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To all concerned Parties

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**Medium Term Business Plan (FY22 - FY25)**  
**“To Be a World Best Airport 2025”**

Japan Airport Terminal Co., Ltd. hereby announces that it has formulated its medium-term business plan “To Be a World Best Airport 2025 – towards becoming one of the most advanced, human-and-eco-friendly airports by 2030”, as shown in the attached sheet.



**Medium-Term Business Plan (FY22–FY25)**  
**“To Be a World Best Airport 2025**  
**- towards becoming one of the most advanced,**  
**human-and-eco-friendly airports by 2030 -”**

(May 12, 2022)

\* This document has been translated from the Japanese original, for reference purposes only. If there is any discrepancy between this translated document and the Japanese original, the original shall prevail.

*Japan Airport Terminal Co., Ltd.*

*<https://www.tokyo-airport-bldg.co.jp/>*



## Medium-Term Business Plan (FY22-FY25)

### “To Be a World Best Airport 2025

– towards becoming one of the most advanced,  
human-and-eco-friendly airports by 2030 –”

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# Introduction About Medium-Term Business Plan (FY22–FY25)

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The Japan Airport Terminal Group (hereinafter “JAT Group”) has formulated its medium-term business plan “To Be a World Best Airport 2025 – towards becoming one of the most advanced, human-and-eco-friendly airports by 2030”, for the period from FY 2022 to 2025, in order to achieve its long-term vision “To Be a World Best Airport” which aims to provide the maximum satisfaction to all its customers and stakeholders.

Under the previous medium-term business plan, which ended in FY2020, JAT Group promoted various measurements including the construction of its facilities to expand the international terminals, in preparation for the Tokyo Olympics and Paralympics, as well as the enhancement of Haneda Airport’s functions (increasing international flights by 39,000). However, the global spread of COVID-19 has made an extensive impact on its business performances.

The new four-year plan describes the sustainable growth of both JAT Group and society. The plan is based on its experience from COVID-19 pandemic (including drastic reviews of its business operations), considering a further increase of air passengers as indicated in the government’s target of attracting an annual 60 million inbound travelers by 2030.

In line with this plan, JAT Group will strive to become a leader of the airport companies to realize its long-term vision, through taking on the challenges to develop the best operational model for Haneda Airport – working with all the business partners including the government and airlines, and making sure all its employees recognize their significant social roles.

# 1. Review of the Previous Medium-Term Business Plan

## (1) Review of important measures

“To Be a World-Best Airport 2020”

“Create business and earnings opportunities in pursuit of our ‘Vision’ for Haneda Airport, and redevelop earnings base by staking out a competitive position”

### Three Strategic Pillars

#### Expanding business domains that leverage strengths and diversifying earnings

- Opening urban duty-free stores
- Developing multiple Air BIC business stores
- Participating in other airports’ businesses
- Opening HI City
- Developing a regional revitalization business

#### Pursuing our ‘Vision’ for Haneda Airport

- **Expanding and developing the international terminal (T2, T3)**
- **Making TIAT a consolidated subsidiary**
- Renovating the domestic terminal (T1)
- Developing facilities exclusively for business jets
- Earning SKYTRAX’s 5-Star Airports rating for a sixth consecutive year
- Introducing advanced technologies, including Fast Travel and robots
- Responding to universal design and barrier-free environment
- Supporting the operation of Tokyo Olympics/Paralympics

#### Redeveloping the earnings base and staking out a competitive position

- Opening THE HANEDA HOUSE
- Renovating stores
- Renovating airport lounges
- Constructing a new recycling building
- Implementing the procurement cost reduction project

### 2021 (COVID-19 Pandemic)

#### Implement a capital increase

- Securing funds for the development of the terminals in the future
- Strengthening the financial foundation to prepare for a prolonged COVID-19

#### Lessons learned from the COVID-19 pandemic

- Terminal management pursuing flexibility and efficiency
- Strengthening and ensuring cost management
- Promoting the diversification of earnings

Continuing issues for FY22

- Following the restart of the functional strengthening of Haneda Airport initiated in March 2020, the quality and efficiency of both hardware and software will be improved.
- Aim to shift away from an earnings structure that depends on airline demand to one that includes newly developed businesses and strengthening “earning power.”
- Secure personnel who can come up with new ideas and have ability to get things done in a changing business environment, as well as the financial foundations that enable stable business continuity.

# 1. Review of the Previous Medium-Term Business Plan

## (2) Status of achievement of the target indicators

PL (Billions of yen)	← TIAT: Equity-method affiliate →		← TIAT: Consolidated subsidiary →				2020 (Targets)
	2016 (Results)	2017 (Results)	2018 (Results)	2019 (Results)	2020 (Results)	2021 (Results)	
Operating revenues	204.9	225.9	273.6	249.7	52.5	57.0	300.0
Operating income	9.4	13.4	22.4	9.8	-59.0	-41.2	25.0
Net income attributable to owners of parent	6.8	11.7	33.0	5.0	-36.5	-25.2	13.0

Indicator type	2016 (Results)	2017 (Results)	2018 (Results)	2019 (Results)	2020 (Results)
Comprehensive	9.7%	10.7%	13.0%	7.5%	n/a
Profitability	4.6%	5.9%	8.2%	4.0%	n/a
Stability	57.7%	55.7%	33.7%	31.2%	34.3%
Growth potential	TOP 4	TOP 2	TOP 3	TOP 2	TOP 2
Shareholder return	38.9%	30.4%	31.2%	51.9%	n/a

Target level
<b>ROA (EBITDA): 12%</b>
<b>Operating margin: 8%</b>
<b>Equity ratio: Aim for stability as early as possible</b>
<b>SKYTRAX evaluation ranking: Top 3</b>
<b>Payout ratio: 30% or more</b>
<small>* The effect of extraordinary income and losses was taken into account for FY18.</small>

- Made TIAT a consolidated subsidiary in 2018 and reviewed the target indicators.
- The business environment changed drastically in 2020 due to the COVID-19 pandemic, and adaptation to the new normal became an issue.

# 2. Changes in the Environment Surrounding Haneda Airport

## Government (Ministry of Land, Infrastructure, Transport and Tourism)

### MLIT "Circumstances Surrounding Aviation and Future Issues and Initiatives" (March 2022) [Excerpt]

- (1) Appropriate responses to the COVID-19 pandemic (border control measures that reflect the infection situation)
- (2) Responses with a view to the recovery and expansion of demand after COVID-19 (functional strengthening of each airport, including airports in the Tokyo metropolitan area, and disaster prevention and reduction measures at the airport)
- (3) Response to decarbonization in the aviation industry (promotion of decarbonization at the airport)
- (4) Ensuring the safety and security of new aviation mobility (introduction of flying cars, and safe and smooth flights of drones, flying cars and piloted aircraft)
- (5) Providing safe and secure aviation services (promotion of aviation innovations)

### Functional strengthening of airports in the Tokyo metropolitan area (as per MLIT's website, and edited by Japan Airport Terminal)

- (1) Strengthening the international competitiveness of the Tokyo metropolitan area ⇒ Revitalizing the Japanese economy
- (2) Acceptance of non-Japanese visitors to Japan ⇒ Increase in the number of foreign travelers and expansion of travel consumption
- (3) Regional vitalization throughout Japan ⇒ Growth potential of foreign countries affecting regions throughout Japan
- (4) Strengthening airport functions (development of artificial land, railroads connecting to the airport, and aircraft parking apron)
- (5) Disaster prevention and reduction measures, etc. (strengthening the seismic capacity of runways, etc., development of bank protection, etc., and renovation of basic facilities, etc.)

## Business Environment

**New values and lifestyles resulting from the COVID-19 pandemic**

**Excess of supply in the office market**  
(decline in demand for offices due to teleworking, etc.)



## Airline Industry

- **Decrease in the number of passengers due to the COVID-19 pandemic**
- **Promotion of structural reforms at airlines**
- **The government's target of 60 million non-Japanese visitors to Japan**  
**World population growth/Emerging countries**

## Social Environment

• **Changes in the world situation**

• **Return of the pandemic**  
• **Risks of disasters and earthquakes**

• **Decarbonized society**  
• **Measures to prevent global warming**

• **Heightened awareness of sustainability, and requirements from the market**

• **Fall in the domestic population (declining birth rate and aging population)**

# 3. The Goal of Our Group

To realize the long-term vision “To Be a World-Best Airport,” our Group has established a goal we are striving to achieve for 2030: become a “leading airport company.”





# 4. Our Goals for 2030

We will clarify the Group's goals for 2030, define what we should do in the Medium-Term Business Plan (FY22–FY25), and realize a "human-and-eco-friendly advanced airport."

## The Group's vision for what a leading airport company needs

Sustainable growth of society and our Group

To realize continual strengthening of functions and internationalization of Haneda Airport

Operational excellence (Simultaneous pursuit of high quality and high efficiency)

Evolution as a smart airport (Integration of technology innovation in the operation and management)

Stable earnings and secure financial foundations

Team of highly competent personnel  
Maximization of organizational strength

## Our Goals for 2030

### Airport terminal company trusted by all stakeholders

#### Permeate sustainability through management and business decisions

- Promote businesses in accordance with the Sustainability Basic Policy and the established management system
- Achieve the CO<sub>2</sub> reduction target of 46%

#### Continue to build operational excellence

- Continuously improve quality and efficiency, including lessons learned from the COVID-19 pandemic
- Establish new ways to utilize terminals in cooperation with airlines
- Use digital marketing to help create new services and improve traveler satisfaction
- Improve productivity, such as controlling operations through DX and systemization

#### Establish airport functions with a view to a future rise in airline demand

- Complete the expansion of T1 and T2 terminals (scheduled to be completed in 2025) by developing satellites and promoting operations
- Connect East Japan Railway Company – Haneda Airport Access Line (scheduled to be completed in 2029) to T2 terminal
- Research and review the development of terminals in cooperation with the review of artificial land development by the government
- \* Review of connection between terminal T1 and T2 (improvement of a new international flight area)

#### Establish stable revenue streams and financial foundations

- Incorporate an increase in airline demand into a rise in revenues from merchandise sales, food and beverage, and service businesses
- Grow newly developed businesses to the extent that they contribute to the earnings base
- Recover the equity ratio to 40% and maintain the rating

#### Further lift organizational strength and governance

- Cultivate a corporate culture where people think by themselves and take calculated risks, and where members of the diverse workforce motivate each other
- Development of a Group management system that adapts to the business environment
- Establish governance that realizes higher transparency and equitability of management, and improve corporate value

## Create a model recognized as the best for airports

### human-and-eco-friendly advanced airport

World-leading hospitality

A safe and secure airport

Pleasant journeys: stress-free

Eco-airport



# 5. Positioning of the Medium-Term Business Plan (FY22–FY25)

We have established a new Medium-Term Business Plan as a backcast by 2025 that reflects our goals for 2030, setting the years of 2025 and 2030 as milestones (\*). These are important points from the business environment perspective.

- (\*) ■ **2030**: The target year for 60 million overseas visitors to Japan and the government’s target of 15 trillion yen in consumption, the SDGs’ target year, and the decarbonization (CO<sub>2</sub> reduction of 46%) target year
- **2025**: The year when the number of passengers is expected to return to the pre-COVID-19 level (as per IATA)

## Medium-Term Business Plan 2020

To Be a World-Best Airport 2020

## Medium-Term Business Plan (FY22–FY25) To Be a World-Best Airport 2025

- towards becoming one of the most advanced, human-and-eco-friendly airports by 2030 -

World-leading hospitality

A safe and secure airport

Pleasant journeys: stress-free

Eco-airport

### Target in FY25

Grow profit higher than that before COVID-19, assuming recovery of passenger numbers (compared to the plan before COVID-19)

### Goal for FY30

Airport terminal company trusted by all stakeholders

Sustainable growth of society and our Group

Further strengthen functions and internationalization of Haneda Airport

Operational excellence

Evolution as a smart airport

Ensure stability of earnings and secure financial foundations

Recruit a team of highly competent personnel  
Maximize organizational strength

### Increase capital

- Secure funds to develop the terminals in the future
- Strengthen the financial foundations in preparation for prolonged COVID-19

### Execute an investment for internationalization

associated with the expansion of flight slots at Haneda

### Lessons learned from the COVID-19 pandemic

- Terminal management pursuing flexibility and efficiency
- Strengthen and ensure cost controls
- Promote earnings diversification

Upgrade the operation of both domestic and international flights

### Making TIAT a consolidated subsidiary

2016–2020

2021

2022–2025

–2030

COVID-19 pandemic

Recovery of passenger numbers

60 million overseas visitors to Japan  
SDGs’ target year

## 6. Direction of Strategy

The strategy of the Medium-Term Business Plan (FY22–FY25) is to promote “capturing future airline demand,” which is the driver of growth, as well as “establishment of a foundation for regrowth” and “expansion of the earnings base” to realize it. Also, to maximize the strategy’s efficiency, we will enhance the management base for “DX,” “organization, personnel, and governance,” and “financial strategy.” In addition, the Group will pursue sustainability by positioning it as a core of strategy promotion.



# 6. Direction of Strategy: Business Segment (1)

## Facilities management

### Our goals for 2025

To achieve both high quality and profitability, we are reviewing terminal operations and promoting the functional strength of airport infrastructure toward increasing the number of non-Japanese visitors to Japan in 2030, while striving to reduce maintenance and management costs and increase revenues such as rents.

Direction of strategy	Change	Based on the expense structure reviewed during the COVID-19 pandemic, we are operating the terminals efficiently. We are enhancing real estate management by reviewing leasing and rent structures to increase revenues.
	Grow	With a view to 60 million overseas visitors to Japan in 2030, we plan to strengthen functions while contributing to society.
	Expand	We are aiming to improve performance at domestic airports as a whole by acquiring new technologies that are necessary for environmental measures and combating infectious diseases.

### Concrete measures

Operations and management perspective	Improved revenue perspective	Facility infrastructure perspective
<ul style="list-style-type: none"> <li>■ Operational excellence                             <ul style="list-style-type: none"> <li>↳ Improve services and labor-saving for guidance operations, etc. by <b>leveraging technologies such as robots</b></li> </ul> </li> <li>■ Fundamental review and lessons learned in the COVID-19 pandemic                             <ul style="list-style-type: none"> <li>↳ <b>Suppress rebound from operational cost reductions</b> (restructuring of service-provision processes)</li> <li>↳ Review <b>border control measures in cooperation with relevant ministries and agencies as well as airlines</b> in regard to new infectious diseases</li> </ul> </li> <li>■ <b>Review terminal operations with a view to changes in airport usage</b>, including off-airport check-in</li> </ul>	<ul style="list-style-type: none"> <li>■ <b>Commercial renovations and measures against vacant space</b> <ul style="list-style-type: none"> <li>↳ Vitalize by providing new content</li> <li>↳ Review relocations associated with expansion of facilities</li> </ul> </li> <li>■ <b>Acquire new alliance partners for lounges</b> and increase the number of users</li> <li>■ Develop <b>advertising media by leveraging flexible and efficient digital signage</b></li> </ul>	<ul style="list-style-type: none"> <li>■ <b>Connection between T2 satellite and the main building</b>, which helps to optimize flows of passengers and improve on-time performance</li> <li>■ <b>New construction of T1 satellite</b> on the sidelines of the government's apron upgrade</li> <li>■ <b>Review with a view to an increase in future airline demand</b> <ul style="list-style-type: none"> <li>↳ Connection between the East Japan Railway Company Airport New Access Line and T2</li> <li>↳ Connection between T1 and T2 (improvement of the international flight area)</li> </ul> </li> </ul>

### Sustainability

- Planning and execution of the long-term repair program for terminal buildings, including environmental measures
  - ↳ **Decarbonization** (further promoting a change of lighting to LED and replacement of air conditioners)
  - ↳ **Disaster response** (completion of renovating specific ceilings and provision of timely information when a disaster strikes by introducing digital signage)
- Enhance **universal design**, such as installing additional emergency flashbulbs for hearing-impaired persons
- **Reduce waste** by promoting secondary use, etc. of materials for terminal operations (PBB, decorative accessories in buildings, etc.)

# 6. Direction of Strategy: Business Segment (2)

## Merchandise sales/Food and beverage

### Our goals for 2025

While reviewing the product mix, services, operations, cost rates, etc., we will uncover customer needs where consumption trends have changed by taking advantage of digital marketing, and aim for operating revenues from merchandise sales of 156 billion yen and operating revenues from food and beverage sales of 18 billion yen.

Direction of strategy	Change	Review operations and cost rates through research into new technologies and cultivating new business partners.
	Grow	Review merchandise, services, etc. through digital marketing.
	Expand	Expand sales channels by EC business, etc. to earn revenues that are not passenger-dependent.

### Concrete measures

Revenue structure perspective	Sales expansion perspective	New earnings base perspective
<ul style="list-style-type: none"> <li>■ Improve efficiency and diversification of store operations                             <ul style="list-style-type: none"> <li>↳ Introduce <b>self-checkout</b> at stores with centralized cash registers</li> <li>↳ Develop <b>stores with showrooms</b> that do not have inventory</li> <li>↳ Research <b>non-contact services</b> (automated accounting [RFID], etc.)</li> </ul> </li> <li>■ <b>Reduce cost rates</b> by developing Haneda-original products and expanding sales share</li> </ul>	<ul style="list-style-type: none"> <li>■ Refurbish stores in the T1 marketplace                             <ul style="list-style-type: none"> <li>↳ <b>Expand the direct-from-the-farm business</b> in collaboration with local regions (Complex stores consisting of merchandise sales, food and beverage, and services)</li> </ul> </li> <li>■ <b>Introduce top-brand merchandise</b> in the T3 duty-free shop                             <ul style="list-style-type: none"> <li>↳ Differentiate by <b>developing original products</b></li> <li>↳ Develop T2 duty-free stores by <b>leveraging virtual technology</b></li> </ul> </li> <li>■ Develop <b>ethical products</b> due to growing demand</li> <li>■ Strengthen <b>one-to-one marketing</b> to airport users</li> </ul>	<ul style="list-style-type: none"> <li>■ <b>Expand sales channels and merchandise by leveraging EC</b> <ul style="list-style-type: none"> <li>↳ Develop Click&amp;Collect by utilizing the airport site</li> <li>↳ Develop new channels of cross-border EC</li> <li>↳ Improve use of duty-free reservation site in collaboration with operators related to international flight passengers (Strengthen “customer transfer” by utilizing QR codes)</li> </ul> </li> <li>■ Develop <b>“retail-tainment”</b> that provides experience value</li> </ul>

### Sustainability

- **Develop and improve ethical products** (develop upcycling products, fair-trade products, and locally produced products, etc.)
- **Changes in materials of shopping bags and charging fees**
- **Reduce merchandise waste disposal** (outlet sales, measures against food loss, etc.)

### Operating revenue target:



# 6. Direction of Strategy: New Initiatives

## New business/Expertise business

### Our goals for 2025

These businesses are expected to part of the earnings base in 2030. By utilizing Haneda's value and networks, and airport operational expertise, and through acquiring management resources we currently do not have, we aim to generate operating revenues of 10 billion yen in 2025.

Direction of strategy	Grow	Aim to increase revenues by developing new businesses that take advantage of Haneda's value and focusing on existing expertise in airport operations.
	Expand	Aim to acquire new technologies and expertise, leading to the creation of new businesses.

### Concrete measures

#### Perspective of utilizing Haneda's value

- **Further strengthen EC business** (Refer to the previous page for details)
- Create customer-attracting businesses by **leveraging Haneda's site and networks**, including art auctions in a bonded area and revitalizing local regions
- **Strengthen cooperation with surrounding areas** such as HICity and **acquire earnings opportunities**
- **Develop and improve services for business jet users**, including duty-free merchandise sales

#### Perspective of utilizing know-how

- Develop business by **taking advantage of Haneda's uniqueness and actual performance**
  - ↳ Agency business for Radi-Cool robots
  - ↳ External sales of in-flight meals, cleaning technologies, etc. (Further operationalizing the Group's expertise)
  - ↳ Airport operation consulting
  - ↳ Development of duty-free business, etc. by participating business operators at the airport

#### Perspective of creating new management resources

- **Conduct aggressive R&D and introduce new technologies that increase passenger convenience**, and expand these outside the airport
- Research on next-generation mobility
- Research and development of new business seeds

### Sustainability

- Contribute to **developing the surrounding areas and the Tokyo metropolitan area**, as well as **revitalizing local regions** by taking advantage of Haneda's site and networks
- **Solve social issues** such as securing a labor force through developing new technologies including robots



(Provided by Kyushu Kumamoto International Airport Co., Ltd.)



# 6. Direction of Strategy: Management Base

## Management Base

### DX Strategy

Leverage technologies with a focus on digital and AI  
Digitally link information and data  
Evolve into a smart airport

- Clarification of **DX strategy**
  - ↳ Conduct digital marketing
  - ↳ Develop sales channels
  - ↳ Improve the quality of security, services, etc.
  - ↳ Promote improvement in operational efficiency in the administration department (Increase the degree of accuracy in real estate management and merchandise orders)
- Promote aviation innovation
- Research new forms of aviation mobility

### Organization, Personnel, and Governance

Appoint external personnel and strengthen external relationships  
Expertise and diversity of personnel  
Corporate culture of “Think by oneself and take on challenges”

- [Organization]
  - **Group structure according to strategy**
- [Personnel]
  - **Secure a diverse range of personnel**
    - ↳ Business-business and/or business-academia collaboration, and secondment to outside organizations
    - ↳ Promote the empowerment of women
    - ↳ Promote employment of people with disabilities
- [Governance]
  - **Ensure the board of directors fulfills its functions**

### Financial Strategy

Make financial position healthier as early as possible  
Establish an advanced business evaluation and management system  
Adequate investment in new business opportunities

- **Establish a robust financial base** with a view to investment for growth
  - ↳ Develop a financial base, considering ratings
  - ↳ Refinance hybrid loans, etc.
- Review the **diversification of funding** with a view to environmental measures
  - ↳ Invest in green bonds, etc. for CO<sub>2</sub> reduction
- **Engage with investors** in the prime market
  - ↳ Review business evaluation and adequate resource allocation based on capital cost

**We will strengthen marketing endeavors, aiming for customer-centered terminal operations, and apply them to the strategy to provide top-quality hospitality.**

### Sustainability

- Promote business based on the Sustainability **Basic Policy**
- Install a sustainability **promotion organization** (committee, full-time body and working group [WG] by subject)
- Proactively disclose information to stakeholders
  - ↳ Respond to the revised CGC and the TCFD recommendations, and review toward issuing an **integrated report**

## (1) Sustainability Basic Policy

Under the basic philosophy “To foster harmony between the public and the Group,” we will help to realize a sustainable society through our business activities.

Based on the newly developed Sustainability Basic Policy, the entire Group will promote sustainability in cooperation with our stakeholders.

### Basic philosophy

The Japan Airport Terminal Group, as a purely private company assuming construction, management and operation of highly public passenger terminals, is fully aware of its social role and management goals in order to “Foster harmony between the public and the Group.”

### Sustainability Basic Policy

The Japan Airport Terminal Group, as a purely private company assuming construction, management and operation of highly public passenger terminals, has adopted a basic philosophy of “To foster harmony between the public and the Group.” To realize “To Be a World-Best Airport - To be the world’s most respected airport, pursuing the satisfaction of all stakeholders -,” we will promote sustainable business activities while contributing to the development of the socioeconomy under the Sustainability Basic Policy.

#### Customers

(1) Serving as an air gateway to Japan, we strive to operate customer-centered passenger terminals (convenience, comfortableness and functionality), continuously work at improving services and operations while actively utilizing digital technologies, and provide the best hospitality.

#### Partners

(2) Together with partners such as airline companies, tenants and subcontractors, and the national government, we promote development of safe and secure airports and open innovation toward mutual growth.

#### Employees

(3) We give consideration to physical and mental health and security of officers and employees, and strive to develop personnel and improve work environments so that they can work with a motivation while exercising a wide range of abilities they have in various fields associated with the airport.

#### Local Communities

(4) In partnership with surrounding communities, we not only contribute to the growth of the Tokyo metropolitan area, but also enable domestic air mobility in cooperation with airports throughout the country as the hub of the aviation network, and aim to co-exist and co-prosper with local communities throughout Japan.

#### Shareholders/Investors

(5) We endeavor to be transparent in disclosing information on a timely basis and increase corporate value from a long-term perspective, based on engagement with shareholders and investors.

#### Global Environment

(6) In moving toward a decarbonized society and/or a resource-circulation society, we aim to reduce the environmental burden associated with business activities through, for example, promoting measures against global warming and 3R, and realize sustainable airports in harmony with the global environment in cooperation with stakeholders.

#### Common

(7) Having ensured absolute safety, we properly manage risks that may pose a threat to business activities. Also, we routinely promote disaster prevention measures, etc. and business continuity management so that, even in emergencies, we can ensure safety and continue operating the passenger terminal, which is public infrastructure, without delays.

(8) We comply with domestic and overseas laws, regulations and rules, and carry out business honestly and fairly while taking human rights into consideration.

### Goals (visions) we are aiming for in 2030

#### human-and-eco-friendly advanced airport 2030

World-leading hospitality

A safe and secure airport

Pleasant journey: stress-free

Eco-airport

### Social image when the goals are achieved

Japan where travelers want to visit

Sustainable growth of resilient aviation network

Society where people can move safely in a comfortable way

Carbon neutral  
Decarbonized society

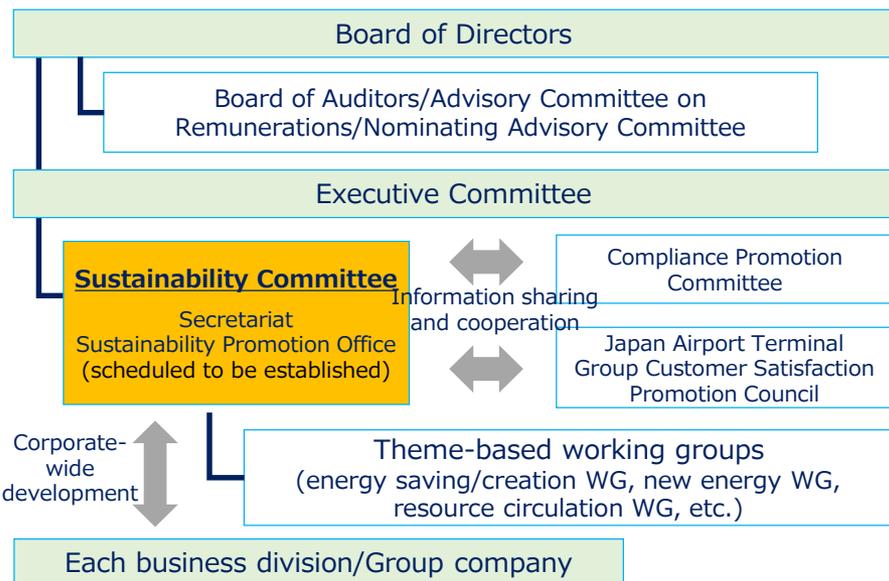
# 7. Sustainability

## (2) System for promoting sustainability management

We will **establish a Sustainability Committee** in July 2022, which will be chaired by the President and Representative Director. In addition, we **are planning to establish a Sustainability Promotion Office** as a dedicated body **under direct control of the President**.

Under the umbrella of the Sustainability Committee, we will create theme-based working groups and implement initiatives on sustainability on company-wide.

### Sustainability Promotion System



### Outline of the Sustainability Committee

Committee members	Chairperson: President and Rep. Director Members: Vice-president and all other officers (including executive officers)
Secretariat	Sustainability Promotion Office
Frequency of meetings	Twice a year or more
Matters for deliberation	<ul style="list-style-type: none"> <li>■ Policy on sustainability</li> <li>■ Capturing critical sustainability issues</li> <li>■ Response to risks and opportunities</li> <li>■ Establishment of plans and targets relating to sustainability and progress management (PDCA)</li> <li>■ Stakeholder communication, etc.</li> </ul>
Others	Scheduled to establish theme-based working groups (energy saving/creation WG, etc.)

**Beyond FY22, we intend to aggressively implement initiatives that strengthen the foundation for sustainability management, such as creating a medium-term sustainability plan based on a materiality analysis and promoting information disclosure in accordance with the TCFD recommendations.**

# 7. Sustainability

## (3) Sustainability initiatives

### <Current initiatives>

#### World-leading hospitality

##### CS (Initiatives to improve customer satisfaction)

- Create a CS Philosophy and CS Services Basic Policy
- Establish the Japan Airport Terminal Group Customer Satisfaction Promotion Council, and target management where the compliment/complaint rate and/or the customer satisfaction level are set as KPIs
- Implement various CS measures (install additional charging stations, improve the Wi-Fi environment, introduce hand dryers with air-cleaning functions, etc.)
- Win the world's best 5-Star Airport from SKYTRAX

#### Pleasant journeys: stress-free

##### Promote universal design

- Install facilities expecting a variety of customers (wide moving sidewalk, multi-function toilets, toilets for assistance dogs, "calm down, cool down space," etc.)
- Promote acquisition of qualifications such as that for service care-fitters and sign language interpreters
- Post on the website the names of stores that offer halal vegetarian foods and those that offer vegan products

#### Leveraging new technologies

- Create a mechanism to realize innovation (establish HANEDA ROBOTICS LAB, etc.)
- Adopt advanced technologies (cleaning robots, electric wheelchairs, AI concierges, multilingual video interpretation service, smart translation masks, etc.)

#### A safe and secure airport

##### Initiatives for disaster and crime prevention

- Install a 24-hour disaster prevention center
- Develop a disaster response manual (including a manual for response to A2-BCP)
- Periodically carry out joint training that includes each Group company and tenant
- Stockpile equipment for disaster and crime prevention, promote participation in a basic critical-care course, introduce an emergency earthquake announcement system, establish voluntary standards for quality control and hygiene management for stores, etc.

#### Eco-airport

##### Initiatives for CO<sub>2</sub> reduction

- Respond to energy-saving measures for electricity use and air conditioning (change lighting to LEDs, install geothermal heat pumps, etc.)
- Install a large-scale solar power generation system, adopt "Radi-Cool," which is a radiant cooling material that leverages advanced technologies, install plug-in stations for electric vehicles, etc.

#### Waste reduction and recycling

- Provide shopping bags that use renewable materials, eliminate plastic straws at directly managed stores, and recycle milk cartons disposed of at the lounge into toilet paper
- Launch of "TABETE Rescue Deli" to reduce food loss
- Reduce general waste by utilizing fully automated vanishing-type food waste disposers

### Foundation supporting value creation (Initiatives common to all perspectives)

#### Development of personnel and engagement

- Implement rank-specific training, including languages and sign languages across the entire Group
- Conduct interviews and follow-up for junior staff

#### Occupational safety and health, and health-focused management

- Establish a new Work-Style Reforms Promotion Team Leader Council
- Promote preventive measures against infectious diseases, and obtain certification for the AHA program from Airports Council International (ACI)
- Collaborate with an occupational health physician, set up a mental health counseling desk, etc.

### <Key initiatives in the future>

#### Eco-airport

- Initiatives to achieve the 46% CO<sub>2</sub> reduction target by 2030
  - ↳ Promote a change of lighting to LEDs and responses to decarbonization such as replacing air conditioners
- Obtain T1 satellite ZEB Oriented
- Reduce food loss and reduce waste disposal by reusing materials, etc.
- Change materials used in shopping bags and charge fees for the bags

#### Hospitality Pleasant journeys: stress-free

- Further initiatives to improve customer satisfaction (CS)
  - ↳ Enable smooth guiding by installing additional digital signage and FIS
  - ↳ Upgrade Wi-Fi equipment
  - ↳ Install additional emergency flashbulbs for hearing-impaired persons

#### Safety and security

- Respond fast to earthquake damage, such as repairing specific ceilings
- Eliminate blind spots by increasing the number of ITV cameras (T2)
- Introduce non-contact customer service (self-checkouts, automated payment, etc.)

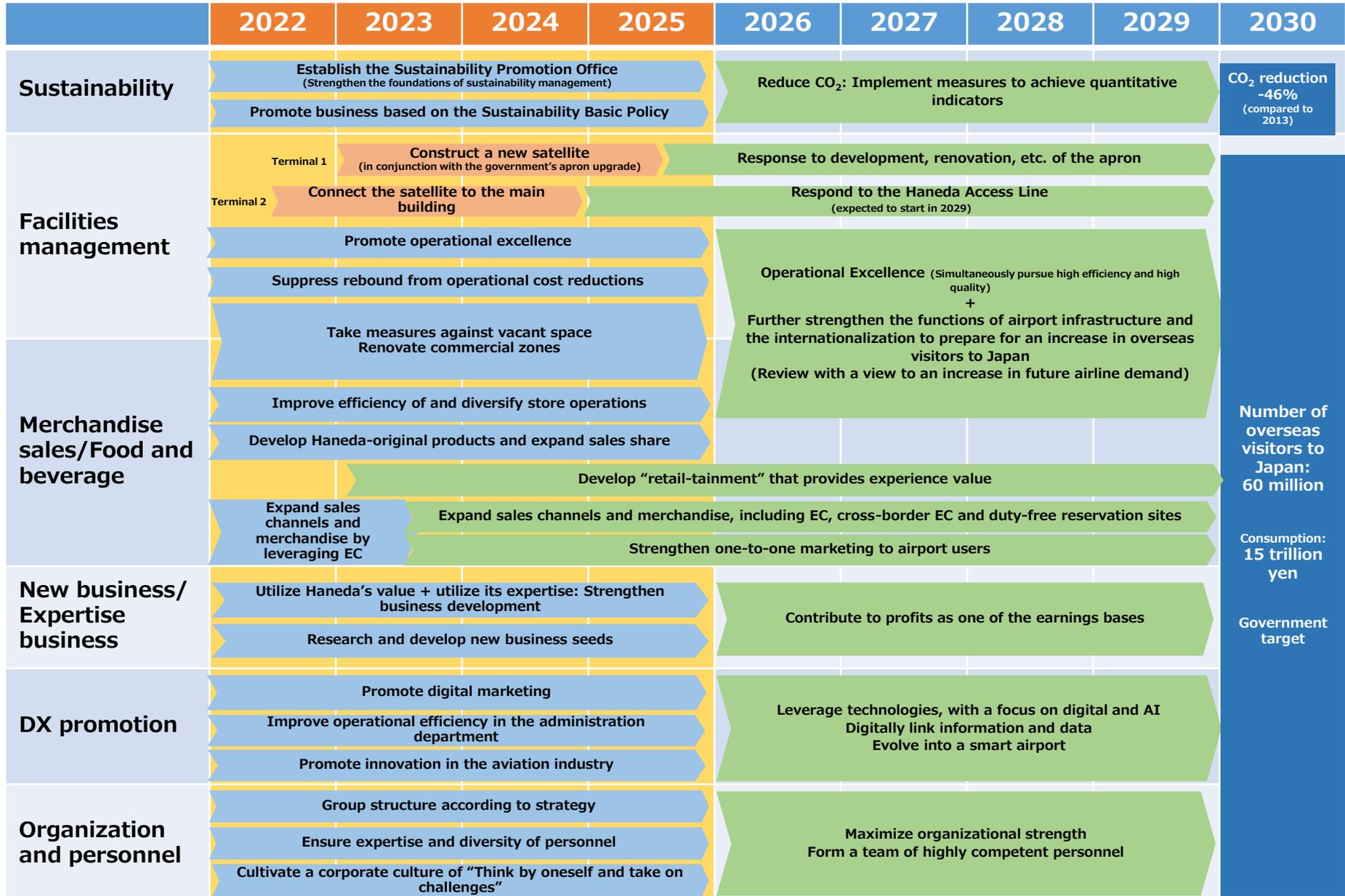
#### Create business opportunities

- Develop and expand the range of ethical products
  - ↳ Upcycling products, fair-trade products, locally produced products, etc.
- Contribute to the development of surrounding areas and the Tokyo metropolitan area as well as to the revitalization of local regions by taking advantage of Haneda's site and networks

#### Solve social issues

- Diversity of personnel
  - ↳ Business-business or business-academia collaboration, promote the empowerment of women and promote the employment of people with disabilities
- Solve social issues such as securing the labor force through developing new technologies such as robots

# 8. Strategy Road Map



# 9. Numerical Goals

## Idea of numerical goals

▶An entity creating a “model recognized as the best in the world”	⇒	Airport evaluation	
▶Strengthening “earning power” with a focus on sustainability management	⇒	Profitability	Efficiency
▶Flexible response to changes in a business environment of great uncertainty	⇒	Stability	Shareholder return
▶A business entity that invests by taking advantage of opportunities for continuous growth	⇒	Investment plan	

## ■ FY25 Guidelines and the target profit and loss

### <Guidelines>

Indicator type	Indicators used	Target level
Profitability (Comprehensive)	Consolidated net income	16 billion yen or more
Profitability	Cost reduction amount	2.5 billion yen (Equivalent to 10% of the operating income target of 25 billion yen in the previous Medium-Term Business Plan)
Efficiency	ROA (EBITDA)	12% or higher
Stability	Equity ratio	Aim to recover to the level of 40%
Shareholder return	Payout ratio	30% or more
Airport evaluation	SKYTRAX evaluation ranking	World’s Best Airports TOP 3

### <Target profit and loss>

Previous standards: The previous revenue recognition accounting standards were applied to these figures.

P&L for FY25		Reference: Previous standards*
Operating revenues	280.0 billion yen	320.0 billion yen
Facilities management	106.0 billion yen	106.0 billion yen
Merchandise sales	156.0 billion yen	193.0 billion yen
Food and beverage	18.0 billion yen	21.0 billion yen
Operating income	30.0 billion yen	
Ordinary income	27.0 billion yen	
Net income	16.0 billion yen	

\* Number of passengers in FY25: Assuming that the number of passengers will recover to the level of that in FY20 (after the expansion of international flight facilities), when the number of passengers was not affected by COVID-19 ([Estimated number of passengers at Haneda Airport] Domestic flights: 69 million passengers, International flights: 25.6 million passengers)



# 10. Investment Plan

## ■ Estimated investment amount during the plan period

(Billions of yen)

	FY22	FY23	FY24	FY25	Plan period total
<b>Investment plan</b>	<b>15.0</b>	<b>29.0</b>	<b>34.0</b>	<b>27.0</b>	<b>105.0</b>

### **Facilities management 93.0 billion yen**

- T1/T2 satellite improvement construction, facility replacement construction, etc.

### **Merchandise sales/Food and beverage 5.0 billion yen**

- Store renovation construction, system renewal, etc.

### **New business/Expertise business 3.0 billion yen**

- HANEDA INNOVATION CITY, EC business, robot business, etc.

### **Management base and others 4.0 billion yen**

- DX investment, etc.

## ▶ Investment in improvement of the T1/T2 satellite

(Billions of yen)

	FY22	FY23	FY24	FY25	Plan period total
<b>Investment plan for satellite upgrade</b>	<b>6.0</b>	<b>19.0</b>	<b>18.0</b>	<b>10.0</b>	<b>53.0</b>

### **Construction of facilities related to CO<sub>2</sub> reduction (Total construction costs from FY22 to FY25)**

- Construction to convert lighting to LEDs: 3.0 billion yen
- Construction to replace air conditioners: 5.0 billion yen

\* Planned investment amount: 3.5 billion yen

# 11. Estimated Number of Travelers

## ■ Estimated number of travelers using Haneda Airport during the plan period

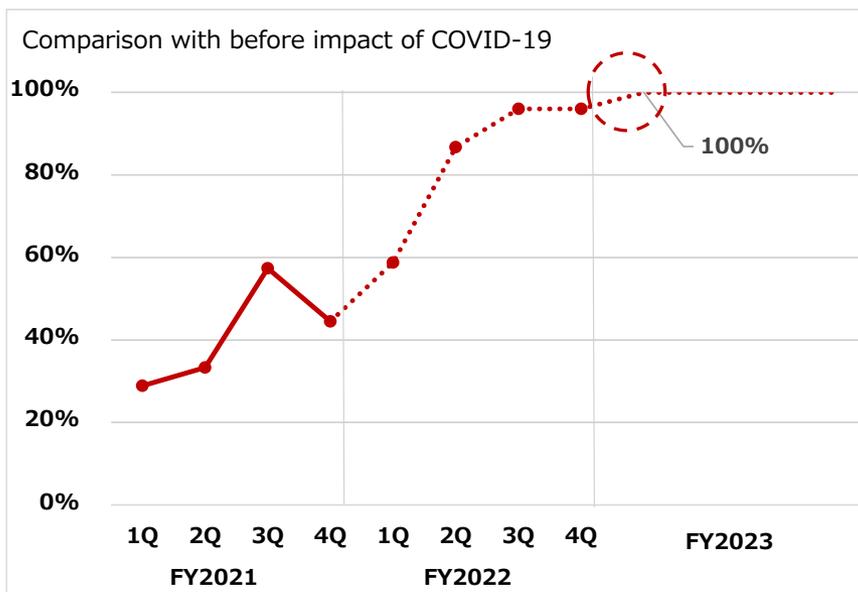
### Domestic flights

Will recover to the level before the impact of COVID-19 (\*) at the beginning of FY23

\* Before the impact of COVID-19:  
FY19 results (Apr.–Jan.) + Our forecasts (Feb.–Mar.)  
(10 thousands)

	FY21	FY22	FY23
Number of passengers	2,838	5,852	6,900
Comparison with before impact of COVID-19	41%	85%	100%

About 69 million passengers are estimated annually after FY23 as well

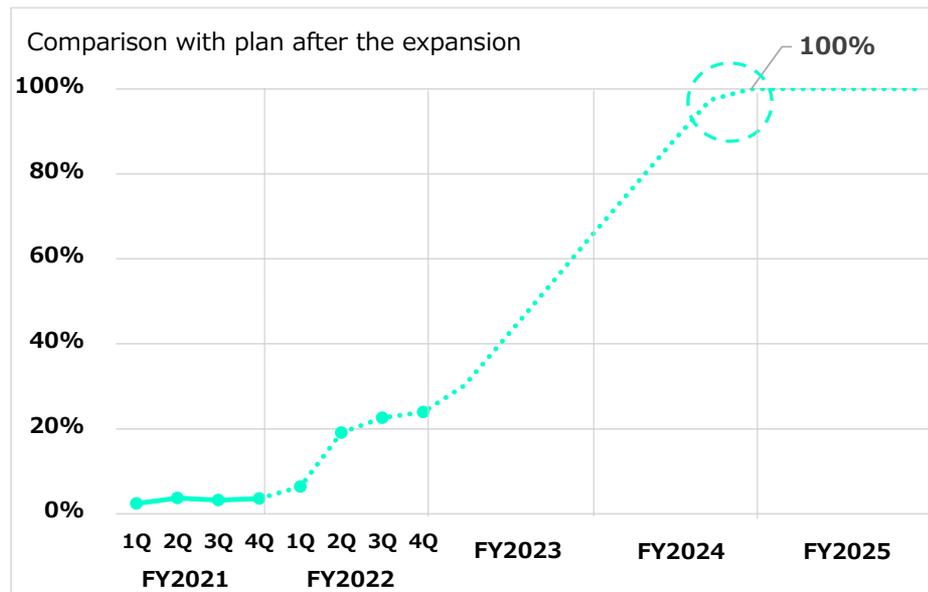


### International flights

Will recover to the level planned for after the expansion of flight slots within FY24

(10 thousands)

	FY21	FY22	FY23	FY24	FY25
Number of passengers	83	466	1,210	2,310	2,560
Comparison with plan	3%	18%	47%	90%	100%



## **Notes regarding projections**

Items such as plans, targets, policies, strategies, decisions, financial forecasts, future figures and monetary amounts in this presentation that is not historical data are projections of the future. These are based on management's projections, assumptions, evaluations, judgments, and conditions on information obtainable at the present time. Realizing these items entail uncertainty and various risks.

This presentation material is not intended to solicit investments. We request you to make own decision regarding investments.

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