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**THE JAL GROUP WILL:**  
Pursue the material and intellectual growth of all our employees;  
Deliver unparalleled service to our customers;  
and increase corporate value and contribute to the betterment of society.
Since our announcement, last May, of our FY2021 to FY2025 JAL Group Medium Term Management Plan, the uncertainty in the business environment has increased, given the prolonged impact of COVID-19 and the situation in Europe and its ramifications throughout the world.

Under these circumstances, the JAL Group has formulated the Medium Term Management Plan-Rolling Plan 2022 aimed at building resilience, overcoming current difficulties and making steady progress towards sustainable growth and development.

We will put ESG at the core of our management strategy and work to solve social issues through our business activities, accelerate business model reform and rebuild our financial structure, thereby achieving our management targets.

Air transportation has the power to overcome divisions, bring people, goods and ideas together, and make everyone feel fulfilled and hopeful. The JAL Group will fulfill its responsibilities as a social infrastructure and lifeline, and all employees will work together to realize JAL Vision 2030 with “safety and peace of mind” and sustainability” as the engines of growth.
JAL Vision 2030
Ideal image of the JAL Group in 2030

The JAL Group will focus on the key themes of “Safety and Peace of Mind” and “Sustainability” as the engines of growth in a time of upheaval with drastic changes in values.

Build a society where everyone can live safely, securely and with peace of mind.

JAL Vision 2030

Safety and Peace of Mind

Build a better future where everyone can feel fulfilled and hopeful.

Sustainability

To become the world’s most preferred and valued airline group, where many people and goods freely move around.
1. Outline of Medium Term Management Plan - Rolling Plan 2022
2. Three Pillars of Management Strategy
3. Details of Strategy
Timelines of Rolling Plan 2022

JAL Vision 2030 and 4-year rolling plan to realize the Medium Term Management Plan

Current situation
Early recovery from the COVID-19 pandemic

Medium Term Management Plan - Rolling Plan 2022
2022~2025

Recover to FY2019 profit level

Future
Realize JAL Vision 2030

2022
2023
2024
2025

Profit Target (EBIT)
80Bn JPY
170Bn JPY
More than 185Bn JPY

Recovery in Passenger Demand
International flights
Annual average about 45%
Gradual recovery

Domestic flights
Annual average about 90%
Recovery

*EBIT: Earnings Before Interest and Taxes
Environmental Changes and Three Pillars of Management Strategy

Adapt to changes in the business environment and accelerate management strategy execution with ESG strategy at the core

Airline Industry and JAL
- Prolonged period of severe damage to business
  - Prolonged impact of COVID-19
  - Destabilization of the world situation, particularly in Europe
  - Fluctuations in market conditions (fuel and exchange markets)

Market
- Structural changes in air travel demand and consumer behaviour
  - New forms of behavior such as remote work
  - Cargo demand remains strong, driven by e-commerce, etc.

Society
- Further rise in momentum to achieve the SDGs
  - ESG management inks to corporate value
  - Carbon neutrality commitments by governments and private sector worldwide

To build resilience and achieve sustainable growth

Accelerate management strategy execution with ESG strategy at the core

ESG Strategy
- Pursue ESG management to drive growth and increase corporate value

Business Strategy
- Accelerate business model reform and build resilience

Finance Strategy
- Rebuild financial foundation
  - Growth Investment
  - Shareholder return

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Safety and Security Initiatives
Accelerate safety and security initiatives to realize JAL Vision 2030

Roll out our management strategy
- Drive ESG-aligned management strategy
- Push forward with business model reform (expand business areas)

Environmental changes surrounding safety and security

Internal environmental changes
- Utilize digital technology
  - Aircraft failure prediction technology (PDA, etc.)
  - Weather forecasting technology (en route turbulence measures)
  - Image recognition technology (improve engine internal inspection)
- Health management of crew
  - Fatigue risk management based on data analysis
  - Full-scale launch of pilot support program

External environmental changes

Global risks and technology
- Diversification and emergence of global risks
- Development and proliferation of digital technology

Advancement of aviation safety
- Strengthen aviation security
  - Advanced AI-based security screening process
- Infection measures: set higher hygiene and cleanliness standards
- Strengthen cybersecurity
  - Encrypt and monitor communications
  - Separate and protect sensitive information such as customer data
- Maintain networks in disaster and emergency situations
  - Develop BCP for earthquake in Tokyo and outbreak of infectious diseases
  - Establish 2nd Data Center in Kansai area
  - Use drones to transport supplies

Respond to diversifying risks
- Move into the air mobility field
  - Participate in the development of national safety standards and systems
  - Build a safety management system utilizing aviation technology
- Build a sustainable safety culture
  - Provide managerial staff with safety education on organizational accidents
  - Provide young employees with safety education to learn about recent accidents
  - Preserve and pass on accident sites and related facilities

Create next-generation safety

Human resources and culture
Pass on and continuously spread a culture and awareness to think on the basic foundation of safety and security
1. Outline of Medium Term Management Plan - Rolling Plan 2022

2. Three Pillars of Management Strategy

- ESG Strategy 2030
- Business Strategy 2025
- Finance Strategy 2025

3. Details of Strategy
Put ESG strategy at the core of our management strategy to drive growth towards 2030

**JAL Vision 2030**

- Safety and Peace of Mind... Build a society where everyone can live safely, securely and with peace of mind
- Sustainability ... Build a better future where everyone can feel fulfilled and hopeful

**ESG Strategy**

- Solve social issues and create sustainable flows of people, and sales and distribution channels

**ESG Strategy**

- (Long-term business strategy)

**Realize sustainable air transportation of the future**

- Environmentally-friendly, safety and peace of mind
- Reduce CO₂ emissions, single-use plastics and waste, and food loss
- Improve accessibility and hygiene/cleanliness standards
- Flight operations and maintenance using data and new technologies
- Create demand for travel to/from regional areas, inbound travel

**High speed, high quality, stability**

- Create a new social infrastructure leveraging our strengths in aviation
- Maintain high value-added transportation and logistics networks
- Realize seamless transportation in all regions to solve social issues
- Build a transportation infrastructure based around airports
- Solve lack of human resources through transport mode shift
- Realize drone logistics and transportation, practical use of eVTOLs, build an emergency transportation system
- Support airlines flying to Japan

**Seamless, 1 to 1**

- Make everyday life and all life stages even better
- Promote the JAL Mileage and Lifestyle Concept for the wellbeing of our customers and society
- Maximize regional attractiveness and value and create flows
- Introduce a mileage program that enables users to earn points through environmentally friendly activities
- Develop products that promote ethical consumption
- Promote regional exchanges (New Tourism, local products)
Story of Increasing Corporate Value

Create social and economic values through ESG strategy and increase corporate value

Drive ESG strategy

Sustainable flows of people, sales and distribution channels

Realize

JAL Vision 2030

Assessed by 4 Priority Areas, 22 Issues, and c. 180 initiatives to achieve the SDGs

Social value

Economic value

Realize long-term growth

Drive ESG strategy to acquire opportunities and reduce risks

Increase corporate value

JAL Brand/
Aggregate market price

Acquire opportunities

2030 targets

Sales increase

Sales from new businesses
+ 300 Bn JPY
(compared to FY2019)

Cost reduction

Fuel cost reduction by updating to fuel-efficient aircraft
▲40 Bn JPY
(Reduction effect if measures are not implemented)

Productivity growth

Sales per employee
+30%
(compared to FY2019)

Reduce risks

Investment and asset optimization

• Long-term use of aircraft facilities that comply with environmental regulations
• Expand financing operations (SDG bonds, etc.)

Increase freedom in management

• Avoid various regulatory impacts and restrictions
• Gain JAL stakeholder support (selection of ESG stocks, etc.)

* Sustainable Aviation Fuel: An alternative sustainable aviation fuel

Strategic upfront investments and costs incurred (fuel-efficient aircraft, SAF *, etc.)

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37x493 - 45x493

Sales increase

• Improve customer preference for JAL brand
• Create new demand
  (air mobility / shifts in transportation modes, etc.)

Cost reduction

• Reduce fuel costs by introducing fuel-efficient aircraft
• Increase efficiency by reducing waste

Productivity growth

• Engaged diverse workforce
• Improve employee motivation and satisfaction
• Improve business processes
Aim to Achieve Net Zero CO₂ Emissions by 2050

Following on steady progress in FY2021 to achieve targets, further accelerate initiatives in FY2022

**FY2021**
- Planned aircraft renewal
  - A350 ... Introduce 7 A350s (Total 15)
  - ATR ... Introduce 2 ATRs (Total 13)
- Optimize fight plan
- Reduce aircraft weight
- Improve fuel efficiency
- Renew offset program for individuals

**FY2022~**
- Continue introduction of A350. Total 31 (ordered)
- Consider early introduction of new small- and medium-sized aircraft
- Consider introduction of hydrogen-powered aircraft
- Collaborate with government for further optimization of flight course and ATC methods
- Realize stable procurement at appropriate prices through diverse SAF suppliers

**Internal emissions reduction**

**Upgrades to Fuel-efficient Aircraft**
- Planned aircraft renewal
  - A350 ... Introduce 7 A350s (Total 15)
  - ATR ... Introduce 2 ATRs (Total 13)

**Use of SAF**
- Procurement activities
  - Operate flights loaded with Japan-made SAF
  - Fulcrum (US) in which JAL has acquired a stake, starts plant operation
  - oneworld announces joint procurement of SAF
    - Aemetis, Inc. (US) From 2025
    - Gevo (US) From 2027
- Proliferation activities
  - Publish joint report on SAF with ANA
  - ACT FOR SKY, a voluntary organization, established

**Utilization of carbon offset program**
- Renew offset program for individuals
- Introduce offset program to corporations

**CO₂ reduction rate*, target and results**
- Update to fuel-efficient aircraft: 6%
- Reduction in daily operations: 1.5%
- Use of SAF: 10%
- FY2021 result: 6%
- FY2025 reduction target: 6%
Realize stable procurement at appropriate prices through diverse SAF suppliers

- 10% of total FOB
- Target
- Expected to achieve target
- Domestic procurement volume
- Estimated procurement potential

Graph:
- (10,000 kl)
- FY2022: 0
- FY2023: 0
- FY2024: 0
- FY2025: 5
- FY2026: 10
- FY2027: 15
- FY2028: 20
- FY2029: 25
- FY2030: 30

Target amount

*Fuel on Board
New value in air travel that we can take pride in Embrace the challenge of “sustainable flights”

Nov. 2022 (month of COP27)

**Model flight**

Haneda - Okinawa
Domestic flight/A350

- Aircraft and fuel: Utilize SAF and offset program on state-of-the-art fuel-efficient aircraft to achieve Net zero CO₂ emissions
- Passenger service: In-flight meal reservation, change materials of service items and recycle to achieve Zero single-use plastic* waste
- Customers: Multilingual service and special assistance, etc. for Stress-free travel for all customers + Realize sustainability with our customers (voluntary offset program, etc.)
- Employees: Internal recruitment of diverse employees to take part in planning and operation to promote Active role of diverse human resources

*Dates, aircraft, sectors, etc. are tentative

*Virgin petroleum derived plastic
1. Outline of Medium Term Management Plan - Rolling Plan 2022

2. Three Pillars of Management Strategy

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   - Business Strategy | 2025
   - Finance Strategy | 2025

3. Details of Strategy
### Targets of Business Model Reform

Accelerate business model reform to build resilience

#### Targets in each business area

<table>
<thead>
<tr>
<th>Business Model Reform</th>
<th>Full Service Carrier (FSC)</th>
<th>Cargo and Mail</th>
<th>Mileage, Lifestyle, Infrastructure</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Structural reform</strong></td>
<td><strong>Accelerate initiatives to increase profitability and recover/increase demand</strong></td>
<td><strong>Expand business with a new business model</strong></td>
<td><strong>Move into high growth areas and drive business model reform</strong></td>
</tr>
<tr>
<td>Improve profitability as the core business</td>
<td>Increase profit through utilization of belly cargo space and freighter business in partnership</td>
<td>Expand new business areas using our strong customer base and human skills as drivers</td>
<td></td>
</tr>
<tr>
<td><strong>FY2025 sales</strong></td>
<td><strong>FY2025 sales</strong></td>
<td><strong>FY2025 sales</strong></td>
<td><strong>FY2025 sales</strong></td>
</tr>
<tr>
<td>1 Tn JPY and over</td>
<td>100 Bn JPY</td>
<td>132 Bn JPY</td>
<td>330 Bn JPY</td>
</tr>
<tr>
<td><strong>FY2025 EBIT margin</strong></td>
<td><strong>FY2025 EBIT</strong></td>
<td><strong>FY2025 EBIT</strong></td>
<td><strong>FY2025 EBIT</strong></td>
</tr>
<tr>
<td>8% and over</td>
<td>19 Bn JPY</td>
<td>65 Bn JPY</td>
<td>30 Bn JPY</td>
</tr>
<tr>
<td><strong>FY2019 - FY2025 sales CAGR</strong></td>
<td><strong>FY2025 sales</strong></td>
<td><strong>FY2025 sales</strong></td>
<td><strong>FY2025 sales</strong></td>
</tr>
<tr>
<td>+14%</td>
<td>200 Bn JPY</td>
<td>185 Bn JPY or more</td>
<td>35%</td>
</tr>
</tbody>
</table>

#### Targets of Business Model Reform

- **EBIT**
  - Mileage, Lifestyle, Infrastructure: 30%
  - LCC: 70%
  - FSC + Cargo and Mail: 10%

- Increase profit through utilization of belly cargo space and freighter business in partnership
- Expand new business areas using our strong customer base and human skills as drivers
- **Before COVID-19**
  - Mileage, Lifestyle, Infrastructure: 70%
  - LCC: 10%
  - FSC + Cargo and Mail: 20%

- **FY2025**
  - Mileage, Lifestyle, Infrastructure: 55%
  - LCC: 45%
  - FSC + Cargo and Mail: 10%

- FY2019-25 CAGR: +9% EBIT margin 20%
- FY2019-25 CAGR: +3%

- **+15pts**

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*1 Before COVID-19: figures deducting impact of COVID-19 from FY2019 results (earnings forecast figures disclosed at the announcement of FY19Q3 financial results (IFRS))
Maximize profitability of the entire JAL Group across business areas

<table>
<thead>
<tr>
<th>Portfolio management</th>
<th>Create Group synergies</th>
</tr>
</thead>
<tbody>
<tr>
<td>● Design a business structure adaptive to the business environment</td>
<td>● Maximize sales through synergic effects</td>
</tr>
<tr>
<td>● Optimize resource allocation</td>
<td>● Minimize costs by improving efficiency</td>
</tr>
</tbody>
</table>

**Safety and Security**
- Expand technologies cultivated in aviation to other business areas

**Human Resources**
- Create new value through productivity growth and resource allocation to profitable businesses with growth potential

**DX**
- Accelerate business model reform by building, analyzing, and utilizing a database covering business areas

**Sales**
- Shift from air ticket sales to solution sales utilizing JAL Group assets

**JAL Group Companies**
- Realize business growth by increasing profit of Group companies

**Corporate Functions**
- Integrate and consolidate dispersed and redundant functions

**Cost Management**
- Keep actual fixed costs of the entire JAL Group at 500 billion yen level

**Full Service Carrier**
- Continue air ticket sales

**LCC**
- Shift from air ticket sales to solution sales utilizing JAL Group assets

**Cargo and Mail**
- Shift from air ticket sales to solution sales utilizing JAL Group assets

**Mileage, Lifestyle and Infrastructure**
- Create new value through productivity growth and resource allocation to profitable businesses with growth potential

Strengthen Collaboration Among Business Areas

Build a resilient business structure with growth potential by promoting Group management
1. Outline of Medium Term Management Plan - Rolling Plan 2022

2. Three Pillars of Management Strategy

- ESG Strategy | 2030
- Business Strategy | 2025
- Finance Strategy | 2025

3. Details of Strategy
## Rebuild Financial Foundation

Strategically allocate resources to build risk resilience and capital efficiency

<table>
<thead>
<tr>
<th>End of FY2021</th>
<th>Financial rebuilding phase</th>
<th>Sustainable growth phase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Liquidity</td>
<td>494.2 Bn JPY</td>
<td>Secure and maintain 5.0~5.6 months worth of passenger revenue</td>
</tr>
<tr>
<td>Stability</td>
<td>Equity ratio 41.1% (credit rating)</td>
<td>• Aim for approx. 50% equity ratio (credit rating)</td>
</tr>
<tr>
<td>Credit rating</td>
<td>Maintain A rating</td>
<td>• Aim to achieve zero net interest-bearing debt by the end of FY25</td>
</tr>
<tr>
<td>Capital efficiency</td>
<td></td>
<td>Aim for A flat rating</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Achieve, maintain and improve ROIC(^{*1}) 9%, ROE 10% or above</td>
</tr>
</tbody>
</table>

## Resource Allocation

<table>
<thead>
<tr>
<th>Capital allocation</th>
<th>Prioritize rebuilding of financial structure</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Promote investment for sustainable growth</td>
</tr>
<tr>
<td>Financial discipline</td>
<td>Secure sufficient free cash flow for each fiscal period</td>
</tr>
</tbody>
</table>

## Shareholder Return

<table>
<thead>
<tr>
<th>Dividend</th>
<th>Aim to resume dividends by the end of FY2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total return</td>
<td>Stable dividend payout ratio of over 35%</td>
</tr>
<tr>
<td></td>
<td>Flexibly consider buyback</td>
</tr>
</tbody>
</table>

\(*1\): Return on Invested Capital = EBIT (after tax) /Average fixed assets at the beginning and end of a fiscal year\(^{*2}\)

\(*2\): Fixed assets = Inventory assets + Non-current assets – Deferred tax assets – Net defined benefit asset
Growth Investment and Shareholder Return

Basic concept of cash flow allocation

Gradually shift cash flow allocation from rebuilding of financial foundation to shareholder return and investment for sustainable growth

**Rebuilding Phase**

- A. Carefully select investments in this phase
- B. Recover an appropriate level of liquidity by the end of FY2023
- C. Aim to resume dividends by the end of FY2022

**Sustainable Growth Phase**

- D. Active shareholder return
- E. Investment for sustainable growth

Gradually shift to recovery CF creation capabilities

- Operating cash flow
- Debt financing
  - Cash inflow
  - Cash allocation

- Shareholder return

- Investment
  - Debt repayment
  - Increase cash balance

- Debt financing
  - Shareholder return
  - Investment
  - Debt repayment

Gradually shift to recovery CF creation capabilities
All investments are to drive ESG management
Actively utilize ESG finance to steadily upgrade to fuel-efficient aircraft

4 years total: Approx. 660 Bn JPY

Approx. 190 Bn JPY

FY2021

[Results]

E
Introduced fuel-efficient A350-900, etc.

S
Introduced JAL SMART AIRPORT, etc.

G
Investments to strengthen LCC management foundation, etc.

FY2022

[To be implemented]

E
Introduce fuel-efficient aircraft (A350 etc.)

S
Invest in air mobility related businesses, etc.

G
Investment to strengthen IT infrastructure, etc.

FY2023～2025

Environmental investment such as for CO2 reduction
Investment contributing to solve social issues such as safety and peace of mind, customer convenience and regional communities
Investment to strengthen corporate governance

Approx. 150 Bn JPY/year

Gradually expand growth investment while prioritizing improvement of financial structure

Actively update to fuel-efficient aircraft
Accelerate CO2 emission reduction

Approx. 170 Bn JPY/year

(3 years total: approx. 510 bn JPY)

Promote investment for sustainable growth with disciplined investment management

Investment Strategy

2-3

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### Progress of Medium Term Management Targets

Steadily work on FY2025 targets to achieve JAL Vision 2030

#### FY 2025 target value

<table>
<thead>
<tr>
<th>Safety and Peace of Mind</th>
<th>Finance</th>
<th>Sustainability</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Safety</strong></td>
<td><strong>Finance</strong></td>
<td><strong>Sustainability</strong></td>
</tr>
<tr>
<td>Aircraft Accidents and Serious Incidents</td>
<td></td>
<td></td>
</tr>
<tr>
<td>0 (during the entire period of the Medium Term Management Plan)</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Peace of Mind</strong></td>
<td><strong>Achieve 10% or Higher in FY2023</strong></td>
<td><strong>Environment</strong></td>
</tr>
<tr>
<td>NPS ( \uparrow ) + 4.0 pt (FSC international/domestic)</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Finance</strong></td>
<td><strong>Achieve 10% or Higher in FY2023</strong></td>
<td><strong>Communities</strong></td>
</tr>
<tr>
<td><strong>ROIC</strong> (Return on Investment)</td>
<td><strong>Achieve 9% or Higher in FY2023</strong></td>
<td><strong>Regional Revitalization</strong></td>
</tr>
<tr>
<td><strong>EPS</strong> (Net income per share)</td>
<td><strong>Achieve 6.2 million tons</strong></td>
<td><strong>People</strong></td>
</tr>
<tr>
<td>FY2023 ¥260 Pre COVID-19 level</td>
<td>FY2025 c. ¥290 level</td>
<td><strong>Promotion of D&amp;I</strong></td>
</tr>
</tbody>
</table>

#### FY2021 Results

<table>
<thead>
<tr>
<th><strong>Safety and Peace of Mind</strong></th>
<th><strong>Finance</strong></th>
<th><strong>Sustainability</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>2 cases</td>
<td>-</td>
<td>6.2 million tons</td>
</tr>
<tr>
<td>Domestic + 7.1 pt</td>
<td>-</td>
<td>25% abolished</td>
</tr>
<tr>
<td>International + 7.4 pt</td>
<td>-</td>
<td>90% change</td>
</tr>
<tr>
<td>JAL FLYSAFE initiatives highly evaluated</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Steady implemented financial measures due to COVID-19</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Maintained financial base, the foundation of business model reform, through hybrid financing</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

#### Notes

1. Net Promoter Score (NPS) ... Objective Indicator of Customer Satisfaction (compared to the beginning of FY 2021)
2. Increase in total passengers by stimulating tourism demand and creating new flows

*Promoted introduction of fuel-efficient aircraft (A350, etc.)
*Introducing plastic bottles made from recycled materials (cabin)
*Suspended plastic bags for checked baggage at the airport
*Flight reductions due to COVID-19
*Promoted continuous appointment of women leaders

*Up 2.4 percentage points from the previous year (19.5%)

※Aim to improve Total Shareholder Return (TSR)
1. Outline of Medium Term Management Plan-Rolling Plan 2022

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   1. Accelerate Initiatives in Each Business Domain
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   3. Drivers for Accelerating Business Model Reform
      - DX Strategy
      - HR Strategy
### Full Service Carrier

**Improve profitability during periods of low passenger demand**
- Reduced maintenance and operating costs by retiring the 777 and introducing the A350
- Suspended unprofitable routes and utilized codesharing
- Introduced JAL SMART AIRPORT to hub airports in Japan

### LCC

**Full-scale launch of three LCCs based in Narita**
- ZIPAIR
  - Opened US west coast route as Japan’s first medium- and long-haul LCC
- SPRING JAPAN
  - Made SPING JAPAN a consolidated subsidiary, created a new brand
- Jetstar
  - Reviewed the number of aircraft and routes to improve profitability

**Accelerate initiatives to increase profitability and recover/increase demand**
- Expand international route network according to recovery in demand
- Increase customer preference by deploying the A350 on international routes following domestic routes (FY23~)
- Promote the development and provision of products and services that reduce environmental impacts
- Further drive ESG strategy through our joint businesses and alliance

**Realize high profitability and double the size of business**
- Aircraft: 18 aircraft
- Routes: 22 routes (FY2025 plan, Excluding Jetstar Japan)
- ZIPAIR
  - Expand networks in Asia, North America and China
- SPRING JAPAN
  - Increase competitiveness and reduce environmental impacts by introducing the A321 LR (scheduled for July 2022)
- Jetstar
  - Made maximum use of our routes and other airline’s aircraft to meet robust cargo demand
  - Transported vaccines and other pharmaceuticals leveraging our high quality transportation

### Cargo and Mail

**Securely capture robust demand and increase profit**
- Made maximum use of our routes and other airline’s aircraft to meet robust cargo demand
- Transported vaccines and other pharmaceuticals leveraging our high quality transportation

**Expand business with a new business model**
- Increase transportation capacity on high demand and high growth routes by strengthening partnerships
- Strengthen handling of high-unit revenue cargo by building a production system that enables quality control and reduction of lead time
- Launch freighter business with Yamato Holdings in April 2024 (operated by Jetstar Japan)

### Mileage, Lifestyle, Infrastructure

**Launch initiatives for business model reform**
- Mileage Lifestyle
  - Expanded services in daily life and all stages of life (marketed JAL Denki and JAL Housing Loans)
  - Made JALUX a consolidated subsidiary
- Regions
  - Increased awareness of local products and expanded sales channels (JAL FURUSATO NOZEI (hometown tax donation program), EC for China, increased desirability of local products by Furusato Cheering Teams)
- Air Mobility
  - Trialed the drone business in various regions
  - Trialed the business model of the air taxi business

**Expand into growing business areas and drive business model reform**
- Double profits by promoting the JAL Mileage and Lifestyle Concept
- Expand joint problem-solving projects with regional areas (local governments and companies)
- Establish an Operation Platform Business and expand air mobility market
Aircraft Strategy
Adapt to changes in the business environment through flexible aircraft portfolios for Full Service Carrier (FSC) and LCCs

Form a network with 229 Group aircraft

Full Service Carrier (FSC)
Reduce aircraft through operational efficiency to improve profitability

<table>
<thead>
<tr>
<th></th>
<th>FY2020</th>
<th>FY2025</th>
</tr>
</thead>
<tbody>
<tr>
<td>Large</td>
<td>27</td>
<td>34</td>
</tr>
<tr>
<td>Medium</td>
<td>78</td>
<td>72</td>
</tr>
<tr>
<td>Small</td>
<td>61</td>
<td>54</td>
</tr>
<tr>
<td>Regional</td>
<td>32</td>
<td>32</td>
</tr>
<tr>
<td>Propeller</td>
<td>18</td>
<td>19</td>
</tr>
</tbody>
</table>

FY2020 shows the number of aircraft in operation, taking into account decommissioning.

LCC
Aggressively expand LCC business

<table>
<thead>
<tr>
<th></th>
<th>FY2020</th>
<th>FY2025</th>
</tr>
</thead>
<tbody>
<tr>
<td>ZIPAIR</td>
<td>2</td>
<td>18</td>
</tr>
</tbody>
</table>
| SPRING JAPAN: Included only in FY2025 as it became a consolidated subsidiary in FY2021 Jetstar Japan: Not included because it is not consolidated

Steadily promote renewal of flagship fleet

777 → A350

International: 777-300 ER
Domestic: 777-200/300/200 ER
(777-200 ER transferred to domestic network)

International: A350-1000 (FY2023 ~)
Domestic: A350 -900 (FY2019 ~)

25% improvement in fuel efficiency (compared to existing aircraft)
Improve cabin comfort with renewed cabin configuration

(Note) Number of aircraft at the end of the fiscal year unless otherwise mentioned
Mileage and Lifestyle Business
Promote the JAL Mileage and Lifestyle Concept for the wellbeing of our customers and society

JAL Mileage and Lifestyle Concept

~ make everyday life and all life stages even better with miles ~

Specific initiatives to promote the concept

- Introduce a new mileage program
  Introduce a mileage program where users can earn points through daily use apart from air travel and environmentally friendly activities
- Expand partnerships with different business industries
- Promote DX
  - Promote centralized and cardless daily services through membership apps
  - Develop and market products to meet customer needs by analyzing and utilizing customer data

Initiatives in focused business areas

- Financial service domain
  - Expand financial product lineup (insurance/securities, etc.)
  - Promote cashless payment (expand touchless services/introduce QR code payment)
- Commerce domain
  - Expand business by building new EC sites
  - Provide products that promote ethical consumption
  - Increase synergies with JALUX by utilizing the JAL brand

Double profits through business expansion

Sales and profit growth
(Unit: Bn JPY)

<table>
<thead>
<tr>
<th>Year</th>
<th>Sales</th>
<th>EBIT</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY2019</td>
<td>25</td>
<td></td>
</tr>
<tr>
<td>2021</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2023</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2025</td>
<td>50</td>
<td></td>
</tr>
</tbody>
</table>

Sales: FY2019-25 increase +110%
Regional Business
Maximize regional attractiveness and value and create new flows

Create new flows (people, sales and distribution channels) through joint problem-solving projects with regional areas

Regional attractiveness
Tourism resources, local specialty products
Diverse traditions, cultures, natural features, etc.

JAL’s strengths
Route network
Human resources, customer base, etc.

Flows of people

- Promote regional attractiveness
  - Add value to inspire customers to travel to regional areas, such as environmental preservation activities and cultural experiential travel utilizing attractive regional traditions, cultures, natural features, etc.
  - Example: Tourism promotion project with local companies planned by JAL Furusato Ambassadors (e.g., JR Hokkaido Rail Tour)

- New tourism
  - Create and increase permanent flows of people to “my second hometown” and its associated demand in collaboration with local governments and companies
  - Example: Traveling with a purpose, such as JAL Agricultural Exchange, a short-term agritraining program, SDGs tours, and “my second hometown” tours

Sales and distribution channels

- Product development & branding
  - Develop new value-added products by combining excellent local commodities and JAL’s know-how
  - In addition to planning and development, provide comprehensive support from market research to sales and PR

- Expand sales channels for local specialty products
  - Expand distribution channels in Japan for local specialty products by promoting JAL FURUSATO NOZEI
  - Promote cross-border EC initiatives and increase exports of local specialty products

Sales target
By FY2025 10 Bn JPY

Management target
Domestic passenger and cargo traffic by FY2025 versus FY2019 +10%
# Air Mobility Business

Realize seamless transportation in all regions to solve social issues

## Mechanisms to support safe operations

- Promote the safe and optimized use of the sky

## Develop business models by area

- Provide services according to issues and needs of each region

### Business Profile and Services

<table>
<thead>
<tr>
<th>Operational Support Platform Business</th>
<th>FY2022</th>
<th>2023</th>
<th>2024</th>
<th>2025</th>
<th>~2030</th>
</tr>
</thead>
<tbody>
<tr>
<td>Use safety management system</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Establish operations control system</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Establish operations control system</td>
<td></td>
<td>Build a SMS</td>
<td>Launch service</td>
<td>Expand capabilities to expand markets</td>
<td></td>
</tr>
<tr>
<td>(Hyogo Prefecture / Oct 2021)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Drone Business

- Logistics network to support everyday life
- Assess disaster situations, emergency transport of supplies

<table>
<thead>
<tr>
<th>Build a business model in outlying islands (Amami Islands, etc.) and deploy in other regions</th>
<th>Test business</th>
<th>Launch business</th>
<th>Expand business models by area High density of operations</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Establish operations control system (Hyogo Prefecture / Oct 2021)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Air Taxi Business

- Regional transportation network
- Support mobility of essential workers

<table>
<thead>
<tr>
<th>Launch in EXPO 2025 Osaka, Kansai, operate in rural and urban areas</th>
<th>Execute test plan</th>
<th>Test flights</th>
<th>Launch business</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Test business model (Mie Prefecture / Jan 2022)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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DX Strategy

Accelerate business model reform by building and utilizing Big Data through collaboration in the digital domain.

Expand service areas

Service Platform collaboration

Realize JAL Mileage and Lifestyle Concept

Data Sharing

Develop Big Data

Data of our company and other companies

Analyze and utilize data using AI

Develop new products that meet customer needs

Create new businesses using customer data

Personal marketing

Tailor proposals to fit customer needs

Expand customer base

ID collaboration

JAL Group customer base

Other companies' customer base

Build a centrally managed JAL ID platform

Collaboration

Other companies' services

New businesses

Collaboration

Develop new products that meet customer needs

Create new businesses using customer data

Personal marketing

Tailor proposals to fit customer needs

Expand service lineup
HR Strategy

Accelerate management strategy execution through the consolidated efforts of diverse human resources, our greatest strength

Create new value

Placement and assignment

- Assign human resources in charge of expanding business areas
  - Secure allocation of human resources to support growth domain
- Introduce a new evaluation system to encourage challenges in growing business areas
  - Expand the reach of our job posting through open recruitment
  - Introduce a performance-linked, performance-based remuneration system

Recruitment and development

- Recruit and develop human resources according to diversification of business areas
  - Actively recruit diverse human resources
  - Enhance practical experience through secondment within and outside the JAL Group
  - Invest in human resources
- Improve employee engagement by increasing motivation
  - Design new career paths
  - Provide appropriate employee return

Business process

- Establish a system to accelerate Group-wide initiatives
  - Establish regional offices in Japan
  - Integrate and consolidate dispersed and redundant functions
- Improve operational efficiency using digital technology
  - Achieve business sophistication using operational data
  - Improve efficiency through business process transformation

<Assign human resources to growing business areas>
Increase of 3,000 employees in FY2025 (compared to FY2019)

<Ratio of actively engaged employees *1>
FY2025 10% improvement (compared to FY2019)

<Increase of per capita sales>
FY2025 15% increase (compared to FY2019)

<Proportion of women in management>
End of FY2021 21.9% → End of FY2025 30%

*1: Percentage of employees who responded favorably to the Employee awareness Survey

Promote D&I・DX

- Promote the active participation of diverse human resources such as women, global, senior human resources and develop workstyles
- Develop DX human resources to promote business development and problem solving
Fly into tomorrow.

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