ANA Group’s Business Fields and Four Materiality Themes

The ANA Group creates value through its various businesses mainly on the Air Transportation while addressing the shared materiality themes of Safety, Human Resources, the Environment and Society.

We will provide an overview of each business, our response to materiality themes and a description of Corporate Governance, which forms the foundation for supporting all of these ideas.
Segment Operating Revenues and Operating Income

<table>
<thead>
<tr>
<th></th>
<th>2015 Results</th>
<th>2015 YoY (%)</th>
<th>2016 Plan</th>
<th>2016 YoY (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Air Transportation</td>
<td>1,484.6</td>
<td>+8.8</td>
<td>1,545.0</td>
<td>+4.1</td>
</tr>
<tr>
<td></td>
<td>81.6</td>
<td>+24.9</td>
<td>104.0</td>
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<tr>
<td>Airline Related</td>
<td>223.7</td>
<td>+18.0</td>
<td>235.0</td>
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<tr>
<td></td>
<td>9.0</td>
<td>+228.7</td>
<td>9.0</td>
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<tr>
<td>Travel Services</td>
<td>169.0</td>
<td>–2.5</td>
<td>175.0</td>
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<td></td>
<td>4.5</td>
<td>+3.1</td>
<td>5.0</td>
<td>+9.5</td>
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<tr>
<td>Trade and Retail</td>
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<td>140.0</td>
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<td>4.0</td>
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<td>+22.9</td>
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<tr>
<td>Others</td>
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<td>+8.2</td>
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<td>–7.9</td>
</tr>
<tr>
<td></td>
<td>1.6</td>
<td>+18.8</td>
<td>1.0</td>
<td>–38.4</td>
</tr>
<tr>
<td>Adjustment</td>
<td>–323.6</td>
<td>—</td>
<td>–335.0</td>
<td>—</td>
</tr>
<tr>
<td></td>
<td>–9.4</td>
<td>—</td>
<td>–9.0</td>
<td>—</td>
</tr>
<tr>
<td>Total (Consolidated)</td>
<td>1,713.4</td>
<td>+9.1</td>
<td>1,790.0</td>
<td>+4.5</td>
</tr>
<tr>
<td></td>
<td>91.5</td>
<td>+38.7</td>
<td>115.0</td>
<td>+25.6</td>
</tr>
</tbody>
</table>

(Top: Operating revenues; Bottom: Operating income)
Air Transportation is our core business “to be the world’s leading airline group,” a goal set forth in our Management Vision. Looking at its global rankings, the ANA Group currently ranks 9th in terms of the number of passengers on domestic operations and 15th in terms of the total number of passengers, including international operations. The Air Transportation generated 72.9% of the total operating revenues of the ANA Group in the year ended March 31, 2015. This business is undertaken by the three full service carriers ALL NIPPON AIRWAYS CO., LTD., ANA WINGS CO., LTD. and Air Japan Co., Ltd., and one LCC, Vanilla Air Inc.

Air Transportation mainly comprises Domestic Passenger Operations, International Passenger Operations, and Cargo and Mail Operations. In Domestic Passenger Operations, we seek to maintain profitability by optimizing demand and supply while retaining the largest share in the Japanese market. Meanwhile, International Passenger and Cargo and Mail Operations will serve as our growth drivers over the medium and long terms. It is on these main pillars that we will work to maximize the ANA Group’s earnings.

ANA AIRPORT SERVICES Co., Ltd., ANA Base Maintenance Technics, Co., Ltd., ANA TELEMART CO., LTD. and certain other ANA Group companies are involved in a variety of businesses in support of the Air Transportation. These businesses include airport ground services, aircraft maintenance, vehicle maintenance, cargo and logistics, in-flight catering and call centers, as well as commission work from airlines outside the group. Under the holding company structure, the ANA Group companies will work closely with one another with the aim of enlarging their businesses.

Looking ahead, we will expand and diversify our earnings sources by progressing businesses that have strong synergies with the group’s existing businesses, such as the pilot training business and the aircraft maintenance, repair and overhaul (MRO) business.

The ANA Sales Group is involved in airline ticketing and travel services. Its ticketing business is targeted at both individual and corporate customers, while the Travel Services plans and markets travel packages that combine air transportation services offered by the ANA Group with lodging and other travel options. A wide variety of travel services are offered, including travel packages such as ANA Sky Holiday for domestic travel and ANA Hallo Tour and ANA Wonder Earth for international travel, as well as travel savings plans.

This business strengthens its initiatives to capture growing demand for inbound travelers to Japan. As part of these efforts, H.I.S. ANA Navigation JAPAN Co., Ltd. was set up as a joint venture with H.I.S. Co., Ltd. in the fiscal year ended March 31, 2015.

ALL NIPPON AIRWAYS TRADING CO., LTD. and others are involved in aircraft parts procurement, aircraft import/export, leasing and sales, planning and procurement for in-flight services and merchandise sales, airport retail operations and other businesses related to air transportation. It also imports and sells paper, pulp and food products; imports and exports semiconductors and electronic components; provides advertising agency services; and operates an online shopping site.

In the fiscal year ended March 2015, we expanded sales at our airport duty free shops and other airport retail operations, and commenced exports of Japanese food products to address growing overseas demand for Japanese cuisine. We have also been taking steps to increase earnings. Measures include capturing active demand by in-bound travelers to Japan and launching new businesses in Asia.

Note: Composition calculated with operating revenues before eliminations.
We will faithfully implement our current corporate strategy while closely considering changes in the business environment. Also, we will enhance our competitiveness as the group’s core business in order to be the world’s leading airline group.

### Performance in the Fiscal Year Ended March 2015

Operating revenues from the Air Transportation business in the fiscal year ended March 2015 increased by 8.8% over the previous fiscal year to ¥1,484.6 billion. Operating revenues achieved the highest record, driven by significant top-line growth in International Operations, where we expanded our network, and by higher operating revenues from Domestic Passenger Operations, where we continued to control capacity by optimizing demand and supply. Operating expenses increased by 8.0% year on year to ¥1,402.9 billion. This was the result of higher sales- and operation-linked expenses, which were partly offset by steadily implemented increasing Cost Restructuring Initiatives.

As a result, operating income for the fiscal year increased by 24.9% year on year to ¥81.6 billion, higher than our annual plans.

### Initiatives in the Next Fiscal Year and the Medium-Term Plan

Based on the corporate strategy, ANA will continue to expand its network in International Operations, and optimize demand and supply in Domestic Passenger Operations. Cost Restructuring Initiatives will also be steadily advanced. At the same time, we will continue to improve our service quality, which has awarded the highest 5-Star rating for the third consecutive year from SKYTRAX. (For details, please see page 38.) Through these initiatives, we intend to enhance our competitiveness as we drive further earnings growth.

Through these initiatives, our plans for the fiscal year ending March 2016 are operating revenues of ¥1,545.0 billion, an increase of 4.1% year on year, and operating income of ¥104.0 billion, an increase of 27.3% year on year.
Domestic Passenger Operations

Firmly maintain our profitability by continuing to control capacity while optimizing demand and supply and stimulating demand through appropriate pricing management.

Performance in the Fiscal Year Ended March 2015

In Domestic Passenger Operations, ANA shifted to a policy of controlling capacity from the fiscal year ended March 31, 2015. We successfully captured demand by flexible pricing management, including raising normal fares and offering effective promotional fares. As a result, ANA achieved higher operating revenues year on year.

In terms of our route network, ANA launched three new routes, the Osaka (Itami)–Aomori, Sapporo (New Chitose)–Aomori and Haneda–Nagoya (Chubu) routes. We also increased the frequencies on 10 routes, including the Haneda–Iwami/Tottori routes, which made use of slots allocated by a competition scheme at Haneda Airport. During the summer holiday season, we operated ANA Galaxy Flights on the Haneda–Okinawa (Naha) route in cooperation with regional organizations. These special flights make effective use of passenger aircraft operated as regular cargo flights in the late night and early morning hours. They were highly evaluated among customers and have helped to activate the local community. During the peak of air travel demand in August, ANA was the world’s first airline to deploy the Boeing 787-9 on regular flights to further meet customer demand.

On the services front, we carried out the Tastes of Japan by ANA project—an initiative designed to introduce Japan’s cultural and tourism resources by incorporating regional goods from across Japan into ANA’s in-flight and airport lounge services. Through this project, we worked to promote the appeal of various regions of Japan on the world stage and to make our services more competitive.

As a result of these initiatives, available seat-kilometers for the fiscal year were reduced by 1.4% year on year which was more suppressive than our annual plans. However, the number of passengers increased by 1.3% and operating revenues rose by 1.2% to ¥683.3 billion.

Initiatives in the Fiscal Year Ending March 2016 and the Medium-Term Plan

In the fiscal year ending March 2016, ANA plans to continually control capacity, as in the fiscal year ended March 2015. However, we will also continue working to increase operating revenues by capturing more demand and optimizing demand and supply.

In terms of our route network, we will utilize slots of low-noise aircraft at Osaka (Itami) Airport, in addition to continuously strengthening cooperation with partner carriers. Efforts will be made to upgrade the network according to demand, while taking into consideration the impact of the entry of the Hokuriku Shinkansen bullet train. Moreover, we plan to introduce “Dynamic Fleet Assign Model” as a new fleet management model during the second half of the fiscal year ending March 31, 2016 to strategically optimize demand and supply. (For details, please see page 28.)

In marketing and sales, we will keep the current level of normal fares that were revised in the fiscal year ended March 31, 2015. Meanwhile, we will flexibly provide the business discount fare Tokuwarì and the promotional fare Tabiwari, according to demand trends. In addition, we will stimulate additional demand by establishing new domestic fares for inbound travelers to Japan.

On the services front, ANA will enhance services for ANA Mileage Club members, for example, revising the redemption of miles required for domestic flight awards. We will also strive to make our services more competitive by enhancing in-flight Premium Class meals and airport lounge services.

Through these initiatives, although we are planning a 2.0% decrease year on year in available seat-kilometers for the fiscal year ending March 31, 2016, we expect the number of passengers to increase by 0.5% and operating revenues to increase by 1.4% to ¥693.0 billion.

Domestic Passenger Operations Results and Plans

<table>
<thead>
<tr>
<th>(Years ending March)</th>
<th>2014 Results</th>
<th>2015 Results</th>
<th>YoY (%)</th>
<th>2016 (Plan) YoY (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of passengers (Thousands)</td>
<td>42,668</td>
<td>43,203</td>
<td>+1.3</td>
<td>+0.5</td>
</tr>
<tr>
<td>Available seat-kilometers (Millions)</td>
<td>61,046</td>
<td>60,213</td>
<td>–1.4</td>
<td>–2.0</td>
</tr>
<tr>
<td>Revenue passenger-kilometers (Millions)</td>
<td>37,661</td>
<td>38,582</td>
<td>+1.9</td>
<td>+1.5</td>
</tr>
<tr>
<td>Load factor (%)</td>
<td>62.0</td>
<td>64.1</td>
<td>+2.1 pts*</td>
<td>+2.3 pts*</td>
</tr>
<tr>
<td>Passenger revenues (¥ Billions)</td>
<td>675.1</td>
<td>683.3</td>
<td>+1.2</td>
<td>+1.4</td>
</tr>
<tr>
<td>Unit revenues (¥)</td>
<td>11.1</td>
<td>11.3</td>
<td>+2.6</td>
<td>+3.4</td>
</tr>
<tr>
<td>Yield (¥)</td>
<td>17.8</td>
<td>17.7</td>
<td>–0.7</td>
<td>–0.1</td>
</tr>
<tr>
<td>Unit price (¥)</td>
<td>15,823</td>
<td>15,818</td>
<td>–0.0</td>
<td>+0.9</td>
</tr>
</tbody>
</table>

* Difference

Figures for available seat-kilometers, revenue passenger-kilometers, and yield are indexed using the figures for the fiscal year ended March 2012 as 100.
International Passenger Operations

As the group’s growth driver, expand earnings further by strengthening the dual-hub function at Tokyo metropolitan area airports.

In International Passenger Operations, we are implementing a dual-hub network strategy that leverages the strengths of both Haneda and Narita airports. Guided by this strategy, we dramatically increased our capacity against an increase in slots at Haneda. We also captured a broader range of demand globally by promoting our marketing activities. As a result, we achieved revenue growth largely in line with expansion in the scale of our business.

In terms of our route network, we launched seven new routes from/to Haneda, consisting of routes to London, Paris, Munich, Hanoi, Jakarta, Manila and Vancouver, beginning in the 2014 summer flight schedule. In addition, we increased flights on the Haneda-Frankfurt/Singapore/Bangkok routes. As a result, the ANA Group became the largest international network carrier operating at Haneda. Turning to Narita, we launched a new Narita-Dusseldorf route, and rescheduled certain Asian routes to enhance connectivities flights between North America.

In marketing and sales, ANA strove to capture more demand from the Tokyo metropolitan area and various regions of Japan by leveraging the competitive advantages of Haneda, which offers outstanding access from central Tokyo and serves as a key hub for the ANA group’s expansive domestic network. Meanwhile, the main focus of overseas marketing was to capture increasing demand for inbound travelers to Japan in addition to transit demand for travel between Asia and North America via Narita.

On the services front, we upgraded and expanded the “ANA SUITE LOUNGE” and “ANA LOUNGE” at Haneda. As for inflight services, we expanded our collaborating menu with highly acclaimed hotels and restaurants to enhance our in-flight business class meal services. In certain aircraft, we also introduced in-flight entertainment programming with over 300 channels in multiple languages.

Revenue passenger-kilometers increased by 16.4% year on year while available passenger-kilometers increased by 19.4%, and operating revenues rose by 18.5% to ¥468.3 billion thanks to appropriate yield management.

Performance in the Fiscal Year Ended March 2015

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In the fiscal year ending March 2016, the group plans to enhance its competitiveness by expanding its network mainly at Narita airport. Despite a projected decrease in fuel surcharge revenue in line with declining crude oil prices, we will continue to target revenue growth by capturing demand for flights from/to Japan, as well as trilateral demand between Asia and North America via Japan.

The ANA Group continues to expand its international route network with the launch of the Narita–Houston route in June 2015, and the Narita–Kuala Lumpur route in September 2015. During the 2015 summer flight schedule, we will successively increase frequencies on the Narita–Singapore/Bangkok/Honolulu routes. During the winter flight schedule, we will launch the Narita–Brussels, Haneda–Sydney, and Haneda–Guangzhou routes, and increase frequencies on the Haneda–Beijing/Shanghai routes.

In the marketing and sales, we aim to capture more demand from global passenger traffic. Taking advantage of our joint venture scheme with United Airlines, one of our Star Alliance partners, we will strengthen our approach for capturing demand from the non-Japanese market. Houston serves as the gateway to the southern U.S., as well as Mexico and Central and South America. Therefore, efforts will be made connecting demand with these cities. Meanwhile, we will work for further penetration of position regarding our Haneda flights in the market as this is the second year since we have expanded our network. Our main target will be demand for business travel. In overseas business, the group will strive to capture demand for inbound travelers to Japan by continuing promotions of the ANA brand as well as the appeal of “Japan.”

Through these initiatives, for the fiscal year ending March 2016, we plan available seat-kilometers to increase by 10.4% year on year, revenue passenger-kilometers to increase by 10.8%, and operating revenues to increase by 4.2% to ¥488.0 billion.

Regarding the Tokyo 2020 Olympic and Paralympic Games, discussions are being held on expanding the additional slots at Tokyo metropolitan area airports. The ANA Group sees this as a tremendous business opportunity to capture demand from the Asia-Pacific region. Therefore, we will continue to push ahead with our growth strategy.
In Domestic Cargo Operations, although cargo volume decreased from the previous fiscal year, the group made every effort to increase the unit price. As a result, operating revenues rose by 1.5% year on year to ¥32.5 billion.

In International Cargo Operations, we launched the Okinawa–Singapore–Narita route and the Naha–Jakarta route in May as a freighter network, in addition to expanding our passenger aircraft network. We secured firm demand such as automobile parts from Japan to North America and Asia, as we worked to capture trilateral cargo traffic using the Okinawa Cargo Hub & Network. Moreover, we have been contributing to the Japanese government’s growth strategy and the vitalization of regional industries.

Notably, under a stronger partnership with Yamato Transport Co., Ltd., we have sped up the exports of agricultural and fishery produce from across Japan to international destinations.

Furthermore, in December 2014, ANA launched a joint venture with Lufthansa Cargo AG between Japan and Europe with the aim of strengthening its market competitiveness. This joint venture is the world’s first scheme to obtain antitrust immunity (ATI) as an air cargo business.

As a result, available ton-kilometers increased by 21.0% year on year, and revenue ton-kilometers rose by 22.8% from the previous fiscal year. Consequently, international cargo revenues increased by 19.1% to ¥124.7 billion.

In Domestic Cargo Operations, we will work to enhance our marketing capabilities by introducing a new loading reservation system.

In International Cargo Operations, we will further enhance our competitiveness in the Asia-Pacific region by increasing our cargo fleet to 12 freighters together with the benefits of our expanded passenger aircraft network. Efforts will be made to steadily capture demand from/to Japan by, for example, capturing high-end cargo demand using the Okinawa Cargo Hub & Network as well as demand for trilateral cargo traffic. In addition, we will expand our cargo business on routes from Europe to Japan through our air cargo joint venture business with Lufthansa Cargo AG. Also, preparations will be made to launch a joint business with United Airlines targeting a transpacific route.

Through these initiatives, for the fiscal year ending March 2016, we are planning ¥179.0 billion in operating revenues from Cargo and Mail, both domestic and international routes in total.

<table>
<thead>
<tr>
<th>Cargo and Mail Results</th>
<th>2014 Results</th>
<th>2015 Results</th>
<th>YoY (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cargo and mail services revenues (¥ Billions)</td>
<td>145.5</td>
<td>166.9</td>
<td>+14.7</td>
</tr>
<tr>
<td>Domestic cargo</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cargo revenues (¥ Billions)</td>
<td>32.1</td>
<td>32.5</td>
<td>+1.5</td>
</tr>
<tr>
<td>Available ton-kilometers (Millions)</td>
<td>1,973</td>
<td>1,883</td>
<td>–4.6</td>
</tr>
<tr>
<td>Revenue ton-kilometers (Millions)</td>
<td>473</td>
<td>476</td>
<td>+0.7</td>
</tr>
<tr>
<td>Cargo volume (Thousand tons)</td>
<td>477</td>
<td>475</td>
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<tr>
<td>International cargo</td>
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<td></td>
</tr>
<tr>
<td>Cargo revenues (¥ Billions)</td>
<td>104.7</td>
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<tr>
<td>Available ton-kilometers (Millions)</td>
<td>4,530</td>
<td>5,484</td>
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<td>Revenue ton-kilometers (Millions)</td>
<td>2,937</td>
<td>3,608</td>
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<tr>
<td>Cargo volume (Thousand tons)</td>
<td>710</td>
<td>841</td>
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</table>

<table>
<thead>
<tr>
<th>International Cargo Operations Results and Plans</th>
<th>(¥ Billions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Years ending March)</td>
<td></td>
</tr>
<tr>
<td>2012</td>
<td>120.0</td>
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<tr>
<td>2013</td>
<td>130.0</td>
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<td>2014</td>
<td>140.0</td>
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<tr>
<td>2015</td>
<td>150.0</td>
</tr>
<tr>
<td>2016</td>
<td>160.0</td>
</tr>
</tbody>
</table>

* Figures for available ton-kilometers, revenue ton-kilometers and unit price are indexed using the figures for the fiscal year ended March 2012 as 100.
In the Others segment within the air transportation business, the group increased revenues from ancillary business such as contracted ground handling and mileage and card programs. The group also achieved higher revenues from LCC business operated by Vanilla Air Inc. As a result, the segment’s operating revenues in the fiscal year ended March 2015 increased by 11.9% year on year to ¥165.9 billion.

For the fiscal year ending March 2016, operating revenues are planned to increase by 11.5% year on year to ¥185.0 billion.

Vanilla Air Inc. operates from its main hub at Narita Airport. As of August 31, 2015, Vanilla Air operates three domestic routes (Narita–Okinawa (Naha)/Sapporo (New Chitose)/Amami Oshima), and three international routes (Narita–Taipei (Taoyuan)/Hong Kong/ Kaohsiung). With eight Airbus A320-200 aircraft, Vanilla Air is developing its network mainly on pleasure and resort destinations.

In the fiscal year ended March 2015, Vanilla Air gradually achieved market recognition from the start of the year onward. As a result, the load factor in the fourth quarter reached 88.6%, improving more than 10 points compared with the first half of the fiscal year. Although Vanilla Air posted an operating loss on a full-year basis, its performance steadily improved in every quarter.

In the fiscal year ending March 2016, Vanilla Air plans to improve its unit price by enhancing yield management, along with efforts to increase ancillary revenues and capture demand for inbound travelers to Japan by upgrading its online advertising. Vanilla Air will also implement cost control initiatives such as the launch of fuel efficiency project. Through these initiatives, we plan to achieve profitability on a single-year basis.
Contracts increased for airport ground handlings, which include passenger boarding operations, baggage handling and other services for airlines outside the group at Haneda, Kansai, Okinawa (Naha) and other airports. In addition, the group began recording operating revenues of ANA Cargo Inc., which commenced operations in April 2014. As a result, for the fiscal year ended March 2015, the segment’s operating revenues increased by 18.0% year on year to ¥223.7 billion and operating income rose 228.7% to ¥9.0 billion.

In the fiscal year ending March 2016, overseas airlines are expected to increase additional flights to Japan as demand for travel to Japan increases. Therefore, the group expects to see an increase in contracts for airport ground handling for both passengers and cargo in Japan. Accordingly, the group will aim to drive earnings growth from these and other revenues.

Awarded the World’s Highest 5-Star Rating from SKYTRAX for the Third Consecutive Year

In 2015, the U.K.-based rating company SKYTRAX awarded ANA the world’s highest 5-Star rating in the World Airline Rating for the third consecutive year. ANA is the only airline in Japan to receive the 5-Star rating.

We were also chosen as the world’s best airline in two categories of the World Airline Awards held by SKYTRAX in 2015.

These awards are seen as an evaluation of ANA’s achievements in working to enhance every aspect of quality, from check-in counters to airport lounges, in-flight meals, in-flight entertainment and much more, while expanding its network mainly on international operations.

Award History

World Airline Rating

<table>
<thead>
<tr>
<th>Year</th>
<th>Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>5 STAR AIRLINE</td>
</tr>
<tr>
<td>2014</td>
<td>5 STAR AIRLINE</td>
</tr>
<tr>
<td>2015</td>
<td>5 STAR AIRLINE</td>
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</table>

World Airline Awards

<table>
<thead>
<tr>
<th>Year</th>
<th>Category</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>World’s Best Airport Services / Staff Service Excellence, Asia</td>
</tr>
<tr>
<td>2012</td>
<td>Best Transpacific Airline</td>
</tr>
<tr>
<td>2013</td>
<td>World’s Best Airport Services / Best Cabin Cleanliness</td>
</tr>
<tr>
<td>2014</td>
<td>World’s Best Airport Services / Best Transpacific Airline</td>
</tr>
<tr>
<td>2015</td>
<td>World’s Best Airport Services / Best Airline Staff in Asia</td>
</tr>
</tbody>
</table>
In domestic travel services, revenues decreased year on year, due to trends in sales of our mainstay ANA Sky Holiday travel packages. For these products, travel demand to the Kanto region, around the Tokyo metropolitan area, declined from the previous fiscal year, despite steady growth to the Kansai and Kyushu regions.

In international travel services, revenues increased year on year, as we worked to capture transit demand from various regional cities in Japan by upgrading and expanding the product lineup of our mainstay ANA Hallo Tour travel packages with expansion in our Haneda routes. Another factor of increase was strong direct sales via the Internet.

As a result, the segment’s operating revenues decreased by 2.5% year on year to ¥169.0 billion. However, operating income rose 3.1% to ¥4.5 billion as the group worked to control costs.

In the fiscal year ending March 2016, we will enhance our products mainly on ANA Sky Holiday, our core brand in domestic travel services, as we strive to create new sources of demand by launching travel products targeting women and seniors. Meanwhile, in international travel services, we will enhance our product lineup and expand sales of high-value-added products such as ANA Wonder Earth. In addition, we aim to increase our sales from inbound demand by producing additional varieties of domestic travel packages for foreign visitors to Japan.

Through these initiatives, for the fiscal year ending March 2016, we are planning operating revenues of ¥175.0 billion, an increase of 3.5% year on year, and operating income of ¥5.0 billion, an increase of 9.5%.

H.I.S. ANA Navigation JAPAN Co., Ltd.

Company Profile (As of June 30, 2015)
Representative: Shigekazu Fukaki, Chief Executive Officer
Founded: November 4, 2014
Capital: ¥90.0 million
Start of operations: April 1, 2015
Shareholding ratio: H.I.S. Co., Ltd. (51%) ANA Sales Co., Ltd. (49%)

Through its marketing activities, the ANA Group seeks to encourage even greater use of both ANA’s international and domestic routes.

HANavi
Trade and Retail

Performance in the Fiscal Year Ended March 2015 and Initiatives in the Fiscal Year Ending March 2016

In the retail business, ANA DUTY FREE SHOP and ANA FESTA airport shops achieved solid sales mainly against growing numbers of inbound travelers to Japan, as well as passenger growth thanks to the expansion in Haneda routes. In the aerospace & electronics business, semiconductor assembly orders increased. In the food business, we began exporting Japanese food products to capture growing demand for Japanese cuisine, particularly in Asia.

As a result, for the fiscal year ended March 2015, the segment’s operating revenues increased 15.2% year on year to ¥127.0 billion and operating income rose 22.6% to ¥4.0 billion.

In the fiscal year ending March 2016, we will continue working to strengthen the platform of our existing businesses by capturing increasing demand of inbound travelers to Japan. In addition, ALL NIPPON AIRWAYS TRADING CO., LTD. plans to enter the food court management business at a retail facility in Singapore via Global Retail Partners PTE LTD., a joint venture company founded in March 2015. Leveraging the tenant management knowledge which will be developed through this business, ALL NIPPON AIRWAYS TRADING will work to nurture new businesses in various Southeast Asian countries in the future.

Through these initiatives, for the fiscal year ending March 2016, we are planning operating revenues in the segment of ¥140.0 billion, an increase of 10.2% year on year and operating income of ¥5.0 billion, an increase of 22.9%.
Questions & Answers for Our Business

Q How will the ANA Group deal with a decline in air travel demand triggered by an economic recession or event risk?

A In the past, the ANA Group has responded to various event risks with flexible measures according to each situation.

In response to a sharp decline in air travel demand, we have worked to control costs through initiatives that have had an immediate effect such as downsizing aircraft or reducing the frequencies on the affected routes. In addition, we carried out measures of temporary cost-cutting and a temporary leave program for group employees. We have also implemented personnel initiatives such as adjusting recruitment and offering early voluntary retirement programs with no impact on future business plans. In recent years, we have introduced performance-linked bonus plans and transitioned to defined contribution pension plans. These actions enable us to establish frameworks for stabilizing earnings and minimizing risks.

The group has also been implementing Cost Restructuring Initiatives since the fiscal year ended March 2012. Over the four years through March 31, 2015, the group has reduced costs by a total of ¥87.0 billion. From April 1, 2015 to March 31, 2017, we will work to achieve additional cost reductions of ¥50.0 billion to improve the cost competitiveness of the entire group.

The group is already maintaining stable financial conditions. Therefore, we now have a certain degree of resilience to event risks. Looking ahead, we will expand and diversify our revenue domains by nurturing non-airline businesses to build a group resilient against changes in the external environment.

Q How will the ANA Group respond to the shortage of pilots associated with growth in the air travel market?

A The ANA Group recruits pilots based on a long-term personnel plan along with its corporate strategy.

The ANA Group’s largest source is the group’s pilot training program. Every year, we recruit several dozens of trainees. We are securing pilots in a stable and systematic manner by having the trainees complete a variety of training and screening processes.

We are also taking steps to promote diversifying our sources of pilots. Since December 2014, we have been assigning working pilots from the ANA Group to Independent Administrative Institution CIVIL AVIATION COLLEGE. We dispatch our pilots as instructors to help instill in the students the aptitude, skills and knowledge which are essential to work as professional pilots. This will help us to secure a supply of qualified human resources for the group. In addition, the ANA Group is making partnerships with universities that have pilot training courses. Through these, the group is securing a steady source of pilots while providing the assistance needed to broaden the pool of students who obtain pilot licenses.

Looking at initiatives within the group, we are working to enhance the productivity of pilots while constantly remaining mindful of safety, such as revising the labor agreement of pilots. The group will steadily integrate aircraft types over the medium-to long-term. This will enable us to streamline training programs for transitioning pilots to different aircraft types and to shorten training periods.
Safety is the foundation of ANA Group management and maintaining safety is the unequivocal mission of every business of the ANA Group. No matter what the circumstances, we will continue to give top priority to the unwavering pursuit of safety and security.

**ANA Group Safety Principles and the Course of ANA Group Safety Action**

Safety is the foundation of ANA Group management and maintaining safety is the unequivocal mission of every business of the ANA Group. This principle is codified in the ANA Group Safety Principles as a pledge shared by all group officers and employees. Moreover, we have drawn up the Course of ANA Group Safety Action to further solidify the group’s safety management system based on two key pillars of the ANA Group Safety Principles: an integrated management system that assures safety and individual performance and dedication. The ANA Group Safety Principles and the Course of ANA Group Safety Action are shared at every ANA Group workplace. They are crucial guidelines to put into practice for ensuring that every employee acts on the group’s commitment to safety in their daily duties.

### Safety Initiatives

**Vision**

Safety is the foundation of ANA Group management and maintaining safety is the unequivocal mission of every business of the ANA Group. No matter what the circumstances, we will continue to give top priority to the unwavering pursuit of safety and security.

**Risks**

Any breach of safety could lead to a loss of public trust. In addition, a safety breach could have a significant, direct impact on the group’s business.

**Number of Employees Undergoing Training for Emergency Evacuations from Aircraft**

*(the total from December 2012 to March 2015)*

11,702 employees

The purpose of this training is to ensure that employees understand their safety assistance duties during emergencies, while further enhancing the entire group’s safety culture.

**Number of Employees Undergoing Training at the ANA Group Safety Education Center**

*(the total from August 2013 to March 2015)*

13,022 employees

Every employee considers what he or she can do to maintain safety by learning about topics such as the tragic nature of air accidents and the causal mechanisms behind them.

### Medium-Term Target for Safety: Earning Trust by Ensuring Safety and Security

The ANA Group is working to pursue and provide the “World’s Highest Safety Standard.” This means providing safety, which we must ensure as a company, and security, which is created as a result of providing customer safety. By doing so, we ultimately enhance trust, which is earned through the accumulation of our steadfast daily efforts on the safety and security fronts.

We strive to ensure safe aircraft operations as a matter of course. We are also pursuing a variety of other forms of safety in the group’s business, including the safety and security aspects of food services, cargo, and information. We are constantly mindful of the fact that safety today does not guarantee safety tomorrow. With this in mind, we will continuously pursue safety and security in order to earn public trust.
Assertion Builds Safety

The ANA Group defines assertion as “the constructive and cooperative expression of opinions and other remarks” based on mutual respect for one another. The maintenance divisions have adopted assertion as a keyword for building strong teams. To illustrate with an example, aircraft are made of tens of thousands of parts. One missing part, or a problem with a single part, can be enough to potentially compromise flight safety. Every member of every maintenance division strives to foster a culture in which everyone feels free to speak up and share anything they might notice, no matter how small, so that they can prevent maintenance issues from arising.

The assertion cycle involves requesting the attention of others, speaking up and thanking others based on interpersonal and interorganizational awareness of issues. Going forward, we intend to further instill the assertion cycle in every worksite.

Medium-Term Target for Safety and Update on Progress

Under the medium-term target for safety, we remain focused on personnel development and organization building, with a view to shifting our safety activities from reactive to proactive and predictive.

**<Personnel Cultivation to Ensure Safety>**

In addition to developing human resources that are able to spread awareness and proactively consider measures to prevent a recurrence of safety issues, we will continue to pursue safety by approaching safety matters sincerely and with humility. One way we will do this is by preserving the memory of past air accidents and hijacking incidents. To foster a safety-conscious atmosphere and culture along these lines, we conducted safety tour events at 43 airports and offices in Japan and overseas in the fiscal year ended March 2015. These events were attended by 1,976 employees. Remarkably, around 300 employees took part in three safety lectures given by Osamu Shinobe, President & Chief Executive Officer of ANA.

We continue to focus on providing emergency evacuation training, a program initiated in 2012 using a mock-up of an aircraft, and holding ANA’s Day, an event held since 2013 in which all ANA Group employees learn about the history of accidents and unsafe events at the ANA Safety Education Center.

**<System Development to Enhance Safety>**

We have newly introduced the Change Management approach for corresponding to State’s civil aviation Safety Programme for Japan (SSP). Starting a new process, changing a pre-existing process or discontinuing a pre-existing process increase the risk of mistakes and failure. The Change Management approach provides a framework for predicting the potential safety risks associated with these three changes, developing appropriate responses and countermeasures and managing the process itself.

Since September 2014, the ANA Group has also participated in the Safety Trend Evaluation, Analysis & Data Exchange System (STEADES), a safety program established by the International Air Transport Association (IATA). By sharing information with overseas airlines through this program, we intend to pursue the “World’s Highest Safety Standard.”

![Safety Tour events](image1.jpg)
![Emergency aircraft evacuation training](image2.jpg)
![Training at the ANA Safety Education Center](image3.jpg)
Human Resources Initiatives

Vision
Human resources are the ANA Group’s greatest asset. By developing and enhancing an environment where every employee can grow with initiative and independence, we intend to put the group on a path to steady growth.

Risks
The ANA brand and public trust cultivated since our founding are underpinned by every ANA Group member. If we neglect to nurture human resources, accumulate expertise and develop the necessary environment for human resources, this could have an effect on the group’s growth.

ANA Group Human Resources Strategy
The ANA Group will boldly match global competition by shaping a solid organization around diverse, multi-talented individuals on a group-wide, global level.

<table>
<thead>
<tr>
<th>Human resources strategy</th>
<th>Hone collective capabilities by facilitating diversity and inclusion, and the success of multi-faceted individuals.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Human resources development strategy</td>
<td>Continue to implement ANA’s Way, enhance global responsiveness and promote group-wide talent management.</td>
</tr>
<tr>
<td>Develop the personnel system and infrastructure</td>
<td>Develop a global platform and appoint diverse group-oriented human resources in support of career advancement.</td>
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Practical Application of Our Core Values (ANA’s Way) and Passing On Our DNA to Future Generations

The ANA Group implements initiatives to pass on its DNA, which has been developed over more than 60 years, along with promoting understanding of the Mission Statement, Management Vision and Core Values (ANA’s Way).

In 2013, the ANA Group opened the ANA Discovery Center for employees to review and consider the principles of Challenge and Endeavor in the group’s DNA. This training program allows participants to discuss the principles embraced over the years and those they will continue to embrace in years ahead and pass on to future generations.

The ANA Group also conducts the ANA’s Way Roadshow as an opportunity for dialogue between the ANA’s Way promotion team and worksites worldwide. As of March 31, 2015, about 4,500 employees had participated.

We revamped the Good Job Card System designed to help implement ANA’s Way and aimed to foster a culture of mutual encouragement among employees who practice ANA’s Way. Under the new system, for every Good Job message, ¥1 will be donated to child protection facilities operated by the Japanese Red Cross Society. In this way, we realize our aspirations to contribute to the hopes and dreams of an interconnected world, as stated in our Mission Statement.
Making Cabin Attendants Full-Time Employees

From April 2014, ANA has revised how it recruits cabin attendants by hiring them as full-time employees, not contract employees. With this change, ANA will expand the roles of cabin attendants and their range of duties from an early stage. This will also create an optimal environment and allow for systems to be put in place to facilitate the long-term, stable employment of cabin attendants. Through these measures, ANA will continue to enhance human resources development to ensure that it provides world-class services that drive the ANA brand forward.

Developing Diverse Human Resources to Take On Global Challenges

To accelerate global business development, we are implementing a range of human resources measures. These measures include proactively recruiting personnel overseas, including cabin crew, and shifting to an overseas branch management system centered on locally recruited staff. Other strategies include promoting interaction between overseas and Japanese staff, and dispatching young Japanese ANA employees overseas at an early stage in their careers. Additionally, we operate management qualification and performance review systems which meet global standards. We are also actively supporting improvements in education (liberal arts), the development of foreign language skills and other areas. The goal is to nurture globally responsive human resources that are able to represent the group in negotiations and collaborations with overseas business partners.

ANA Health Frontier Declaration

In 2006, ANA formulated the ANA Health Frontier Declaration, which aims to enhance corporate vitality and curtail rising medical costs by promoting employee health and enhancing the quality of life (QoL). Guided by this declaration, employees, the Company, and health insurance unions have made a concerted effort to implement activities such as lifestyle improvement programs and mental health support initiatives. As a result, we have steadily improved our numerical performance in terms of defined health targets, namely body mass index (BMI), the smoking ratio, and health checkup assessment results. We believe that promoting good health will help to boost the motivation of employees and increase our corporate value. Based on this belief, we will continue to actively promote good health among all employees, with a view to enhancing the Group’s overall vitality.

Aiming to be an Active Group Regardless of Disability

The ANA Group has worked diligently to employ people with disabilities by sharing recruitment expertise possessed by group companies and approaches to new lines of work. As of April 2015, the ANA Group had more than 550 employees at all 37 group companies with disabilities who are performing a variety of duties, satisfying the legally required number of workers under the Act on the Promotion of Disabled Persons of Japan.

In May 2013, the Osaka Document Center was set up as a joint project by ANA WING FELLOWS VIE OJI Co., Ltd. and ANA Aero Supply Systems in Osaka. The facility has 18 employees with disabilities who convert aircraft maintenance logs and other information into electronic data, and has been generating considerable interest in the community, with many people in charge at vocational support facilities and special-needs schools visiting the center. In June 2014, the center received a Certificate of Appreciation jointly signed by the Governor of Osaka Prefecture and the Mayor of Osaka City.

In Kawasaki City, Kanagawa Prefecture, a convenience store was opened in July 2014 in the ANA Tonomachi Business Center. All the convenience store staff have disabilities, including employees with hearing disabilities. Despite these challenges, customers are able to interact with the store staff in unique ways not seen at other convenience stores. For example, some customers use non-verbal means of communication, such as greeting staff using sign language.

Looking ahead, the ANA Group aims to remain a vibrant corporate group where anyone can work energetically and positively, regardless of whether they have a disability.

Voice

“I never imagined that I could work at a convenience store with my hearing disability. However, I wear an armband that shows I am hard of hearing. I also use a sheet that lists product names, payment methods and other information to communicate with customers and I really feel my work is worthwhile. I work energetically and positively so that all of our customers can enjoy shopping at the store.”
As the fiscal year ending March 2016 kicked off, the ANA Group formulated the ANA Group Diversity & Inclusion Declaration. To date, the ANA Group has produced many accomplishments through Diversity & Inclusion (D&I) initiatives such as promoting the employment of people with disabilities and women’s success in the workplace. However, as globalization advances rapidly, D&I are becoming increasingly crucial. With this declaration as a starting point, we will encourage all of our employees to understand the significance of and actively engage in D&I. In doing so, we seek to shape an ANA Group that is able to generate new value by respecting the diversity of organizations and groups and by harnessing the differences between individuals as a source of strength.

### ANA Group Diversity & Inclusion Declaration

We will:
- Respect the diversity of employees based on the belief that D&I will serve as a new source of value creation (innovation).
- Strive to create workplaces that maximize the strengths of individuals, where every individual is able to fully demonstrate his or her strengths.
- Create an ANA Group that enjoys unwavering trust and generates constant innovation by enabling everyone to work energetically and positively.

### Promoting Women’s Success through Positive Action*

The ANA Group considers itself a group that truly utilizes diversity and encourages frank discussion and mutual enhancement regardless of race, age, gender, assignment, role, values or any other differences, and one that aims for a corporate culture that will empower the entire group. The ANA Group has announced its support for the aim of the Positive Action Promotion created by the Ministry of Health, Labour and Welfare, as well as set its own numerical targets for promoting women’s success.

* Positive Action refers to voluntary and proactive measures undertaken by companies to eliminate disparities that have effectively arisen between male and female workers due to entrenched notions regarding gender-based roles and related precedents.

### ANA Clinches 3rd Place Overall in the Nikkei Woman’s Ranking of the “Best 100 Companies for Women to Work for in Japan”

At ANA, where female employees represent 55% of all employees, women already fulfill crucial roles and serve as a major competitive force that underpins quality in many worksites. However, as the airline industry experiences increasingly fierce competition, promoting women’s success will be vital to rising above the next stage of competition, which will require the group to harness diversity as a strength. Therefore, the ANA Group will continue to advance career development support and reform working methods as part of efforts to develop an environment and culture where it is easy for women to form the core of the organization.

### Initiative Example

The ANA Group sees D&I and a sound work-life balance as sources of corporate competitiveness. Accordingly, we are advancing a variety of initiatives to achieve these priorities.

#### The ANA Group is a founding member of the Ikuboss Alliance, a corporate network that aims to develop supervisors (“Ikubosses”) who are able to support the careers and personal lives of subordinates and staff with whom they work based on work-life balance considerations, while ensuring that their organizations produce the best possible results. At the same time, Ikubosses are able to enjoy both their own professional and private lives.

#### The ANA Group participates in the “Father’s Day Off” project involving both companies and NPOs. Based on the theme of “first birthdays,” this project seeks to celebrate a child’s first birthday by having the father take that day off, as well as marks a heartfelt celebration of the parents’ first year as mother and father.
Making Diversity & Inclusion (D&I) a Cornerstone of Our Corporate Culture

—Meeting D&I Requirements in a Fast-Changing World—

Mr. Shinobe

What must a company accomplish to survive in today’s fast-changing world? Charles Darwin’s Theory of Evolution offers some insight into this question: “It is not the strongest of the species that survive, nor the most intelligent that survives. It is the one that is most adaptable to change.” This principle tells us that there are two ways to ensure a company’s survival: (1) Adapt the thinking and behavior of the company’s current employees in line with the environment; and/or (2) Recruit employees who are able to successfully adapt to the changing environment. In essence, a company is able to promptly adapt to its environment when it has a diverse and inclusive workforce that reflects a variety of backgrounds.

Ms. Kobayashi

Looking at the ANA Group, the first major change in the environment that comes to mind is globalization. While expanding the share of its international flights, it must recruit more local personnel who are able to deal with differences not only in language but also in customs. This means that the ANA Group must step up recruitment of local personnel who are already familiar with their countries’ customs and do not require any additional training in this respect.

Mr. Shinobe

It is difficult to skillfully negotiate multiple languages and cultures in situations where you only have Japanese people to do so. That is why ANA is now expanding its recruitment activities for cabin crews to Hong Kong, Shanghai, Bangkok and other locations.

—Finding a Place for Every Employee to Reach their Full Potential—

Mr. Shinobe

I believe that we must now pay closer attention to how we gauge individual talent. For example, the main thrust of personnel assignments should be to find a place for each employee to reach their full potential. We should not merely increase the number of women in a workplace because we think it has too few female employees.

Ms. Kobayashi

D&I at Japanese companies often ends up as a discussion about how many female officers should be appointed to management. However, I sense that you are looking at D&I from the deeper standpoint of ensuring corporate sustainability.

Mr. Shinobe

Ideally, D&I should be considered from the perspective of sustainability. However, the reality is that we still have a long way to go. To illustrate, there may be many employees who still believe that it is easier to get work done in an organization with a homogeneous workforce. In this day and age, however, companies that do not embrace D&I will clearly be left behind.

—Imperatives for Reshaping Employee Awareness—

Mr. Shinobe

From a very young age, we have been taught to believe that “there is only one correct answer” to test questions and other situations. I feel that this notion discourages us from thinking flexibly.

Ms. Kobayashi

In the real world, sometimes there are no correct answers at all; other times there is more than one correct answer. There are even situations where every option is correct. Because the ANA Group gives the highest priority to safety, manuals must be followed to the letter. That being said, employees should not take the approach of blindly doing only what is specified in the manual, or not doing something unless the manual says so. I believe that it is crucial for every individual to determine what he or she is able to accomplish, and act accordingly.

Mr. Shinobe

I couldn’t agree more. It is imperative that we develop frameworks and programs that encourage people to give each other credit where credit is due, particularly for doing a good job. It is also vital for us to build human relationships as a foundation for all that we do. Ultimately, this will help us to jetison the notion that “there is only one correct answer.” We need to positively affirm our differences in thinking, personality, and ability, and ensure that every individual involved in the ANA Group can perform to their fullest. Provided that this principle is shared as a common goal, individuals should be free to determine how they go about getting their work done. The entire management team, including myself, is committed to executing management that embraces D&I—one that makes the most of each person’s talent, character, and individuality.
The ANA Group’s Environmental Management

The ANA Group formulated an Environmental Action Plan in 1999 to become a leading eco-friendly airline. In 2008, we became the first company in the airline and transport industry to be certified by Japan’s Ministry of the Environment as an Eco-First company. Since the fiscal year ended March 2013, we have launched ANA FLY ECO 2020 as the ANA Group’s medium- to long-term environmental plan based on the recognition that the reduction of CO₂ emissions during aircraft operations has been our top priority. This plan includes objectives based on global targets established by the International Civil Aviation Organization (ICAO). With the slogan “Toward Cleaner Skies,” we will extensively work to implement measures to help mitigate climate change.

Introducing New Aircraft Models and a Fuel Efficiency Project

The ANA Group plans to move ahead with introducing new aircraft that may achieve remarkable improvements in fuel efficiency and noise reduction. The ANA Group will lead the airline industry by actively introducing environmental initiatives.

Furthermore, we have worked to increase fuel efficiency through a project undertaken since 2008. However, we have been influenced by persistently high crude oil prices, increased fuel-related costs due to the yen’s depreciation, and an increase in total CO₂ emissions due to the expansion of international services. Under the circumstances, since April 2014, we have revamped the framework under the key themes of unified group-wide implementation and visualization. We will extensively work to achieve the project’s objectives by proposing and sharing a variety of ideas to lead to results.

Examples of Initiatives in the Fuel Efficiency Project

- **Flight methods**
  - Utilize efficient flight methods (during flight, landing and taxiing)
  - Optimize fuel on board using iPads

- **Aircraft maintenance**
  - Reduce the weight of aircraft
  - Improve engine performance
  - Increase use of ground power

- **Airport and in-flight operations**
  - Optimize flight plans
  - Coordinate in-flight and ground operations to ensure on-time flight operations
  - Reduce the weight of cargo and cabin equipment and items

- **Fleet and route planning**
  - Promote introduction of fuel-efficient aircraft
  - Plan highly profitable routes
  - Efficiently assign aircraft

[Image of ANA FLY ECO 2020 poster]
Initiatives to Reduce Our Environmental Impact

<table>
<thead>
<tr>
<th>Item</th>
<th>Targets</th>
<th>Results in the fiscal year ended March 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Climate change measures</td>
<td>Reduce CO\textsubscript{2} emissions from aviation fuel</td>
<td>[Unit Target] For the fiscal year ending March 2021, achieve a 20% reduction in CO\textsubscript{2} emissions per revenue ton-kilometer (total of domestic and international routes) compared with the fiscal year ended March 2006. We have progressed to a 17.1% reduction compared with the fiscal year ended March 2006. Total emissions were 10.163 million tons, an increase of 7.6% year on year, due to expansion in International Passenger Operations. However, we have reduced CO\textsubscript{2} emissions per revenue ton-kilometer to 1.04 kg-CO\textsubscript{2}.</td>
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<tr>
<td></td>
<td>[Total Target] Starting from the fiscal year ended March 2013 through March 2021, keep average annual CO\textsubscript{2} emissions on domestic routes below 4.4 million tons. Emissions were 4.22 million tons, which was below our target annual average.</td>
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<tr>
<td>Reduce ground energy</td>
<td>Reduce energy use at all worksites by 1% each year (in accordance with the revised Law Concerning the Rational Use of Energy). Total ground energy consumption increased (up 0.9% year on year on a crude oil equivalent basis) in step with expansion in International Passenger Operations. We will continue working to reduce ground energy consumption by adhering to our energy management standards.</td>
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<tr>
<td>Introduce alternative aviation fuel</td>
<td>Conduct a study toward the start of full-scale use of alternative aviation fuel by the fiscal year ending March 2021. Participated as a steering member of the Initiatives for Next Generation Aviation Fuels, which targets the start of a stable supply of alternative fuels by 2020. Contributed to formulating a roadmap as the secretariat for a subcommittee on biofuel production using microalgae. Concurrently supported continued R&amp;D on fuels made from non-plant materials such as Euglena.</td>
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</tr>
<tr>
<td>Air pollution measures</td>
<td>Conform with aircraft emission standards</td>
<td>All aircraft, including leased aircraft, to conform to Chapter 4 of the International Civil Aviation Organization (ICAO) emission standards. All aircraft conformed to the standards.</td>
</tr>
<tr>
<td>Introduce low-pollution vehicles</td>
<td>Actively introduce low-pollution vehicles, and study the use of biofuel. The ANA Group introduced 1,700 low-pollution vehicles* (approximately 33.1% of the total). * Hybrid, electric and emission constraint vehicles.</td>
<td></td>
</tr>
<tr>
<td>Noise measures</td>
<td>All aircraft, including leased aircraft, to conform to Chapter 4 of the ICAO noise standards. All aircraft conformed to the standards.</td>
<td></td>
</tr>
<tr>
<td>Resource savings</td>
<td>Reduce waste and promote paperless operations, including sales. Overall waste emissions increased by 6,400 tons year on year, reflecting the impact of an increase in waste emissions from aircraft cabins mainly due to expansion in International Passenger Operations. Total usage of various types of paper decreased approximately 300 tons, or about 6%. We will continue working to reduce waste emissions through resource conservation and recycling initiatives.</td>
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</tr>
<tr>
<td>Environmental contribution activities for local communities</td>
<td>Conduct sustainable forestation that provides new value to communities and society. The ANA Group continued to conduct ANA Hearty Forest afforestation activities in Minamisanriku Town, Miyagi Prefecture. In addition, we continued our support by dispatching employee volunteers to take part in the Ten-Year Coastal Forest Restoration Project in the Tohoku Region damaged by the tsunami that arose following the Great East Japan Earthquake, and by introducing Environmental Support Miles.</td>
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<td></td>
<td>Enhance environmental education activities through the Team Tyura Sango coral regeneration project. Heading into its 11th year, the project saw coral polyps cultured at facilities on land being emplaced twice in spring and twice in autumn, and 167 volunteer divers took part. We participated in various events both inside and outside Okinawa Prefecture on two occasions and widely publicized our activities.</td>
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### Initiatives to Reduce Our Environmental Impact

- **Promoting an Energy-Efficient Descent Method**
  This descent method involves a continuous descent with minimum engine thrust and no periods of level flight from the start of descent. It is effective for reducing both CO\textsubscript{2} emissions and noise.

- **Reducing Thrust Reverser Usage and Employing Single-Engine Taxing**
  While ensuring safety, the ANA Group is reducing CO\textsubscript{2} emissions and noise by reducing the use of thrust reversers and using single-engine taxiing after landing. The decision to employ these procedures is made by captains based on a comprehensive range of factors.

- **Washing Engines**
  The ANA Group washes engine compressors to clear away dust and restore engine performance, improve fuel efficiency, and reduce CO\textsubscript{2} emissions.
ANA was founded in 1952 based on a pledge to rebuild Japan’s air transportation industry through efforts led by the Japanese people. Ever since, ANA has advanced in step with Japan’s growth, and it therefore believes that it has an obligation to contribute to the revitalization of Japan’s society and economy. We have continued to spread the word globally about Japan’s appeal from many different angles using approaches that are unique to ANA.

The “IS JAPAN COOL?” website is designed to stimulate demand for inbound travel to Japan. Through this website, we take an in-depth look at the attractive qualities of Japanese culture and Japan’s distinctive cities from our unique vantage point, and continuously share what we find with the world. Since its launch in February 2012, the website has generated significant interest by attracting more than 800,000 visitors.

Since September 2013, we have been deploying the Tastes of JAPAN by ANA project, which is designed to proudly introduce Japanese values to customers worldwide. Over a period of approximately four years, the project will successively highlight, under the themes of food, sake, sweets and culture, each of Japan’s prefectures through in-flight meals and entertainment and other services. The project will successively feature three prefectures every three months until all 47 prefectures are covered.

In addition, we are a co-sponsor of the Japan Pavilion of Expo Milano 2015, the world’s first expo based on the theme of food. Under the banner of “Harmonious Diversity,” the Japan Pavilion introduces Japan’s diverse food and food culture, among other aspects of the country.

Traditional Japanese charms and tourism resources are now attracting global attention. On the other hand, Japan faces urgent concerns such as the depopulation of regional cities and fears over the decline of traditional industries. As a matter of course, we will help to achieve the Japanese government’s target of attracting more than 20 million overseas visitors to Japan by 2020. In addition, we intend to join forces with the Japanese national and local governments to be a bridge that joins Japan’s values to the world. Doing so will allow us to fulfill our obligation to pave the way for ANA’s bright future as a company that was nurtured in Japan.
Delivering Japanese Goods to China and Asia

In 2009, in cooperation with the Okinawa Prefectural Office, we established a huge distribution hub linking Japan and China and Eastern Asia from our cargo base at Okinawa (Naha) Airport. From 2013, we have successively strengthened our partnership with Yamato Transport. Specifically, we have enhanced the quality of service by integrating the networks and expertise of both companies. Furthermore, we publicized our international cargo distribution network at the Okinawa Great Trade Fair business convention held in November 2014, which was attended by buyers representing 16 countries.

With almost all major Chinese and Asian cities located within four hours of flight from Okinawa, products from all over Japan can be aggregated at Okinawa via Haneda. Okinawa (Naha) Airport is operating 24 hours and enables us to provide next-day delivery of all products to customers. By successfully developing an international high-speed delivery service, we will help sales channels overseas and reduce the costs of companies by shrinking their inventories, and thereby become a major driving force behind regional economy vitalization.

Solving the World’s Social Issues

The Okazaki Kaheita International Scholarship Foundation was established in 1990 for the purpose of achieving world peace and friendship by empowering people in Asian countries. To date, scholarships have been awarded to more than 100 students in Asian countries. The wishes of Mr. Okazaki, the second President, have been handed down to the present, and we continue to make contributions in ways unique to ANA to address global social issues.

From 2013, we cooperated with Ashoka, the world’s largest network of social entrepreneurs, as part of the Blue Wing Program. As a member of this network, we are supporting five changemakers who are attempting to solve a variety of social issues.

In June 2015, we entered into a partnership with the Global Health Innovative Technology Fund to promote future global use of Japanese technology for medical research and development, collaborating not only to prevent the transmission of diseases, but also their eradication.

Advancing Together with Communities

Every year since 1956, ANA has delivered lily of the valley flowers, which signify happiness, to patients across the country as part of its “Lily of the Valley” Flower Gift Event. For the 60th event held in 2015, an ANA Group cabin crew visited 47 hospitals nationwide and delivered bookmarks decorated with pressed lily of the valley flowers.

In 2013, ANA became the world’s first official sponsor of UNESCO, as part of its assistance for international cooperation programs in education, science and culture. In Japan, we continue to implement activities aimed at preserving Japan’s culture and natural environment for future generations. Examples include preservation activities at the Kamigamo Shrine, which is a UNESCO World Heritage Site in Kyoto.

The ANA Group has collectively named and promotes various environmental and social contribution activities undertaken in Japan and overseas as the “Wings Within Ourselves” project. We will continue to advance together with communities through activities including aviation classes and participation in local festivals.

In detail http://www.anahd.co.jp/en/csr/community/