next generation. In anticipation of this structural change, a key priority for our airline business will be how to strengthen and evolve the human capital foundation that supports safety from new perspectives.

In new growth areas such as Mileage/Finance and Commerce and next-generation mobility, we have actively recruited experienced professionals in recent years. As the proportion of employees hired mid-career has increased, new knowledge and perspectives from outside the Group are beginning to take root in the workplace. Our next challenge is to ensure that employees who have followed different training and career paths from those in the airline business can make full use of their experience and



Strengthening Human Capital

Message from the Executive Officer in Charge of Human Capital

share their diverse knowledge and perspectives throughout the organization.

Driving the Evolution of Our Workforce through Annual Human Capital Investment of JPY 80.0 Billion

Under the JAL Group Management Vision 2035, we will invest approximately JPY 260.0 billion in technology over five years and, at the same time, invest approximately JPY 400.0 billion over five years to advance human capital management centered on the well-being of every employee. This is not a one-time investment. It is also a clear expression of management's commitment to making human capital investment a top priority and sustaining investment of approximately JPY 80.0 billion per year on average. In addition to supporting individual growth, we will pursue two initiatives in tandem: leveraging technology that empowers people and creating an environment where people can thrive. We will fundamentally improve productivity by evolving as a workforce.

The pillars supporting this evolution are professionalism and fostering a culture of innovation and challenge. With the external environment changing dramatically, simply maintaining the status quo without changing means falling behind in relative terms. We expect managers and other leaders who drive transformation on the front lines to play a pivotal role in achieving our new vision. Taking external labor market trends into account, we will make the necessary investments, including appropriately enhancing compensation in line with the significance of their roles. At the same time, the spirit which underpins the JAL Philosophy and Health and Productivity Management are foundations that must remain unchanged. We will continue to cherish and pass on the corporate culture we have cultivated over many years, which places the highest priority on safety and peace of mind, even as we break down long-standing barriers and drive transformation forward.

Autonomous Value Creation Starting with Well-Being

We will enhance the well-being of every employee by providing even greater support for transformation and challenge initiatives already being pursued across our workplaces, as well as for employees to excel as professionals. As a key non-financial indicator for measuring the effectiveness of our human capital management, we will use the Well-Being Score, which represents the material and intellectual growth of all employees, with the goal of raising it to a level among the highest in Japan.

At JAL, well-being means more than simply having a comfortable and supportive workplace. It also encompasses career autonomy and transformation and challenge, including the sense of achievement that comes from taking on challenges and seeing them through, as well as the sense of personal growth that comes from taking initiative and acting autonomously.

Driving Productivity Improvement to Enhance Corporate Value and Employee Well-Being

We will position both the Well-Being Score and EBIT per hour, which indicates productivity trends, as key indicators and continuously monitor progress in each. By tracking the progress and effectiveness of our day-to-day initiatives from both non-financial and financial perspectives and implementing the necessary transformations in a timely manner, we aim to create a virtuous cycle in which financial and non-financial value reinforce each other. For EBIT per hour, we are targeting more than 1.5 times the FY2025 level by FY2030 and more than twice the FY2025 level by FY2035.

The productivity improvement we seek does not mean placing an additional burden on frontline employees. It means using technology intelligently to make work easier and more enjoyable, improve efficiency, and create new forms of value that were previously out of reach. Greater efficiency will free up time for new value creation, and by taking on new challenges and achieving self-fulfillment, employees will also enhance their well-being. As a result, we believe we can become an airline where a lean, highly skilled team of professionals thrives even as the working population declines.

Building a Foundation for JAL's Distinctive Human Capital Strengths and Ways of Thinking

Across the JAL Group, employees in a wide variety of roles demonstrate a high level of expertise in their respective fields. All employees share the ability to make judgments rooted in the common values embodied by the JAL Philosophy. Looking back on my own career, I spent most of it on the front lines, working in cargo, reservations, sales, maintenance, and airport operations. Even in situations that could not be fully addressed by manuals, I saw throughout the airline an altruistic mindset of asking, "What can I do for our customers and my colleagues?" It is difficult to make this ability to make decisions grounded in the JAL Philosophy visible. Yet I believe the true strength of the JAL Group's human capital lies in the capabilities our approximately 40,000 employees cultivate by using the JAL Philosophy as a common language and continually deepening their understanding of its essence.

That said, I feel that continued learning is still needed to ensure that the JAL Philosophy takes root to the same depth among all employees. We have long held study sessions for all employees, but going forward, rather than simply increasing their frequency, we will focus on making each session more substantive and deepening the learning experience.

With the business environment changing so dramatically and the Group's business structure itself evolving, we are also examining whether it is appropriate for the JAL Philosophy, once established, to remain unchanged indefinitely. We have therefore begun work to update it. Its fundamental principles will remain intact, but we plan to express them in ways that are easier for today's younger employees to understand and revise the language so that it applies consistently across our entire business portfolio as it evolves through business restructuring, rather than being limited to the airline business.

By preserving these strengths and fundamentally transforming the way we work, we will establish a sustainable operational structure, leading to further value creation and greater employee well-being.



Human Capital Management

Human Capital Strategy Supporting Business Portfolio Transformation and Corporate Value Enhancement

To achieve sustainable growth and enhance corporate value amid a rapidly changing business environment, under the JAL Group Management Vision 2035, we are pursuing a growth strategy targeting EBIT of JPY 350.0 billion in FY2035. At the same time, we are pursuing business portfolio transformation with a target EBIT composition of 50:50 between FSCs and non-FSC businesses by FY2035, aiming to build a more agile and resilient organization.

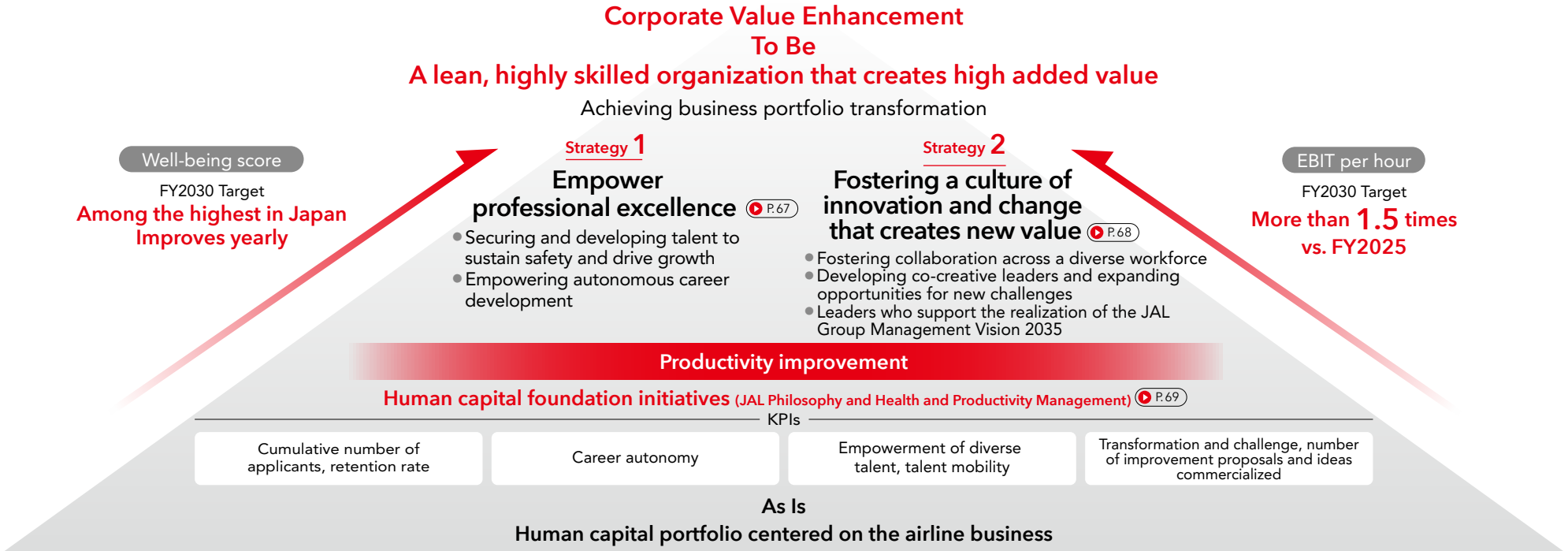
The greatest force behind this transformation is our people. To make it a reality, we must evolve from a human capital portfolio centered on the airline business (As Is) to a lean, highly skilled organization where people with diverse expertise can put their capabilities to full use and create even higher added value (To Be). We therefore position human capital as the central player in value creation and will invest an average of JPY 80.0 billion annually in our people from FY2026 through FY2030. With the ultimate goal of our human capital strategy being to enhance corporate value, we will focus on the following two initiatives.

The first is empowering professional excellence. We will recruit and develop both the human resources needed to reliably support our airline operations and the human resources who will lead new areas of business. By creating an environment that enables every employee to realize their full potential, we will strongly support them in taking ownership of their careers.

The second is fostering a culture of innovation and challenges that create new value. Even as the business environment changes dramatically, we will build an organizational culture that recognizes and rewards people for embracing change and taking on new challenges, thereby maximizing organizational performance.

Alongside these human capital initiatives, we will pursue productivity improvements across the entire Group. By fundamentally transforming how we work through collaboration between people and technology, we will free up time and capacity that can be redirected toward work that creates new value. By advancing employee empowerment and productivity improvement in tandem, we aim to achieve a well-being score among the highest in Japan and improve EBIT per hour, an indicator of value creation, thereby contributing to sustainable corporate value enhancement.

Overall Human Capital Strategy Driving Business Portfolio Transformation (As Is/To Be)



Strengthening Human Capital

Human Capital Management

Making the Well-Being Score Visible as a Source of Transformation

Visualizing the Drivers of Transformation through the Well-Being Score

To successfully execute the business portfolio transformation needed for sustainable growth, the JAL Group must continue evolving into a lean, highly skilled organization that brings together people with diverse expertise to create greater added value. Achieving this requires every employee, as a central player in value creation, to fully apply their capabilities.

For employees to perform at their best and continue boldly taking on the challenge of creating new value, it is essential that each of them enjoys a high level of well-being. We believe that true vitality comes from a state of overall well-being, encompassing everything from the peace of mind that comes with physical and mental health and safety to a deep sense of fulfillment in one's daily work and the ability to take ownership of one's career. This belief is deeply rooted in the JAL Group Corporate Policy of "pursuing the material and intellectual growth of all our employees."

To translate this philosophy into an effective strategy, we will continuously measure and visualize employee well-being. Specifically, we will conduct an annual well-being survey based on a questionnaire framework designed by an external research organization and covering five categories (shown in the figure to the right as the "Categories of Well-Being to Be Enhanced") to calculate our Well-Being Score. We will continuously track this score as one of our most important management indicators (KGIs), develop hypotheses about the links between individual initiatives and the five categories, evaluate their effectiveness based on the survey results, and use the findings to determine and implement the airline's next actions. The vitality of our employees reflected in this score is the source of transformation. Improving the score will provide a powerful impetus for business portfolio transformation, leading to sustainable enhancement of corporate value.

Toward a Well-Being Score among the Highest in Japan

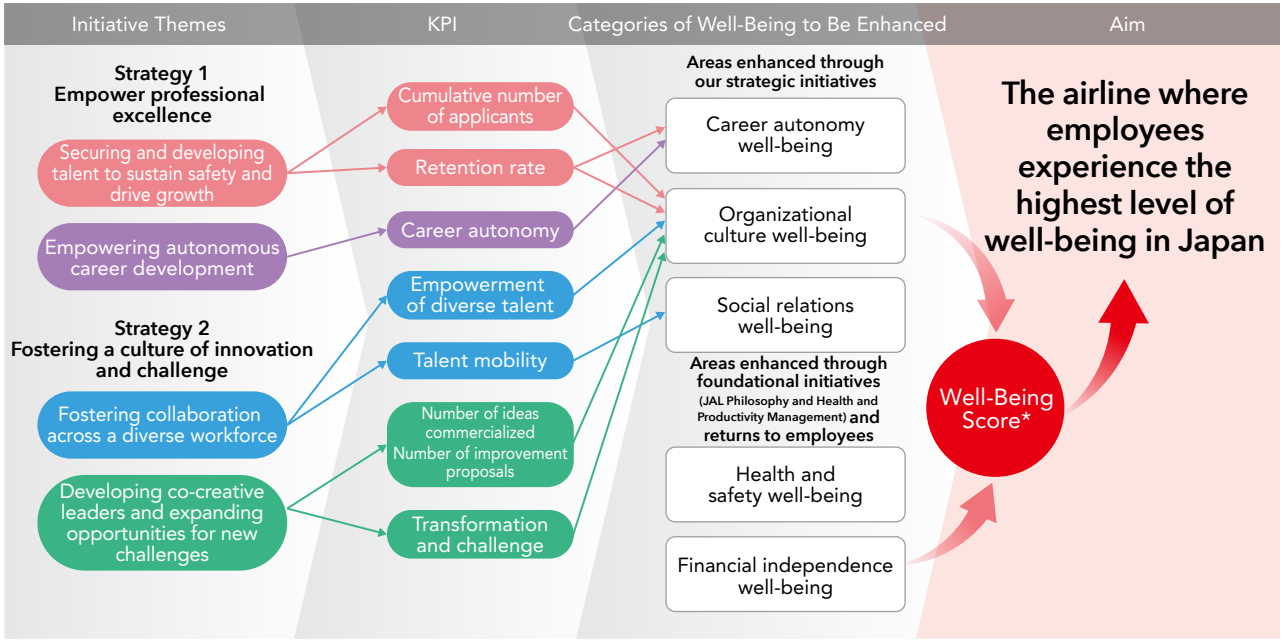
We will advance our initiatives by monitoring how each element of our human capital strategy relates to the Well-Being Score. The relationships identified at this stage are hypotheses, and we believe it is important to test their effectiveness through implementation and continuously review and refine our initiatives based on the results.

Using a survey framework developed by an external organization also enables us to measure well-being as a comprehensive concept without being constrained by today's values. With major changes in society and ways of working expected over the next decade, this approach allows us to remain flexible in determining the future direction of our initiatives.

Whatever changes the future brings, our goal remains the same: to improve employee well-being. We have set our sights on creating a workplace where employees experience the highest level of well-being in Japan and will continue to pursue our initiatives with determination.



Road Map to Becoming the Airline Where Employees Experience the Highest Level of Well-Being in Japan



*Measured based on questions from a well-being survey designed by an external organization.

Human Capital Management

Strategy-1 》Empower Professional Excellence

》Securing and Developing Human Resources to Sustain Safety and Drive Growth

For the JAL Group to achieve sustainable growth, it is imperative to pass on the DNA of safety and quality we have built over the years to the next generation and develop human resources capable of taking on the challenge of creating new value. Driving business portfolio transformation requires us to recruit and develop both highly skilled talent who can reliably support our existing airline operations and professionals with the expertise needed to lead new areas of business. Amid intensifying competition to recruit human resources, we will create an environment where every employee can thrive as a central player in value creation and find fulfillment in their work, empowering them to achieve professional success.

Strengthening Recruitment Competitiveness

To secure the diverse talent that will drive value creation, we will strengthen recruitment across the JAL Group, targeting a 1.2-fold increase in the cumulative number of applicants compared with FY2025. Specifically, we will establish the Recruitment Center to centralize our recruitment platform, raise awareness of the diverse career opportunities available across the Group, and strengthen the appeal of the JAL brand. We will also diversify our recruitment model with fulfilling overseas internship opportunities. By attracting talent with diverse experience and values, we will build a strong human capital foundation to support business growth.

Improving Retention and Developing Human Resources

By making work more satisfying and maintaining the retention rate at or above the FY2025 level, we will support the development of human resources over the medium to long term and ensure that the knowledge and skills the JAL Group has built over the years are passed on to the next generation. To achieve this, we will encourage leaders to take an active role in developing talent and building strong organizations. We will also use the results of various employee surveys to create an environment where every employee can continue working with confidence over the long term.

》Empowering Autonomous Career Development

To achieve sustainable growth in corporate value, we must shift from the traditional company-led approach to career development toward autonomous career development, in which employees take the initiative in shaping their own careers and putting their plans into action. The JAL Group is creating an environment that enables every employee to exercise career ownership and realize their full potential. In doing so, we aim to expand the overlap between each employee's "Will" (what they want to do) and "Can" (what they can do) and the company's "Must" (what needs to be done), bringing individual growth and the company's sustainable growth into alignment.

As a first step toward autonomous career development, we are encouraging employees to rethink how they approach their careers and helping them clarify their own "Will," "Can," and "Must." In concrete terms, we provide opportunities for employees to deepen their self-understanding through initiatives such as self-career checkups and training tailored to different age groups. Going forward, we are also considering AI-powered career path recommendations and other tools that will enable employees to explore a broader range of options and proactively design their own career paths.

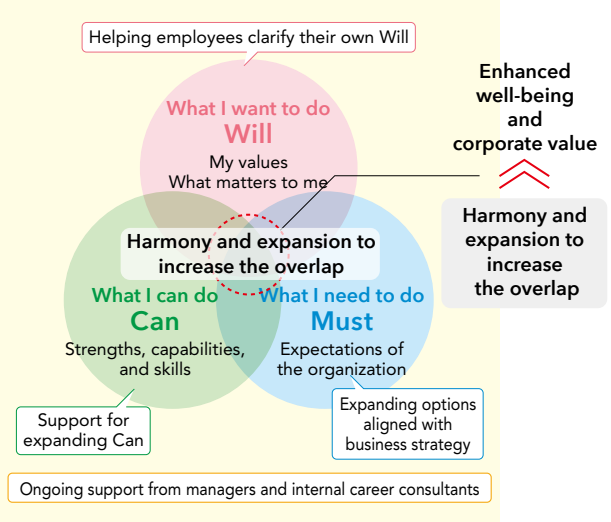
The next step is to help employees take concrete action to realize their "Will" and expand their "Can." In addition to structured business skills training, we provide a variety of opportunities, including cross-industry interaction and external training programs that expose employees to experiences beyond the boundaries of the JAL Group. Through these opportunities, we encourage employees to take ownership of their learning as they work toward their career aspirations.

To align employees' autonomous career choices with the airline's business strategy, we will clearly communicate the "Must," the roles the airline expects employees to fulfill, and broaden the range of career options available to them. We will further expand opportunities to take on challenges including internal job postings and employee-initiated transfers. We are also developing systems that appropriately recognize diverse forms of expertise, including a management system for highly specialized professionals and allowances for designated qualifications.

Throughout this process, managers and career consultants will work alongside employees to support their career development. By maximizing employees' sense of fulfillment and vitality at work, we aim to enhance well-being and drive sustainable business growth.



Conceptual Framework for Autonomous Career Development Based on Will, Can, and Must



Strengthening Human Capital

Human Capital Management

Strategy-2 Fostering a Culture of Innovation and Challenge That Creates New Value

Fostering Collaboration Across a Diverse Workforce

Looking to evolve into a lean, highly skilled organization that creates greater added value, we must create an environment where diverse knowledge and perspectives come together. To enable every employee, as a central player in value creation, to make the most of their strengths, the JAL Group will provide opportunities for individual capabilities to flourish. Our initiatives include developing career paths for employees hired overseas, addressing gender balance across different job categories, expanding opportunities for employees with disabilities, and supporting athlete employees competing on the world stage.

At the same time, we will create relationships and societal connections among employees across organizational and professional boundaries, providing more intentional opportunities to step beyond their usual roles and environments. By building relationships founded on mutual respect for diversity, breaking down psychological barriers, and promoting interaction and collaboration among people with diverse perspectives, we will generate new ideas and enhance well-being.

Developing Co-Creative Leaders and Expanding Opportunities for Employees to Take on Challenges

To evolve into an organization that creates new value, we must be able to adapt to rapid change and transform in response to the demands of an uncertain age. We will redefine the leadership needed to drive this transformation and reflect it in our grading system, as well as introduce evaluation and compensation systems that support leaders in fulfilling their roles. Through these efforts, we will continuously develop "co-creative leaders" who forge their own path to the future and work with colleagues to turn challenges into results.

We will also expand opportunities for employees to bring their ideas to life, from frontline improvement initiatives to new business ideas. By turning action into opportunities for further growth, we will create an environment where employees can continue to take on new challenges with a positive mindset. We will draw out the energy of every employee and embed a culture of innovation and challenge in which employees take on the challenge of creating new value, creating more opportunities to experience fulfillment and a sense of achievement at work and thereby enhancing well-being.

Leaders Who Support the Realization of the JAL Group Management Vision 2035

To drive business portfolio transformation forward, we must build on the embodiment of the JAL Philosophy while enabling the "co-creative leaders" described above to play an active role. Specifically, their role goes beyond aligning team members around clear goals and executing plans. They must build an organizational culture in which every employee can recognize change for themselves, set goals for value creation, and autonomously take on challenges in a rapidly changing environment where there are no clear answers. We have therefore defined the behaviors expected of managers, including Envisioning the Future and Creating Transformation, and clarified the core competencies that underpin these behaviors across three dimensions: thinking, interpersonal relationships, and mindset. This framework is designed to encourage managers to fulfill their role as co-creative leaders. Leaders who maximize the capabilities of both individuals and the organization will serve as catalysts for transformation, ensuring the enhancement of corporate value over the medium to long term.

Roles and Specific Requirements for Co-Creative Leaders



TOPICS

JAL Athlete Employees Taking on the World



The JAL Group supports JAL athlete employees and all other athletes, seeing a shared spirit of challenge between athletes striving to reach new heights and JAL's aspiration to become "the world's most preferred and valued airline group."

The Group currently has 14 athlete employees who continue to pursue new challenges every day. In FY2025, three competed in the World Athletics Championships Tokyo 25, and one competed in the Olympic Winter Games Milano Cortina 2026.

The JAL Athlete Academy, where children can discover the joy of sports and receive advice on improving their skills, expanded in 2025 to include skiing and fencing. Through the Academy, we are building relationships and societal connections with more people and contributing to the development of the next generation.

JAL will continue to come together in support of athletes and, alongside them, encourage each individual to keep taking on challenges. Through sports, we will work to address social issues and contribute to the progress and development of society.



YACHI Sora, who competed in Skiing - Nordic Combined at the Olympic Winter Games Milano Cortina 2026

Human Capital Management

Foundational Initiatives

Strengthening the Foundation for Diverse Talent to Succeed across Diverse Fields

Bolstering People and Organizations through the JAL Philosophy

The JAL Group's sustainable value creation is underpinned by the strength of its people, with every employee equipped to make sound judgments based on the shared values of the JAL Philosophy. This fiscal year, to further harness this strength, we have begun updating the JAL Philosophy while preserving its fundamental principles, with the aim of enabling diverse employees, regardless of background, to fully demonstrate their strengths across all business areas. In the JAL Philosophy Workshop for all employees, we will increase opportunities for discussion among employees to deepen our relationships, societal connections, and mutual understanding. In the Leaders' Workshop for executives and department heads, we will place even greater emphasis on deep reflection on their own work based on the JAL Philosophy, building a strong organization in which the philosophy is truly embedded.

Deepening and Embedding JAL Wellness (Health and Productivity Management)

Thirty JAL Group companies have been certified under the 2026 Outstanding Organizations of KENKO Investment for Health Program. To support the well-being of every employee, we will address health issues specific to different generations and life stages under the newly established JAL Wellness 2030, aiming to achieve "Well-Body," a state of physical and mental well-being. By ensuring comprehensive health management for all employees, we will support flight operations that are safe with peace of mind and create a workplace where employees can perform to their full potential.

2026 健康経営優良法人 KENKO Investment for Health 大規模法人部門 ホワイト500

Review of Results and Initiatives and KPIs from FY2026 Onward

Our human capital investments to date, focused on four objectives, develop capabilities, enhance diversity, broaden opportunities, and gain knowledge, have steadily laid the foundation for growth. However, gaps remain between our targets and outcome indicators for value creation and engagement, and we will continue to examine the relationship between our initiatives and these indicators.

From FY2026 onward, we will establish the Well-Being Score and EBIT per hour as our KGIs. To achieve these goals, we will set new KPIs, including 10 percent improvements from FY2026 levels in career autonomy, empowerment of diverse talent, and transformation and challenge, together with the commercialization of employee ideas and improvement proposals. We will continue to review and refine our initiatives and indicators flexibly as circumstances evolve, thereby maximizing the value of our human capital.

Outcome Indicators to Date and FY2025 Results

Human capital initiative outcome indicators	FY2025 results
Engagement Percentage of highly engaged employees	60.7% FY2025 target: 65%
Value Creation Value Creation Sales per capita (vs. FY2019)	+28% FY2025 target: +38%
Return to Employees Investment in human capital per employee (vs. FY2019)	+14% FY2025 target: +15%

Human Capital-Related Indicators under the JAL Vision (2030 Targets)

		KPI		KGI
Empower professional excellence	Securing and developing talent to sustain safety and drive growth	Cumulative number of applicants	1.2x vs. FY2025	Well-Being Score: **Among the highest in Japan** EBIT per hour: **More than 1.5x vs. FY2025**
		Retention rate	At or above FY2025 level	
	Empowering autonomous career development	Career autonomy	10% increase vs. FY2026	
Fostering a culture of innovation and challenge	Fostering collaboration across a diverse workforce	Empowerment of diverse talent	10% increase vs. FY2026	
		Talent mobility	10% increase vs. FY2026	
	Developing co-creative leaders and expanding opportunities for employees to take on challenges	Transformation and challenge	10% increase vs. FY2026	
		Improvement proposals	Double the number of improvement proposals	
		Commercialization of employee ideas	10 ideas commercialized	

Strengthening Intellectual Capital

Message from the Director in Charge of DX

Creating New Value for the Airline through the Fusion of Digital Technology and Human Strengths



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

DX as a Management Foundation Supporting Corporate Value Enhancement

Rapid advances in digital technologies, including generative AI, are driving major transformation across the aviation industry. The business environment is changing significantly amid depopulation, labor shortages, and rising inflation, even as technological innovation continues to accelerate. To respond to these changes and achieve sustainable growth and enhance corporate value, the JAL Group positions digital transformation (DX) as one of its key management strategies.

Today, the aviation business is built on a digital foundation. Systems underpin every aspect of our operations, from customer services to flight operations, cabin services, maintenance, cargo and airport operations, along with the back-office functions that support these frontline activities. It is no exaggeration to say that if these systems were to stop functioning, the business itself would cease operating. How effectively we harness and continue to advance digital technologies therefore has a direct bearing on an airline's competitiveness.

Based on this understanding, the JAL Group has spent the past several years building an optimal framework for advancing DX. In April 2025, JAL Infotec, which had long been responsible for the JAL Group's system operations, was renamed and integrated with JAL's Digital Technology Division to establish JAL Digital Co., Ltd. As the JAL Group's core digital company, JAL Digital has unified governance and established a framework that enables digital talent and business divisions to work more closely together. Under this integrated framework, we will deploy the latest digital technologies, including generative AI, across all divisions and businesses throughout the Group to enhance value through digital transformation.

Achieving Both Higher Productivity and Greater Added Value

Under the JAL Group Management Vision 2035, we have set a target of more than doubling productivity per hour compared with FY2025. Digital technology will be essential to achieving this improvement. At the same time, as technology continues to advance and AI becomes an everyday tool that everyone uses as a matter of course, digitalization and automation will simply become the standard. However, we believe that it is people who will ultimately create new value.

In the aviation industry as well, many standard operations are rapidly shifting toward automation, with generative AI and data optimizing the operation of business systems. Yet the services and brand value that give customers a reason to choose us are something only people can create. The key is to channel the capacity freed up by digital technology into creating value that only people can provide.

As AI and data improve operational productivity, employees will be able to devote more time and energy to delivering value to customers and creating new businesses. Our goal is a sustainable business environment that enhances well-being by bringing together digital technology and human capabilities. Human qualities such as hospitality, ingenuity, and attentiveness to each individual customer will become even more important in the years ahead. Digital technology will drive efficiency, while people create greater added value. Harnessing these two forces together to achieve sustainable growth is the fundamental principle behind our approach to DX.

Creating New Travel Experiences

We also believe that DX will transform the role of airlines. Traditionally, an airline's primary role has been to sell tickets and transport customers safely to their destinations. Going forward, however, airlines will evolve into providers that create value through the travel experience itself. One initiative that symbolizes this transformation is Modern Airline Retailing (MAR). Under MAR, personalized services are being explored that would enable customers to choose from a wide range of travel options, including not only flights but also accommodation and rental cars, and receive recommendations tailored to their individual needs. For customers, a new experience in which they can simply speak to a mobile app and have the right services offered at the right time is just around the corner.

Digital identity will play an important role in making this future a reality by enabling individuals to verify their identity using digital technology. For example, facial recognition and identity information on mobile devices can enable a seamless travel

experience, from booking through check-in and boarding to immigration procedures. Customers will be able to travel more comfortably without having to present multiple documents or undergo repeated identity checks.

As part of its digital identity trials, the JAL Group became the first in the world to demonstrate facial recognition for connections between international flights operated by different airlines, using information linked in advance to passengers' mobile wallets. Working with a wide range of partners, including airlines, airports, and government authorities, we have demonstrated seamless flight connections using facial recognition.

This initiative goes beyond simply improving convenience. It is an effort to connect airlines, airports, and government authorities through data and redesign the travel experience so that passengers can move seamlessly through each stage of their journey. I believe that transforming business and social structures in this way is the essence of DX.

DX Supporting Value Creation beyond Aviation

DX is not simply a means of improving the efficiency of existing businesses. It is also a starting point for creating new value. In addition to the airline business, the JAL Group has positioned the Mileage and Lifestyle business as a growth area. Building on the customer touchpoints and relationships of trust we have developed over the years, we will deepen our connections with customers by expanding into a wide range of services, including finance and insurance.

At the heart of this strategy is our customer base of approximately 50 million people, centered on our mileage program and JAL Card members. By leveraging the valuable data that only the JAL Group possesses on each customer's usage history, preferences, and lifestyle, we will be able to provide services that are more personalized than ever before.

This approach to leveraging data also extends to our regional revitalization initiatives. The JAL Group has identified "relationships and societal connections" as an important theme, and data and digital technologies are essential to realizing this vision. By visualizing people's interests and behavior, communicating the attractions of different regions, and creating new flows of people, DX serves as a foundation for creating social value. By combining the customer base we have built as an airline with digital technology, we will create new value beyond the conventional boundaries of mobility. This is a new endeavor that will help expand the role of airlines.

Next-Generation Airports Enabled by Physical AI

Advances in AI and robotics are transforming the physical environment of airports as well. The airline industry is expected to face increasingly severe labor shortages, with a shortage of workers likely to become a particularly serious challenge at regional airports in the years ahead. Maintaining operations that are safe and provide peace of mind, and maintaining transportation networks under these conditions, will require a fundamental transformation of airport operations. This is why we are turning our attention to physical AI.

Until now, AI has primarily been used in cyberspace for tasks such as information processing and analysis. Physical AI, however, can be combined with robotics and autonomous driving technologies to perform work in the physical world itself. Airports around the world are already adopting these advanced technologies. What we are aiming for, however, goes beyond the automation of individual tasks.

Many different operations must work together in complex ways between an aircraft's arrival and departure. Today, each operational area is supported by highly specialized expertise, but organizational and system boundaries still remain. Our vision is to connect data currently dispersed across individual operations, visualize conditions throughout the airport in real time, and use AI to optimize operations as a whole, allowing the entire airport to function as one integrated system.

Our challenge in the era of physical AI is not simply to automate individual tasks, but to orchestrate the airport's vast and complex operations as a whole. Achieving this will require collaboration with a wide range of stakeholders, including not only airlines but also airport operators and government authorities, and will by no means be easy. Nevertheless, the JAL Group will continue to take on this challenge to maintain and further develop Japan's aviation infrastructure for the future.

Aiming to Be the JAL Group That Shapes the Future of the Aviation Industry

As noted earlier, improving productivity through DX is an important process for creating an environment where employees can focus on creating new value. To ensure that this does not remain merely an aspiration but leads to tangible enhancement of corporate value, our Digital Strategy Board, a decision-making body comprising top management, determines the direction of major DX projects and monitors their progress. We currently have 18 major projects underway, with progress against each project's roadmap tracked as a KPI and reported to management.

We have also appointed DX promotion leaders in each division and Group company, establishing a framework for driving transformation from the front lines. By combining top-down decision-making with bottom-up execution on the front lines and monitoring each project's progress and outcomes, we will steadily roll out DX across the organization and translate it into enhanced corporate value.

Through FY2030, the JAL Group plans to invest an average of JPY 420.0 billion annually, including investment in aircraft. Of this amount, JPY 300.0 billion will be allocated to aircraft and the remaining JPY 120.0 billion to ground investments. We plan to invest approximately JPY 52.0 billion annually in digital and IT-related initiatives, representing more than 40 percent of ground investment, with priority given to growth investments aimed at fundamentally improving productivity, particularly through generative AI. To ensure that these investments deliver tangible improvements in corporate value, our business divisions and JAL Digital will work as one to monitor progress against the DX roadmap, assess returns on investment, and strengthen our ability to implement these initiatives effectively on the front lines.

The aviation industry's mission as social infrastructure connecting people, goods, and world will never change going forward. No matter how far technology advances, people will remain the starting point for our value creation. Heartfelt hospitality and professionalism are our greatest differentiators in an increasingly digital age. The JAL Group will make the most of these human strengths and place digital technology at the heart of management as we evolve the transportation experience, the experience of discovery, and the very role of airlines themselves, thereby shaping the future of the aviation industry.

Strengthening Intellectual Capital

DX Strategy

DX Creates New Value by Connecting the World through Digital Technology that Originates from the Skies

DX Strategy for Business Portfolio Transformation

To transform its business portfolio and create both economic and social value, the JAL Group must fundamentally reshape its business structure through the use of digital technology. To this end, we have established a digital transformation (DX) strategy centered on Connecting the World through Digital Technology and Creating New Value. We will continue to pursue the establishment of sustainable operations while taking on new challenges in value creation.

Why We Need to Pursue This DX Strategy

Maintaining Sustainable Operations

It is urgent to find ways to maintain a sustainable operation in an environment where competition for human resources is intensifying as the working-age population is declining in Japan due to the falling fertility rate and aging population. To address this challenge, we must move away from operations that depend on individual expertise and from aging systems, and establish an operating model in which people work alongside AI and robotics. Fundamental transformation through DX is essential to maintaining high productivity and responding flexibly to rising costs.

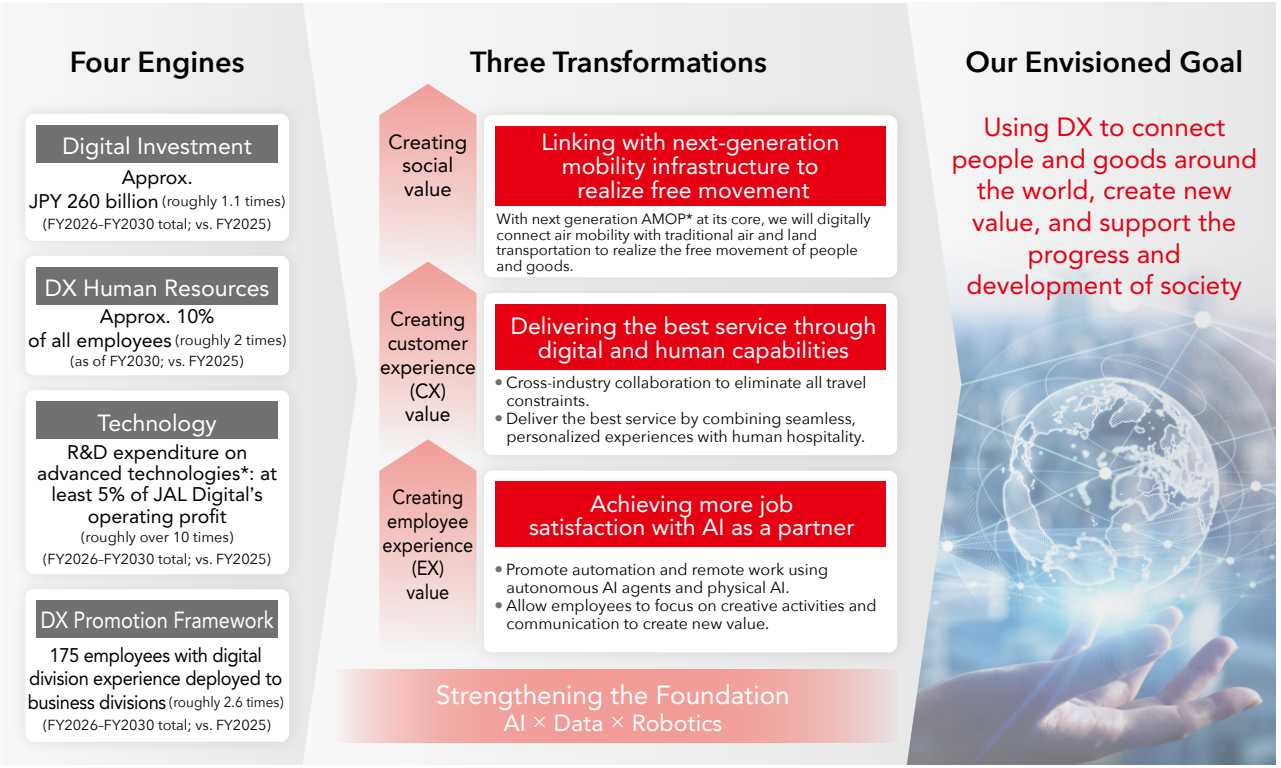
Building a Foundation for New Value Creation

We need to move beyond systems optimized for individual departments and use integrated data to optimize operations across the organization. We also need to quickly put rapidly evolving technologies such as AI to practical use in our business and build a foundation for creating new value. Accelerating DX is essential to achieving both. Through these efforts, we will integrate data across organizational boundaries to optimize operations as a whole and enable data-driven management. We must also keep pace with rapid advances in technologies such as AI, quickly incorporating them into our business to navigate a fast-changing operating environment. We will continue to accelerate DX to meet increasingly diverse needs and build a foundation for creating new value.

Further Value Creation through the "Four Engines" of DX Investment and Three Transformations

Under our DX strategy of Connecting the World through Digital Technology and Creating New Value, the JAL Group will strengthen its AI capabilities and data infrastructure through four engines, namely investment, technology, human resources, and organizational frameworks. Powered by these engines, we will pursue three transformations, which are social value (integration with next-generation mobility), customer experience value (the integration of digital and human capabilities), and employee experience value (fulfilling work with AI as a partner).

This vision reflects our recognition of increasingly evident social challenges, including labor shortages, weakening connections between people, and growing feelings of isolation. That is precisely why we believe we need to go beyond simply improving operational efficiency and fundamentally transforming our business structure through digital technology. By fully leveraging AI as infrastructure and advancing automation and remote operations, we will create an environment in which our people can focus on uniquely human hospitality and new value creation. This enhanced employee experience will translate into an exceptional customer experience that brings together the best of digital technology and human capabilities, ultimately enabling the free movement of people and goods throughout society. Our determination to create new value through these three interconnected transformations lies at the heart of this vision.



DX Strategy

Delivering Value to Society, Centered on the Aviation Industry, through New Customer Experiences (CX) and Employee Experiences (EX)

Maximizing CX Value through Ultimate Personalization

As customer values become increasingly diverse, standardized services can no longer truly meet individual customer needs. Going forward, we aim to seamlessly integrate data from within and outside the JAL Group and transform our business model from selling airline tickets to selling experiences across every aspect of travel and everyday life, including customers in transit and at their destinations. We will also build expertise through R&D and demonstration testing of new technologies and apply what we learn to our services so that customers can experience new value unique to JAL.

Advancing the Aviation Industry through JAL's Technology

By fully leveraging AI and data, we aim to address labor shortages while freeing employees from routine tasks. We will create an environment where employees can focus on pursuing safety and peace of mind while engaging in creative work, thereby enhancing their well-being. We will also contribute to the development of the aviation industry as a whole by sharing the productivity improvement expertise we have developed across the industry.

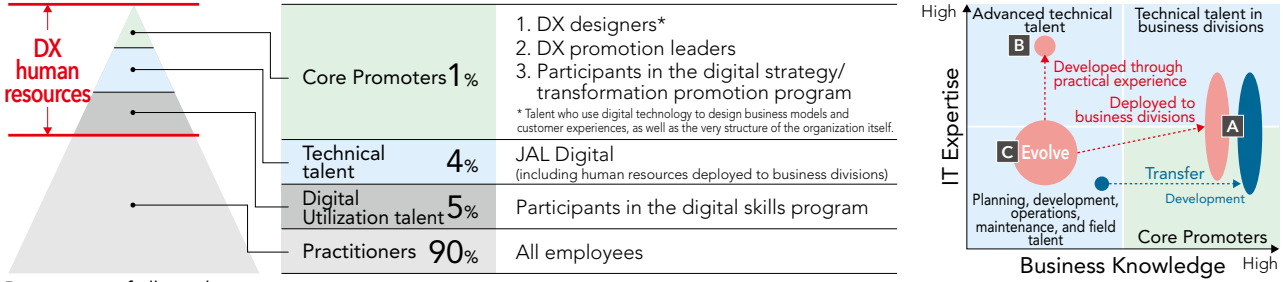
AI-NATIVE Will Shape the Future of the JAL Group

As society becomes increasingly digital, we aim to realize AI-NATIVE, making AI an integral part of our operations. To support this transformation, we will develop a digital twin that gives AI seamless access to data and a digital space that provides the optimal infrastructure for AI utilization. We aim to become an AI-NATIVE airline that transforms operations across the board and maximizes performance, using physical AI at airports and automate the responses to system failures.

Leading the Transformation of the JAL Group by Leveraging Our Technological Expertise

Developing Human Resources across the JAL Group to Create Social Value through Digital Technology

To drive DX across the JAL Group, we will establish a clear portfolio of DX/IT human resources, including Core Promoters, who design business models using digital technology, and Technical Talent, who work with advanced technologies. Through this framework, we will develop employees capable of creating social value through digital technology. We will also deploy more DX/IT human resources within business divisions and strengthen collaboration between DX/IT human resources and business teams. Through these efforts to develop talent and transform our talent portfolio, we will evolve into an organization that makes full use of AI and data to deliver new forms of safety and peace of mind and generate new value, thereby realizing business portfolio transformation and creating social value.



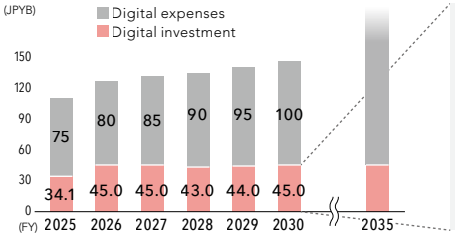
A Human resources who lead DX in close collaboration with business divisions B Advanced technical human resources at the core of our technology (further developing their capabilities through AI and data)
C Next-generation human resources in planning, development, operations, maintenance, and field roles who can fully leverage AI and data

Future Digital Investment

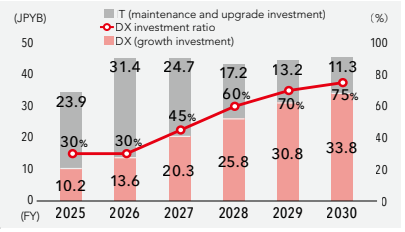
Financial Targets for DX Investment

To realize our DX strategy, we will continuously invest a total of approximately JPY 260 billion in digital initiatives from FY2026 through FY2030. While advancing cloud migration and AI adoption, we will reduce maintenance and upgrade costs and increase the proportion of growth investment that contributes to value creation and productivity improvements to approximately 70 percent by FY2030.

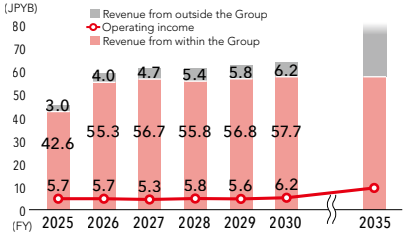
Transition of Digital Costs



Outlook of Digital Investment



JAL DX Financial Targets



Productivity Improvement

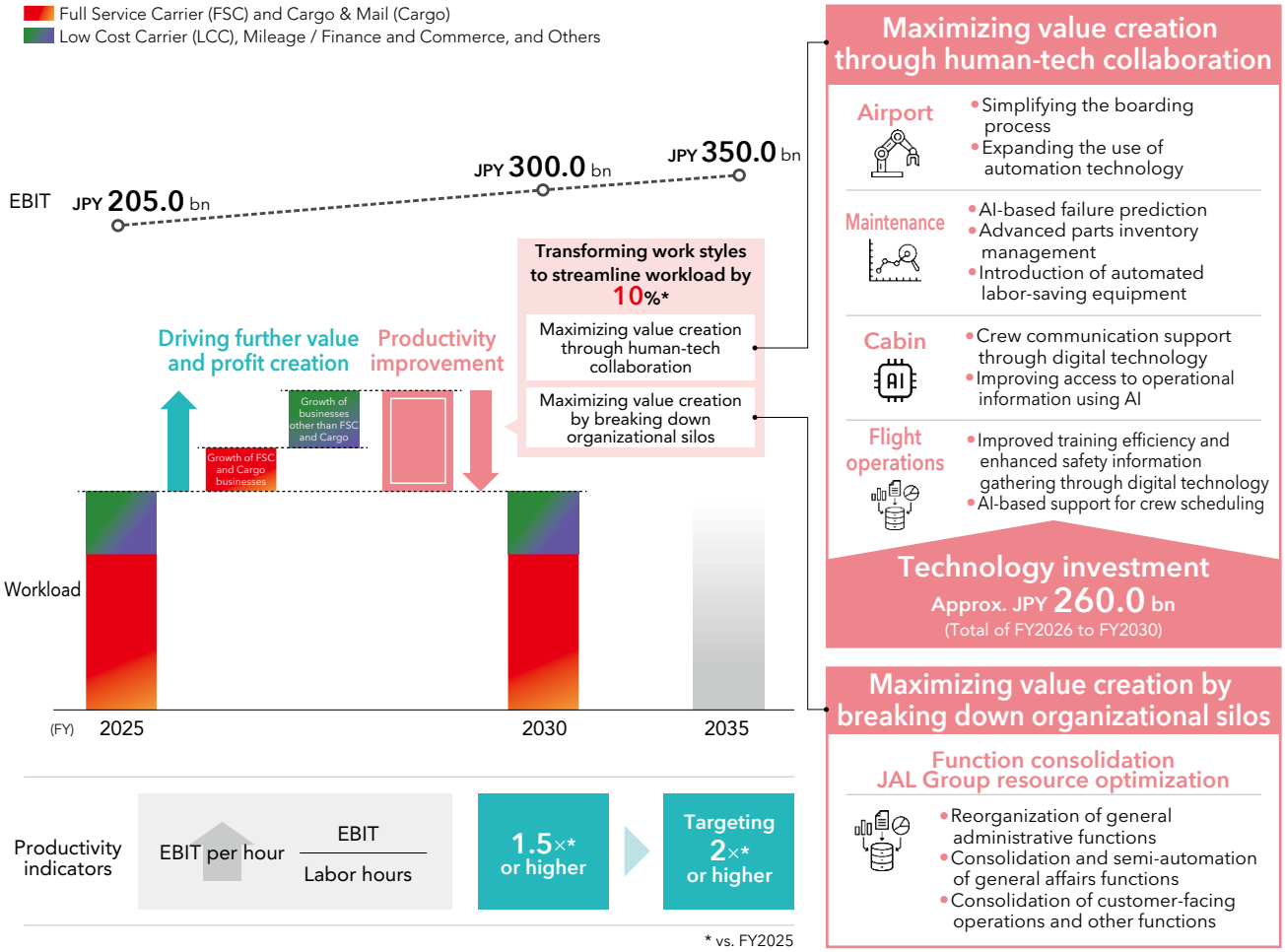
Establishing a Sustainable Operational Structure through People and Technology

Fundamental Productivity Improvement the JAL Group Aims to Achieve

Amid a rapidly changing business environment marked by depopulation and continued price increases, the JAL Group must pursue productivity improvement with unprecedented determination to pass on the airline business to the next generation on a sustainable basis and ensure its continued growth.

Our goal is not to reduce costs or curb personnel expenses. Rather, we aim to fundamentally transform the way we work through collaboration between people and technology, redirecting the time, capacity, and energy this frees up toward creative, high-value-added work that delivers new experiences to customers and creates value for society. In doing so, we will establish a sustainable operational structure that enables us to accommodate the anticipated expansion of our business and create new value across diverse growth areas with a workforce approximately the same size as today's.

We will actively invest in technology to achieve this transformation. Over the five years from FY2026 through FY2030, we will invest approximately JPY 260.0 billion in technology, with up to JPY 50.0 billion allocated specifically to AI and robotics. By the end of FY2030, these investments will enable us to streamline a volume of work equivalent to approximately 10 percent of the FY2025 level. We will measure the results using EBIT per hour, with a newly established company-wide cross-functional team taking the lead in driving an agile PDCA cycle. Working together across the Group, we will carry through fundamental transformation unconstrained by precedent and powerfully drive sustainable growth.



Productivity Indicator: "EBIT per Hour"

We use EBIT per hour to visualize how effectively the time, capacity, and energy freed up through greater efficiency are translated into profit. By evaluating productivity consistently across the Group and driving the PDCA cycle, we will maximize the impact of our productivity improvement initiatives.

Formula for Calculating EBIT per Hour

$$\text{EBIT per hour} = \frac{\text{EBIT}}{\text{Labor hours}}$$



RUNWAY
04

Becoming the Airline of Choice for the *Next Generation* through Sustainability

Key Points in This Chapter

- GX Strategy Aimed at Achieving Sustainability for Both the Airline Industry and Society
- Promoting the Use of SAF across Industry Boundaries

Measures for Sustainability of Natural Capital

Message from the Director in Charge of Green Transformation Strategy

Enhancing Corporate Value by Achieving Both Climate Goals and Business Growth through Our Green Transformation Strategy



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

Turning Green Transformation from Risk Mitigation into a Driver of Growth

Air transportation provides vital social infrastructure for the movement of people and goods, but its high CO_2 emissions also mean that reducing its environmental impact is an important imperative. The JAL Group's enduring mission is to transport passengers and cargo safely to their destinations. Looking ahead, we believe that addressing climate change must become an equally important part of our role in society.

The aviation industry is currently putting in place international frameworks to reduce CO_2 emissions. Decarbonization requires greater use of sustainable aviation fuel (SAF), carbon credits, and other measures, but this also brings challenges, including higher procurement costs and limited supply.

We do not, however, see these changes simply as risks. We consider them as opportunities to make our business more sustainable and more competitive through our green transformation (GX) strategy. We believe it is essential to take the initiative in driving decarbonization forward, working across the entire supply chain with aircraft manufacturers to reduce environmental impact, promoting the mass production of SAF, and securing high-quality carbon credits.

In the JAL Group Management Vision 2035 announced in March this year, we describe our envisioned future as a Sustainable Well-being Future. This reflects our determination to pass on a prosperous way of life in harmony with nature to future generations and to create relationships and societal connections through the movement of people and goods. Over the long term, our goal is to ensure that environmental and social sustainability go hand in hand with the sustainability of our own business. Our Green Transformation strategy is essential to making this vision a reality.

In recent years, as environmental awareness has grown, a company's approach to environmental issues is increasingly influencing customers' preference. I believe that consistently demonstrating our genuine commitment to the environment will also enhance the JAL Group's brand value.

For example, by introducing the state-of-the-art Airbus A350, we have reduced CO_2 emissions by approximately 20 percent compared to previous-generation aircraft. In fact, some customers choose the A350 for its environmental performance and comfort. Improving environmental performance is not simply a cost. It can also be a reason for customers to choose JAL.

At the same time, Green Transformation inevitably comes with additional costs. It is therefore important that we actively participate in rulemaking and help develop frameworks that allow the cost of decarbonization to be shared across society, rather than placing a disproportionate burden on particular industries. For the JAL Group, Green Transformation is a management strategy in its own right and by addressing climate change, we aim to reduce our capital cost and business risks while also driving business growth, thereby increasing corporate value.

Advancing Decarbonization through the Five Pillars of Our Green Transformation Strategy

The JAL Group is advancing its Green Transformation strategy through five pillars, namely upgrading to more fuel-efficient aircraft, operational innovations, using SAF, utilizing carbon credits and new technologies for removal of CO_2.

We are already seeing tangible results by upgrading to more fuel-efficient aircraft. By replacing existing aircraft with newer models, including the Airbus A350, we reduced CO_2 emissions by approximately 500,000 tonnes in FY2025. Over the medium to long term, we are also looking ahead to next-generation technologies such as hydrogen-powered and electric aircraft. We have already begun working with startups to explore promising technologies for the future.

Next is operational innovations. This involves reducing CO_2 emissions through a series of day-to-day improvements, from optimizing flight routes to improving operational practices. What makes this initiative particularly important, in my view, is that frontline employees take the initiative and work together across different roles to drive these efforts forward.

The next pillar is the use of SAF. SAF is currently the most

Message from the Director in Charge of Green Transformation Strategy

effective means of reducing CO_2 emissions because it can replace with the aviation fuel we use today without requiring major changes with to existing aircraft or infrastructure. However, significant challenges remain, including costs several times higher than conventional fuel and limited supply.

The JAL Group achieved its target of one percent SAF usage in FY2025 and aims to increase this to 10 percent by FY2030. Achieving this target, however, will not be easy. That is why it is essential that we work together with our partners rather than trying to tackle this challenge alone. To help expand production and lower costs, the JAL Group is pursuing a range of initiatives, including investing through **one**world, the global airline alliance, in a fund that supports startups and promoting SAF production in Japan.

The fourth pillar is the use of carbon credits. We have begun procuring and retiring credits eligible under CORSIA,* the international framework established by the ICAO. As demand and prices are expected to rise, we are placing strong emphasis on credit quality while also helping to build a reliable market. In addition, we are pursuing initiatives such as blue carbon that contribute to regional revitalization, with the aim of creating both environmental and social value.

For the final pillar, new technologies for removal of CO_2, we are taking a medium- to long-term approach. New technologies such as direct air capture (DAC) and direct ocean capture (DOC), which capture CO_2 directly from the atmosphere and oceans, are not yet commercially viable, but we believe they will be essential to achieving net-zero emissions by 2050. The JAL Group is investing in and collaborating with startups in these fields to help bring these technologies to practical use in the future.

Making Green Transformation Personal for Every Employee is the Driving Force Behind Our Green Transformation Strategy

I believe that the most important factor in advancing our Green Transformation strategy is for every employee to see Green Transformation as something that directly concerns them. Simply setting out policies and strategies is not enough. They only become effective when they are translated into action.

A prime example is the operational innovations discussed earlier. Frontline employees make continuous improvements in their day-to-day operations, and seeing the tangible results of their efforts in the form of lower CO_2 emissions gives them a strong sense of fulfillment. I believe that the process of working together across roles and departments and steadily achieving results is itself a driving force in embedding our Green Transformation strategy throughout the organization.

Some initiatives have also originated with frontline employees. One example is an effort to reduce the use of plastic bags at airports to protect customers' baggage. After seeing the large volume of plastic bag being discarded, employees spoke up about wanting to change the situation. With customers' understanding and cooperation, we were able to reduce our use of single-use plastic by 87 tonnes a year.

To help conserve biodiversity, we are also working to prevent the illegal removal of wildlife and plants from islands and other areas to protect their unique ecosystems. Airport employees have taken ownership of this issue and are working with relevant authorities and companies to prevent illegal removal at the source. Precisely because our business can affect the natural environment, I believe it is important that we reflect on our own work and turn that awareness into responsible action.

Going forward, we will need to focus even more on creating economic value alongside social value. This means viewing environmental challenges as opportunities for growth and finding ways to turn them into viable businesses. Creating both social and economic value, making the results visible, and establishing an environment in which employees can see the value of their efforts will ultimately lead to greater corporate value.

Working with Our Stakeholders to Achieve Net-Zero Emissions in 2050

Achieving Green Transformation involves a degree of risk, as it requires investment in new and as-yet-unproven technologies. However, if we are to pass on a sustainable society to future generations, we must be willing to share those risks across society and move forward together. "Looking beyond the boundaries of our industry and working together with society to shape the future." This is the commitment that drives my efforts to advance Green Transformation.

In recent years, we have published a joint report with other companies to promote SAF production across the industry, while also expanding our efforts beyond the aviation sector. Through a project that collects used cooking oil from households for use as SAF feedstock, we are also giving customers an opportunity to participate in Green Transformation. I believe these initiatives do more than help secure fuel supplies. They also encourage society as a whole to recognize the challenges we face and take action together.

In addition, we are expanding initiatives that create social value together with our customers, including recycling paper cups used for inflight services and, utilizing a portion of fares on certain routes to support environmental conservation. a portion of fares to support environmental conservation. Through these efforts, we hope to build broader awareness of environmental challenges across society and encourage customers to share in the JAL Group's vision and join us in working toward a sustainable society.

Achieving net-zero emissions by 2050 will by no means be easy. However, given the scale of the impact this would have on society, we believe that the greater the challenge, the more worthwhile it is to pursue. We will continue to strengthen our partnerships with stakeholders, turn our response to climate change into greater corporate value, and take on the challenge of building a sustainable future.

* Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA): A scheme by the International Civil Aviation Organization (ICAO) that requires airlines operating international flights to purchase eligible credits to offset CO_2 emissions exceeding 85 percent of 2019 levels.

Measures for Sustainability of Natural Capital

Environmental Management, TCFD and TNFD Governance and Risk Management

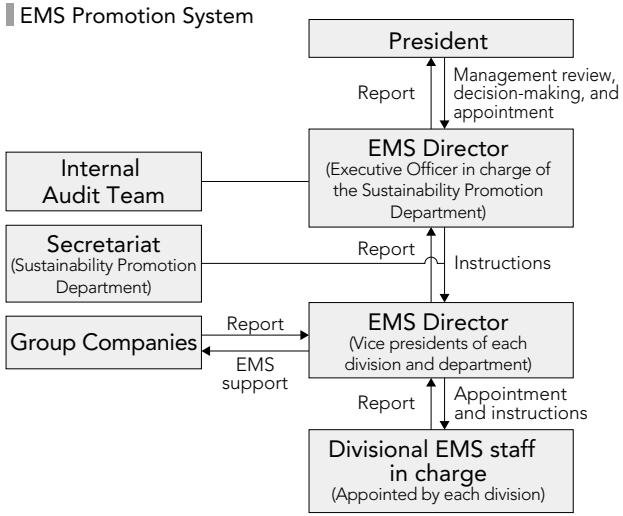
Policies and Structure

The JAL Group recognizes the significant impact that the aviation business has on the environment and has established the JAL Group Environmental Policy to passing on our precious Earth to the next generations.

Based on this policy, we have established an Environmental Management System (EMS) to promote environmental conservation activities effectively and drive continuous improvement. Each company and division sets targets and action plans linked to management targets and materiality, including reducing CO_2 emissions and single-use plastics. Through quarterly reviews and annual internal audits, we verify compliance with laws and regulations, conformity with the system, and progress toward our targets. When nonconformities are identified, we take corrective action, analyze the causes, and review the effectiveness of the measures taken. Urgent issues are addressed through our risk management program.

In 2021, JAL Royal Catering Co., Ltd., which provides inflight meals, obtained ISO 14001:2015 certification, the international standard for environmental management systems. It passed its recertification audit in 2024 and has continuously been certified as of 2026.

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 strengthen the social infrastructure. We analyzed the risks and opportunities that various social issues, including environmental issues, pose to society and business risks, and in 2021 we began disclosing information in line with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), 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 (twice in FY2025) regarding executive initiatives on climate change and biodiversity, and exercises a strong supervisory function. Under high transparency, they exercise strong management oversight through the selection of the board nominees, executive officers and their remuneration as well as strategic decisions. 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 the Executive Officer in charge of Sustainability Promotion Department, deliberates on issues identified through the EMS and issues confirmed through the Green Transformation-Related Officers Committee (held 9 times in FY2025), and reports the results to the Sustainability Promotion Committee.

The Board of Directors has identified seven key issues (materiality) in overall sustainability to address social issues through business. 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 CO_2 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.

Key Matters Submitted to the Board of Directors and Sustainability Promotion Council in FY2025

- Progress status of key sustainability issues and annual targets
- Decisions on responses to climate change- and biodiversity-related risks and opportunities
- Monitoring and evaluation of the EMS
- Monitoring and evaluation of human rights due diligence

For more information on our sustainability governance framework, click here. P.35

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.

Addressing Climate Change (TCFD) and Green Transformation Strategy

Basic Concept

The JAL Group recognizes that taking action on climate change is a particularly important issue for the sustainability of society. In June 2020, we announced our commitment to achieve net zero CO_2 emissions in 2050, in order to steadily promote various initiatives, including the reduction of CO_2 emissions in order to fulfill our responsibilities as an air transport operator.

For more information, please refer to our TCFD disclosures.

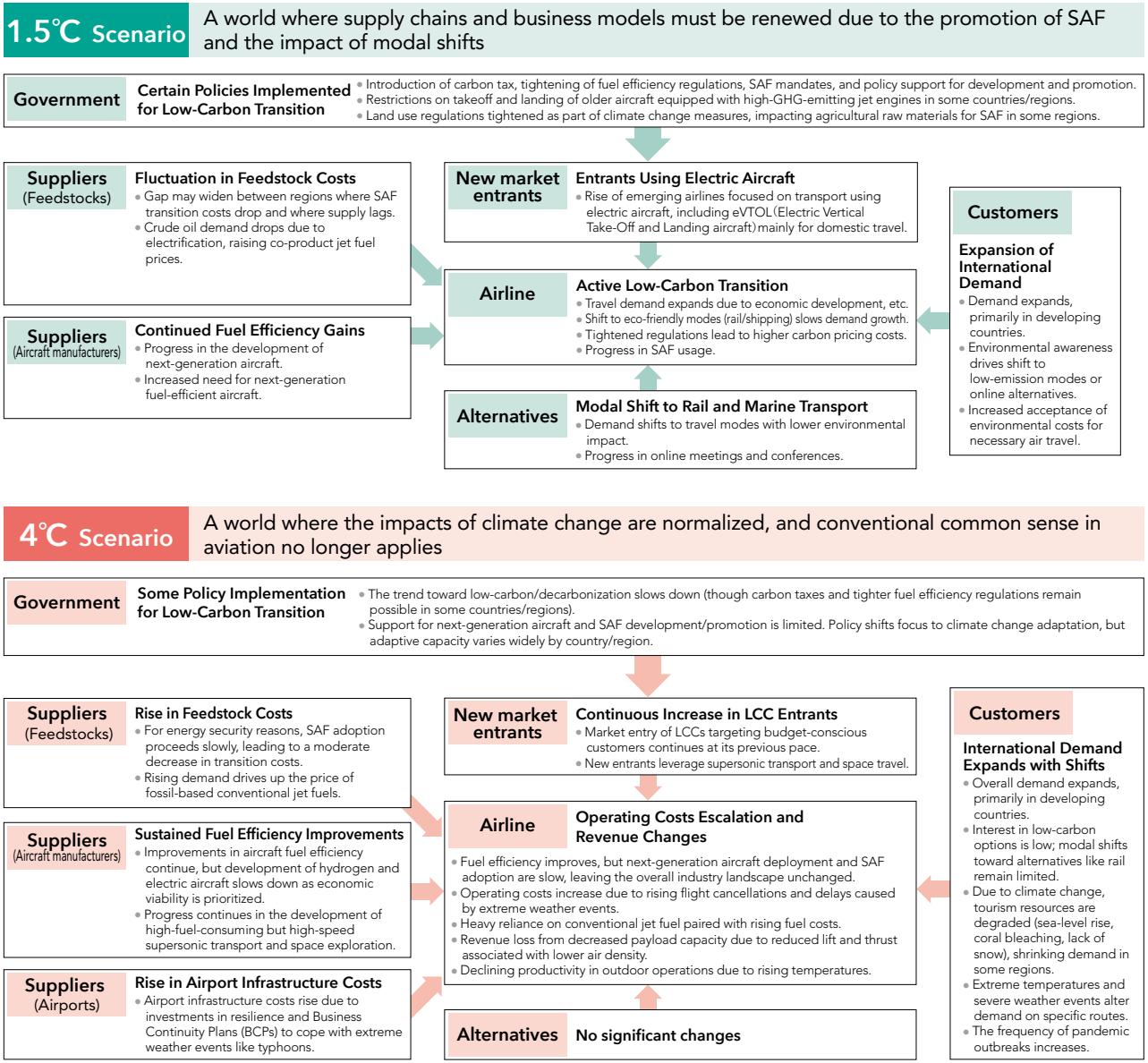
Website | JAL Group Environmental Policy
https://www.jal.com/en/sustainability/environment/environment-management/policy/

Strategy

Scenario Analysis

In 2018, the JAL Group considered what society might look like in 2030 based on scenarios developed by the International Energy Agency (IEA) and the Intergovernmental Panel on Climate Change (IPCC). We subsequently reviewed our scenario analysis in response to updates to these scenarios and changes in the business environment. Our analysis has now been updated to consider society in 2040 based on IEA scenarios and two IPCC scenarios representing warming of 4° C and 1.5° C (SSP5-8.5*1 and SSP1-1.9*2, respectively).

*1 SSP5-8.5 scenario: A high-emissions scenario in the IPCC Sixth Assessment Report in which no climate policies are introduced under fossil fuel-driven development and CO_2 emissions double from current levels by 2050.
*2 SSP1-1.9 scenario: A low-emissions scenario in the IPCC Sixth Assessment Report in which climate policies are introduced under sustainable development to limit warming to approximately 1.5° C or less by the end of the 21st century, with net-zero CO_2 emissions achieved around 2050.



Measures for Sustainability of Natural Capital

Addressing Climate Change (TCFD) and Green Transformation Strategy

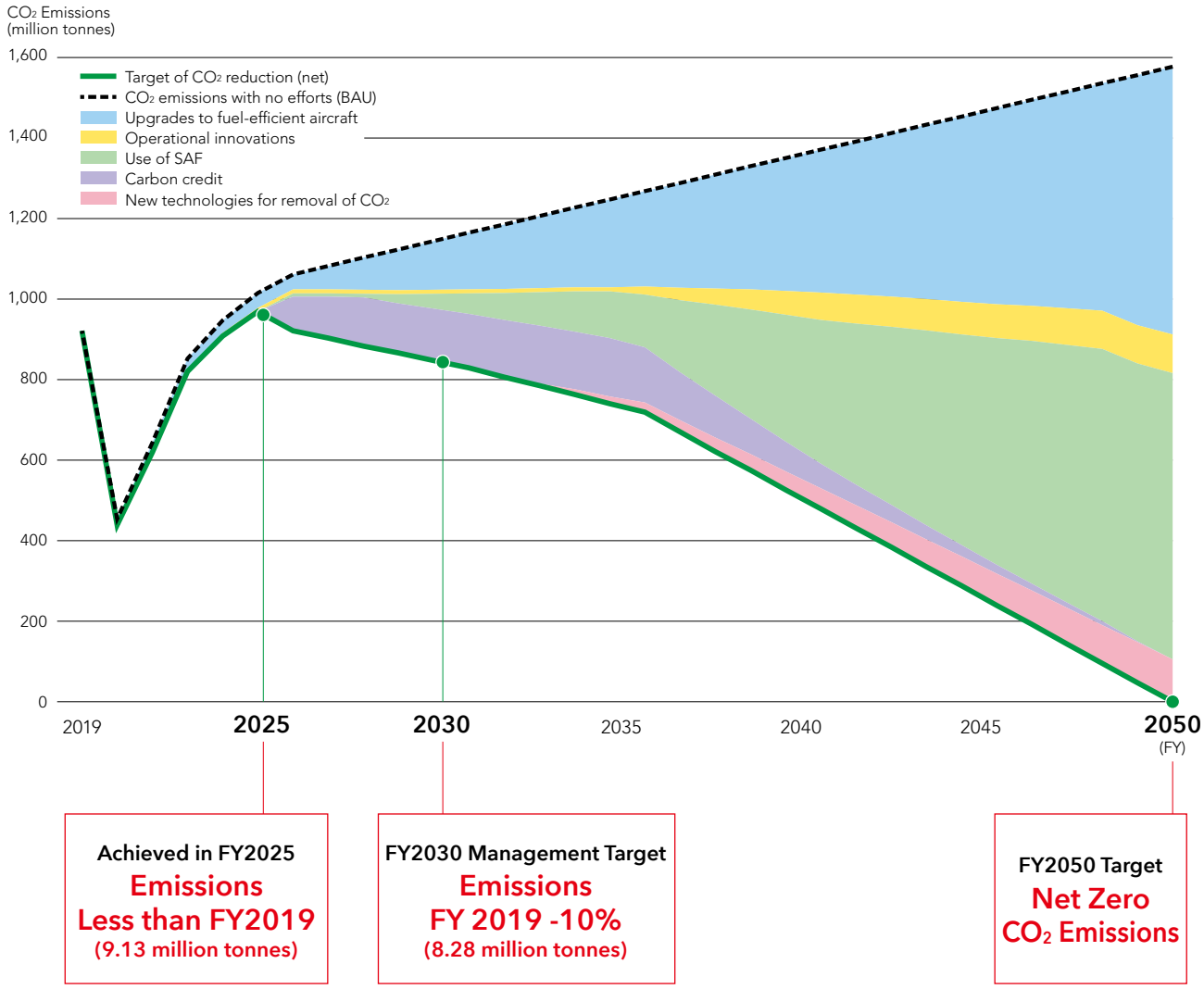
JAL Group's Transition Plan to Achieve Net Zero CO_2 Emissions

Based on the 1.5°C scenario, the JAL Group set a target of net zero CO_2 emissions in 2050 at the shareholders meeting in June 2020. Subsequently, a specific roadmap was created in consideration of risks and opportunities based on the IEA scenario and other factors, which was reflected in the "JAL Group Medium-Term Management Plan 2021-2025" in 2021 and the latest version has been published in the JAL Group Management Vision 2035 announced in March 2026. This roadmap outlines a strategy to achieve net zero emissions by offsetting the approximately 10% of residual emissions that will remain in 2050—even after maximizing reductions through the upgrades of fuel-efficient aircraft, operational improvements, and SAF—by utilizing new technologies for removal of CO_2.

With regard to the reduction of CO_2 emitted by the JAL Group's aircraft, we are studying scenarios for CO_2 reduction by 2050, referring to the latest study materials from the ICAO and the IATA and the latest scenarios such as "WAYPOINT 2050"*1 of ATAG, and discussing future issues and measures to take. In preparing the scenarios, we calculated the total CO_2 emissions by 2050 by setting the growth of RTK (Revenue Tonne Kilometers) based on total demand for both international and domestic flights, and reflected the effects of each initiative.

*1 ATAG Waypoint 2050: A decarbonization scenario developed by the Air Transport Action Group (ATAG), a global coalition promoting sustainability in the aviation industry.
https://aviationbenefits.org/other-environmental-challenges/climate-action/waypoint-2050/

Revision of the JAL Group's Road Map towards Net Zero CO_2 Emissions in 2050



Addressing Climate Change (TCFD) and Green Transformation Strategy

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 society that is safe with peace of mind, and, as a result, it could 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 CO_2 emissions by airlines, could 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 "period" and "impact of occurrence" are as specified below. The following was reviewed at the Board of Directors meeting on August 3, 2026.

Classification	Impact Period
Short term	FY2026
Medium term	FY2027 to FY2030 (The period set as the management goal and midway point of the JAL Group Management Vision 2035)
Long term	FY2031 to FY2035 (The period of the JAL Group Management Vision 2035)
Classification	**Revenue or Expenses 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	Period	Impact of Risks	Our Response to Risk Reduction	Actions in FY2025
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*1 Eligible Emissions Units ●Formation and participation in the domestic carbon emissions trading market through participation in the GX Future League ●Foster the carbon credit industry	●Established the JAL Group Carbon Credit Utilization Guidelines. ●Demonstrated compliance and sent demand signals by pioneering retirement of CORSIA-eligible credits. ●Built knowledge on high-quality procurement through information exchange with CVC-investee BeZero Carbon Limited. ●Contributed to the domestic credit industry by utilizing J-Blue Credits through Hokkaido Air System (HAC) (purchased in Rishirifuji Town, retired in Okushiri Town).
	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	●Procurement of SAF from producers on a long-term basis and at favorable prices, either individually or through an alliance ●Active involvement in domestic SAF production and expansion of SAF procurement points ●Collaborate with several sectors, including aviation and energy etc. to request support from the government and relevant stakeholders for both SAF producers and users, and engagement in rule-making, including regulations ●Foster social momentum to promote the use of SAF throughout the supply chain	●Concluded contracts with domestic/foreign suppliers to meet 1% SAF replacement goal for 2025. ●Promoted the "Let's Fly with Used Cooking Oil" project (262 collection points established at municipalities, retailers, etc., nationwide as of the end of FY2025). ●Engaged with stakeholders, including exchange of opinions with the government and petroleum wholesalers. ●Participated in the policy-making process for the deployment of domestically produced SAF by 2030 through engagement in the "Public-Private Council for the Promotion of SAF" (2 meetings) and the "Task Force on Further Promotion of SAF" (7 meetings).
	Ground Vehicles	Increased costs of electrification of vehicles and using alternative diesel fuels Delays in the development of airport facility infrastructure for the use of electric vehicles	Short to medium term	Small	●Request support from the government and other relevant agencies for the replacement of vehicles with electric-powered ones and the use of alternative diesel fuel ●Request 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	●Utilized subsidies for new electric vehicle implementation. ●Lobbied the relevant authorities for charging infrastructure. ●Participated in the Hydrogen Supply System Study Council (including pipelines) in Tokyo. ●Engaged in technical discussions with airport authorities for charging standards (standardization of charging specifications and connectors). ●Utilized government subsidies for the expansion of electric vehicle charging infrastructure at Narita and Haneda Airports.
	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 ●Collaborate and cooperate with government and airframe and engine manufacturers	●Concluded an MOU with Maeve Aerospace GmbH to promote the development of hybrid-electric aircraft aiming to transform regional aviation. ●Participated in the "Public-Private Council on New Technologies for Aircraft Decarbonization" and promoted initiatives aligned with the "New Technology Roadmap for Aircraft Decarbonization."

*1 CORSIA: Carbon Offsetting and Reduction Scheme for International Aviation

Measures for Sustainability of Natural Capital

Addressing Climate Change (TCFD) and Green Transformation Strategy

Risks

Classification		Risk Overview	Period	Impact of Risks	Our Response to Risk Reduction	Actions in FY2025
Transition risks Policy and regulations Technology Market Reputation	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 CO_2 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.	●Participated in "Fry to Fly Project" events celebrating domestic SAF supply at Kansai and Haneda airports. ●Participated in "Kankyo Hiroba Sapporo" in collaboration with the Scheduled Airlines Association of Japan to raise awareness and build momentum for SAF, promoting aviation decarbonization initiatives to the next generation. ●Participated in the "SAF Awareness Promotion Campaign at Narita Airport: Taking Flight with SAF Toward the Sustainable Future of Air Travel" triggered by COP30. ●Conducted joint public-private advocacy activities with the Ministry of Land, Infrastructure, Transport and Tourism and partner companies to promote the necessity and future potential of SAF through newspaper advertisements. ●Conducted awareness-raising activities for SAF by speaking at and exhibiting a booth at the "Carbon Neutral Symposium for the Sky Vol.4" co-hosted by the Ministry of Land, Infrastructure, Transport and Tourism and 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 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 the impact of turbulence and lightning strikes on flight operations ●Strengthen efforts to avoid the 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 reflected the results in typhoon preparations for the following season. ●Broadcast inflight videos to encourage passengers to always fasten their seatbelts to prevent injuries caused by sudden turbulence during the flight. ●Conducted a cross-divisional campaign to prevent injuries caused by turbulence. ●Participated in the "Real-time Turbulence Prediction Project," a collaborative industry-academia-government initiative to predict clear-air turbulence in real-time, contributing to improved flight safety and reduced environmental impact. ●Distributed air-conditioned vests for ground handling staff and maintenance engineers to prevent heat stroke. ●Commenced atmospheric observations using Boeing 787-9 aircraft under the "CONTRAIL" project, an ongoing atmospheric observation program using aircraft since 1993.
	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	●Participated in an exercise hosted by the Cabinet Agency for Infectious Disease Crisis Management as a designated public institution under the Act on Special Measures against Novel Influenza.
		Due to long-term climate change, decrease in demand due to degradation of tourism resources (e.g., lack of snow, degradation of landscape, changes in local products)	Long term	Large	●Create "relationships and societal connections" between people and people, people and goods, and regions through air transportation to solve social issues ●Promote tourism resource conservation activities in cooperation with local governments and companies in each country and region ●Promote efforts to preserve tourism resources by taking advantage of the characteristics of the air transportation business	●Announced an ecosystem for creating well-being through the co-creation of "relationships and social connections" in the JAL Group Management Vision 2035. ●Launched dual residency initiatives, which propose a new lifestyle based on dual-residence living, and started co-creation with JR-EAST. ●Promoted "JAL Tabi-Academy," a program for visiting local communities to learn about local issues. ●Expanded collaboration agreements with local governments and regional companies (e.g., Sapporo City, Setouchi Village Inc., Japan-America Society of Hawaii). ●Promoted red tide monitoring in cooperation with Hokkaido University, utilizing 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.

Opportunities

Classification		Opportunity Overview	Period	Impact of Opportunities	Our Response to Expanding Opportunities	Actions in FY2025
Opportunities Resource efficiency Energy Sources Resilience Markets Products and services	Operation Aircraft	Reduction in fuel consumption through improved fuel efficiency and CO_2 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	●Reduce CO_2 through innovations in daily operations and aircraft upgrades ●Collaborate with manufacturers, government, and other related parties for introduction of more sophisticated air traffic control and aircraft with new technologies ●Diversify financing (ESG finance) ●Steadily introduce of fuel-efficient aircraft (Airbus A350-900, A350-1000, A321neo, Boeing 787-9, 737-8)	●Applied large-area riblet shaped paint to Boeing 787 aircraft operated by ZIPAIR. ●Deepened public-private partnerships through participation in study groups regarding CO_2 reduction in aircraft operations. ●Routinely coordinated with aircraft manufacturers to ensure reliable aircraft delivery. ●Renewed fleet to fuel-efficient aircraft (Taking delivery of 2 Airbus A350-900 and 3 Airbus A350-1000 aircraft; retiring 3 Boeing 777-300ER aircraft).

Addressing Climate Change (TCFD) and Green Transformation Strategy

Opportunities

Classification		Opportunity Overview	Period	Impact of Opportunities	Our Response to Expanding Opportunities	Actions in FY2025
Opportunities Resource efficiency Energy Sources Resilience Markets Products and services	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	●Procure SAF consisting of multiple manufacturing methods ●Build momentum to expand the use of SAF in Japan through the all-Japan SAF through ACT FOR SKY, etc. ●Contribute to the procurement of used cooking oil and wood-derived bioethanol as feedstocks for SAF ●Collaborate between the public and private sectors through public-private councils, among others, 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 how to support incentives ●Foster social momentum to promote the use of SAF throughout the supply chain	●Invested in Morisora Biorefinery LLC to advance plant construction and aim for purely domestic bioethanol production starting in 2027, as part of the “MORISORA Project,” which targets bioethanol production from domestic wood for SAF use. ●Concluded a memorandum of understanding (MOU) with the Hongo Reforestation Research Institute Inc. to study local production for local consumption of SAF, aiming to build a manufacturing process using local timber as raw material. ●Co-invested with **one**world member airlines and partners in the “**one**world Breakthrough Energy Ventures Fund,” an investment fund for companies developing next-generation SAF.
	New Technologies	Diversification of CO_2 reduction methods by utilizing CO_2 removal technologies such as Direct Air Capture	Long term	Medium	●Invest in and strengthen collaboration with startups that have a technology for removing CO_2 from the atmosphere	●Collaborated with and supported for the business development of two companies invested in 2024 (Captura Corp. and Heirloom Carbon Technologies in the U.S.A.).
	Ground Vehicles	Reduction of CO_2 through the use of alternative fuels and the use of special airport vehicles that combine various power sources	Short to long term	Small	●Procure biodiesel fuel, and use electrically powered special vehicles ●Promote decarbonization at airports through public-private partnerships	●Expansion of airports introducing renewable diesel fuel (total: 23 airports). ●Researching diverse fuels other than used cooking oil to prepare for future procurement risks. ●Electrification of various ground support equipment (GSE) used at airports, including aircraft tow tractors and high-lift loaders (total: 18 airports). ●Requested the installation of charging infrastructure from 6 airport operators after conducting a survey of all airports. Simultaneously, piloted in-house installation of charging infrastructure at 6 other airports. ●Demonstrated Japan's first hydrogen-powered aircraft tow tractor, utilizing the Tokyo Metropolitan Government Fuel Cell (FC) Mobility implementation support program.
	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 CO_2 ●Build momentum by strengthening communication of environmentally conscious measures ●Consider new businesses related to supersonic aircraft and space	●Expanded the "JAL Corporate SAF Program" to 13 companies, which certifies the environmental value of CO_2 reductions generated by SAF usage and provides it to corporate customers utilizing JAL Group flights. ●In collaboration with 7 companies including Narita International Airport Corporation, completed the first phase of a Scope 3 environmental value trading pilot program to promote SAF usage, and commenced the second phase. ●Held a dialogue between the President of the University of Tokyo and JAL's Chairman at the 10th Anniversary "Airplane Workshop," co-hosted with the Institute of Industrial Science, The University of Tokyo, and reflected on the past decade and shared their commitment to nurturing the next generation and expectations for STEAM education; the event was streamed on Todai TV as part of the lead-up to the University of Tokyo's 150th anniversary in 2027. ●Conducted environmental initiatives and communications in partnership with sports teams. ●Launched initiatives to raise awareness and build momentum for SAF, commemorating March 2 ("SAF Day"). ●JALUX and ispace concluded a contract for lunar transport in 2028, as part of the "ARGO PROJECT" which is the world's first lunar transport service by an airline.
		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 CO_2 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) ●Foster human resources to lead a decarbonized society	●Four investment decisions made utilizing ICP*1. ●Partnered with PowerX Inc. to launch a demonstration of a carbon-zero agriculture model utilizing renewable energy. ●Launched a new initiative allowing customers to contribute to the creation of lush forests in Japan when purchasing "JAL Original Beef Curry" on the official online shopping site, “JAL Shopping JAL Mall.” ●Commenced examination of new businesses based on social value as part of the business portfolio transformation newly defined in the JAL Group Management Vision 2035.

*1 For Scope 1 and 2, a base price of 15,000 yen per ton of CO_2 emissions (equivalent to USD 112, at the time of ICP pricing in FY2023) is used as a shadow price in investment decision-making.

Measures for Sustainability of Natural Capital

Addressing Climate Change (TCFD) and Green Transformation Strategy

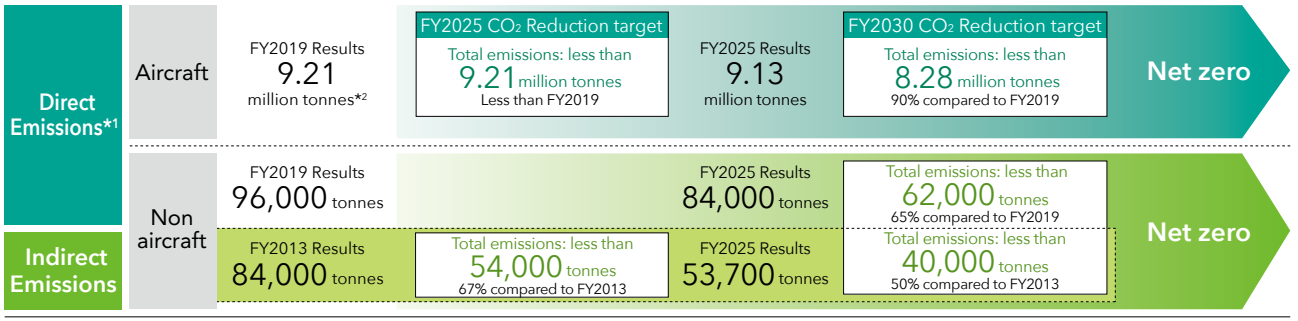
Indicators and Targets

The JAL Group's CO_2 emissions consist primarily of direct emissions from aircraft, which account for approximately 99% of the total. We therefore place the highest priority on reducing CO_2 emissions from aircraft. At the same time, we have set similarly ambitious targets for reducing CO_2 emissions from non-aircraft sources, such as ground facilities and ground vehicles, which account for approximately 1% of the total, and are working together across the Group to achieve them. In 2025, we limited net emissions to 9.13 million tonnes, achieving our CO_2 reduction target of keeping emissions below the FY2019 level of 9.21 million tonnes. To overcome a range of challenges, including technological innovation and market development, we will strengthen collaboration with stakeholders in Japan and overseas. In accordance with international frameworks for reducing CO_2 emissions and in alignment with the Japanese government's Clean Energy Strategy, we will continue to lead the industry through cutting-edge initiatives.

Targets and Initiatives to Reduce CO_2 by 2030

As a milestone toward achieving net-zero CO_2 emissions in 2050, in May 2021 the JAL Group established a specific target for FY2030: a 10% reduction in total emissions compared with FY2019. Since then, we have taken the lead on initiatives such as joint procurement of SAF through the **one**world alliance and the use of ESG financing for aircraft replacement, helping to advance decarbonization across the global aviation industry. Going forward, we will accelerate our existing initiatives, including the steady transition to more fuel-efficient aircraft, operational innovations in our day-to-day flight operations (JAL Green Operations), and strategic procurement of SAF based on specific targets for its use. We will also explore and implement the use of carbon credits and new technology for removal of CO_2 as we take on the challenge of achieving our targets. To achieve our ambitious goals of 10% SAF usage and reducing CO_2 emissions by 5% through the use of SAF, we will actively promote the commercialization of SAF through public-private partnerships and collaboration with stakeholders in Japan and overseas.

CO_2 Reduction Targets and Results



*1 Including offsets.*2 Including 0.12 million tonnes;FY2019 CO_2 emissions of Spring Japan Co.,Ltd which become a consolidated subsidiary in 2021

Efforts toward FY2030 Targets

Aircraft renewal

- Increase the ratio of fuel-efficient aircraft* (FY2019 23% ⇒ FY2030 67%)
- Through collaboration with start-up companies, contribute to the technological development of next-generation aircraft (hydrogen and electric)

*A350, 787, A321neo, 737-8



©ZeroAvia

Operational innovations

- Promote JAL Green Operations including Group Airlines
- Demonstrate and deploy fuel consumption-saving technologies (e.g., riblet shaped paint)

SAF

10% SAF Usage by 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
- Collaborative initiatives with local communities using carbon credits



New technologies for removal of CO_2

- Promote and introduce new next-generation technologies by funding companies with technology to remove CO_2 from the atmosphere

captura

Heirloom

TOPICS

JAL Group Achieves FY2025 Green Transformation Management Target

The JAL Group achieved its FY2025 Green Transformation management target of keeping net CO_2 emissions below the FY2019 level, an important milestone toward achieving net-zero CO_2 emissions in 2050. One of the key drivers behind this achievement was the Group's early adoption and use of fuels and carbon credits eligible under the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA), an international framework established by the International Civil Aviation Organization (ICAO).

- **Successfully achieved 1% SAF usage**

Through the proactive introduction of SAF that meets CORSIA requirements, we achieved our target of 1% SAF usage (approximately 40,000 kiloliters) of total fuel usage in FY2025 as planned.

- **Pioneering Procurement of CORSIA-Eligible Fuel and Carbon Credits**

We began procuring CORSIA-eligible fuel in FY2024. In FY2025, we also procured and retired CORSIA-eligible carbon credits.

Website | Press Release
https://press.jal.co.jp/en/release/202604/009507.html

Addressing Climate Change (TCFD) and Green Transformation Strategy

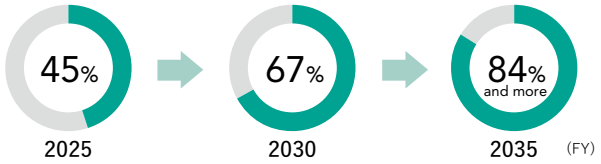
Priority Measures

Upgrading to Fuel-Efficient Aircraft

We are upgrading our aircraft to fuel-efficient, low-noise aircraft that reduce CO_2 emissions by approximately 15 percent to 25 percent compared to the aircraft they replace. We introduced the Airbus A350-1000 on international routes in January 2024. Looking ahead, we plan to deploy an additional 20 Airbus A350-900 aircraft, currently the mainstay of our domestic aircraft, on international routes, as well as introducing 10 additional Boeing 787 aircraft. For domestic routes, we will introduce 38 Boeing 737-8 aircraft from FY2026 to replace the Boeing 737-800 aircraft. In addition, JAL will introduce 11 Airbus A321neo aircraft as the successor to the Boeing 767 currently in service on domestic routes. This will be the first time JAL has operated the Airbus A321neo.

We are also actively involved in advancing technological innovation by working with manufacturers as development of next-generation aircraft powered by electricity, hydrogen, and other new technologies accelerates. Because the widespread adoption of these aircraft will also require supporting airport and other infrastructure, we will work with the government, airport operators, and other stakeholders to develop the necessary infrastructure.

Increasing the Ratio of Fuel-Efficient Aircraft toward 2035



Fuel-efficient aircraft: A350, 787, A321neo, and 737-8

Issuance of Transition Bonds to Procure Fuel-Efficient Aircraft

To steadily advance the upgrade of our aircraft with the latest fuel-efficient aircraft, we actively utilize ESG financing, including transition-linked loans and transition bonds.

We also engage in dialogue with investors and financial institutions to enhance their understanding of our ESG financing initiatives.

Reference Website | ESG Finance
https://www.jal.com/en/sustainability/esg-finance/



TOPICS

CONTRAIL Atmospheric Observation Project Transitions to Next-Generation Aircraft

JAL, in collaboration with the JAL Foundation, the Meteorological Research Institute of the Japan Meteorological Agency, the National Institute for Environmental Studies, and JAMCO Corporation, participates in the CONTRAIL project. The project aims to improve understanding of the global carbon cycle and the mechanisms of climate change by conducting extensive, high-frequency observations of upper-atmosphere greenhouse gas concentrations and isotopic ratios using commercial aircraft.

To date, the project has collected approximately 13.34 million atmospheric data points through approximately 22,000 flights serving 84 airports worldwide. The data have been highly valued by researchers in Japan and overseas and are contributing to climate change research around the world.

As the Boeing 777 aircraft that had served as the project's primary observation platform are being phased out, Continuous CO_2 Measuring Equipment (CME) and Automatic Air Sampling Equipment (ASE) for the Boeing 787-9 were developed with support from the Ministry of the Environment. During FY2025, modifications were completed on five Boeing 787-9 aircraft to install both observation systems. This has strengthened the observation system and is expected to enable the resumption of observations over India and equatorial regions, as well as the first-ever observations over the Middle East.

Going forward, the five partners will continue to contribute to a better understanding of climate change mechanisms and the protection of the global environment through the collection and analysis of atmospheric data, leveraging the unique ability of commercial aircraft to conduct regular observations over wide areas.



Measures for Sustainability of Natural Capital

Addressing Climate Change (TCFD) and Green Transformation Strategy

Achievement of the FY2025 Target of 1% SAF Usage

The JAL Group has set targets for Sustainable Aviation Fuel (SAF) to account for one percent of its total fuel by FY2025 and 10 percent by FY2030. Through steady procurement efforts both in Japan and overseas, we have successfully achieved the FY2025 target of one percent (approximately 40,000 kiloliters).

Working across Competitive Boundaries to Promote Stable Supply and Lower Costs

Establishing a stable supply system for SAF, including domestic SAF, requires not only expanded production but also cost reductions, including public support. In May 2026, the JAL Group and All Nippon Airways Co., Ltd. (ANA) jointly released a report to promote the stable supply of SAF and lower costs through a society-wide approach by working together within the supply chain, as well as national and local governments.

Toward Net Zero CO_2 Emissions from Air Transport in 2050 (Second Edition)

https://press.jal.co.jp/en/items/uploads/ANA%20and%20Japan%20Airlines%20Release%202nd%20Edition%20of%20Joint%20Report%20on%20SAF.pdf



Strategy for Expanding SAF Use

To achieve our ambitious next milestone of 10 percent SAF usage by FY2030, and to further expand SAF use beyond that, we are increasing the number of procurement locations while making maximum use of support programs for SAF production and utilization in countries and regions around the world. As global SAF supply remains limited, achieving this target will require a two-pronged approach: promoting the wider use of domestic SAF and investing in SAF production technologies to help expand supply.

Promoting the Wider Use of Domestic SAF

The JAL Group has been promoting the adoption of biofuel for more than 15 years. In October 2025, we invested in MORISORA Biorefinery LLC to realize SAF produced from domestically sourced woody biomass bioethanol. As an airline using SAF, we are directly investing in the project and sharing our expertise to support the early establishment of a purely domestic SAF business and the wider use of SAF in Japan.

Project MORISORA P.87

Investing in SAF Production Technologies (Participation in the oneworld BEV Fund)

In September 2025, together with **one**world alliance member airlines and partner companies, we invested in the **one**world Breakthrough Energy Ventures Fund, an investment fund managed by U.S.-based BEV. Through this investment, we will accelerate the development of next-generation SAF technologies, help establish a sustainable global SAF supply chain, and contribute to reducing CO_2 emissions.

Press Release

https://press.jal.co.jp/en/release/202509/009044.html

TOPICS

March 2 Designated as “SAF Day”—Raising Awareness and Building Momentum for SAF

Since successfully conducting the world's first flight using SAF in 2009, the JAL Group has spent more than 15 years promoting the use of SAF through initiatives including a project to produce domestic SAF from cotton clothing and participation in ACT FOR SKY.

In 2024, we launched the *Let's Fly with Used Cooking Oil project*, which utilizes household used cooking oil that would otherwise be discarded as feedstocks for SAF. With the cooperation of our customers nationwide, we have expanded our network of used cooking oil collection points to more than 280 locations (as of September 2026). As part of these efforts, on March 2, 2026, designated SAF Day (a play on the Japanese pronunciation of “3-2”), we carried out a range of initiatives, including awarding mileage to participants in the project, raising awareness of SAF at airports and onboard aircraft, and collaborating with sports teams.

Through these and other initiatives that transcend industry boundaries, awareness of SAF continues to grow. The JAL Group will continue to promote initiatives that raise awareness of SAF and build momentum for its wider adoption, working together with our stakeholders to help realize a decarbonized society.



SAF Day key visual

Addressing Climate Change (TCFD) and Green Transformation Strategy

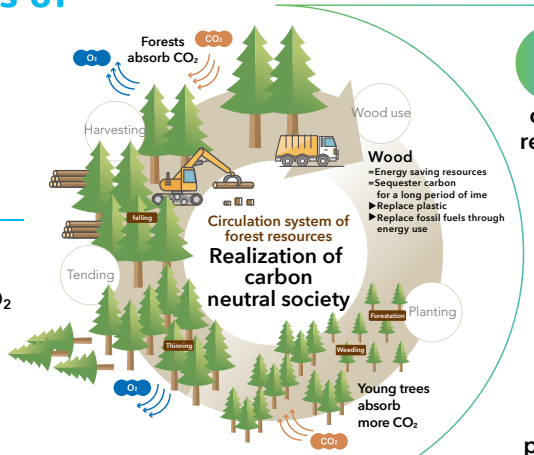
Project MORISORA
from Forest 森から空へ to Sky

Toward the Realization of a "Purely Domestic SAF" Business Using Domestic Woody Biomass

For more than a decade, the JAL Group has been working to promote the wider adoption of SAF. As one of our initiatives to advance domestic SAF production, we invested in MORISORA Biorefinery LLC in October 2025, a joint venture established by Nippon Paper Industries Co., Ltd., Sumitomo Corporation, and Green Earth Institute Co., Ltd. Project MORISORA aims to produce bioethanol primarily from domestic woody biomass in the Tohoku region. Through this initiative, we are helping advance purely domestic SAF while contributing to a decarbonized society, sustainable forest management, and the recovery of the Tohoku region.

Three Key Features of Project MORISORA

Establish a sustainable supply chain to realize carbon neutral sky



1 Purely domestic bioethanol from domestic woody biomass with little CO_2 emissions

Features of bioethanol from domestic woody biomass: shorter transportation distance and lower CO_2 emission by using black liquor in comparison with imported ethanol from edible sources

2 Contribution to the circulation system of Japan's forest resources by making full use of them

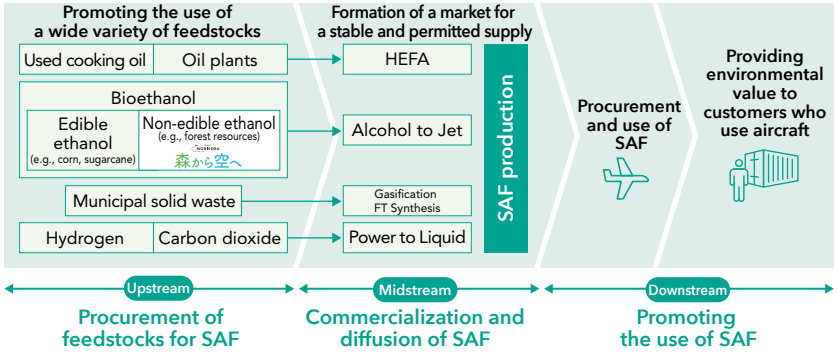
The Project MORISORA uses residues of wood that are unsuitable for building materials or furniture as raw materials, which is a form of "cascade utilization" of By making full use of forest resources, the Project contributes to effective use of the resources and reducing environmental impact.

3 Revitalization of local communities through local production for local consumption

By planting "Elite Tree" , which grows 1.5 times faster (CO2 absorption rate is 1.5 times higher) than conventional species, efficient forestry management is expected. This leads to circulation of local economy and decarbonized society.

The Role of Project MORISORA

Scaling up SAF production requires cross-industry collaboration at every stage of the value chain, from feedstock procurement to commercialization, market adoption, and wider use. Leveraging the partnerships it has built over the years, the JAL Group is working with stakeholders to build the value chain needed to accelerate the adoption of SAF.



VOICE

A vision for the future through bioethanol produced from domestic woody biomass

Project MORISORA produces bioethanol from woody biomass, primarily from the Tohoku region, with the goal of supplying SAF through the alcohol-to-jet (ATJ) process. To play a leading role in building a domestic SAF supply chain and advancing the commercialization of domestically produced SAF, the JAL Group invested in MORISORA Biorefinery LLC in October 2025.

Project MORISORA is guided by the slogan, "Transforming the Power of Forest into the Power of Flight," and its significance extends far beyond supplying feedstock for domestically produced SAF. First, it contributes to sustainable forest management. By actively utilizing mature plantation forests with declining CO_2 absorption capacity and promoting reforestation and forest maintenance, the project helps maintain healthy forest ecosystems. It also improves the efficiency of forestry operations through the introduction of fast-growing, low-pollen "elite trees." Second, it supports the recovery of the Tohoku region and contributes to local industries. By creating new demand for domestically sourced woody biomass, the project aims to sustain and expand forestry businesses and the forestry workforce while helping revive the forestry industry in areas where recovery has been delayed by the Great East Japan Earthquake.

A semi-commercial plant is scheduled to begin operations in fiscal 2026. The JAL Group is also exploring initiatives that will utilize the bioethanol produced there to help accelerate the transition to a decarbonized society.

Through these efforts, the JAL Group aims not only to achieve its CO_2 emissions reduction targets but also to nurture Japan's forests through the active use of domestically sourced timber and help realize a sustainable society by working together with local communities and economies.



HATTORI Sumire
Domestic SAF Promotion Task Force

Measures for Sustainability of Natural Capital

Addressing Climate Change (TCFD) and Green Transformation Strategy

Reduction in Daily Operations

JAL Green Operations is the name given to our various efforts to reduce CO_2 emissions in our daily operations, with safe operations as the fundamental premise, 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 the fuel on board. JAL Group companies with external companies and research institutions are working together to further reinforce and promote inflight operational efforts by flight crew, which have been actively implemented for some time.

In addition, together with the Japan Aerospace Exploration Agency (JAXA) and O-Well Corporation, we are participating in the JAXA Space Innovation through Partnership and Co-creation (J-SPARC) and conducting the world's first flight demonstration using aircraft with riblets applied over the aircraft's external paint. If put into practical use, this technology is expected to improve fuel efficiency by up to approximately two percent and contribute significantly to reducing CO_2 emissions. In January 2026, ZIPAIR began operating a Boeing 787-8 aircraft (JA851J) with a riblet-shaped coating applied to the sides of its fuselage for the first time. Going forward, we will verify the durability and appearance of the riblet-shaped coating applied over a large area, as well as its fuel-efficiency benefits on long-haul international flights, while seeking to expand the application area and continuing our efforts to advance decarbonization.



Riblet Coating to JA851J

Efforts to Reduce CO_2 in Ground Facilities and Vehicles

In accordance with Japan's Act on the Rational Use of Energy and the Transition to Non-Fossil Energy (Energy Conservation Act), the JAL Group has set a target of reducing energy consumption in its ground facilities by an average of at least one percent per year in energy intensity over a five-year period.

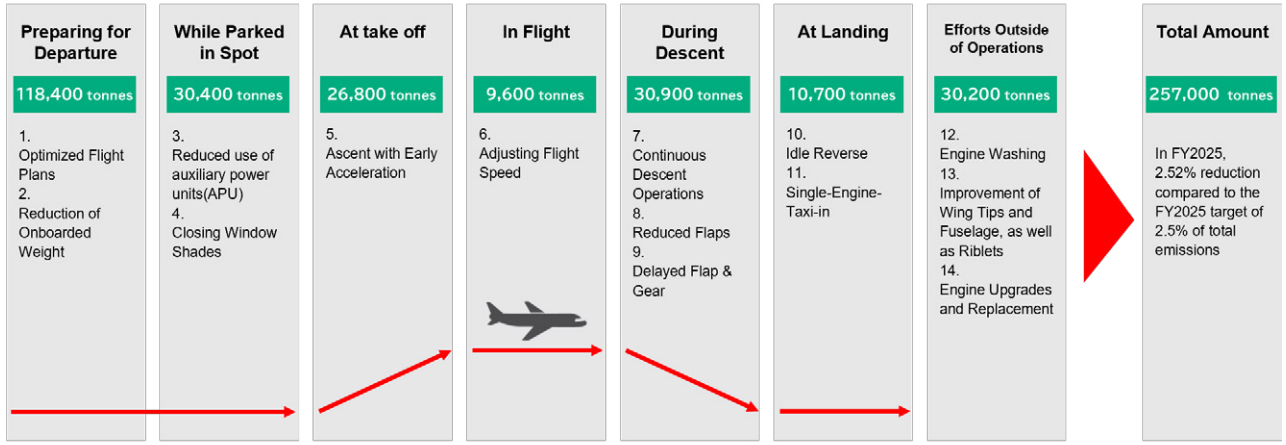
To achieve our 2030 carbon half target for indirect emissions, we are further accelerating the installation of LED lighting, introducing air-conditioning control systems, and procuring non-fossil certificates. In FY2025, we achieved our interim target of reducing CO_2 emissions by 33 percent from the FY2013 level to less than 54,000 tonnes, while also appropriately complying with the Tokyo Metropolitan Government's mandatory emissions reduction program.

We are also promoting the introduction of electric ground support equipment (GSE) and expanding the use of biodiesel fuel to reduce CO_2 emissions from airport ground vehicles. In collaboration with local communities, biodiesel fuel is now being used at 25 airports across Japan (as of July 2026). As charging infrastructure for electric vehicles at airports continues to expand, we will further accelerate the replacement of aging diesel-powered ground support equipment with electric vehicles.

Reducing CO_2 emissions at airports will require close collaboration with government agencies and other stakeholders to expand airport charging infrastructure. The JAL Group will continue working to introduce electric vehicles and expand the use of biodiesel fuel at airports throughout Japan, contributing to the realization of a decarbonized society.

JAL Green Operations

CO_2 reduction in FY2025



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/



Electric vehicles

Addressing Climate Change (TCFD) and Green Transformation Strategy

Utilizing Carbon Credits

The JAL Group is working to achieve net-zero CO_2 emissions in 2050 through direct emissions reduction initiatives, including upgrading its aircraft with more fuel-efficient aircraft and expanding the use of sustainable aviation fuel (SAF). For emissions that cannot yet be eliminated, we use carbon credits to offset the remaining emissions.

In October 2025, we established the JAL Group's basic policy on the use of carbon credits. We have put in place a framework for the selective use of credits that comply with international frameworks, including the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA), and have begun procuring and retiring CORSIA-eligible credits. Through these initiatives, we achieved our FY2025 Green Transformation target of keeping net CO_2 emissions from aircraft below the FY2019 level.

Strategic Investment in BeZero Carbon

In January 2025, we made a strategic investment in BeZero Carbon, a global carbon ratings agency that independently evaluates the quality of carbon credits and works to enhance transparency and credibility in the carbon market. This investment was recognized for its strategic value and social impact in the climate tech sector and was a key factor in the JAL Group being named one of the Top 100 at the Corporate Startup Stars 2025 global awards.

Reference Website | Press Release

https://press.jal.co.jp/en/release/202512/009180.html

Carbon Credit Initiatives by Group Companies and Local Communities

Each JAL Group company is also promoting initiatives tailored to its business characteristics, including the use of carbon offsets and collaborative initiatives with local communities.

Hokkaido Air System Co., Ltd.

As part of a locally produced, locally consumed initiative undertaken in collaboration with the community, Hokkaido Air System purchased blue carbon credits issued by the town of Okushiri in January 2025. As a regional airline operating scheduled services to Okushiri, it is working together with the local community to support the realization of Sustainable Island Okushiri.

Reference Website | Press Release (Japanese only)

https://press.jal.co.jp/ja/areanews/items/uploads/HAC_Press_20250128.pdf



ZIPAIR Tokyo Inc.

In May 2025, ZIPAIR became the first airline in the world to receive third-party certification for ISO 14068-1:2023, an international standard for carbon neutrality. In addition to its own emissions reduction efforts, the airline is promoting initiatives to help realize a sustainable society by offsetting through the use of carbon credits that meet the standard.

Reference Website | Press Release

https://www.zipair.net/en/notification/313



Left: URUSHIBARA Masaki, Representative Director and President, BSI Group Japan K.K. (at the time)
Right: NISHIIDA Shingo, Representative Director and President, ZIPAIR Tokyo Inc. (at the time)

TOPICS

JAL Corporate SAF Program: A Collaborative Model for Sharing Environmental Value

By using SAF, the JAL Group reduces CO_2 emissions directly generated by its aircraft (Scope 1) while also helping reduce the indirect CO_2 emissions (Scope 3) of customers who use air transportation. Through the JAL Corporate SAF Program, the environmental value of these Scope 3 emissions reductions is certified and provided to corporate customers, enabling them to reduce CO_2 emissions across their supply chains, including those associated with air cargo transportation and employee business travel. The program is a collaborative model in which society as a whole supports the wider adoption of SAF to help decarbonize aviation. Launched in 2024, the program had attracted 14 participating companies as of July 2026. By raising awareness of the CO_2 reduction benefits of SAF and promoting broader participation in the program, we aim to contribute to the realization of a decarbonized society together with our partner companies.

Measures for Sustainability of Natural Capital

Biodiversity Conservation (TNFD)

Fundamental Principles

The JAL Group recognizes that its operations both deeply rely on and impact rich natural capital, and is dedicated to the comprehensive realization of "Nature Positive," "Net-Zero Emissions," and a "Circular Economy." Through our business activities, JAL aims to create a society where nature and people coexist in harmony, driven by creating the flow of people as well as commercial and logistics flows. By leveraging mobility to build relationships and connections, JAL aspires to establish a future where everyone can feel affluence and hope, thereby enhancing our corporate value.

Strategy

In accordance with the LEAP approach proposed by the Task Force on Nature-related Financial Disclosures (TNFD) and under the concept of double materiality, we identified priority areas and evaluated associated risks and opportunities. Particularly for the airline business, which accounts for the majority of JAL's revenue, we mapped the interfaces with nature across the entire value chain, from aircraft manufacturing to customer experience.

LEAP Approach Image

Scoping
Set the destinations for the airline business as the scope as location information could be identified. Destinations were the key revenue source covering most of JAL Group's revenue.

L

Locate
Mapped out JAL Group destinations, with biodiversity and water risks, and set them as Sensitive Locations to identify points of contact with nature.

E

Evaluate
The demand for 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 being protected from natural disasters. Hence, the possible environmental pollution to the area surrounding the airport and other factors is to be identified.

A

Assess
Based on the identified dependencies and impacts, risks were examined with a focus on destination airports, and an initial study of future risks was conducted to prevent overtourism and environmental degradation from leading to a decline in passenger numbers. Concurrently, opportunities to create the flow of people were explored through the expansion of initiatives such as ecotourism and crane conservation activities.

P

Prepare
Acceleration of initiatives, including expanding the analysis of the JAL Group's biodiversity-related disclosure contents.

Identifying Priority Areas (Water/Biodiversity Risks)

The JAL Group recognizes water as a critical resource that impacts climate change and biodiversity, and is committed to its sustainable use. Based on an analysis utilizing Aqueduct*, our water withdrawal areas are primarily located in Japan, which is considered to have a low water-stress level. Although we recognize the risk as low, we have identified the Tokyo metropolitan area, namely Haneda and Narita which accounts for 80 percent of our total water withdrawal and serves as the hub of our air transportation business—as a priority area. We will strive to conserve water resources through initiatives such as recycling the water used for washing aircraft parts. Furthermore, beyond the perspective of water, we have identified priority locations for conservation by focusing on biodiversity itself, including ecosystems such as forests and oceans, as well as the diverse species that inhabit them. By cross-referencing with areas of significant biodiversity using the WWF's Biodiversity Risk Filter, we recognized that many of the JAL Group's domestic destinations are located in high biodiversity risk areas.

We identified "Sensitive Locations" and "Material Locations" and cross-referenced them to designate Hokkaido, Kagoshima, Okinawa, and Tokyo as priority areas, undertaking initiatives such as the cultivation of sexually reproduced coral in Okinawa. For overseas destinations, after identifying Sensitive Locations by combining the four tools recommended by the TNFD* (Aqueduct, IBAT, GFW, and ENCORE) with Illegal Wildlife Trade (IWT) hotspots, we cross-referenced them with Material Locations. Through this process, we identified Hawaii and Australia—where our operations depend on and impact nature—as priority areas and are driving targeted initiatives. For example, we conduct restoration activities at Diamond Head in Hawaii and implement measures on flights bound for Australia to prevent the entry of invasive pests.

* Aqueduct: Water risk mapping tool, IBAT: Biodiversity assessment tool, GFW: Biodiversity assessment tool, ENCORE: Tool for evaluating corporate risks and opportunities related to natural capital

Conservation of Biodiversity
https://www.jal.com/en-jp/sustainability/environment/biodiversity/

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



	UPSTREAM (Supply Chain)			DIRECT OPERATIONS			DOWNSTREAM (Customers)
	Aircraft and Parts Manufacturing	Fuels & Energy	Foods & Commercial Products	Sales & Marketing	Airport Handling & Maintenance	Flight Operations	Customer Experience
Interfaces with Nature (Examples)	Resource Utilization		Procurement and Sales of Foods and Commercial Products		Illegal Wildlife Trade Water Usage	CO_2 Emissions CO_2 Offset	Ecotourism
Risks and Opportunities of the Airline Business	Risks arising from the impact of resource use on water, soil, and biodiversity.		Creation of commercial and logistics flows through the transportation of ingredients and commercial products derived from rich ecosystems.				
	Risk of difficulty securing SAF due to concerns over ecosystem impacts during its production process.		Risk of restrictions on ingredients and commercial products due to stricter regulations on wildlife use aimed at protecting rare species.		Risk of damage to brand value due to unintentional involvement in illegal wildlife trade.		Risk of a reduction in the number of passengers due to the depletion of attractiveness at natural tourism destinations caused by overtourism.
					Risk of damage to brand value due to unintentional transportation of invasive alien species that could harm ecosystems and public health.	CO_2 emission from flight operations. (Disclosed as TCFD)	Risk of a decline in total passengers due to the loss of natural tourism resources caused by ecosystem changes.
							Opportunities to create demand for ecotourism.
				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.			
				Risk of a decline in total passengers and sales in the air transportation business due to pandemics caused by ecological changes.			

Biodiversity Conservation (TNFD)

Risks and Opportunities

While biodiversity loss poses a significant risk to the sustainability of the air transportation business, managing it also presents key opportunities.

Based on the dependencies and impacts identified during a workshop held with experts from WWF Japan in 2023, our evaluated nature-related risks and opportunities are summarized in the table below.

Furthermore, these evaluations are reviewed annually, incorporating insights from expert dialogues with individuals such as HAMASHIMA Naoko, the then Director of the Biodiversity Mainstreaming Office at the Ministry of the Environment, and HARAGUCHI Makoto from MS&AD Insurance Group Holdings, Inc., a TNFD Task Force member. Moving forward, we will deepen our evaluation of risks and opportunities through financial impact analysis and other assessments.

Risks

Types of Risks	Overview of Risks	Actions Taken to Mitigate Risks
Transition Risks • Policy and Law • Technology • Market • 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 and the like. • Use of sustainable food and merchandise.
	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 raw materials, 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 raw materials, 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.
	Risk of restriction on airport operations due to environmental pollution around airports.	Thorough prevention procedures and post-occurrence response procedures.
Physical Risks • Acute Risks • Chronic Risks	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 and the like. • Foster relationships and societal connections through the airline network.
	Create flows of commodities and logistics through the transportation of food ingredients and merchandise derived from rich ecosystems.	Contribution to regional economic revitalization through rapid and fresh transportation of food ingredients and merchandise.
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.

Measures for Sustainability of Natural Capital

Biodiversity Conservation (TNFD)

Metrics and Targets

The JAL Group recognizes that biodiversity is impacted by a wide range of environmental issues—including climate change, resource use, and pollution—and aims to address them through comprehensive solutions. In alignment with the TNFD Core Global Metrics, we disclose targets directly related to biodiversity conservation, as well as key environmental data such as CO_2 emissions, waste generation, and water consumption

Initiatives	Metrics		Targets
CO_2 Emission Reduction	Scope 1 [Aviation] Emissions		Net-zero by 2050
Reduction of Single-use Plastic*1	Cabins and Lounges : Maintaining 100% elimination of virgin petroleum-based plastics		Maintain 100%
	Cargo and Airport: Maintaining 100% use of eco-friendly materials contained items*2		Maintain 100%
Inflight Food Waste Reduction	Food waste rate		Maintain 2.5% or less (Maintain achieved FY25 target)
Resource Circulation via Composting Food Residue	Composting rate		Maintain 100% (Maintain FY22 achieved level)
Industrial Waste Reduction	Final disposal rate		Maintain 1% or less
Preservation and Expansion of Tourism Resources	[Okinawa] Number of sexually reproduced coral colonies cultivated		1,000 colonies within 2026
	[Okinawa] Expansion status of tours related to sexually reproduced coral		Expand tours within 2026
	[Hokkaido] Expansion of regional partnerships and participants through red-crowned crane conservation:	Cumulative participants in "Conservation Activities" and "Learning Programs"	FY30: 700 participants
		Cumulative number of partnering municipalities and organizations	FY30: 20 organizations
	[Kagoshima (Amami/Uken Village)] Mangrove planting through industry-government-academia collaboration*3: Number of eco-tours conducted		3 times per year
Utilization of Certified Products	% of inflight items utilizing certified paper		Maintain 100%
Prevention of Illegal Wildlife Trade (IWT)	Number of incidents of illegal wildlife transportation		Maintain 0 incidents
Biodiversity Considerations in Handled Food and Products	Number of violations of internal guidelines for food and products aimed at mitigating ESG risks		Maintain 0 violations
Minimizing Impacts on Ecosystems Surrounding Airports	[Tokyo] Number of incidents of improper management of water containing hazardous substances		Maintain 0 incidents

*1 Single-use plastic products provided to our customers, Japan Airlines Co., Ltd. only *2 Items that do not use virgin petroleum-based raw materials or have reduced their use by utilizing materials such as biomass, recycled plastic, and certified paper, etc. *3 Project based on an industry-academia-government collaboration agreement with Uken Village, Sophia University, and ITOCHU Corporation.

Key Initiatives

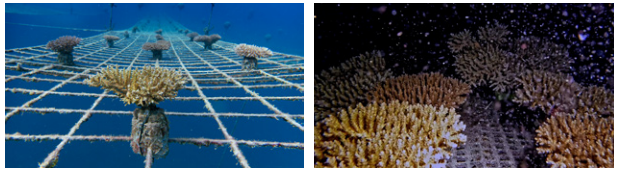
Conserving Red-Crowned Cranes

The logo on the horizontal stabilizer of JAL Group aircraft is inspired by the red-crowned crane (Tancho), a protected species of Japan. To help conserve the red-crowned crane, which is also designated as a National Rare Species of Wild Fauna and Flora, employee volunteers have conducted annual habitat maintenance at the crane's feeding grounds in Tsurui Village, Hokkaido, since 2016.

In Naganuma Town, Hokkaido, in alignment with the municipality's vision of "Creating a Town Where Red-crowned Cranes Can Live," JAL has supported various local initiatives, including cooperating on crane-themed bus tours and selling regional products on "JAL Mall." Furthermore, starting in 2025, in partnership with AEON Hokkaido Co., Ltd., which has similarly engaged in local crane conservation, JAL launched the "Eco-Harmony Program," an initiative designed to achieve harmony between human society and the natural environment. In FY2025, the program provided educational activities on forming ecological networks to children residing in the Chitose River basin. These conservation activities in the region are also linked to initiatives undertaken by the Ishikari River Basin Ecological Network Promotion Council, established in February 2024. As a member of the Council, JAL collaborates with local governments and corporate partners to conserve basin-wide biodiversity, actively driving regional revitalization and economic activity through the sustainable utilization of rich natural capital.

Coral Restoration Project by Enhancing Sexual Reproduction

Coral reefs serve as vital habitats for the coexistence and productivity of diverse marine species, fulfilling a wide array of ecological functions. In recent years, however, the increasing frequency of coral bleaching and other factors have affected these ecosystems, outpacing their natural ability to recover autonomously. In response to this crisis, the Coral Seedling Production Committee of the Yaeyama Fisheries Cooperative has been working to restore coral reefs since 2018. The committee's core methodology focuses on sexual reproduction—cultivating coral from eggs—which offers the benefit of preserving genetic diversity through a "full-cycle aquaculture" model that continuously produces juvenile coral seedlings from annually harvested eggs. To support this initiative, Japan Transocean Air (JTA), in partnership with the Fisheries Civil Engineering Technology Center and local Okinawan businesses, established the Council for Supporting Coral Restoration through Sexual Reproduction in 2020, and in May 2024 and June 2025, coral spawning from sexually propagated colonies was confirmed for the first time in Sakieda Bay, Ishigaki City. Furthermore, in 2025, the "Ishigaki Island Coral Spawning Farm" managed by the committee became the first site in Japan to receive official national certification as a "Nature Coexistence Site" primarily dedicated to coral restoration—a rare national milestone in active ecosystem recovery. Maintaining these breeding hubs through coral restoration contributes to the expansion of fishery resources and the regeneration of fishing grounds, representing an initiative deeply aligned with a "Nature-Positive Economy."



Purple tipped acropora cultivated on wire-type shelves (left) and Spawning (right)
Courtesy of Yaeyama Fishery Cooperative Association Coral Seedling Production Committee

Effective Use of Limited Resources

Basic Concept and Strategy

Based on the JAL Group Environmental Policy and to fulfill our responsibility to pass on a precious Earth to future generations, the JAL Group is committed to realizing a circular economy through the effective use of limited resources.

In line with the 3Rs (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 and resource waste, reducing the use of single-use plastics products, and conserving water resources. Greenhouse gas emissions will also be reduced through these efforts. Together with our customers, this will be achieved by reducing food waste and the use of plastic products at every touchpoint. We will also work with our business partners to promote resource circulation and the effective use of resources by reducing waste throughout the supply chain and recycling inflight waste.

Food Waste Reduction Program P.113

Priority Measures

Reduction of Single-Use Plastics

To address the issue of single-use plastics, a contributing factor to global warming and marine pollution, in May 2021 the JAL Group established management targets up to FY2025. With the cooperation of our customers, JAL achieved its FY2025 target for all single-use plastic items*1 provided to customers under the 3R (Reduce/Reuse/Recycle) + 1R (Redesign) approach. Going forward, we will continue to maintain and advance these initiatives as a materiality KPI up to FY2030.

Materiality P.33

*1 JAL original items

*2 Items that do not use virgin petroleum-based raw materials or have reduced their use by utilizing materials such as biomass, recycled plastic, and certified paper, etc.

For more information, visit the link below

https://www.jal.com/en-jp/sustainability/environment/limited-resources/#anc02

FY2025 Management Targets and Key Initiatives for Reducing Single-Use Plastics

FY2025 Targets	Results
Cabins and lounges: No use of virgin petroleum-based plastics	Achieved



Redesign/Recycle
Changed to internationally certified paper lid
Recycling paper cups on some domestic flights



Redesign/Recycle
100% recycled PET bottles

Reduce/Redesign
Containers made from recycled PET bottles

Reuse/Redesign
100% plant-based tableware reusable after washing
Lids made from 100% recycled PET bottles



Redesign
Containers and tray mats made from internationally certified paper



Redesign
Cutlery packaging made from 100% plant-based materials

FY2025 Targets	Results
Cargo and airport: Switch all items to eco-friendly materials*2 contained	Achieved



Redesign
Plastic baggage covers made from 50% biomass for hands-free travel service



Reduce
No more plastic baggage cover handouts at airports (1.5 million bags per year)



Recycle/Redesign
Plastic sheets for cargo packaging contain recycled materials, and stretch film used to secure cargo is made from biobased materials using the mass balance approach

Conservation of Water Resources

The JAL Group endeavors to conserve and reduce water consumption to address water resource issues. Our target at our aircraft maintenance facilities is to reduce water consumption by 1% year on year.

Approximately 240 m³ per day of 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 complies strictly with laws and regulations. Also, the water quality and conservation at the wastewater treatment facility in our maintenance facilities is thorough and strictly follow standards. No industrial water is used. Graywater is used at some of our ground facilities to conserve water on a daily basis.

For more information, visit the link below

https://www.jal.com/en-jp/sustainability/environment/limited-resources/#anc06

Recycling of Inflight Waste

As a JAL's unique initiative to promote resource circulation, we collect and separate inflight waste, such as bottles, cans, PET bottles, used paper cups, newspapers, and inflight magazines, and recycle these materials in collaboration with recycling companies. Since December 2022, together with the Nippon Paper Group, we collect, sort, and recycle used paper cups on selected domestic flights. Through a three-company collaboration with Tokan Kogyo Co., Ltd., a paper cup manufacturer, we established a horizontal recycling scheme to turn "paper cups into paper cups." For a limited period in June 2024, beverages were served in recycled paper cups on domestic flights departing from Haneda Airport. In addition, in collaboration with choito®, a brand created through the Nippon Paper Group's paper container recycling project, we sell paper-thread hand towels and canvas products made partly from recycled paper cups at the JAL SKY MUSEUM. We also reuse resources such as upcycling of seat belts and life jackets used onboard through initiatives planned by our aircraft maintenance engineers.





Governance

Key Points in This Chapter

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

Messages from Outside Directors and the Chair of the Board of Directors

Focusing on Proactive Recommendations and Monitoring



YANAGI Hiroyuki
Outside Director
Chair of the Nominating Committee

Recommendations on Three Key Themes

In FY2025, I discussed three major themes with the executive team.

The first concerned two business investments related to the Mileage and Lifestyle business. Both were important strategic investments, and the Board of Directors engaged in extensive discussions about the future direction of the Mileage and Lifestyle business, including the financial services domain. I expressed my support for the basic concept of expanding the range of services we provide in customers' daily lives, with their needs as the starting point. However, I also recommended developing a clearer overall vision of the areas into which the business should expand and the extent of that expansion. I also recommend considering how best to build and deepen the expertise needed to expand into new areas, including by developing human resources and securing professionals with specialized expertise.

The second theme was the evolution of Group management and consolidated management. The privatization of listed subsidiaries in FY2025 highlighted issues in communication with Group companies, so I proposed that the Board of Directors discuss how such communication should be managed. In response, the executive team is reviewing the Group from three perspectives: whether the number of companies is appropriate, whether the Group is structured appropriately, and whether authority and responsibilities are clearly defined. Going forward, through continued discussion, we will enhance the effectiveness of Group management, maximize synergies across the consolidated Group, and ultimately increase corporate value.

The third theme was the JAL Group Management Vision 2035. I have consistently recommended that the airline business remain the cornerstone of JAL's growth and that the priority be to further enhance its capabilities. I believe it was highly significant that the strategy clearly set out the growth of the Mileage/Finance and Commerce business alongside the continued strengthening of the airline business. Another major step forward was the establishment of new Group-wide cross-functional strategies to drive transformation, together with specific targets for each initiative. Going forward, I will continue to recommend closely monitoring the steady implementation of these initiatives and clearly communicating their progress and outcomes.

Focusing on Inheritance,* Which Encompasses Succession, and Safety Initiatives

The most important theme for the Nominating Committee is the development of the next generation of human resource management. Our discussions extend beyond selecting the next CEO to consider the optimal composition of the management team as a whole. We also place particular emphasis on the concept of "inheritance," which goes beyond simply passing on positions to encompass carrying forward and further developing the culture and DNA that the JAL Group has long valued.

We are also discussing initiatives related to safety, which are now explicitly included in OUR VALUE as part of JAL Vision 2035. In light of the alcohol-related incident involving a cabin attendant in May 2026, I have recommended thoroughly analyzing both the direct and underlying causes and, based on the findings, extending to cabin attendants the systems already in place for flight crew. Going forward, we will continue working to further embed a culture throughout the Group where every employee acts with the conviction that they are ultimately responsible for safety.

* Inheritance refers to passing on not only roles and positions but also the airline's culture, philosophy, and DNA to the next generation.

Bringing in Outside Perspectives to Build on Our Strengths



MITSUYA Yuko
Outside Director
Chair of the Corporate Governance Committee

Recent Monitoring and Recommendations and Their Outcomes

In terms of the JAL Group's corporate governance, I believe that sufficient information is shared with the outside directors to address information asymmetries between the executive and monitoring sides, and that the delegation of authority and monitoring are functioning effectively. The three outside directors draw on experience and expertise gained in different fields, including manufacturing, urban development, and human resource development, and contribute a diverse range of perspectives. I recognize that this may place additional demands on the executive team, but I believe it is important for us as outside directors to raise issues that we feel have not been sufficiently addressed and to bring new perspectives to the discussion. The executive team takes these views seriously and keeps us fully informed of subsequent developments.

The airline industry is highly sensitive to changes in the external environment, and risks can materialize quickly. By contrast, the benefits of steady, ongoing management improvements often take time to become apparent. Against this backdrop, as an outside director, I strive to monitor management and offer recommendations with JAL's distinctive value creation and the enhancement of corporate value in mind, drawing on the perspectives of shareholders and external stakeholders and, at times, that of a customer.

For example, I have personally experienced the services offered by competitors and shared my observations on how JAL differs from them and where its strengths and weaknesses lie with the Board of Directors to inform discussions on ways to further strengthen the airline. One outcome of these discussions has been improvements to the usability of the JAL app. I believe the digital experience, which serves as the first point of contact with customers, has improved significantly, creating a smoother transition to hospitality, which is one of JAL's strengths. Going forward, I will continue to offer recommendations aimed at further enhancing JAL's distinctive customer experience by improving both its digital services and the service delivered by its people.

Resilience as the Source of Corporate Value

I believe JAL's fundamental strength lies in the experience it has gained from overcoming adversity and in the resilience it has developed as a result. Many members of the current management team have experienced and overcome both the airline's bankruptcy and the COVID-19 pandemic. Having spent many years in the world of sports, I see this resilience not simply as strength but also as adaptability. The strong determination never to repeat such experiences has also shaped a management approach that seeks to ensure that all stakeholders, including shareholders and investors, customers, employees, and local communities, feel that their relationship with JAL has been worthwhile. This approach is strongly reflected in the JAL Group Management Vision 2035.

As an outside director, I will continue to closely monitor management and offer recommendations to help JAL adapt resiliently to rapid changes and challenges in the external environment and enhance corporate value through the JAL Group Management Vision 2035.

Messages from Outside Directors and the Chair of the Board of Directors

Pursuing Both Social and Economic Value



KOMODA Masanobu
Outside Director
Chair of the Compensation Committee

Effectiveness of the Board of Directors and the JAL Group Management Vision 2035

In FY2025, my first year as an outside director, I participated in discussions on the development of the JAL Group Management Vision 2035, which gave me a broad understanding of the airline's overall direction, including its vision for the future, the direction of its businesses, and the challenges involved in realizing that vision. The Board operates effectively, with well-managed proceedings that encourage open and candid discussion. Important topics are given ample time for in-depth discussion, supported by thorough data analysis.

Drawing on my management experience, I have also offered recommendations on specific issues. For example, when the airline was considering a change in the strategic shareholder structure of its affiliate Jetstar Japan, I recommended that a decision be made only after gaining a thorough understanding of the situation on the front lines. Steps were subsequently taken to deepen this understanding, which I believe led to a more transparent decision-making process.

I believe the JAL Group Management Vision 2035 appropriately combines a vision of where the airline aims to be in 10 years with annual management plans. As the rapid advances in generative AI demonstrate, ideas conceived with a 10-year horizon could evolve to the point where they need to be realized within five years. This makes it essential to use the JAL Group Management Vision 2035 as a long-term compass, while flexibly revising annual plans and responding swiftly to change.

Reviewing the Appropriateness of Executive Compensation

The Board of Directors continues to operate with a high degree of effectiveness and is firmly committed to strengthening governance, including its response to alcohol-related issues. Business performance has also improved steadily in recent years, and the targets of the Medium-Term Management Plan have been achieved. In light of these accomplishments, it is important to continually review executive compensation levels to ensure that they remain appropriate, taking into account prevailing market levels and other relevant factors.

Enhancing Corporate Value from Both Short- and Long-Term Perspectives

JAL's business, like the real estate and urban development businesses in which I have been involved, requires substantial investment. In businesses of this kind, placing too much emphasis on shareholder returns can result in insufficient strategic investment, potentially leading to increased borrowing and a weakened financial foundation. For JAL in particular, given the highly uncertain business environment, it is essential to maintain sufficient liquidity and a sound financial position. This requires an appropriate balance between short-term shareholder returns and long-term growth investment. It is also important to recognize that JAL creates not only economic value but also social value by enabling people to travel and creating enriching experiences, inspiration, and relationships and societal connections through tourism and business. By carefully communicating these forms of value to all stakeholders, including shareholders and investors and customers, I will contribute to the sustainable enhancement of corporate value.

Contributing to Corporate Value from a Long-Term, Group-Wide Perspective



AKASAKA Yuji
Chair of the Board

Toward the Realization of the JAL Group Management Vision 2035

FY2025 was an important year in which we brought the previous Medium-Term Management Plan to its culmination and formulated the JAL Group Management Vision 2035. The Board of Directors engaged in extensive discussions on the JAL Group's aspirations for 2030 and 2035 and the growth strategies needed to enhance corporate value.

What the Board focused on in these discussions was how JAL can leverage its strengths in an era of rapid change and turn them into drivers of growth and enhanced corporate value. Fully harnessing rapidly advancing AI and digital technologies will of course be essential, but I believe the value created by people will become even more important. Positioning JAL's deep pool of human capital as a source of growth and corporate value creation, it will be critical to strategically harness the creativity, distinctiveness, and diversity that our people bring.

Realizing this management vision will require us to further develop our strategies and incorporate new ideas. We will need to continue refining and adjusting these strategies as we accurately assess changes in the social environment. The Board of Directors will continue its discussions to ensure the successful realization of JAL Vision 2035.

A Board That Creates Corporate Value

An airline's foremost mission is to provide services that customers can always use with confidence, with safety as the fundamental prerequisite, and to reliably maintain the vital social infrastructure it provides. The executive team devotes its utmost efforts to fulfilling this responsibility while responding to the various irregular events and uncertainties that arise in day-to-day operations.

The Board of Directors, meanwhile, draws on the diverse expertise of its members to support the executive team in its efforts and challenges, leading to more fundamental and strategic discussions and ensuring effective governance. The Board also has a responsibility to look beyond the perspective of the executive team, taking a longer-term, holistic view of what is best for the Group as a whole, to identify new growth opportunities and risks and contribute to the sustainable enhancement of corporate value.

The Board and the executive team will each fulfill their respective responsibilities and maintain a healthy degree of tension between them as they work together to enhance and maximize corporate value. We will also continue striving to be a JAL Group that earns the enduring trust of all stakeholders, including shareholders and investors, customers, employees, and local communities.

Corporate Governance

Policies and Structure

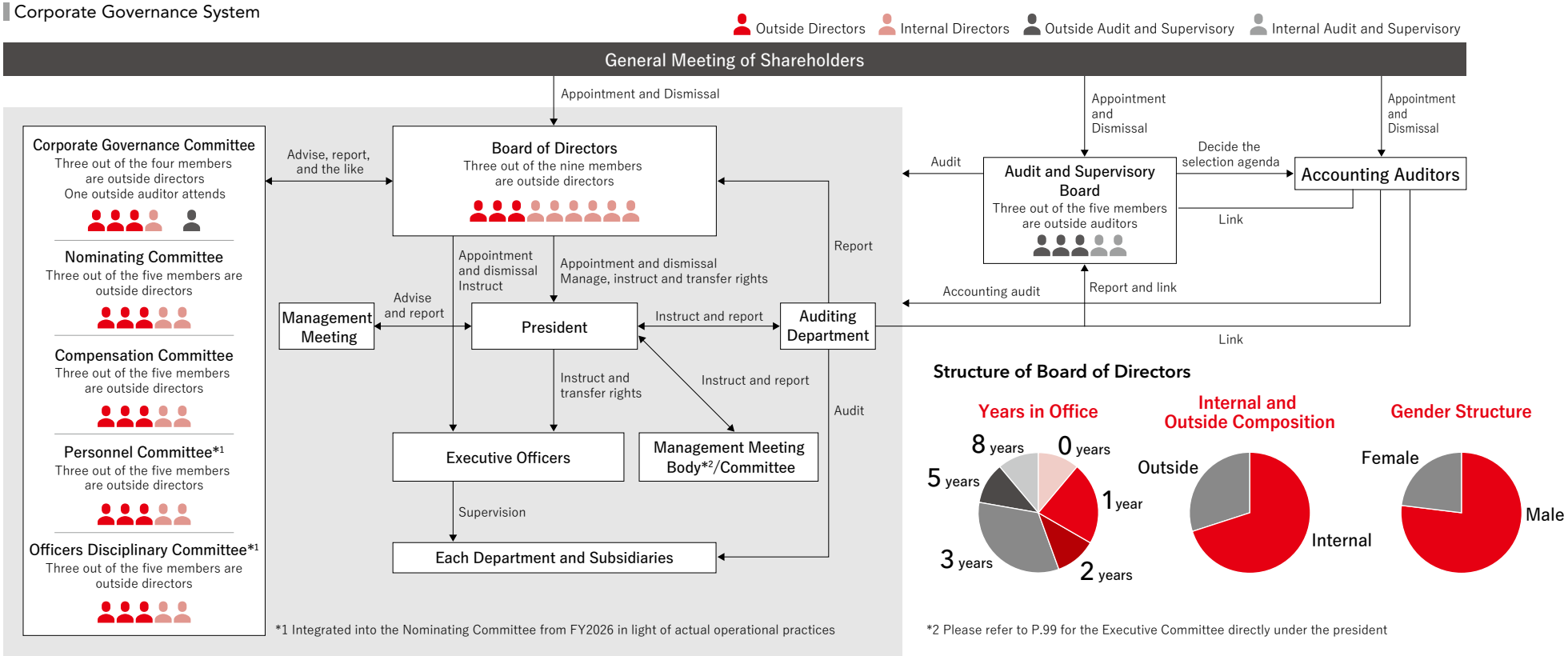
The JAL Group has established a corporate governance system that provides strong management oversight under a high level of management transparency in order to achieve sustainable growth and enhance social and economic value.

As a company with a Board of Auditors, we have a strong audit function with 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 responsibilities and contribute to society. In addition, we fulfill our financial responsibility to earn adequate profits by providing high quality products and services through fair competition. The JAL Philosophy was established under our Corporate Policy to promptly make appropriate management decisions. At the same time, 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.

Corporate Governance System



*1 Integrated into the Nominating Committee from FY2026 in light of actual operational practices

Structure of Board of Directors

*2 Please refer to P.99 for the Executive Committee directly under the president

Corporate Governance

Board of Directors and Other Committees

Board of Directors | Held 14 meetings in FY2025

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 Compensation, 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 directors who do not concurrently serve as executive Officers. (2) The Board consists of at least three highly independent candidates who are nominated as outside directors, and the outside directors account for at least one-third of all Board members. (3) From June 2023, more females have been appointed as directors. (4) Directors and Audit and Supervisory Board members are, in principle, required to attend at least 80% 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 FY2025

To support the Group's sustainable growth and enhance its medium- to long-term corporate value, the Committee provides the Board of Directors with the recommendations and proposals necessary to strengthen corporate governance. In FY2025, the Committee made proposals regarding revisions to corporate governance–related regulations and the evaluation of the effectiveness of the Board of Directors.

Nominating Committee | Held six meetings in FY2025

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 before submitting proposals to the General Meeting of Shareholders for the election of candidates for Executive Officers and Audit and Supervisory Board Members. In FY2025, 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. Regarding the confirmation of the president's reappointment, the outside directors engaged in dialogue with the president and concluded that, while addressing aviation safety measures, including those related to alcohol issues, she had contributed to enhancing corporate value by practicing team management and promoting the initiative and autonomy of executive management. Based on this assessment, they determined that she should be reappointed for FY2026.

Compensation Committee | Held seven meetings in FY2025

The Compensation Committee discusses matters concerning the amount of compensation for directors, executive officers, and Audit and Supervisory Board members based on inquiries 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 FY2025, the Committee discussed specific indicators and evaluation methods for the executive remuneration system to ensure the successful completion of the Medium-Term Management Plan and reported its recommendations to the Board of Directors.

Officers Disciplinary Committee | Held two meetings in FY2025

The Officers Disciplinary Committee decides disciplinary action against directors and executive officers. In FY2025, the Committee deliberated on disciplinary actions against directors and executive officers in connection with the administrative warning issued by the MLIT.

Personnel Committee | Held three meetings in FY2025

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 FY2025, the Committee discussed matters to be reported to the Board of Directors, the training of candidates for executive officer positions, and the ideal new execution structure.

Audit and Supervisory Board | Held 13 meetings in FY2025

The Audit and Supervisory Board makes objective and appropriate decisions from an independent standpoint, based on their responsibility to our shareholders, in fulfilling their roles and responsibilities pertaining to their duties, namely, the audit of business execution, the nomination and dismissal of accounting auditors, and the 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 based on the results of risk analysis, focusing on risks that could hinder the achievement of the JAL Group Management Vision 2035 from the perspectives of risks leading to significant losses, operational effectiveness and efficiency, reliability of reporting, compliance, and asset preservation. In addition, as an independent organization reporting directly to the president, the Auditing Department conducts overall evaluations under the internal control reporting system for financial reporting based on the Financial Instruments and Exchange Act. As the "third line," it not only supports each organization but also places emphasis on confirming the status of monitoring activities. Audit results are reported to the president on each occasion, and a dual reporting line has been established under which reports are also made directly to the Board of Directors on a regular basis. Furthermore, important matters related to internal control are shared with the Audit and Supervisory Board Members and the Accounting Auditor to promote close coordination.

Support for Directors and Audit and Supervisory Board Members

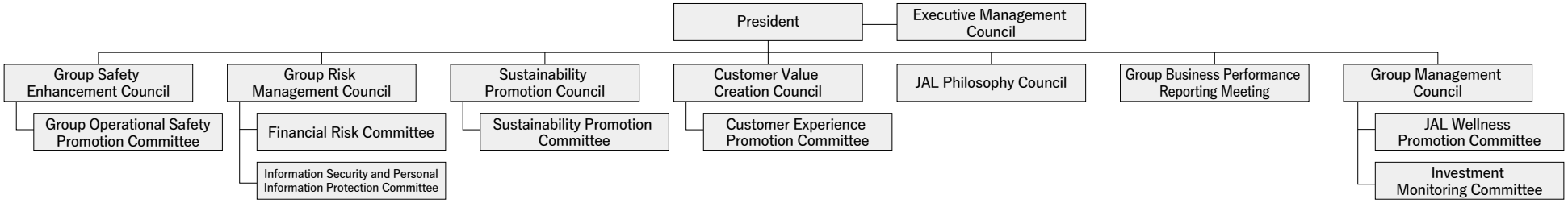
As necessary, directors are provided with explanations of legal considerations and other relevant matters. The Group also ensures that directors have a thorough understanding of their duties, including the duty of loyalty and the duty of due care, and provides opportunities for continuous participation in external organizations. Audit and Supervisory Board Members are provided with company information, as well as opportunities to participate in external training programs and continuously participate in external organizations. Outside Directors and Outside Audit and Supervisory Board Members receive safety-related education, including site visits, a memorial climb to Mount Osutaka, and visits to the Safety Promotion Center, to deepen their understanding of the Group. As necessary, they are also provided with advance explanations of agenda items, as well as related materials and opportunities to discuss matters upon request.

Corporate Governance

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 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 37 meetings in FY2025

The 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 2025: Discussed important management issues to be submitted to the Board of Directors.

Group Safety Enhancement Council | Held 12 meetings in FY2025

The Council ensures flight safety and promotes safety management throughout the JAL Group. Based on the JAL Group's philosophy and policies, the Council 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. In addition, the Council has strengthened its framework by requiring the attendance of all executive officers, enabling the management team to make important policies and operational decisions as a unified body.

Major activities in FY2025: In addition to monitoring the safety management system, the Council addressed major incidents, including aviation accidents caused by turbulence, unauthorized vehicle entry onto runways, and alcohol-related incidents. In particular, in response to alcohol-related incidents, the Council implemented fundamental measures, including internal awareness reform and the restructuring of the testing system, while rigorously monitoring progress through objective evaluations conducted by the Review Committee. The Council also engaged in extensive discussions on safety targets for the future of aviation and established those targets.

Group Risk Management Council | Held two meetings in FY2025

The Council comprehensively manages risks and stabilizes the 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 FY2025: The Council discussed responses to priority risks, including key issues such as geopolitical risks, a major earthquake directly beneath the Tokyo metropolitan area, a potential eruption of Mount Fuji, and cybersecurity, and reported to the Board of Directors twice during the fiscal year.

Sustainability Promotion Council | Held four meetings in FY2025

The Council aims to achieve "A sustainable and well-being future where joyful connections spread throughout society" as set forth in the JAL Vision 2035. The Council monitors the progress of material issues and annual targets, and reviews the management of climate change-related risks and opportunities, the environmental management system, and human rights due diligence.

Major activities in FY2025: The Council discussed the reorganization of material issues (materiality) and related indicators and targets, information disclosure in line with the TCFD and TNFD recommendations, the results and review of the Dow Jones Best-in-Class Indices assessment, and initiatives to create relationships and societal connections through transportation, and reported to the Board of Directors twice during the fiscal year.

Customer Value Creation Council | Held four meetings in FY2025

The Council discusses, decides, and monitors important matters and issues across the JAL Group with the aim of creating and enhancing customer values for all the customers and society that come into contact with the JAL Group.

Major activities in FY2025: The Council discussed medium- to long-term customer strategies, including brand strategy, touchpoint strategy, and data-driven customer platform strategy to enhance customer value, defined as the value that JAL provides to customers, and realize the sustainable enhancement of corporate value.

JAL Philosophy Council | Held one meeting in FY2025

The Council formulates, implements, monitors, and manages the progress of initiatives to enable JAL Group employees to use the JAL Philosophy as the basis for their decisions and carry out their daily work as trusted colleagues, who engage in open and honest dialogue toward the realization of the JAL Group Corporate Policy.

Group Business Performance Reporting Meeting | Held 12 meetings in FY2025

The Meeting shares the financial results of the JAL Group's consolidated financial results and each business segment and discusses measures to improve financial results.

Group Management Council | Held 19 meetings in FY2025

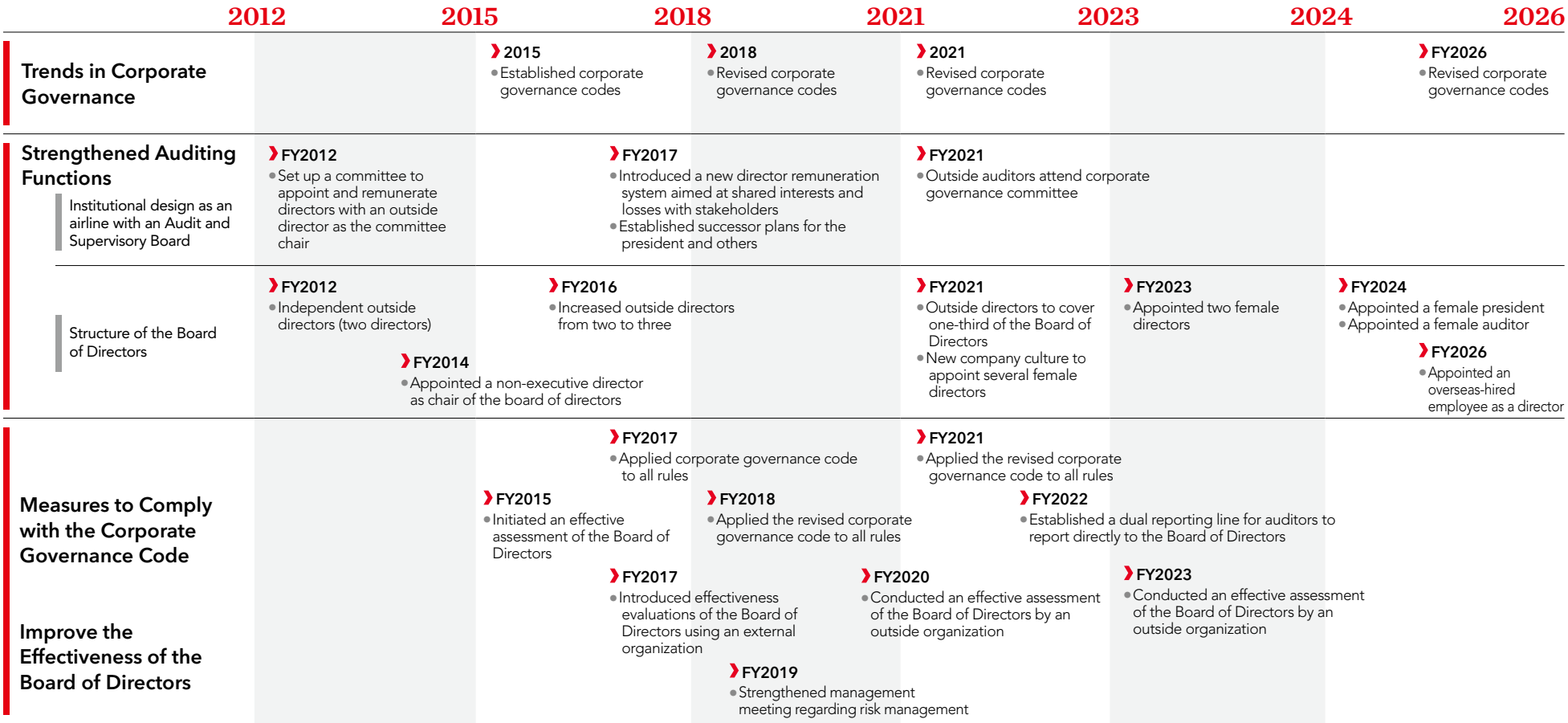
The Council reviews the progress of important management matters across the JAL Group, discusses appropriate response measures, and reports important information.

Corporate Governance

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 an airline with an Audit and Supervisory Board. The Group also proactively endeavored to strengthen governance in accordance with the corporate governance code by actively evaluating the effectiveness of Board of Directors meetings.

In 2024, the Group appointed its first female president and female audit and supervisory board member, and in 2026 appointed an overseas-hired employee as a director, thereby promoting DEI at the management level.



*Trends after being listed on the Tokyo Stock Exchange in September 2012

Officer Remuneration

Policy on Decisions about Remuneration for Officers

Total Remuneration Amount

(1) Total remuneration amount: Not more than JPY700 million per year, of which, the total amount of fixed basic remuneration is no more than JPY350 million consisting of the total amount of outside directors to be no more than JPY50 million and the total amount of performance-linked bonuses to be no more than JPY350 million.

(2) Total amount of remuneration receivables per performance evaluation period of remuneration (meaning the most recent three consecutive fiscal years ended): Maximum number of shares to be issued per performance evaluation period (100,000 shares) multiplied by the maximum amount to be paid per share*

The Group, after deliberation and report by the Compensation Committee, determined the following Policy on the Decision of Remuneration for Officers at the Board meeting. For outside directors, only a fixed basic remuneration is paid.

* Maximum amount to be paid in: Performance for the applicable period in the execution of duties in which remuneration receivables are used as consideration is the stock price at the 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, the Group promotes business execution in accordance with the Corporate Policy and management strategies, and strongly motivates directors to achieve specific management targets.

(2) For the purpose of further promoting the shareholder interest alignment, the Group has established appropriate ratios for performance-linked share-based remuneration linked to corporate value in accordance with medium- to long-term performance, in order to contribute to demonstrating sound entrepreneur dynamics.

(3) The Group will provide remuneration that is appropriate to our top management in accordance with our business performance.

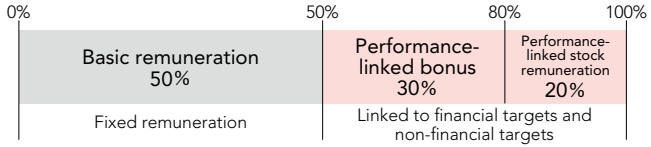
Remuneration Levels and Remuneration Composition Ratios

(1) The Group 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%



Framework for Performance-Linked Remuneration

Performance-linked bonuses and evaluation indicators of performance-linked stock remuneration are reviewed as appropriate in response to changes in the business environment and the roles of each executive.

	Performance-Linked Bonus*1	Performance-Linked Stock Remuneration
Range of variation (with 100 in case performance targets are achieved)	The amount to be paid will vary from 0 to 150	The number of shares to be granted will vary from 0 to 150*2
Performance evaluation indices and ratios	EBIT 50% (Financial Targets); Personal performance evaluation*3 20%, 30% (Non-Financial Targets)	TSR*4 25%, ROIC*5 25%, Sustainability*6 25% (Financial Targets); Productivity improvement*7 25% (Non-financial Targets)
Performance evaluation period	One year	Three years

*1 For the chair, president, among others, do not set individual performance evaluation indicators for each officer but evaluate them using EBIT. Consider the progress in achieving the targets for flight safety.
*2 The final business year of the current Medium-Term Management Plan fluctuates between 0 to 200, adjusted according to the achievement of the targets.
*3 Individual indicators for each director
*4 TSR: Valuation based on the comparison between the total shareholder yield of the Group and the TOPIX yield including dividends
*5 Valuation based on consolidated ROIC
*6 The "CO_2 emissions per revenue tonne-kilometer (RTK)" indicator used until FY2025 has been incorporated into the "number of sustainability indicators achieved" metric. Performance is evaluated based on the achievement of representative sustainability indicators, including selection for the Dow Jones Best-in-Class World Index, the FTSE Blossom Japan Index, APEX WORLD CLASS, and the MSCI WIN, as well as achievement of the CO_2 emissions per RTK target. In FY2025, the CDP A− rating was used instead of the CO_2 emission target.
*7 From FY2026, a productivity improvement indicator based on EBIT per hour has been introduced.

Procedures for Remuneration Decisions and Other Matters

Matters concerning the remuneration of the directors shall be decided by the Board of Directors after deliberation and reported 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

Individual remuneration was discussed by the Compensation Committee, which is chaired by an outside director and composed of a majority of outside directors, in accordance with the above policy for determining directors' remuneration. The Board of Directors approved the remuneration at its meeting held on February 26, 2025, giving due consideration to the Committee's deliberations and recommendations. Accordingly, the Board determined that the remuneration for each individual director for the fiscal year was in line with the above policy established by the Group.

Payment of Remuneration to Directors and Audit and Supervisory Board Members (FY2025)

Category	Number of persons	Total remuneration amount (JPYM)	Total amount of remuneration by type (JPYM)		
			Basic remuneration	Performance-linked bonus (Bonus)	Performance-linked stock remuneration (non-monetary remuneration credits and the like)
Directors	11	478	270	128	79
(Outside directors)	(4)	(42)	(42)	(—)	(—)
Auditors	6	86	86	—	—
(Outside auditors)	(3)	(32)	(32)	(—)	(—)
Total	17	565	356	128	79

* Performance-linked bonuses and performance-linked stocks remuneration, and the like, represent the amounts recorded as expenses in the relevant fiscal year.
* The total amount of remuneration, and the like, for directors does not include salaries for employees who concurrently serve as a director.
* 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 the General Meeting of Shareholders was five (including three Outside Audit and Supervisory Board Members).

Corporate Governance

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.

Results of the Evaluation in FY2025

Board Composition	Ensured the skills and diversity of the Board of Directors and Audit and Supervisory Board Members.
Supervision	Appropriate oversight was exercised with respect to risk management, delegation of authority, monitoring of business execution, and information disclosure.
Management Strategy	Addressed immediate business and financial challenges while engaging in ongoing discussions on the JAL Group Management Vision 2035 from FY2026, leading to its formulation and public announcement.
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 Operations	The Board operates appropriately in terms of agenda selection, support for Outside Directors, and the like.

Evaluation of Priority Issues in FY2025

		Priority Issues	Evaluation
Business Portfolio Strategy		Accelerate discussions on the growth of the non-full- service passenger business for medium- to long-term growth.	While the future direction of each business was confirmed, further discussion of the overall strategy and more concrete business strategies are needed to enhance the sustainability of the businesses.
Cross-Cutting Initiatives across New Business Domains		Oversee the development of strategies across business domains that support medium- to long-term growth.	While the future direction of each business domain was confirmed, further refinement of strategies and improved speed of execution are needed across all business domains.
Structure	**Risk Management**	Continue to supervise risks related to important projects and new business domains, and the like.	The Board confirmed the PDCA cycle for risk management and oversaw management's response to the recent alcohol-related issues, receiving reports from the Review Committee as appropriate. To further advance Group management, stronger governance across the Group is needed.
	Organization and Board of Directors	Deepen discussions on the type of organization that contributes to both the promotion of growth strategies and the strengthening of governance. Similarly, with respect to the composition of the Board of Directors, more specific reports on the review process and deepen discussions in the Nominating Committee and other committees.	Further discussion on the organizational structure is needed. With respect to the composition of the Board of Directors, discussions were deepened within the Nominating Committee, and the results were reported to the Board of Directors.

Priority Issues for FY2026

Based on the above evaluation, the Board will focus on overseeing management's initiatives and deepening discussions on the following priority issues in order to enhance the sustainability of the business, achieve growth, and increase corporate value.

Priority Issues	Strategic Direction
Advancing the business portfolio strategy	Business portfolio and capital allocation
	Execution of business strategies
Promoting human capital management	Fundamental productivity improvement
	Creating an environment that supports transformation and challenge
Strengthening the foundations that support growth	Further strengthening governance across the Group
	Organizational structure

In addition, we will strengthen communication between outside officers and management through various initiatives, thereby further enhancing the effectiveness of the Board of Directors.

Main Agenda Items of the Board of Directors Meetings	Details of Discussions
Management Strategy	● Formulation of the JAL Group Management Vision 2035
Decision and Oversight of Other Important Business Executions	● Policy on the strategic change of shareholders of Jetstar Japan ● Investment in the Mileage and Lifestyle Business ● Establishment of JAL Innovation Fund II
Financial Results	● Quarterly financial results ● Financing ● Shareholder return
Governance and Risk Management	● Report on safety ● Report from the Review Committee on the business improvement recommendation ● Assessment of board effectiveness ● Revisions to the Regulations of the Board of Directors and Committee Regulations ● 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 ● Revision of Risk Management Regulations for derivative transactions ● 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 proposals related to the General Meeting of Shareholders and shareholder returns ● Status of operation of shareholder special benefit plan ● Feedback on IR briefings, and the like ● Disclosure of climate change-related information in accordance with TCFD/TNFD

Effectiveness Assessment of the 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 ● Reporting auditing activities and reporting meeting on auditors ● Confirmation of risk management status ● Audit of general meeting of shareholders' proposals and related documents ● Finalization of Audit Report
Collaboration	● Resolution on the reappointment of the accounting auditor, approval of remuneration fees, and prior approval of non-audit services ● Interviews for Directors/Executives ● Regular exchange of views with full-time Audit and Supervisory Board Members of Group companies ● Coordination with the Internal Audit Department ● Review of the Integrated Report and EMS audits
Remuneration and Self-Assessment	● Resolution on individual Audit and Supervisory Board members' remuneration ● Questionnaire Survey (Effectiveness Assessment) by Audit and Supervisory Board members

FY2025

- The survey results generally gave high marks to each item (audit policy, audit activities, operation of the Audit and Supervisory Board, 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.

FY2026

Initiatives

Confirmed that, in implementing the JAL Group Management Vision 2035, the airline has avoided suboptimization within individual business domains by ensuring effective cross-functional execution; that human resource development is contributing to employee well-being and fostering a culture of transformation and challenge; that productivity improvement initiatives are progressing; that the governance framework of Group companies is functioning effectively; and that important matters are being appropriately deliberated and approved.

Corporate Governance

Board of Directors (As of August 1, 2026)

Directors are selected from those with extensive experience in various fields with great 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. The Group also provides 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

Director, Chair



Born on January 3, 1962,
64 years old
Term of office: 8 years
Number of shares held* (hundred shares): 176
Number of Board of Directors meetings attended: 14/14

April 1987 Joined Japan Airlines
April 2009 Senior Vice President, Corporate Safety and Security Division
Vice President, Family Assistance and Support
April 2014 Executive Officer
Senior Vice President, Engineering and Maintenance Division
Representative Director, President of JAL Engineering Co., Ltd.
April 2016 Managing Executive Officer
Senior Vice President, Engineering and 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, Chair
April 2025 Director, Chair (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,
61 years old
Term of office: 3 years
Number of shares held* (hundred shares): 107
Number of Board of Directors meetings attended: 14/14

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
Senior Vice President, Customer Experience Division
April 2024 Representative Director, President
Chief Executive Officer of the JAL Group (to present)

Reason for Appointment
Since joining the Group, 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. Since 2024, as Representative Director, President, Executive Officer and Group CEO, she has continued 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,
61 years old
Term of office: 3 years
Number of shares held* (hundred shares): 53
Number of Board of Directors meetings attended: 14/14

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
Since joining the Group, 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 contributions 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 Executive Officer and 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,
62 years old
Term of office: 2 years
Number of shares held* (hundred shares): 57
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 of the JAL Group
Senior Vice President, Customer Experience Division (to present)

Reason for Appointment
Since joining the Group, 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 as 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.

* The number of shares held is based on the shareholder register as of March 31, 2026.

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.

LEGGETT Ross

Director, Senior Managing Executive Officer



Born on June 25, 1963, 63 years old
Term of office: 0 years
Number of shares held* (hundred shares): 37
Number of Board of Directors meetings attended: —

February 1985	Joined Japan Airlines
April 2018	Deputy Vice President, International Route Marketing Department
April 2020	Deputy Vice President, International Relations and Alliances
April 2021	Executive Officer Deputy Senior Vice President, Route Marketing in charge of International Relations and Alliances
April 2023	Managing Executive Officer Senior Vice President, Route Marketing
April 2026	Senior Managing Executive Officer Senior Vice President, Route Marketing
June 2026	Director, Senior Managing Executive Officer Senior Vice President, Route Marketing (to present)

Reason for Appointment
Since joining the Group, Mr. Leggett has held various positions in departments such as business planning, sales, and joint venture development at the head office, London branch, and other locations, achieving results with his outstanding leadership and strong planning and coordination skills while maintaining a global perspective. He was appointed as Executive Officer and Deputy Senior Vice President, Route Marketing in 2021, contributing to improving competitiveness through the promotion of international partnerships and the enhancement of strategic partnerships. He has served as Managing Executive Officer and Senior Vice President, Route Marketing since 2023, leading the entire Route Marketing division with responsibilities for not only the FSC business but also LCC operations, and making a significant contribution to the growth of Route Marketing.

NAKAGAWA Yukio

Director, Managing Executive Officer



Born on April 24, 1967, 59 years old
Term of office: 1 year
Number of shares held* (hundred shares): 34
Number of Board of Directors meetings attended: 11/11

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 Senior Director, Family Assistance and Support
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 Group, Mr. Nakagawa has been involved in engineering departments and maintenance and contributed to upholding and improving the Group's maintenance quality. He has served as Executive Officer and Senior Vice President, Procurement Division since 2021, creating new value and reducing costs through procurement activities and contributing to the implementation of the Medium-Term Management Plan. He has served as Director, Managing Executive Officer and Senior Vice President, Corporate Safety and Security as well as Family Assistance and Support since 2025, further strengthening the safety management system. Furthermore, in response to the administrative guidance Japan Airlines received regarding alcohol consumption and other issues in FY2024 and FY2025, he has demonstrated outstanding leadership and a strong and unwavering commitment to safety when formulating and implementing recurrence prevention measures, which were founded on the knowledge and experience he cultivated in maintenance departments.

YANAGI Hiroyuki

Independent Outside Director
(Leading Independent Outside Director)



Born on November 20, 1954, 71 years old
Term of office: 5 years
Number of shares held* (hundred shares): 40
Number of Board of Directors meetings attended: 13/14

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. 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, 68 years old
Term of office: 3 years
Number of shares held* (hundred shares): 22
Number of Board of Directors meetings attended: 14/14

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
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, 72 years old
Term of office: 1 year
Number of shares held* (hundred shares): —
Number of Board of Directors meetings attended: 11/11

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	Chair, Japan Travel and Tourism Association (to present)
June 2025	Outside Director of Japan Airlines (to present)

Reason for Appointment
Mr. Komoda has a wealth of experience as the top executive of a company that operates a wide range of businesses centered on urban development, as well as extensive knowledge of tourism promotion in Japan. Drawing on this experience and knowledge, he provides advice to the management of Japan Airlines and appropriately supervises business execution from practical and multifaceted perspectives.

* The number of shares held is based on the shareholder register as of March 31, 2026.

Corporate Governance

Audit and Supervisory Board Member System (As of August 1, 2026)

By attending meetings of the Board of Directors and other important meetings and reviewing important documents submitted for approval, the Audit and Supervisory Board Members audit important matters relating to corporate management and business operations, as well as the status of business execution. They also conduct annual audits of each business site and subsidiaries and report the results to the representative director. In addition, they strengthen audits across the Group by exchanging information with the Internal Audit Department and the accounting auditor, and holding regular meetings with the Audit and Supervisory Board Members of subsidiaries.

The Group provides the Audit and Supervisory Board Members with company information and offers the Internal Audit and Supervisory Board Members opportunities to participate in external training programs and external organizations. Outside Audit and Supervisory Board Members are selected from individuals with extensive knowledge and experience. In accordance with the Criteria for Independence, the Group does not appoint individuals whose substantive independence cannot be ensured or those who concurrently serve as officers or directors of more than four other listed companies. Together with the other Audit and Supervisory Board Members, the Outside Audit and Supervisory Board Members work closely with the Internal Audit Department and the accounting auditor to conduct audits from a more neutral and objective perspective, thereby ensuring the soundness of management.

KIKUYAMA Hideki

Full-time Audit and Supervisory Board Member



Born on March 19, 1960, 66 years old
Term of office: 3 years
Number of shares held* (hundred shares): 38
Number of Board of Directors meetings attended: 14/14
Number of Audit and Supervisory Board Member meetings attended: 13/13

April 1983 Joined Japan Airlines
September 2005 Vice President, General Affairs Department of 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
Since joining the Group, Mr. Kikuyama successively engaged mainly in the administration department such as IT planning, human resources, and labor. He was General Affairs Vice President of the Americas and the Vice President of Corporate Planning Department, among others. After being appointed as Executive Officer in 2010, he has served as General Manager of Managing Division Route Marketing since 2013, where he has contributed considerably to maximizing route profits. Also since 2019, he has served as General Manager of Finance & Accounting, providing highly transparent information disclosure understandable to shareholders and investors and exercised 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, 60 years old
Term of office: 1 year
Number of shares held* (hundred shares): 34
Number of Board of Directors meetings attended: 11/11
Number of Audit and Supervisory Board Member meetings attended: 10/10

April 1988 Joined Japan Airlines
April 2016 Executive Officer of JAL Engineering Co., Ltd.
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., Ltd.
April 2023 Senior Vice President, Engineering and Maintenance Division
Representative Director and President of JAL Engineering Co., Ltd.
June 2024 Director, Managing Executive Officer
Senior Vice President, Engineering and Maintenance Division
Representative Director and President of JAL Engineering Co., Ltd.
April 2025 Director
June 2025 Full-Time Audit and Supervisory Board Member (to present)

Reason for Appointment
Since joining the Group, Mr. Tamura has been involved in the maintenance and procurement divisions and has contributed to the improvement of our maintenance quality throughout the Group. Since 2021, he has served as the Executive Officer of Engineering and Maintenance Division and as the President of JAL Engineering Co. Ltd. Since June 2024, he has served as the Director, Executive Officer and Senior Vice President of Engineering and Maintenance Division 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.

OKADA Joji

Outside Audit and Supervisory Board Member/ Independent Director



Born on October 10, 1951, 74 years old
Term of office: 6 years
Number of shares held* (hundred shares): 79
Number of Board of Directors meetings attended: 14/14
Number of Audit and Supervisory Board Member meetings attended: 12/13

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 and Co., Ltd.
June 2015 Full-time Audit & Supervisory Board Member of Mitsui & Co., Ltd.
November 2017 Chair of the Japan Audit and 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 (to present)
June 2023 Chair of ACFE JAPAN (to present)
June 2024 Director of Japan Foundation for Accounting Education and Learning (to present)
June 2026 Councilor of Tsuda University (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 and Accounting Department of a general trading company. In addition, through his professional experience as a full-time Audit and Supervisory Board Member of a general trading company and Chair of the Japan Audit and 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, 66 years old
Term of office: 2 years
Number of shares held* (hundred shares): 13
Number of Board of Directors meetings attended: 14/14
Number of Audit and Supervisory Board Member meetings attended: 13/13

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)
June 2018 Independent Outside Member of the Board of Meiji Holdings Co., Ltd.
April 2022 President of Dai-Ichi Tokyo Bar Association
Vice-President of Japan Federation of Bar Associations
June 2023 Outside Audit and 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 an 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. She used this experience and so forth to give advice and suggestions to the Company's management.

WATANABE Junko

Outside Audit and Supervisory Board Member/ Independent Director



Born on January 2, 1962, 64 years old
Term of office: —
Number of shares held* (hundred shares): —
Number of Board of Directors meetings attended:—
Number of Audit and Supervisory Board Member meetings attended: —

June 2001 Joined Tohmatsu & Co. (currently Deloitte Touche Tohmatsu LLC)
June 2004 Partner of Deloitte Touche Tohmatsu LLC
November 2013 Member of the Executive Management Committee of Deloitte Touche Tohmatsu LLC
November 2015 Board Member of Deloitte Tohmatsu LLC (currently Deloitte Tohmatsu Group Japan LLC) and Deloitte Touche Tohmatsu LLC
August 2018 Board Member of Deloitte Asia Pacific Limited
June 2022 Board Member of Deloitte Touche Tohmatsu Limited Deputy Chair of Deloitte Asia Pacific Limited
December 2024 Partner of Deloitte Tohmatsu Risk Advisory LLC (currently Deloitte Tohmatsu LLC)
June 2026 Outside Audit and Supervisory Board member (to present)
Independent Director (Audit and Supervisory Committee member) of Sojitz Corporation (to present)

Reason for Appointment
Since joining Tohmatsu & Co. (currently Deloitte Touche Tohmatsu LLC), Ms. Watanabe has been involved in auditing, M&A support, internal control, IFRS, and accounting advisory, and possesses global insight, a high level of expertise, and advanced knowledge of accounting. The Group expects her to contribute to maintaining the soundness of the airline and enhance its corporate value over the long term.

* The number of shares held is based on the shareholder register as of March 31, 2026.

Committee Appointments of Directors and Audit and Supervisory Board Members and Skill Matrix (As of August 1, 2026)

Position at the JAL Group	Name	Appointment of Committee Members			Skill Matrix								
		Corporate Governance Committee	Nominating Committee	Compensation Committee	Management Experience	Finance & Accounting	Legal/Risk Management	Personnel Affairs/Human Resources Development	Safety Management	Global Experience	CX/ Marketing	DX/IT/ Technologies	GX/ Environment
Director, Chair	AKASAKA Yuji	●			●				●			●	●
Representative Director, President	TOTTORI Mitsuko		●	●	●			●	●		●		
Representative Director, Executive Vice President	SAITO Yuji		●	●		●					●	●	●
Director, Executive Vice President	AOKI Noriyuki				●		●			●	●	●	●
Director, Senior Managing Executive Officer	LEGGETT Ross									●	●		●
Director, Managing Executive Officer	NAKAGAWA Yukio						●		●	●		●	●
Independent Outside Director (Leading Independent Outside Director)	YANAGI Hiroyuki	●	Chair	●	●					●	●	●	●
Independent Outside Director	MITSUYA Yuko	Chair	●	●	●			●			●		
Independent Outside Director	KOMODA Masanobu	●	●	Chair	●	●	●	●		●			●
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	OKADA Joji	Observer				●	●			●			
Outside Audit and Supervisory Board Member/ Independent Director	MATSUMURA Mariko						●	●					
Outside Audit and Supervisory Board Member/ Independent Director	WATANABE Junko					●	●			●			

	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 high-up 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 a director or department head in charge of an accounting or finance department, or experience as a person in charge of the practical operation of such department, and possesses 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, and possesses equivalent knowledge and experience.
Personnel Affairs/Human Resources 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 a director in charge of human resources, department head, and the like in a human resources division or production division, or experience as a person in charge of practical operations, and possesses equivalent knowledge and experience.
Safety Management	Items required in terms of knowledge and experience related to safety, which is the basic premise of value creation for an airline, and the implementation of safety promotion.	Experience as a director, department head, among others, in charge of a frontline or safety management department or has experience as an administrator, and possesses 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, and possesses equivalent knowledge and experience.
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 a marketing-related department, or experience as a person in charge of the business, and possesses 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, operation and maintenance, and the like, or experience as a person in charge of practical operations, and possesses equivalent knowledge and experience.
GX/Environment	Knowledge of strategies toward net-zero emissions, among others, and items required from the GX/Environment 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, and possesses equivalent knowledge and experience.

Corporate Governance

Nomination and Election Process for Board Members

Independent Outside Directors

A person to whom none of the following Independence Standards apply shall be judged to be independent. Persons 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.

The three outside directors and three outside Audit and Supervisory Board Members satisfy the requirements of the Tokyo Stock Exchange for being independent directors who are not likely to have a conflict of interest with general shareholders, as well as the Independence Standards for Outside Directors as stipulated by the Group in the preceding paragraph. Therefore, the Group has designated all of them as independent directors and notified the Tokyo Stock Exchange to that effect.

Independence Standards of Outside Officers

1. An individual who has executed business* of the Group and the Group's consolidated subsidiaries at present or in the past 10 years.
2. An individual who corresponded to any of the items from a to f in the past three years.
   a. A business counterpart or a person who executed business of such business counterpart, whose transactions with the Group for one business year exceeded one percent of consolidated revenue of the Group or the business counterpart.
   b. A major shareholder or a person executing business of such shareholder having an equity ratio of five percent or more in the Group.
   c. A major lender of borrowings of the Group or a person executing business of such lender.
   d. An individual receiving contributions of more than JPY10 million a year from the Group or a person belonging to an organization receiving such contributions.
   e. An individual receiving remuneration of more than JPY10 million excluding director's remuneration from the Group or a person belonging to an organization receiving remuneration exceeding one percent of consolidated revenue of the Group.
   f. In case a person executing business of the Group is assigned as an 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.

*A person executing business refers to an Executive Director or Executive Officer.

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. Candidates for the president and other key executive positions are continuously discussed by the Nominating Committee. Through practical and diverse experience, including management experience at Group companies, leadership experience at overseas operations, and experience in multiple business fields, the Group ensures that candidates acquire the qualities required for management at an early stage.

With respect to the development of the next generation of management personnel, including Executive Officers, practical discussions are also conducted on career path planning, strategic and systematic personnel assignments, the development of outside networks, and talent pooling to promote diversity and broaden candidates' 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.

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, 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.

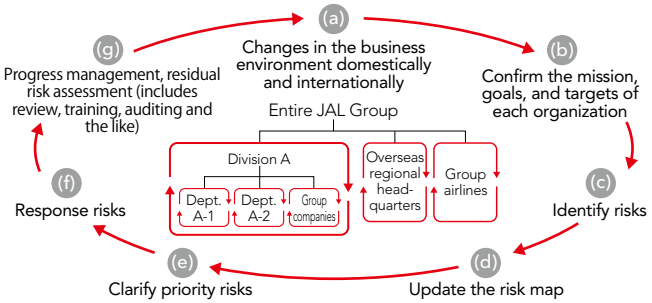
Under the above organizational structure, the Risk Management Department, under the supervision and leadership of the Group Risk Management Council and the Board of Directors, is responsible for overall risk management and carries out control self-assessments and provides risk consulting for high-priority risks in the first and second lines.

Related Information | Risk Management System
https://www.jal.com/en-jp/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 requiring all organizational managers, as risk administrators, to manage risks. As part of preventive risk management, risk administrators conduct risk assessments twice a year, identify priority risks, and implement appropriate responses. A specialized organization responsible for overseeing risks then reassesses these priority risks and strengthens the responses through workshop-style control self-assessments. Risk consulting is also provided as necessary.

We execute regular risk management cycles so that each organization can achieve their goals

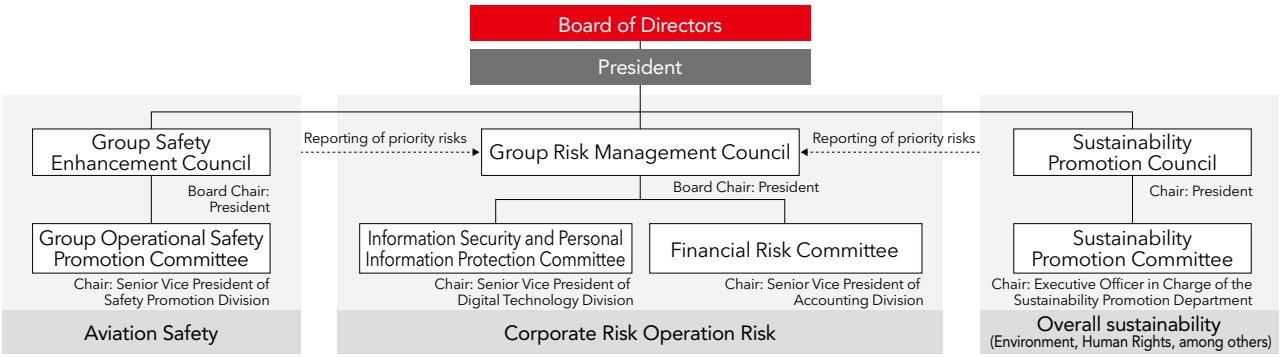


Strengthening Business Continuity Management

To fulfill our mission as a public transportation provider that plays a vital role in social infrastructure, we promote Business Continuity Management (BCM) and have established a framework that enables us to carry out our operations appropriately even in an emergency. We have established individual Business Continuity Plans (BCPs) for unknown viral infectious diseases, large-scale IT failures, and an earthquake directly beneath the Tokyo metropolitan area. These plans set out basic policies, systems, and other necessary measures to protect the safety of customers, employees, their families, and other relevant parties, ensure business continuity centered on air transportation, and enhance resilience in the face of unforeseen events. To continuously improve the effectiveness of our BCPs, we conduct regular training, drawing on the expertise of external specialists, and revise the plans as necessary. The JAL Group’s business continuity capabilities have received high evaluations from various external assessment organizations.

レジリエンス認証
事業継続および社会貢献
認証・登録番号 H0000007

Related Information | Strengthening BCM
https://www.jal.com/en-jp/sustainability/governance/riskmanagement/#bcp



Risk Management

Risk Management System

When the JAL Group detects or confirms an actual or potential risk related to aviation safety and security, natural disasters, pandemics, or other aspects of air transportation operations, the person responsible promptly determines the appropriate crisis management level (Levels I–III) based on the situation, enabling an immediate response. In recent years, amid heightened geopolitical risks, we have established dedicated Command Offices to collect and analyze information and take necessary action. These offices enable us to respond swiftly to changing conditions, including through measures to address risks to air routes and supply chains and the flexible deployment of aircraft. We also regularly conduct exercises and training programs to enhance crisis management awareness among all 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

- The Management Department shall serve as the secretariat, composed of the 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.

Security Measures

Establishing a Robust Information Security Framework

To provide safe and reliable air transportation services and maintain the trust of all stakeholders, including shareholders, the JAL Group positions information security as one of its highest management priorities.

As part of our governance framework, the Information Security and Personal Information Protection Committee, comprising executive officers including the executive vice president, operates under the Group Risk Management Council, which is chaired by the President. The Committee promptly discusses issues affecting the Group as a whole and determines policies for addressing them. Based on these policies, specialized operational teams, including the Security Operations Center (SOC) and Computer Security Incident Response Team (CSIRT), work closely with relevant government agencies, including the National Cybersecurity Office, the police, and the Ministry of Land, Infrastructure, Transport and Tourism, as well as external specialist organizations and information-sharing networks such as the Transportation ISAC and airline alliances. Through these efforts, we maintain a robust information security framework across the Group.

We also focus on developing and raising awareness among the human resources who support these efforts. In addition to regular updates for executives and training for managers, we provide information security training for all employees at least twice a year and conduct targeted email attack response drills several times a year. We also provide rigorous training for specialized teams, including advanced incident response exercises for CSIRT members.

Compliance with Laws and International Standards

As the basis for our security measures, we strictly comply with personal data protection laws in Japan and other countries and regions, including Japan's Act on the Protection of Personal Information and the EU's General Data Protection Regulation (GDPR). We also adhere to the Safety Guidelines for Information Security in the Aviation Field, and are working to align our practices with international information security standards and frameworks, including ISO/IEC 27001 and the NIST Cybersecurity Framework (CSF), thereby ensuring an objectively verifiable level of security.

Priority Initiatives Going Forward

One of our priority areas going forward is strengthening the frameworks and processes for aviation information security to comply with laws and regulations in countries around the world and protect aviation safety and security through collaboration between safety promotion organizations and other relevant organizations. In addition, to counter cyberattacks targeting the rapidly expanding use of AI and AI agents, as well as sophisticated threats involving the malicious use of advanced AI, we are introducing AI-based security measures, accelerating the remediation of system vulnerabilities, and strengthening and conducting drills for our IT Business Continuity Plan (BCP) in preparation for potential cyber incidents.

As digital transformation (DX) accelerates, cybersecurity threats continue to grow every day. To address these risks on an ongoing basis and continuously strengthen our security framework, the JAL Group is also considering further enhancing its collaboration with external specialist organizations. We will continue to build a robust security foundation and work toward creating a safe society and sustainably enhancing corporate value.

Related Information | Basic Policy on Information Security and Protecting Personal Information
https://www.jal.co.jp/jp/en/footer/security/

VOICE

Security and Governance Supporting the Use of AI

For the JAL Group, the accuracy and reliability of information provided by AI are essential to providing customers with safety and peace of mind. At the same time, as AI advances rapidly and expectations grow for services that take advantage of its capabilities, there are also risks related to the accuracy of AI-generated responses, ethics, and security. When introducing AI into customer services, the JAL Group therefore operates a governance framework designed to prevent risks before they arise, ensuring not only compliance with laws and regulations but also adherence to its guidelines for the use of AI. This work requires broad and up-to-date knowledge of rapidly evolving technologies and AI governance. I find it extremely rewarding to take on the challenges of this cutting-edge field and contribute to the processes that underpin JAL's safety and reliability.

KIMURA Senryu
JAL Digital Co., Ltd.
Digital Management Department
Security & AI Strategy Group



JAL Group Code of Conduct

The JAL Group Code of Conduct is the JAL Group's commitment to society in course of its business operations. It is 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 sustainability 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) Information disclosure and dialogue
   (b) Prohibit insider trading
4. Respect for human rights and job satisfaction (human rights and labor)
   (a) Respecting human rights and diversity
   (b) Safe and comfortable work environments
5. Mission and responsibility as a member of society
   (a) Contributing to regional revitalization through our business
   (b) Responsibility as a company that plays a role in society's infrastructure
   (c) Responsibility as a corporate citizen
6. Passing on the precious earth to the next generation (global environment)
   (a) Global environmental preservation initiatives
   (b) Disclosure of environmental information and dialogue
7. Fair business practices
   (a) Reinforcing compliance
   (b) Preventing corruption
   (c) Fair business relations with business partners*
   (d) Free and fair competition
   (e) Management of personal information and intellectual property
   (f) Eliminating relations antisocial forces

*Our suppliers and all business partners

For the full text of the JAL Group Code of Conduct, please visit our website.
https://www.jal.com/en-jp/about/codeofconduct/

Disclosure and Dialogue

Basic Concept

- To be an airline trusted by society, the JAL Group strives to enhance both the scope and quality of its information disclosure to support transparent management and foster better dialogue with a wide range of stakeholders.
- In our information disclosure, we are committed to provide clear and attentive communication and engage in constructive dialogue with shareholders, investors, and other stakeholders.
- Our website provides a wide range of resources, including the JAL Report, which integrates financial information and sustainability initiatives, and the JAL Group Safety Report, which outlines our approach to and initiatives for safety, as well as the JAL Group Corporate Policy, corporate information, safety and quality, sustainability, and IR information. We also disclose information of our management plan, financial results, and other matters in a timely, fair, and appropriate manner.

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. In compliance with the Companies Act, the Financial Instruments and Exchange Act, other laws and regulations, and the Tokyo Stock Exchange's rules, corporate information is disclosed in a timely manner. In addition, 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.

For details of our dialogue with institutional investors and the investor relations events we hold, please refer to "JAL Vision 2035 and Financial Capital Strategy for Enhancing Corporate Value—**Dialogue with Institutional Investors** P.39."

We will continue working to strengthen our relationships with stakeholders by expanding opportunities for dialogue and further enhancing both the scope and quality of our information disclosure.

Disclosure Policy
https://www.jal.com/sites/en/sustainability/governance/information-disclosure/pdf_sites/disclosure_policy_en.pdf

Promoting Fair Business Practices

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.
- To conduct fair business practices, we are committed to complete compliance, prevention of corrupt practices, free and fair competition, the 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

The JAL Group conducts annual compliance training for all employees each May to ensure that every employee understands and puts the Code of Conduct into practice. In addition, October is designated as Compliance Month, during which training on the Code of Conduct is provided. The FY2025 training focused on the importance of mutual communication in fostering a healthy workplace that supports compliance management, helping to ensure the consistent implementation of the Code of Conduct. We also provide training tailored to employees at different organizational levels, including

JAL Group Code of Conduct

executives, as well as training that addresses workplace-specific issues. Through these initiatives, we are working to strengthen employees' awareness and promote conduct based on the Code of Conduct, with the aim of remaining an airline trusted by society.

Whistleblowing System

The JAL Group has established internal and external whistleblowing and consultation services that are available 24 hours a day, 365 days a year, in Japanese and English. They can be used anonymously by all employees. In addition, each Group company has its own consultation channel to help ensure the early detection and correction of misconduct. The number of whistleblowing cases in FY2025 was 407 (349 in the previous fiscal year, or 1.06 cases per 100 employees). We will continue to raise awareness of the system through internal education and make the reporting channels even easier to use.

FY2025 Number of Code of Conduct Violations

The number of Code of Conduct violations (disciplinary actions) recorded across the Group in FY2025 is shown below. When violations are identified, we not only conduct appropriate investigations and take disciplinary action but also work to prevent recurrence by regularly sharing case studies, providing internal training, and strengthening measures to prevent similar violations. The number of harassment cases remained unchanged from the previous fiscal year at 14. As a proper understanding of harassment has not yet been fully established, differences in how words are interpreted, and misunderstandings of work-related instructions still occur. To address these issues, we will continue to provide case study-based training to raise employees' 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 open manner in order to build the trust of stakeholders and corporate citizenship activities toward the realization of a sustainable society in the course of our air transportation business and other various businesses.
- 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 through approving them in the Board of Directors meeting in 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.

Initiatives to Realize a Sound Supply Chain

The JAL Group's business is supported by the supply chains of a wide variety of suppliers. To promote responsible procurement activities that take sustainability into consideration throughout the supply chain and realize a sound supply chain, we ask all suppliers to comply with the JAL Group Supplier Code of Conduct. We identify significant Tier 1 suppliers that have close business relationships with JAL and provide products and services considered to present relatively high ESG (environment, human rights, labor, anti-corruption, among others) risks, and conduct assessments of these suppliers. In FY2025, we requested 64 significant Tier 1 suppliers to complete either a Sedex* assessment or our own self-assessment questionnaire. For suppliers that did not meet our required standards, we requested the submission of an improvement plan. We also conduct on-site human rights assessments at supplier facilities in countries and industries identified as high risk by external assessment tools. In FY2025, we conducted these assessments at 18 supplier sites. Through these efforts, we are working to prevent and mitigate negative impacts on human rights. Examples of improvements include displaying multilingual posters, providing human rights training for all employees, and creating safe working environments.

To ensure a stable procurement of fuel-efficient aircraft and SAF, which are essential to executing our business strategy, we maintain ongoing communication with those significant suppliers that provide these products.

Our Tier-2 suppliers also receive feedback in the same way from our significant Tier-1 suppliers using our self-assessment questionnaire and other tools, based on the same perspective as JAL. Through these efforts, we help raise awareness of social trends relating to human rights and support initiatives to promote respect for human rights.

Finally, to strengthen responsible procurement activities, we provide ongoing sustainability-related training for employees responsible for procurement, covering topics such as new laws, guidelines and improvements identified through on-site assessments. Also we conduct a questionnaire survey and review of our procurement divisions on purchasing practices towards suppliers to check whether our purchasing activities are preventing suppliers from complying with the JAL Group Supplier Code of Conduct.



Multilingual posters on display

* Sedex is an NPO that was founded in the United Kingdom in 2004. It provides platforms that are helpful in managing and sharing supply chain data to conduct ethical and responsible business customs.

Consultation Service for Business Partners

To provide a means of redress for conduct that violates laws and regulations or the JAL Group Supplier Code of Conduct, we have established the JAL Supplier Hotline, which offers multiple reporting channels and whistleblower protection. The hotline accepts reports and consultations directly from business partners and their employees, and we respond based on the advice of external experts where appropriate. In FY2025, the hotline received two reports.

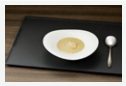
Food Initiatives

The JAL Group recognizes food-related issues as a key priority for sustainable business operations in providing inflight meals and other food services as part of the travel experience. Guided by the principles of “Respect for human rights and job satisfaction” and “Passing on the precious earth to the next generation” in our Code of Conduct, we promote sustainable procurement that takes ecosystems and working conditions into consideration, while advancing efforts to reduce food waste and promote resource circulation.

It is estimated that food systems account for 21 percent to 37 percent of global greenhouse gas emissions, while approximately one-third of all food produced is wasted. In addition, food production is associated with a wide range of challenges, including impacts on biodiversity from agriculture and fisheries and human rights issues related to working conditions.

By providing safe and reliable food experiences, we will build trust with our stakeholders while contributing to enhanced corporate value and the realization of a sustainable society.

Implementing a Food Loss and Waste Reduction Program that Includes the Supply Chain

Post-Harvest Loss	• Utilization of discarded parts of crops • Reuse non-standard food materials	 **Lounge Farmer’s Soup** Potage Farmer’s Soup is made with non-standard Iwatsu leeks that would otherwise be discarded in the fields.
Processing Loss	• Promote compost by purchasing from suppliers who make compost with processed leftovers • Use of circular vegetables	 **Use of recycled vegetables** Processed leftovers are converted into fertilizers to grow spinach.
Purchasing/ Storage Loss	• Optimization of foodstuff purchased through reservation analysis • Stock/buying control	 **JAL Royal Catering Inflight Meal Facility** The facility, which obtained ISO 14001, an environmental certification, is working to achieve its environmental goal of reducing food loss and waste.
Cooking Loss	• Food residues are made into compost • Preventing excessive removal of edible parts and reuse of scraps • Optimize the number of dishes required by analyzing reservations	 **Equipment to Make Compost** JAL Royal Catering recycles resources daily to make compost from food residues.
Food Waste	• Introduce JAL Meal Skip Option • Develop menus that customers can fully consume without waste • Menu card campaign to prevent leftover food • A total of 450,000 excess meals was donated to charitable organizations	 **JAL Meal Skip Option Service** This service is designed to meet the needs of passengers who wish to rest onboard without being disturbed during inflight meal services.

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.

ASIAGAP



Menus created in collaboration with RED U-35 chefs

RAINFOREST ALLIANCE PEOPLE & NATURE



JAL CAFÉ LINES

asc ASC-AQUA.ORG

MSC認証 www.msc.org/jp



ASC-certified shrimp and quinoa salad

FUTURE 50 FOODS



Menu featuring Future 50 Foods

ISSU D’UNE EXPLOITATION HAUTE VALEUR ENVIRONNEMENTALE



Wine certified for its environmental value: Vietti “TreVie” DOCG Barbera d’ Asti2023

Note: Image is for reference only.

Please refer to the following for other initiatives using the certification.

Click here for an explanation of individual certifications
https://www.jal.com/en-jp/sustainability/governance/csr-procurement/certified-products/

Click here for nutritional initiatives
https://www.jal.com/en-jp/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.

For more information on our approach to food safety, click here.
https://www.jal.com/en-jp/safety/food-safety/

VOICE

Reducing Food Waste in International Business Class

We are working every day to reduce food waste in Business Class on our international routes to Europe and North America.

On these routes, we offer 12 à la carte menu options per flight, but one of the issues was that some meals go unserved and must be discarded. To address this issue, the lead cabin attendant reports meal consumption data for each flight through a dedicated system. By collecting and analyzing these detailed operational data, we are optimizing our meal loading plans to minimize the number of meals loaded but not served. We will continue working to use resources more efficiently and reduce our environmental impact.

KAMIYA Shigeo
Catering Operation Group
Catering Administration Office
Product and Services Department
Customer Experience Division



Respect for Human Rights

Basic Concept

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. To this end, all directors and employees fulfill their responsibility to respect the human rights of all people based on the belief that respect for human rights is a universal value and is consistent with the JAL Group Corporate Policy.

Based on the JAL Group Human Rights Policy, the Group will prohibit discrimination based on gender, age, nationality, race, ethnicity, religion, social status, disability, sexual orientation, or gender identity. The Group also strives to ensure that our business activities do not cause physical or psychological harm to our customers when providing products and services, prevent human trafficking through air transportation, and prevent human rights violations in the supply chain.



JAL Group Initiatives for Respecting Human Rights

To prevent and mitigate adverse human rights impacts on all stakeholders, including customers, business partners, local communities, and JAL Group employees, we have incorporated human rights due diligence and grievance mechanisms into our business processes.

Every year, the Group conducts a human rights risk assessment covering the entire JAL Group. Through the assessment of human rights risks, the identification of issues, and dialogue with external experts, we identify the most significant human rights issues for each fiscal year and promote initiatives to prevent and mitigate adverse human rights impacts. We will then disclose the situation, 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.112 Promoting Responsible Procurement Activities).

Flow for Respect for Human Rights Initiatives (Each fiscal year, the Group will follow this flow to promote respect for human rights.)

Grievance Mechanism → Risk Reports

Human rights DD	Specific implementation details
1. Confirmation and Revision of Human Rights Policy	Each year, we check to see if there is a need to revise the policy content or if there are any new issues.
2. Human Rights Risk Survey	Human rights risk surveys are conducted for all interdepartmental and group companies within the JAL Group.
3. Human Rights Risk Assessment and Identification of Key Issues	From among the risks identified through the human rights risk survey, we identify human rights issues that we believe require a particularly focused response.
4. Review of the Implementation Status of the Previous Year's Improvement Plan	A review of the previous year's initiatives is conducted at the management level.
5. Dialogue with Experts/Formulation of Priority Issues and Improvement Plans for the Current Fiscal Year	We conduct dialogues with outside experts and, based on the content of these dialogues as well as 3. Human Rights Risk Assessment and Identification of Key Issues and 4. Review of the Implementation Status of the Previous Year's Improvement Plan, we formulate priority issues and improvement plans for the current fiscal year.
6. Management Review	The contents of the previous year's review, and the priority issues and improvement plans for the current fiscal year, are reported to the president.
7. Reflection of the Previous Year's Review in the Current Year's Improvement Plan	Based on the results of the management review, necessary improvements are reflected in the current year's improvement plan.
8. Finalization of Priority Issues and Improvement Plans for the Current Fiscal Year	Based on elements 2 through 7, we finalize priority issues and improvement plans for the current fiscal year.
9. Implementation of Improvement Plans for Priority Issues of the Current Fiscal Year	We proceed with initiatives for the current fiscal year in accordance with the priority issues and improvement plans that have been finalized.
10. Internal and External Reporting	The contents of the previous year's initiatives, priority issues, and improvement plans for the current fiscal year are reported internally and externally through the integrated report and website.

Respect for Human Rights

Priority Human Rights Issues and Initiatives in FY2025

Stakeholders	Issues	Initiatives	Related Indicators
Suppliers	Ensure respect for human rights in the supply chain	The Group strives to build a sustainable supply chain by promoting respect for human rights, compliance with laws and regulations, environmental conservation, and appropriate labor practices. In FY2025, we conducted Sedex* assessments and a self-assessment questionnaire developed by the Group for 64 key Tier 1 suppliers that provide products and services, have close business relationships with the Group, and are considered to present high ESG risks. In addition, we conducted on-site audits focused on human rights risks at supplier locations in countries and industries identified as high risk using external assessment tools to verify their integrity. We also confirmed the soundness of Tier 2 and lower-tier suppliers through our key Tier 1 suppliers. * Established in the UK in 2004, Sedex is a nonprofit organization that provides a platform for managing and sharing supply chain data to support ethical and responsible business practices.  On-site audits of suppliers	● Implementation rate of self-assessment questionnaires for significant Tier 1 suppliers: 100 percent (64 companies) ● Implementation rate of human rights audits for significant Tier 1 suppliers subject to audit: 100 percent (18 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 fisheries, 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 FY2025, we replaced all inflight service supplies with FSC-certified paper products and adopted certified ingredients for inflight meals.  Inflight paper cups using certified paper	● Percentage of inflight items that use internationally certified paper that is respectful of forest resources: 100 percent
	Respect for human rights related to nature, including biodiversity	Recognizing that damage to local natural environments, including biodiversity, can have adverse impacts on the human rights of people living in those areas, the Group is advancing initiatives to address these issues. In FY2025, we conducted stakeholder dialogue with Naganuma Town in Hokkaido, with which we cooperated in red-crowned crane conservation. While incorporating the views of local residents, including farmers and experts, the Group directly observed local efforts aimed at achieving harmony between people and nature. We also incorporated this topic into our human rights training program to promote the understanding of our employees.	● Conduct internal awareness-raising activities and confirm status of initiatives regarding respect for human rights related to nature, including biodiversity: implemented
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. Our initiatives are built on four pillars: employee education, environmental improvements, information dissemination, and accessible tourism. In FY2025, we produced *Beyond Guide*, a handbook designed to alleviate travel-related concerns among customers with intellectual and developmental disabilities, and held boarding experience events for customers with developmental disabilities.	● Percentage of passengers with mobility barriers: 0.84 percent
	Prevention of human trafficking	Based on the recognition that preventing the airline industry from unintentionally contributing to human trafficking is a social responsibility of airlines, in FY2025 we provided all employees with human rights training that included content on the prevention of human trafficking. In addition, as part of our collaboration with external stakeholders, we participated in a public awareness video project at Narita Airport jointly implemented by airlines, airport operators, and relevant public agencies, broadly communicating to society the industry's and public-private sector's collaborative efforts to prevent human trafficking.	● Percentage of employees receiving education related to respect for human rights: 80.0%
	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 FY2025, 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.	
Employees	Prevention of harassment	As part of our efforts to prevent harassment in the workplace, in FY2025 we provided practical training, particularly on power harassment, using case studies based on actual incidents to carefully examine their background and underlying issues. We also strengthened our efforts to address customer harassment by expanding training to enhance employees' response capabilities and actively participating in industry-wide initiatives to prevent customer harassment, including the production of public awareness videos for customers.	● 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 work style and an environment to encourage employees to take paid leave. In FY2025, we continued to follow up with departments that have issues with working hour management and worked to raise awareness through employee education.	● Percentage of employees working long hours: 4.48 percent
	Fair and equitable recruitment, hiring, and promotion	We aim to create an airline where everyone can thrive regardless of attributes such as gender, age, nationality, race, ethnicity, religion, social status, disability, sexual orientation, or gender identity. In FY2025, as part of our efforts to focus on the gender balance, we started joint research with Ochanomizu University and held seminars and events to promote shared parenting. We also worked to create an organization where diverse talent can thrive by supporting the skills development and career advancement of employees with disabilities and further expanding the regions and job functions in which they can play active roles.	● Proportion of women managers: 31.9 percent ● Percentage of employees with disabilities: 3.19 percent
	Prevention of discrimination	We are working to develop human resources who respect diverse cultures and values and can create new values. In FY2025, as part of our efforts for non-Japanese employees, we conducted on-site audits, including interviews with those concerned, in accordance with the Regulations Concerning Employment Support regarding Foreign nationals with Specified Skilled Worker status. In addition, we actively participated in LGBTQ+-related events around Japan and conducted in-house training programs to promote understanding of LGBTQ+ issues.  An LGBTQ+-related event	● Percentage of audits conducted on group companies employing specified skilled workers: 75 percent
	Prevention of personal information leakage	To establish an even more robust information management framework, the Group expanded certification to the international standard ISO/IEC 27001:2022 to eight Group companies with information systems departments. We also strengthened governance by further raising employees' awareness of information security and enhancing their response capabilities through education for all JAL Group employees, holding a dedicated information security awareness month, and increasing the frequency of targeted phishing e-mail simulations to once every two months.	● Number of information leak incidents: 2 cases

Respect for Human Rights

Redefining Priority Human Rights Issues

At the JAL Group, through our annual human rights due diligence process, we identify priority human rights issues that require particular attention and promote initiatives to respect human rights based on those priorities.

In the FY2025 human rights due diligence process, we updated the priority issues for FY2026, primarily from the following perspectives, in order to further deepen and strengthen our initiatives.

- Consolidation and systematization of priority issues
- Deeper analysis of the rationale for identifying priority issues
- Clarification of the target areas for preventing and mitigating human rights risks

In FY2025, the Group consolidated the 11 priority human rights issues into five while organizing and clarifying the rationale for identifying them as priority issues and the anticipated rights-holders (the individuals whose human rights companies are responsible for respecting), with due consideration given to their relevance to the JAL Group's corporate philosophy framework and business characteristics.

As a result, the importance of each issue became clearer, along with why we address it, whose and what adverse impacts we should prevent and mitigate. This has laid the groundwork for further deepening our human rights initiatives.

FY2026 Priority Human Rights Issues

Priority Human Rights Issue	Rationale for Identifying the Issue as a Priority	Examples of Potential Adverse Impacts	Anticipated Rights-Holders
Preventing all forms of discrimination and ensuring fair opportunities	• Respect for diversity is essential to realizing our Purpose of becoming the world's most preferred and valued airline group, where many people and goods freely move around, and discrimination and disparities in opportunities hinder the achievement of that Purpose.	• Discrimination and disparities in opportunities based on gender, age, nationality, race, ethnicity, religion, social status, disability, sexual orientation, gender identity, or other attributes	• Customers and JAL Group employees of all backgrounds
Ensuring a safe and healthy work environment	• The physical and mental well-being of employees is a prerequisite for maintaining safe operations and serves as the foundation for realizing our Corporate Policy of "pursuing the material and intellectual growth of all our employees" and "delivering unparalleled service to our customers."	• Physical and mental health impacts on employees resulting from long working hours • Mental health impacts on employees resulting from workplace harassment and customer harassment • Adverse impacts on customers resulting from declines in safety and service quality caused by the above issues	• JAL Group employees • Customers affected by declines in safety and service quality resulting from the failure to ensure a safe and healthy work environment
Protecting the right to privacy	• The JAL Group is entrusted with a vast amount of personal information relating to customers using our flights, JMB members, JAL Card members, and Group employees. Any data leakage or similar incident could therefore have a significant impact on human rights.	• Violations of privacy through the leakage of customers' or employees' personal information or its inappropriate collection or disclosure to third parties	• Customers and JAL Group employees whose personal information is held by the JAL Group
Respecting human rights throughout the value chain	• Due to the nature of our business, we engage with a large number of suppliers across an extensive supply chain, which inherently carries potential human rights risks. • Because our business utilizes local natural environments as tourism resources, there is a possibility that our business activities could unintentionally have adverse impacts on the environment and local communities.	• Human rights violations in the supply chain • Adverse impacts on indigenous peoples and local communities, including negative impacts on the environment and biodiversity resulting from our business activities	• Workers throughout the supply chain • Local communities affected by our business activities
Preventing human trafficking through air transportation	• Human trafficking is both a crime and a serious human rights violation, and there is a risk that it could directly involve our flights. • Appropriate preventive measures can help stop human trafficking before it occurs. • Human trafficking also affects the safety of our customers. Taking measures to prevent it is a social responsibility of airlines.	• Customers becoming victims of human trafficking	• Victims of human trafficking (customers who may become victims)

In our dialogue with external experts, we also gained the fundamental insight that human rights risks are, first and foremost, risks to rights-holders and are distinct from management or business risks from a corporate perspective. This reaffirmed the importance of advancing our human rights initiatives from the perspective of rights-holders.

Going forward, based on our newly defined priority human rights issues, we will further deepen our efforts to respect human rights from the perspective of rights-holders.



Dialogue with outside experts

Comment from an External Expert



UMETSU Hideaki
Partner
Mori Hamada & Matsumoto

Reviewing the priority human rights issues is a significant and positive step forward as it clearly defines the focus of each issue and fosters a shift in mindset toward asking "why we address these issues" and "how they can best be addressed." In particular, clearly articulating the rationale for identifying each issue as a priority in a way that resonates with both internal and external stakeholders is important, as it can strengthen the momentum behind these initiatives. One point to bear in mind is that human rights risks are, first and foremost, risks to rights-holders and are fundamentally different from management or business risks viewed from a corporate perspective. These should therefore be considered separately. In addition, developing a clearer and more concrete understanding of the rights-holders associated with each issue, so that it is possible to envision who they are, will enable the JAL Group to advance more meaningful and substantive human rights initiatives.



Data Collection

Key Points in This Chapter

- 10-Year Financial Performance
- Business Data and Results in Airline and Non-Airline Businesses
- Outside Evaluation of Initiatives

Key Financial Data

Japanese GAAP

(JPYB)

	FY2015	FY2016	FY2017	FY2018	FY2019
Management Results					
Operating revenue	1,336.6	1,288.9	1,383.2	1,487.2	1,411.2
Operating expenses	1,127.4	1,118.6	1,208.6	1,311.1	1,310.5
Operating income	209.1	170.3	174.5	176.1	100.6
Ordinary income	209.2	165.0	163.1	165.3	102.5
Net profit attributable to owners of parent	174.4	164.1	135.4	150.8	53.4
Cash flow from operating activities	312.3	253.1	281.5	296.7	60.0
Cash flow from investing activities	-207.2	-215.5	-180.1	-186.3	-221.5
Cash flow from financing activities	-49.6	-53.5	-55.8	-37.0	-30.1
Free cash flow*2	105.1	37.5	101.3	110.3	-161.5
Depreciation and amortization	88.5	95.7	110.8	124.1	138.0
EBITDA*3	297.7	266.1	285.4	300.2	238.6
EBITDAR*4	321.1	286.2	305.4	320.1	260.2
Capital investment (purchase of non-current assets*8)	210.6	233.1	208.0	222.1	239.6
Financial Situation (at the end of the fiscal accounting year)					
Total assets	1,578.9	1,728.7	1,853.9	2,030.3	1,859.3
Net assets	870.5	1,003.3	1,094.1	1,200.1	1,131.8
Interest-bearing debt	92.6	116.0	125.7	142.3	191.7
Shareholders' equity	843.0	972.0	1,060.3	1,165.1	1,094.8
Stock					
Number of shareholders	105,163	127,583	123,474	144,308	236,234
Outstanding shares issued	362,704,000	353,715,800	353,715,800	349,028,700	337,143,500
Information per share (JPY)					
Net profit	481.29	456.56	383.23	432.10	155.66
Net assets	2,325.79	2,749.71	3,019.52	3,340.15	3,249.27
Dividends	120.00	94.00	110.00	110.00	55.00
Average number of shares during the fiscal year (thousands of shares)	362,500	359,594	353,334	349,006	343,101
Key Performance Indices					
Operating margin (%)	15.7	13.2	12.6	11.8	7.1
ROE (%)	21.5	18.1	13.3	13.6	4.7
ROA (%)*6	13.7	10.3	9.7	9.1	5.2
Equity ratio (%)	53.4	56.2	57.2	57.4	58.9

IFRS*1

(JPYB)

	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
Management Results							
Revenue	1,385.9	481.2	682.7	1,375.5	1,651.8	1,844.0	2,012.5
Operating expense	1,308.8	885.0	940.2	1,344.6	1,542.2	1,693.4	1,834.0
EBIT	88.8	-398.3	-239.4	64.5	145.2	172.4	218.0
Profit before tax	88.1	-404.0	-246.6	52.4	139.3	158.9	207.2
Profit attributable to owners of parent	48.0	-286.6	-177.5	34.4	95.5	107.0	137.6
Cash flow from operating activities	80.8	-219.5	-103.5	292.9	363.9	381.5	394.8
Cash flow from investing activities	-233.7	-91.0	-173.7	-112.7	-195.0	-281.1	-183.1
Cash flow from financing activities	-38.8	388.6	359.2	-38.4	-105.0	-64.9	44.6
Free cash flow*2	-152.8	-310.5	-277.3	180.1	168.8	100.4	211.7
Depreciation and amortization	162.4	182.4	178.4	157.4	147.5	155.8	166.1
EBITDA*3	251.2	-215.8	-61.0	222.0	292.7	328.2	384.1
Capital investment (purchase of non-current assets*8)	239.6	89.6	161.3	117.4	218.0	289.9	202.4
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	3,198.7
Total equity	1,049.6	981.5	846.0	856.9	948.3	1,016.6	1,334.7
Interest-bearing debt	277.4	515.1	928.4	925.5	887.2	896.0	875.9
Equity (Equity attributable to owners of parent)	1,014.2	947.4	799.7	816.2	909.9	975.0	1,289.6
Stock							
Number of shareholders	236,234	366,626	447,693	453,286	444,761	486,262	446,808
Outstanding shares issued	337,143,500	437,143,500	437,143,500	437,143,500	437,143,500	437,143,500	437,143,500
Information per share (JPY)							
Net income	140.04	-764.99	-406.29	78.77	218.61	245.09	306.96
Equity (Equity attributable to owners of parent)	3,009.71	2,168.06	1,830.03	1,867.91	2,082.23	2,233.52	2,586.99
Dividends	55.00	0.00	0.00	25.00	75.00	86.00	96
Average number of shares during the fiscal year (thousands of shares)	343,167	374,766	437,007	437,007	437,007	436,730	434,528
Key Performance Indices							
EBIT margin (%)	6.4	—	—	4.7	8.8	9.4	10.8
ROE (%)*5	4.6	—	—	4.3	11.1	11.4	12.8
ROA (%)*6	4.3	—	—	2.6	5.6	6.3	7.3
ROIC (%)*7	4.7	—	—	3.3	7.3	8.1	9.5
Shareholders' equity ratio (%)	51.2	45.0	33.7	32.4	34.3	34.9	40.3

Key Financial Data

Japanese GAAP

(JPYB)

	FY2015	FY2016	FY2017	FY2018	FY2019
Key Performance Indices					
D/E ratio (times)	0.1x	0.1x	0.1x	0.1x	0.2x
EBITDA margin (%)	22.3	20.6	20.6	20.2	16.9
EBITDAR margin (%)	24.0	22.2	22.1	21.5	18.4
Unit cost (JPY)*10	9.1	9.4	10.1	10.4	10.6
Unit cost (JPY) (Including fuel cost)	11.7	11.7	12.5	13.1	13.2
Dividend payout ratio (%)*11	25.0	25.1	29.4	32.3	35.3
Business Data					
International passenger operations					
Passenger revenues	448.7	415.2	462.9	530.6	476.2
ASK (million seat kms)*12 *13	50,563	50,621	51,836	54,925	54,324
RPK (million passenger kms)*12 *14	40,305	40,633	42,013	44,659	41,905
Revenue passengers carried (1,000)*12	8,460	8,394	8,585	9,128	8,277
Revenue passenger load factor (%)*12	79.7	80.3	81.0	81.3	77.1
Yield (JPY)*12	11.1	10.2	11.0	11.9	11.4
Unit revenue (JPY)*12	8.9	8.2	8.9	9.7	8.8
Domestic passenger operations					
Passenger revenues	501.2	498.6	518.2	528.0	514.6
ASK (million seat km)*13	35,869	35,423	35,714	36,116	36,199
RPK (million passenger km)*14	24,341	24,550	25,643	26,195	25,443
Revenue passengers carried (1,000)	32,114	32,570	34,033	34,859	33,783
Revenue passenger load factor (%)	67.9	69.3	71.8	72.5	70.3
Yield (JPY)	20.6	20.3	20.2	20.2	20.2
Unit revenue (JPY)	14.0	14.1	14.5	14.6	14.2
International cargo operations					
Cargo revenue	54.2	43.3	56.0	65.4	59.7
Revenue cargo tonne-km (million tonne km)	1,724	1,887	2,233	2,429	2,407
Domestic cargo operations					
Cargo revenue	23.3	22.2	22.4	21.8	20.7
Revenue cargo tonne-km (million tonne km)	363	357	364	343	328

IFRS*1

(JPYB)

	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
Key Performance Indices							
Shareholders' equity ratio based on credit rating*9	—	—	41.0	39.3	41.0	41.1	40.2
D/E ratio (times)	0.3x	0.5x	1.2x	1.1x	1.0x	0.9x	0.7x
EBITDA margin (%)	18.1	—	—	16.1	17.7	17.8	19.1
Dividend payout ratio (%)	39.3	—	—	31.7	34.3	35.1	31.3
Business Data (Full Service Carrier)							
International passenger operations							
Passenger revenues	486.2	27.9	68.7	417.5	622.3	696.3	760.0
ASK (million seat km)*12 *13	53,910	11,918	22,780	38,039	47,328	49,971	52,795
RPK (million passenger km)*12 *14	45,551	2,196	6,027	27,310	37,201	41,916	45,305
Revenue passengers carried (1,000)*12	8,958	357	892	4,348	6,628	7,584	8,008
Revenue passenger load factor (%)*12	84.5	18.4	26.5	71.8	78.6	83.9	85.8
Yield (JPY)*12	10.7	12.7	11.4	15.3	16.7	16.6	16.8
Unit revenue (JPY)*12	9.0	2.3	3.0	11.0	13.1	13.9	14.4
Domestic passenger operations							
Passenger revenues	529.7	174.0	235.1	451.1	550.8	571.5	609.0
ASK (million seat km)*13	36,199	19,452	24,535	35,243	35,184	35,082	34,889
RPK (million passenger km)*14	27,496	9,282	12,089	23,090	26,771	27,666	29,272
Revenue passengers carried (1,000)	36,411	12,212	16,238	30,109	35,109	36,127	38,234
Revenue passenger load factor (%)	76.0	47.7	49.3	65.5	76.1	78.9	83.9
Yield (JPY)	19.3	18.7	19.4	19.5	20.6	20.7	20.8
Unit revenue (JPY)	14.6	8.9	9.6	12.8	15.7	16.3	17.5
International cargo operations							
Cargo revenue	59.7	96.5	182.8	188.9	100.3	123.3	149.6
Revenue cargo tonne-km (million tonne km)	2,407	1,948	3,113	2,795	2,515	2,767	3,220
Domestic cargo operations							
Cargo revenue	20.7	21.7	20.7	20.0	19.5	27.9	29.9
Revenue cargo tonne-km (million tonne km)	328	237	231	280	282	305	311

*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 ROE for FY2025 is calculated after deducting the equity interests of holders of capital securities.
*6 [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
*7 [IFRS] ROIC = EBIT (after tax) / Average of fixed assets*8 at the beginning and end of the fiscal year
*8 Fixed assets = Inventories + Noncurrent assets – Deferred tax assets – Assets for retirement benefits
*9 Equity Ratio based on credit rating evaluation considering Hybrid Finance
*10 Unit cost = Consolidated air transport cost (excluding fuel costs) / ASK
*11 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.
*12 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.
*13 ASK (available seat kilometers): A unit of passenger transport capacity: Total number of seats x Distance flown (km)
*14 RPK (revenue passenger kilometers): Total flight distance covered by revenue passengers: Number of revenue passengers x Distance flown (kms)

Business Data

Aviation Business Area (FSC, LCC, Cargo and Mail)

			Unit	FY2021	FY2022	FY2023	FY2024	FY2025
Safety	Aircraft accidents		Cases	2	3	1	3	3
	Serious incidents		Cases	1	0	1	1	1
	Irregular operations*1		Cases	47	48	39	42	74
	Safety events*2	System problems (engine)	Cases	6	10	17	18	9
		System problems (other than engine)	Cases	23	22	30	21	34
		Parts departing from aircraft	Cases	1	3	2	3	7
Aircraft	Large aircraft	Airbus A350-1000	Aircraft	0	0	3	8	11
		Airbus A350-900	Aircraft	15	16	15	15	17
		Boeing 777-300ER	Aircraft	13	13	13	12	9
		Boeing 777-300	Aircraft	4	0	0	0	0
		Boeing 777-200ER	Aircraft	8	3	0	0	0
		Boeing 777-200	Aircraft	4	0	0	0	0
	Mid-sized aircraft	Boeing 787-9	Aircraft	22	22	22	22	22
		Boeing 787-8	Aircraft	29	30	31	31	31
		Boeing 767-300ER	Aircraft	29	27	27	27	27
	Small aircraft	Boeing 737-800	Aircraft	65	62	62	62	62
		Airbus A321ceo P2F	Aircraft	0	0	2	3	3
	Regional aircraft	Embraer E170/Embraer E190	Aircraft	32	32	32	32	32
	Propeller aircraft	ATR42-600/ATR72-600	Aircraft	13	14	15	15	15
		De Havilland DHC-8-400CC	Aircraft	5	5	5	5	5
	Total		Aircraft	239	224	227	232	234
Flight Performance	Airports served	Domestic flights including LCCs	Destinations	61	64	65	64	64
		International flights	Destinations	380	376	384	395	413
	Number of flights	Domestic flights	Flights	244,022	263,585	266,243	267,064	263,124
		International flights	Flights	17,127	28,688	40,834	44,734	46,791
		Total	Flights	261,149	292,273	307,077	311,798	309,915
	Percentage of flights operated	Domestic flights	%	98.06	98.46	98.03	98.39	98.39
		International flights	%	99.24	99.82	99.90	99.80	99.77
	On-time departure rate	Domestic flights	%	94.15	91.33	84.69	83.69	82.43
		International flights	%	88.98	74.05	81.06	81.11	81.15
		Total	%	93.38	89.63	84.21	83.32	82.24
	On-time arrival rate	Domestic flights	%	92.99	88.88	80.75	79.67	79.24
		International flights	%	91.78	79.74	81.59	80.44	77.51
		Total	%	92.81	87.99	80.86	79.78	78.98
	Number of partner airlines	Domestic flights*3	Airlines	3	4	4	5	5
		International flights	Airlines	35	34	34	34	34

Business Data

Aviation Business Area (FSC, LCC, Cargo and Mail)

				Unit	FY2021	FY2022	FY2023	FY2024	FY2025
Flight Data	Number of flights (ZIPAIR Tokyo) Number of flights (SPRING JAPAN)	Total		Flights	2,041	3,100	5,061	5,518	6,074
		Domestic flights		Flights	837	4,500	4,068	2,416	1,312
		International flights		Flights	118	335	2,037	4,390	5,189
		Total		Flights	955	4,835	6,105	6,806	6,501
Track Record	Domestic flights (FSC)	Total passengers		Passengers	16,238,833	30,109,920	35,109,846	36,127,464	38,234,040
			Change in domestic passenger traffic*4	%	-59 excluding LCCs	-15	2	3	8.5
			Number of inbound travelers to Japan	Passengers	121,844	582,180	912,578	1,161,629	1,376,444
			Go Somewhere with Miles	Passengers	—	540,000	630,000	710,000	801,000
		Revenue passenger kilometers*5		Million passenger-km	12,089	23,091	26,771	27,666	29,272
		Available seat kilometers*6		Million seat-km	24,536	35,243	35,184	35,082	34,889
		Passenger load factor		%	49.3	65.5	76.1	78.9	83.9
	International flights (FSC)	Total passengers		Passengers	892,471	4,348,562	6,628,180	7,584,536	8,008,848
		Revenue passenger kilometers*5 *7		Million passenger-km	6,028	27,311	37,201	41,916	45,305
		Available seat kilometers*6 *7		Million seat-km	22,781	38,039	47,328	49,972	52,796
		Passenger load factor*7		%	26.5	71.8	78.6	83.9	85.8
	Cargo and mail	Domestic revenue cargo tonne-km		1,000 tonne-km	231,515	280,599	282,974	305,220	311,132
		International revenue cargo tonne-km		1,000 tonne-km	3,113,671	2,795,737	2,515,410	2,767,480	3,220,293
			Change in domestic freight traffic*4	%	-34	-17	-15	-8	-8
			Results of pharmaceutical transportation*4	%	+92	+123	+437	+614	+883
Customer Satisfaction	NPS (Net Promoter Score)*8	Domestic flights		Points	+7.1	+3.0	+6.8	+2.2	+4.2
		International flights		Points	+7.4	-3.3	+3.3	-2.5	-3.0
	Customer feedback			Cases	21,095	30,795	30,487	25,516	27,661
Accessibility	Number of customers who find it difficult to travel	Ratio of these passengers on board		%	0.64	0.71	0.81	0.82	0.84
		Number of wooden wheelchairs, which go through metal detectors		Vehicles	478	508	508	461	464

*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, and the like). In general, it is not a situation that immediately affects the safety of operations.
*2 Applies to 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 mandated reporting to the MLIT. 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 aircraft accidents.
*3 Partnership with Jetstar Japan on international connection routes only
*4 Compared to FY2019. The results of handling and delivering pharmaceutical in cargo include dedicated pharmaceutical temperature storage at Narita Airport.
*5 Revenue Passenger Kilometers: The total distance flown by revenue paying passengers. Number of revenue passengers multiplied by distance flown (kilometers)
*6 Available Seat Kilometers: Measures passenger carrying capacity. Total seats multiplied by distance flown (kilometers)
*7 Calculation of figures for revenue passengers carried, revenue passenger kilometers, available seat kilometers, and load factors for international flights include code-sharing of JAL-operated flights sold by other airlines.
*8 Compared with the result at the beginning of FY2021.

For more safety data, please visit our Safety Report on our website. | Safety Report:
https://www.jal.com/en-jp/safety/report/

Business Data

Non-Aviation Area (Mileage, Lifestyle and Infrastructure)

			Unit	FY2021	FY2022	FY2023	FY2024	FY2025
Mileage and Card	Total number of JMB members		1 million	approx. 36	approx. 37	approx. 38	approx. 40	approx. 41
	Issuance mile index*1		FY18 = 100	87.6	101.4	124.1	137.2	152.0
	Total number of JAL card members		1 million	3.461	3.443	3.481	3.567	3.69
	JAL Card, Inc. revenue*2	Sales revenue	JPYB	18.5	17.1	13.2	13.4	14.4
Travel	Number of people who handle JALPAC Travel Co., Ltd.	Total	People	1,004,550	2,149,697	1,765,244	1,690,054	1,561,391
		Overseas travel	Travelers	68	17,447	59,905	67,060	57,720
		Domestic travel	Travelers	1,004,450	2,131,981	1,704,610	1,621,677	1,498,682
		Non-Japanese visitors to Japan	Visitors	32	269	729	1,317	4,989
	JALPAK Co., Ltd. revenue*2	Sales revenue	JPYB	45.8	108.8	115.4	110.9	104.3
Retail	JALUX Co., Ltd. revenue*2	Sales revenue	JPYB	—	27.9	32.0	39.3	42.6
Contracted Services	Number of flights entrusted by overseas airlines	Passenger flights	1,000 flights	11	23	61	78	77
		Cargo flights	1,000 flights	6	6	5	5	5
		Total	1,000 flights	17	29	66	83	82
Collaboration with External Parties	Promotion of JAL Wellness & Travel		Number of affiliated municipalities	—	4	5	9	4
	Number of city partnerships*3		Cities	41	47	49	54	61
	Number of partner schools *4		Schools	32	33	34	34	35

*1 Number of miles issued excluding air boarding
*2 Each figure is before the elimination of consolidated transactions. In addition, since FY2020, JAL 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).
*3 Some of these include cooperation agreements with councils rather than municipalities.
*4 Japan Airlines Co., Ltd. only

For the ESG data, please visit our website | ESG Data
https://www.jal.com/en/sustainability/esg/pdf/esg.pdf

Major Awards (2025 to 2026)

Major evaluations and awards are also posted on our website. Evaluations and Awards https://www.jal.com/en-jp/about/awards/ Press Release: Awards https://press.jal.co.jp/en/awards/

Evaluations Regarding Sustainability

- S&P Dow Jones Indices



Dow Jones Best-in-Class Asia Pacific Index
S&P Global CSA Top 5% ESG Score
Four consecutive years

- FTSE Russell



FTSE JPX Blossom Japan Index
Five consecutive years



FTSE JPX Blossom Japan Sector Relative Index
Five consecutive years

- CDP



Supplier Engagement Assessment (SEA) A

- Sompo Sustainability Index



Comprehensive Evaluation of Service Quality, Safety and Security Initiatives, and Sustainability Efforts

- APEX



WORLD CLASS
Five consecutive years

WORLD CLASS LOUNGE

Evaluation of Products and Services at Airports and Inflight

- SKYTRAX



SKYTRAX World Airline Star Rating “5 Star”
Nine consecutive years



SKYTRAX World Airline Awards
・Best Premium Economy Class in Asia
・Best Economy Class Airline Seat
Nine awards over eight consecutive years

Evaluation of DEI Promotion

- JobRainbow
  D&I AWARD 2025



D&I AWARD 2025 Grand Prize
(an award for companies with more than 3,001 employees)
First airline to receive the award



D&I AWARD Best Workplace
Five consecutive years

- Ministry of Economy, Trade and Industry
- Tokyo Stock Exchange



Next Nadeshiko: Companies Supporting Dual Careers and Co-parenting
Selected for the first time

- work with Pride Association



PRIDE Index 2025 “Gold,” the highest rank
Ten consecutive years

Evaluation of Health and Productivity Management and Wellness Promotion

- Ministry of Economy, Trade and Industry
- Tokyo Stock Exchange



Thirty JAL Group companies are recognized as the 2026 Outstanding Organizations of KENKO Investment for Health Program

- Japan Sports Agency



Certified as a Sports Yell Company 2026. This marks the ninth certification overall, and retained the Silver certification for another consecutive year.
Three consecutive years



Sports Yell Company in the Para-sports Category

Evaluation of DX Promotion

- Ministry of Economy, Trade and Industry
- Tokyo Stock Exchange
- Information Platform Agency, Japan



DX Noteworthy Companies 2025

Evaluation of Innovation

- International Chamber of Commerce (ICC)
- Mind the Bridge (MTB)



Corporate Startup Stars 2025 Top 100
Two consecutive years

- Japan Business Federation (Keidanren)

4th Startup Friendly Scoring Highest rank in the transportation industry

Ranked among the Top 10 companies overall (7th) and among the Top 10 in the category rankings (7th in Resource Provision; 5th in Business and Human Resources Development Division)

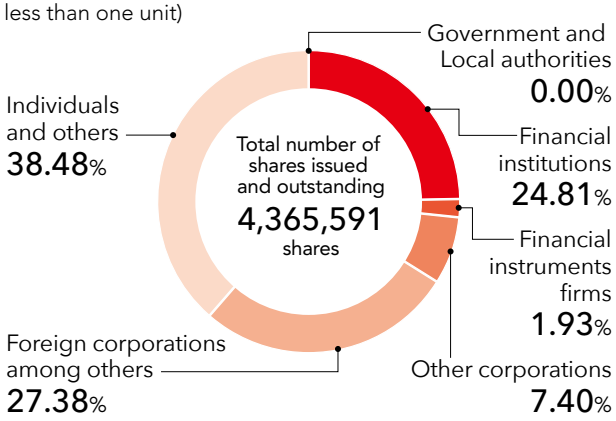
Stock Information/Company Profile

Stock Information (as of March 31, 2026)

- 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 Shin-Tokyo Post Office PO Box 29
  Phone: 0120-232-711 (toll free only within Japan)
  Open: 9 a.m.–5 p.m. except weekends and public holidays (JST)
  Website: www.tr.mufg.jp/daikou/ (only in Japanese)
- Method of Official Announcement
  Electronic public notice at:
  https://www.jal.com/ja-jp/investor/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 446,808

Note: The total number of shares issued includes 7,315,776 shares of treasury stock.

Status by Shareholder (excluding shares less than one unit)



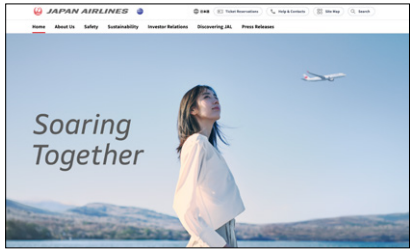
Company Profile (as of March 31, 2026)

- 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 ..... JPY273,200 million
- Employees ..... Consolidated employees 39,076 people
  Employees 14,627 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-jp/
  The following detailed information is also posted on the JAL corporate website.
- About JAL https://www.jal.com/en-jp/about/



- Safety and Peace of Mind https://www.jal.com/en-jp/safety/
- Sustainability https://www.jal.com/en-jp/sustainability/
- Investor Relations https://www.jal.com/en-jp/investor/
- Other Media

  JAL Group Safety Report
  https://www.jal.com/en-jp/safety/report/

  Corporate Governance Report
  https://www.jal.com/en-jp/about/governance/

  Annual Securities Report
  https://www.jal.com/en-jp/investor/library/group.html

  Consolidated Financial Results
  https://www.jal.com/en-jp/investor/library/information/

Japan Airlines Co., Ltd.

General Affairs Department
Finance Department

2-4-11 Higashi-Shinagawa, Shinagawa-ku, Tokyo 140-8637, Japan

Phone: +81 (0)3-5460-3121

The JAL Website ..... https://www.jal.com/en-jp/

About Us ..... https://www.jal.com/en-jp/about/

Sustainability ..... https://www.jal.com/en-jp/sustainability/

Investor Relations ..... https://www.jal.com/en-jp/investor/

About the front cover

The JAL Group has announced a new management vision setting out where we aim to be in 10 years. The cover of this report depicts our growth story toward that future.

The aircraft rising powerfully into the sky expresses our strong determination to achieve dramatic growth. At its foundation are Our DNA and the three forms of Our Value, namely, Safety and Peace of Mind for the Future Skies, Encounters and Experiences that Resonate with Customers, and Creating Relationships and Societal Connections. The design embodies our powerful ascent and firm commitment to forging a Sustainable Well-being Future together with all our stakeholders.

