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To all concerned Parties

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### **Medium Term Sustainability Plan**

Japan Airport Terminal Co., Ltd. hereby announces that it has formulated its medium-term sustainability plan as shown in the attached sheet.

# **Medium-Term Sustainability Plan**

(May 11, 2023)

\*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 Sustainability Plan**

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The Japan Airport Terminal Group (hereinafter the “JAT Group”) is a private enterprise engaged in constructing, managing, and operation of airport passenger terminals, which are public infrastructure with enormous importance. We are fully aware of the social responsibility associated with this role and aim for management that benefits both the public good and business success.

Under the medium-term Business plan announced in May 2022, we are committed to materializing our long-term vision of “To Be a World Best Airport” by promoting “the growth of the airport business,” one of our growth drivers, “establishment of a foundation for regrowth” to support it, and expansion of the earnings base” in an advanced and efficient way. To these ends, we enhance the management base for “DX,” “organization, personnel, and governance,” and “financial strategy” while positioning **sustainability as the core of strategy promotion.**

Since our foundation, we have carried out our business for sustained growth and development of both the JAT Group and society, in accordance with our basic philosophy of pursuing “Harmony between the Business and the Society.” To ensure deeper embedding of sustainable management into our organization, we have newly developed the **Medium-term Sustainability Plan.**

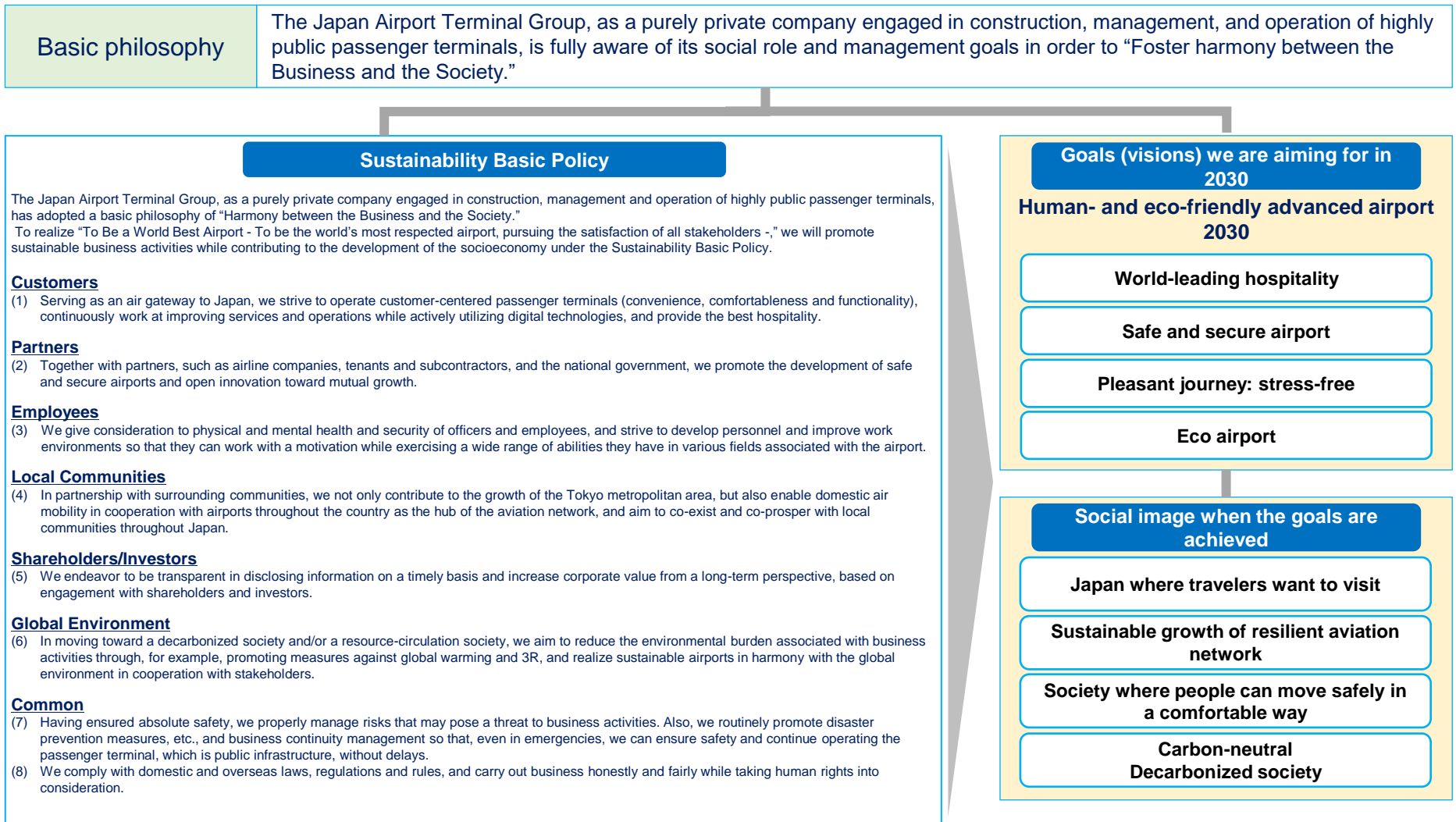
We will contribute to the realization of a sustainable society by defining **materiality (key issues) and KPIs (Key Performance Indicators)** to promote our management strategy and enhancing the effectiveness of our sustainability management initiatives.

To help stakeholders better understand our initiatives, we will ensure timely and appropriate information disclosure and dissemination while striving to achieve the JAT Group’s long-term vision, “To Be a World Best Airport.”

## 2. 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.

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### 3. Establishment of Sustainability Promotion System

- In July 2022, we established the Sustainability Committee chaired by the President and COO, together with the Sustainability Management Office, a dedicated sustainability team that directly reports to the President.
- Under the umbrella of the Sustainability Committee, we will create theme-based working groups and implement initiatives on sustainability on a company-wide basis.

#### Sustainability Promotion System

##### Overview of the sustainability promotion system




#### Outline of Meeting Body and Working Group

Sustainability Committee	
Committee Members	Chairperson: President and COO Members: Vice President and all other officers (including executive officers)
Secretariat	Sustainability Management Office
Meeting frequency	Twice a year or more (five times in FY2022)
Matters for deliberation	<ul style="list-style-type: none"> <li>■ Measures to identify critical sustainability issues</li> <li>■ Establishment of plans and targets relating to sustainability and progress management (PDCA)</li> <li>■ Stakeholder communication, etc.</li> </ul>
Others	Establish the Risk Management Committee and theme-based working groups <ul style="list-style-type: none"> <li>- Decarbonization Core Conference (WGs on energy saving, energy generation, new energies, resource recycling, etc.)</li> <li>- Human Rights Subcommittee</li> <li>- Supply Chain Subcommittee</li> </ul>

# 4. Identifying Materiality and Establishing KPIs and Targets

- We identified key issues (materiality) that should be addressed to realize our long-term vision, while setting plans, targets, and KPIs for progress tracking purposes.
- Going forward, under the sustainability promotion system, we are committed to implementing initiatives for the solution of material issues by tracking progress in the achievement of plans and targets against the KPIs.

Categories	Materiality	Initiatives	Major KPIs (Key Performance Indicators)	Target Year	Relevant Stakeholders	Vision for 2030	SDGs to be contributed	
E	Measures to combat climate change	Reduction of CO <sub>2</sub> emissions	Reduction by 46% from the FY2013 level (net zero by 2050)	2030	Partners Global Environment	Safe and secure airport Eco airport	  	
			Receipt of ZEB Oriented certification for T1 satellite in the terminal expansion project	2025				
	Effective use of limited resources	Waste reduction/resource recycling	Introduction of eco-friendly materials and merchandise	Offering of ethical products at all directly managed (JAT's select) stores	2025	Partners Global Environment	Safe and secure airport Eco airport	  
			Introduction of wooden structure/interior decoration to T1 satellite in the terminal expansion project	2025				
S	Development of a safe, comfortable and advanced airport	Enhanced terminal functionality	Continuous receipt of "5 Star Airport" rating from SKYTRAX (terminal expansion, smoother passenger flows, enhanced signage, diverse commercial facilities, etc.)	Every straight year	Customers Partners Employees Local Communities Common	World-leading hospitality Safe and secure airport Pleasant journey: stress-free	  	
			Continuous receipt of the 1st rating from SKYTRAX in the "Best Airport Terminal Cleanliness" category	Every straight year				
		Assurance of safety and security	Continuous implementation of disaster drills, etc. (150 times/year; 3,000 total participants/year)	Every straight year				
		Promotion of universal design	Completion of the initiative to introduce mobile electric carts and self-driving wheelchairs to all terminals	2025				
	Contribution to local and regional communities	Creation of interaction with local communities	Installation of permanent local specialty stores in the premises of Haneda Airport within FY2023; holding of promotional campaigns at event spaces at least 24 times a year	Provision of know-how acquired in the Haneda Airport and products (robots, etc.) installed therein to overseas airports and other facilities at the rate of 50 cases a year	2025	Customers Partners Local Communities	Safe and secure airport Pleasant journey: stress-free	  
			Continued participation of at least 1,000 people, including local (Ota City) elementary and junior high school students, in the airport tours and work experience programs	Every straight year				
		Benefit-sharing with local communities	Grand opening of the HiCity (benefit sharing with local communities by providing medical services, creating vibrancy, offering a traffic hub, etc.)	2023				
	Human resource development	Transformation of workforce into a group of real professionals	Active recruitment and development of human resources with diverse skills	Creation of innovative businesses and improvement of business operations through cross-industry/industry-academia collaboration and secondment of personnel to outside entities	Performance monitoring	Customers Employees	World-leading hospitality	 
			Embedding of internal branding activities (Plus One Promotion) into the mindset of all JAT Group executives to promote the development of "human resources who can think and take on challenges on their own"	2025				
	Promotion of diversity and inclusion and respect for human rights	Promotion of diversity and inclusion	Rate of childcare leave being taken by male workers: 100%; Rate of managerial posts being assumed by female personnel: 40%*Non-consolidated basis	Employment rate of persons with disabilities: 6.6%*Non-consolidated basis	2027	Customers Partners Employees Local Communities Common	World-leading hospitality Safe and secure airport	  
			Investigation of human rights risks and identification of issues and countermeasures	2023				
	G	Promotion of fair business activities	Ensuring of thorough compliance	Zero incidents of inappropriate behavior (serious misconduct/violations) in corporate activities	Every straight year	Customers Partners Employees shareholders, and investors Common	World-leading hospitality Safe and secure airport Pleasant journey: stress-free Eco airport	  
Formulation of sustainable procurement guidelines and dissemination thereof to business partners				2023				
Strengthening of risk management		Strengthening of sustainability governance	Dialogue with experts (twice a year)	Establishment of the Risk Management Committee and a PDCA cycle for priority risks	2023			
			Cybersecurity	Zero incidents that result from a lack of adequate cybersecurity measures and have a serious impact on the terminal building operations	Every straight year			

\*1 Ethical products are defined as products that lead to less food loss, fair trade products, products that use recycled materials, products that bear a certification label or mark, products that take into consideration local production and consumption, organic products, alternative meat/milk products, etc.

\*2 SKYTRAX: A UK-based aviation services research company founded in 1989. It evaluates airports and airlines worldwide, covering a wide range of evaluation criteria. Haneda Airport has won various awards, including the "5 Star Airport" rating (for nine consecutive years since 2014) and the 1st rank in the "Best Airport Terminal Cleanliness" category (for seven consecutive years from 2016) and the "Best PRM/Accessible Facilities" category (for four consecutive years from 2019). "PRM," an abbreviation of "Persons with Reduced Mobility," represents an evaluation category for facilities that consider the elderly, people with disabilities, and those who have been injured

\*3 Major primary business partners who had transactions with the JAT Group in FY2022

# 5. Medium-term Sustainability Plan Development Process

- We have developed the Medium-term Sustainability Plan by following the process below.
- In the process, we drew up a list of potential materiality(key issues) based on the industry group guidance, sustainability-related guidelines, business strategies, etc., and identified them from perspectives of both the JAT Group and its stakeholders.

## Medium-term Sustainability Plan Development Process




Step1	Drawing up of a list of potential materiality
	In order to identify social issues and business environment that may affect JAT's business operations, we listed up potential materiality taking into account material items covered by guidelines issued by the industry association (ACI) and international organizations (e.g., GRI and SASB) in addition to our business strategy (medium-term management plan).
Step2	Materiality Evaluation
	We evaluated and narrowed down the potential materiality included in the list from both aspects of the importance for the Company's business (corporate interests) and the importance for society (public interests). Furthermore, as part of the evaluation, we conducted a questionnaire survey at the Company's respective departments and interviews with them.
Step3	Dialogue with Experts
	Through dialogue with external experts, we confirmed expectations and demands from external parties, and verified the completeness and appropriateness of materiality topics.
Step4	Identification of materiality
	After discussions at the Sustainability Committee, we identified eight materiality topics. We will continue to review the materiality in light of changes in the social environment.
Step5	Initiatives and KPIs
	We are developing initiatives that contribute to the solution of the defined materiality as well as KPIs to evaluate progress in the initiatives. In the development process, we consulted and confirmed with relevant departments and companies, bearing in mind information disclosure and dissemination to external parties.

## Matters Deliberated at the Sustainability Committee Meetings (FY2022)

Matters for deliberation	
1st meeting (August 17th)	Sustainability initiatives in the future - Details of initiatives in FY2022 and thereafter - How to proceed with the development of Medium-term Sustainability Plan
2nd meeting (September 15th)	Progress in the sustainability initiatives - Listing up of potential materiality (key issues) - Response to the TCFD recommendations
3rd meeting (November 2nd)	Progress in the sustainability initiatives - Identification of materiality (key issues) - Establishment of initiatives and KPIs related to the materiality (key issues) - Collection of sustainability-related information
4th meeting (December 22nd)	Progress in the sustainability initiatives - Establishment of initiatives and KPIs related to the materiality (key issues)
5th meeting (February 8th)	Progress in the sustainability initiatives - Establishment of initiatives and KPIs related to the materiality (key issues) - A blueprint for disclosure of Medium-term Sustainability Plan



## 6. Outline of Dialogue with External Experts

Name	 <p>Mr. Takeshi Mizuguchi</p>	 <p>Ms. Miki Mitsunari</p>	 <p>Mr. Daisuke Takahashi</p>
Career History	<p>Academic expert</p> <ul style="list-style-type: none"> <li>• President of Takasaki City University of Economics</li> <li>• Areas of research: Responsible investment (ESG investment), disclosure of non-financial information, etc.</li> </ul>	<p>Consultant</p> <ul style="list-style-type: none"> <li>• President, FINEV Inc.</li> <li>• Provides climate change/ESG/SDGs, disaster prevention measures, and business management consulting service</li> <li>• Temporary member of the Industrial Environment Measures Subcommittee, Industrial Structure Council, Ministry of Economy, Trade and Industry</li> </ul>	<p>Lawyer</p> <ul style="list-style-type: none"> <li>• Lawyer and Partner, Shinwa Sohgo Law Offices</li> <li>• Member of the “Working Group on the National Action Plan on Business and Human Rights,” Ministry of Foreign Affairs (2019-2020)</li> <li>• International Bar Association Business Human Rights Committee Co-chair</li> </ul>
Key Comments	<ul style="list-style-type: none"> <li>✓ As a measure to combat climate change, it is necessary not only to make a commitment to net zero emissions (establishment of specific target values and announcement of them) but to adapt to physical risks (increasing temperature and abnormal weather).</li> <li>✓ With regard to the water resource recycling, waste reduction, consideration of biodiversity in the procurement of in-flight meals, etc., it would be better to stress that the initiatives being undertaken by the entire supply chain (including tenants) are the "initiatives for resources and natural environment."</li> <li>✓ Human rights issues are important social issues for airports, as they are used by customers of many different races and values. In a broader sense, these issues include poverty, economic inequality, and other social issues faced by the Group companies and other entities in the supply chain. Accordingly, it would be better to clearly indicate them as Social (“S”) issues. Human rights are likely to become an important topic of debate when dealing with foreign companies in the in-flight meal business and duty-free business.</li> <li>✓ From the governance (G) perspective, it would be necessary for the Company to refer not only to fair business and risk management, but to the foundations (such as systems and structures) for the promotion of environmental (E) and social (S) initiatives. Furthermore, the Company should consider a mechanism for encouraging debates on sustainability and strengthen its sustainability governance.</li> </ul>		

# 7. Reasons for Selecting Materiality Topics

- Based on the aforementioned process of developing the Medium-term Sustainability Plan, we have sorted out the relationships between the Group's business and social issues below. We are committed to making contribution to the realization of a sustainable society by solving social issues through our core business.

	Materiality	Initiatives	Relationship with social issues
E	Measures to combat climate change	Reduction of CO <sub>2</sub> emissions	While increasingly frequent extreme weather events and other climate change incidents have significant impacts on the JAT Group, the Group has imposed burdens on the environment by emitting a large volume of greenhouse gases through, for example, the consumption of electricity during terminal operations. We recognize that the development of anti-climate change measures is a material issue we face, when we continue our business with the aim of creating an environmentally friendly airport that is in harmony with a sustainable society.
	Effective use of limited resources	Introduction of eco-friendly materials and merchandise	When constructing, managing, and operating facilities and running retail stores and food service establishments, the Group not only uses many resources including building materials, plastics, and water, but generates waste such as construction waste, food residue, and collected garbage. We recognize that, when we continue our business as an environment-friendly airport, it is a material issue we face to ensure an effective use of limited resources, including the minimization of environmental impact by establishing a recycling system across our supply chain and meeting users' needs for environment-friendly products.
Waste reduction/resource recycling			
S	Development of a safe, comfortable and advanced airport	Enhanced terminal functionality	Operating an airport, a public infrastructure that supports society and economy by providing people with mobility, is the core business and social mission of the JAT Group. We expect that, in the future, the airport will be increasingly used by foreign visitors to Japan, the elderly, and people with disabilities. As such, we recognize that it is an essential challenge for our sustainable growth to continuously provide safe and comfortable mobility to various users by implementing DX and adopting advanced technologies.
		Assurance of safety and security	
		Promotion of universal design	
		Use of digital technology	
	Contribution to local and regional communities	Creation of interaction with local communities	The Group operates its business based on the harmonious relationship with Ota City, Tokyo Metropolitan Government and other municipalities of places where its business premises are located. At the same time, its business is supported by the traffic of people between regional cities and the Tokyo metropolitan area. We recognize that making maximum use of the Haneda Airport terminal, a hub used by numerous customers, as the location for creating interaction with local and regional communities and disseminating their attractiveness, would be a material issue to be addressed for a sustainable growth of JAT.
		Benefit-sharing with local communities	
	Human resource development	Transformation of workforce into a group of real professionals	We recognize that human resources are the most important capital for realizing our long-term vision, "To Be a World Best Airport." We also recognize that further promotion of human resource development, including the provision of support for career advancement to transform the workforce into a group of real professionals and an improvement of working environment for an increased employee engagement, would be a material issue for the JAT Group's sustainable growth.
		Improved employee engagement	
	Promotion of diversity and inclusion and respect for human rights	Promotion of diversity and inclusion	We recognize that it is our primary responsibility to respect not only diverse cultures and perspectives given that the Group provides hospitality services to a broad spectrum of customers from across the world and Japan, but human rights when engaging in the retail, food service, and other business activities. We also recognize that it is a material issue to promote diversity, inclusion, and respect for human rights as the basis of the Company.
		Implementation of human rights due diligence	
G	Promotion of fair business activities	Ensuring of thorough compliance	Given that the Group is engaged in the operation of airport passenger terminals, which has a highly public nature, we are naturally expected to comply with laws and social norms. Furthermore, we recognize that it is a material issue and a key to the resolution of social issues to strengthen our governance structure, manage the business in a sound and highly transparent manner, and promote fair business activities.
		Strengthening of sustainability governance	
	Strengthening of risk management	Strengthening of risk management systems	Given that the Group is engaged in the operation of airport passenger terminals, which has a highly public nature, it is our social mission to ensure the continuity of business. We recognize that, in an uncertain society with emerging risks, it is a material issue to ensure and maintain the organizational resilience, by identifying risks surrounding our business environment and taking appropriate measures against them.
		Strengthening cybersecurity measures	

## 8. Relationship between Materiality and Medium-term Business Plan

- The materiality we identified earlier is in consistent with the strategic direction defined under the Medium-term Business Plan for FY2022-2025, titled “To Be a World Best Airport 2025 - towards becoming one of the most advanced, human-and-eco-friendly airports by 2030.”
- By continuing to work on materiality, we will implement the strategies set forth in the MTMP and aim to realize the vision for 2030 of “becoming one of the most advanced, human-and-eco-friendly airports.”

Materiality and Corresponding Strategies Set Forth in Medium-Term Business Plan

Direction of strategies set forth in MTMP		Medium-term Sustainability Plan/Materiality (Key Issues)							
		Measures to combat climate change	Effective use of limited resources	Development of a safe, comfortable and advanced airport	Contribution to local and regional communities	Human resource development	Promotion of D&I and Respect for Human Rights	Promotion of fair business activities	Strengthening of risk management
Reinforcement of earnings base	<b>Establishing a foundation for regrowth</b> Reform and Innovation (Change)	●	●	●					
	<b>Growth of airport business</b> Growth and Evolution (Grow)	●	●	●	●				
	<b>Expansion of earnings base</b> Facing Challenges (Expand)	●	●	●	●				
Enhance the management base	<b>Improve and innovate by harnessing DX and new technologies</b>			●			●		●
	<b>Organization, personnel, and governance</b>					●	●	●	●
	<b>Financial strategy</b>							●	●