

Japan Airport Terminal Group
Integrated Report 2024

TO BE A WORLD BEST AIRPORT

Japan Airport Terminal Co., Ltd.





A collage of airport-related images including an ANA plane, a city skyline, a sky with clouds, a terminal interior, and a staff member waving.

TO BE A WORLD BEST AIRPORT



As the corporate Group supporting an aviation gateway to Japan at Haneda Airport, we stand at the intersection of people, goods, and cultures, and have a duty to move people's hearts.

Our Group philosophy

Philosophy

Harmony between the Business and the Society

Business Policy

Establish absolute safety in passenger terminals.
 Operate passenger terminals for the benefit of customers (for convenience, comfort and functionality).
 Operate passenger terminals stably and efficiently.
 Reinforcement of the corporate structure and improvement of the combined competence of group companies.

Customer Satisfaction Philosophy

Peace to those who enter, hail to those who leave **PAX INTRANTIBVS SALVS EXEVNTIBVS**

This Latin inscription—often translated as “Peace to those who enter, good health to those who depart”—is engraved on the Spital Gate, in the well-preserved medieval town of Rothenburg ob der Tauber, Germany.

The Japan Airport Terminal Group has adopted the inscription as its customer service (CS) philosophy, as we work to improve our services to ensure the satisfaction of all those using Haneda Airport.



Each year, the Group's CS award winners visit Rothenburg, in order to keep the philosophy front of mind.

Code of conduct

JAT's code of conduct represents the basis for the actions of all officers and employees that are to be shared to enable the Company to put its management philosophy and management policies into practice.

The full text is available here https://www.tokyo-airport-bldg.co.jp/en/corporate_profile/policy.html

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Sustainability Basic Policy

The Japan Airport Terminal Group, as a purely private company engaged in construction, management and operation of highly public passenger terminals, has adopted a basic philosophy of “Harmony between the Business and the Society.”

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.

 <p>Customers</p>	<p>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.</p>	 <p>Partners</p>	<p>Together with partners, such as airline companies, tenants and subcontractors, and the national government, we promote the development of safe and secure airports and open innovation toward mutual growth.</p>
 <p>Employees</p>	<p>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.</p>	 <p>Local Communities</p>	<p>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.</p>
 <p>Shareholders/ Investors</p>	<p>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.</p>	 <p>Global Environment</p>	<p>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.</p>
 <p>Common</p>	<p>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.</p> <p>We comply with domestic and overseas laws, regulations and rules, and carry out business honestly and fairly while taking human rights into consideration.</p>		

Reporting period

This report covers FY2023 (April 1, 2023 to March 31, 2024)

Note: Earnings results cover FY2023, but some data include activities prior to March 2023 and after April 2024.

Scope

This report covers the Japan Airport Terminal Group

Note: Affiliated companies are listed at the URL below.

https://www.tokyo-airport-bldg.co.jp/en/corporate_profile/group.html

Inquiries regarding this report should be addressed to:

Sustainability Management Office

Japan Airport Terminal Co., Ltd.

Terminal1, 3-3-2 Haneda Airport, Ota-ku, Tokyo 144-0041

E-mail: sustainability@jat-co.com

Tel.: 81 + 3-5757-8064

Forward-looking statements

This report contains forward-looking statements and projections based on plans. Please be aware that actual results and achievements may differ.

Editorial policy

The Japan Airport Terminal Group's Integrated Report 2024 was produced and published to explain to the public how the Group is working to solve societal issues and improve sustainable corporate value through its business.

In preparing this report, we have referred to the International Integrated Reporting Framework, recommended by the IFRS Foundation, and the Guidance for Collaborative Value Creation formulated by the Ministry of Economy, Trade and Industry.



TO BE A WORLD BEST AIRPORT

- To be the world's most respected airport, pursuing the satisfaction of all stakeholders -

The Japan Airport Terminal Group has as its long-term vision the goal of being a world best airport.

It reflects our determination to continue pursuing stakeholder satisfaction and, in the process, to make Haneda Airport the most highly respected and No. 1 in the world.

This is not about the number of passengers or the size of the terminal. It is about being No. 1 in terms of, for example, the way we combine ingenuity and wisdom; paying attention to detail, so as to fully satisfy our functions; and putting more energy into customer-oriented services rather than architectural dynamism.

Based on this long-term vision, we seek to be an airport that is well-remembered by our customers.

Our stakeholders



Goals to be attained by 2030

Despite the ever-changing business environment, by 2030 we need to become one of the most advanced, people- and eco-friendly airports. Otherwise, we cannot realize our long-term vision of becoming a World Best Airport, and be seen around the world a leading airport company, Japan's premier airport, the gateway to Japan, and an airport terminal company trusted by all stakeholders.

Our goals for 2030

As the airport representing Japan and the premier gateway to the country, we are creating a model recognized as the best in the world.

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

World-leading
hospitality

A safe and
secure airport

Pleasant
journeys:
stress-free

Eco-airport

An airport terminal operator 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 CO2 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 by developing satellites and promoting operations
- Connect East Japan Railway Company – Haneda Airport Access Line (scheduled to be completed in 2031) 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 human resources who can think and take on challenges on their own 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



Human potential sparks new value, greater business collaboration

Isao Takashiro

Chairman and Chief Executive Officer

CEO message

Passing on our philosophy: Harmony between the Business and the Society

Japan Airport Terminal Co., Ltd., was established at the request of the Japanese government in 1953, shortly after the end of WW II. At the time, Japan had few financial resources. Thus JAT was set up as a 100% private entity, with no funding from national or local governments.

It is for this reason that costs associated with overall airport operations can be kept relatively low. We apply the rational concepts and methods used by private companies, returning to airlines and other stakeholders profits from the sale of merchandise, food and beverages, as well as other non-aeronautical businesses. We do so by, for example, adjusting rents.

This reflects our philosophy: Harmony between the Business and the Society. Moreover, it shows that the spirit of our first president, Toru Akiyama, has been passed down to the present day. From the start, he sought to build ties of mutual prosperity between airlines and other stakeholders.

For JAT, a public entity that operates airport passenger terminals, to ensure absolute safety at these terminals is the cornerstone of our business and something that management cannot overlook. Thus, in preparation for a worst-case scenario, preconceptions must be eliminated, all aspects of operations confirmed, and daily training undertaken diligently.

I always think of a company as being synonymous with its people. Our philosophy and having absolute safety are the results of human effort. Starting at the welcome ceremony for new employees, I communicate our basic philosophy and management policies, and as opportunities arise, I also discuss the importance of having compassion for others and working to understand their feelings. My sense is that these concepts have been widely disseminated among employees and are well understood.



CEO addresses new employees at this year's induction ceremony.

Business Policy

- Establish absolute safety in passenger terminals
- Operate passenger terminals for the benefit of customers (for convenience, comfort, and functionality)
- Operate passenger terminals stably and efficiently
- Reinforce corporate structure and improve competence of Group companies

The Plus One mindset and challenges of a new era

When I joined the Company, I worked in an airport store. I still recall how happy I was when our first president came to inspect it—and remembered my name. When I joined JAT, I was full of curiosity and always tried new things, so perhaps the president noticed me because of this.

The airline industry has grown steadily to date. In fact, there was a time when growth was possible without the need to take on new challenges. One only had to adapt to prevailing conditions.

However, having seen the airport lobby empty of customers due to the pandemic, I believe it is time for us to return to our founding spirit and for all employees to work together to take on challenges.

At present, although inbound demand (foreign tourists visiting Japan) is higher than had been expected, domestic passenger numbers have not yet returned to pre-pandemic levels, due to lifestyle changes and other factors.

At the same time, there are numerous global social issues that require tackling. These include environment-related matters related to corporate sustainability and the SDGs. In recent years, the value that society looks for in corporations has been changing dramatically, with companies now expected to contribute to the realization of a sustainable society in

addition to making a profit.

In this era of change, if social issues are to be addressed through business activities, it is important that we be determined to change and that we transform ourselves.

Developments in any business environment present challenges and opportunities. Recognizing this, we started promoting the Plus One Promotion to transform employee awareness and behavior. We wanted our human resources to be able to think for themselves and autonomously take on challenges.

I, personally, am committed to promoting the program. Whether at work or in one's personal life, I believe it is important to seek to improve oneself and be even better tomorrow than today. If each individual can adopt this way of thinking and make it a habit, many new ideas will emerge and employees will be able to think and act on their own.

I would like to add to the program the need to constantly think about new challenges to existing values that should be passed down in the Company through our corporate DNA. If we can do this, our business will continue to evolve.

To meet national and user expectations for a convenient and pleasing airport, I believe we must develop employees who are always willing to adapt to

changes and meet new challenges.

Since it would be difficult for our Company alone to take on social issues, we must deepen our collaboration with industry, academia, and business partners. But, since such collaboration is also necessary for our own evolution, it would be beneficial were employees to talk to people outside the Company. By comparing their own management methods with those of teams at other organizations, they can see where they stand.

When I was in charge of human resources, I once had a chance to attend a training camp where I interacted with people from other companies. I was shocked when found that what I learned there was

completely different from what I had thought was required of human resources. But the experience helped me grow later on. So, while we are giving staff the chance to gain experience and take on challenges, it is my hope that they might become able to seek out such opportunities themselves.

Mechanical automation and AI certainly are important, but it is changes in ourselves and how we meet challenges that are even more so. To ensure that staff acquire the necessary ability to respond flexibly in these highly uncertain times, we thus are implementing the Plus One Promotion and accelerating the pace of change.

Reforms steady, spirit of challenge emerging

During the pandemic, we faced the previously unimaginable situation of planes not flying. Moreover, we realized that we needed a pillar of business other than stores. For this reason, we have been developing businesses in new areas, such as e-commerce.

We are planning to incorporate external capabilities through collaboration, in order to revitalize our entire organization and bring about changes. For example, we have entered into a collaborative agreement with ENEOS Corporation, a Japanese petroleum company, to jointly promote research and development aimed at realizing the use of CO₂-free hydrogen energy. We have also agreed to jointly explore the creation of a supply chain with Euglena Co., Ltd., which is engaged in the research, development, and production of sustainable fuels. Together, we aim to commercialize the supply and

sale of sustainable aviation fuel. Younger members of our management team are putting a lot of thought into, and promoting, these efforts.

We also are looking at possibilities, other than hydrogen, as energy sources that can meet demand.

In February this year, we launched the open innovation facility terminal.0 HANEDA inside Haneda Innovation City. There we are conducting joint research and development, and generating ideas and brainstorming with the 32 companies, one organization, and two universities that are participating in the project. Young employees are taking the lead, and I feel that a desire to change and evolve is spreading among them.

All the initiatives that were conceived during the pandemic are starting to bear fruit. The steady implementation of reforms is helping to instill the spirit of challenge.

Further, since 2020, The University of Tokyo and young JAT employees have been considering various industry-academia collaborations and enthusiastically developing ideas aimed at making the airport more appealing and enjoyable. The senior management team is watching to see how far the team can take their proposals and turn them into concrete measures.



Employees give a presentation as part of an industry-academia collaboration project.

Leveraging a world-class location to be a “fun airport”

In order to optimize the whole airport through total airport management, the JAT Group will work with airlines and the Ministry of Land, Infrastructure, Transport and Tourism to streamline airport operations. We are hoping that, by 2030, Haneda Airport will be among the most advanced, human- and eco-friendly airports.

Japanese airports still lack a sense of fun. All have the same lineup of duty-free shops and brand-name stores which is, of course, necessary. But I would like to take it a step further and create an airport that highlights country and regional characteristics.

As part of our effort to contribute to regional revitalization, we have created the Haneda Sanchokukan mall. On sale there are products shipped directly from the source, while exhibits are changed periodically to maintain a fresh and appealing atmosphere. The Japan Mastery Collection, which features a selection of Japanese traditional crafts and other products in duty-free shops, has been very well received, especially by overseas customers.

We want to build a reputation as a fun airport that people want to visit at least once and, preferably, more often. We are currently looking into how we might incorporate elements of entertainment at the airport,

and I am hoping that the Plus One mindset will continue generating ideas that lead to the creation of new value.

As Japan's population continues to decline, demand for international flights will, naturally, eclipse domestic flights. One challenge then will be how to separate the different spaces. In this sense, there is plenty of room for us to take on new challenges.

Haneda ranks among the world's leading airports, with one of the most advantageous locations of any airport in the world. It is ideally positioned near the city center, with convenient transportation links. The strong reputation it enjoys among Japanese and international customers is largely due to its excellent location.

As we have been entrusted with such a valuable space, we are obliged to make the most of the favorable conditions. At the same time, it is also important to consider ways to deepen cooperation and promote collaboration among airports to address challenges related to the demand for, and frequency of, flights in the Tokyo metropolitan area, which cannot be handled by Haneda Airport alone.

As the Japan Airport Terminal Group moves boldly forward, we each find ourselves embodying the spirit of challenge.



Focusing on Sustainable Growth

Nobuaki Yokota

President and Chief Operating Officer

COO message

FY2023 Record Income Driven by Inbound Demand

Following the lifting of restrictions and the ongoing normalization of society in the wake of COVID-19, passenger numbers finally are rising. They have recovered to about 90% of prepandemic levels on domestic flights, and recorded an all-time high on international flights, increasing to 75% of the number of passengers assumed based on the flight slots expanded before the COVID-19 pandemic.

Reflecting these conditions, FY2023 consolidated financial results can be broken down into operating revenues of ¥217.5 billion, operating income of ¥29.5 billion, ordinary income of ¥27.2 billion, and net income of ¥19.2 billion.

In addition to having returned to profitability for the first time in four fiscal years, we also recorded a record-high operating income and ordinary income.

The results are indicative of the substantial increase in inbound demand at a time when the yen has been weak. Facility user revenues rose to reflect the reversal in the declining number of visitors from China, while there was significant growth in duty-free sales on international flights. As a result, operating revenues exceeded those of FY2022 in all segments.

I believe the excellent results are due not only to external factors, but also to the hard work of our employees. In the early stages of the pandemic, the

airport lobby was completely empty, everyone's morale inevitably dropped, and it was hard to maintain motivation.

Nevertheless, reflecting the founding spirit of our Company and without fear of failure, we have sought to enhance staff awareness and behavior through our in-house promotion, Plus One. This entailed re-evaluating the essential job of airports, making improvements, taking on new challenges to provide unprecedented value, and considering what one might do to take the next step.

Even now, at Executive Committee meetings, we constantly discuss how we can transform staff awareness in order to unite the Company under a Plus

One mindset. I am convinced that a spirit of challenge has been instilled in our employees. They are becoming increasingly self-motivated, and their efforts are starting to bear fruit.

Until 2023, we had a reduced number of employees onsite. This led to insufficient staffing, which inconvenienced customers. However, now that employee numbers have grown, we have more than 1,200 onsite staff across the Group, and shortages are being resolved.

In terms of infrastructure, international flight facilities at Terminal 2 have reopened for the first time in three years, and we have been able to start work on facility improvements that had been postponed due to the pandemic. I see this as a good start.

Responding to consumer trends and social change

But the situation is not entirely positive; domestic passenger numbers are recovering only slowly. There are several possible reasons for this. First, demand for business-related flights has declined, due to changed workstyles including remote work.

Second, the tourism industry as a whole, including lodging facilities, is yet to fully recover from the effects of the pandemic and remains understaffed.

Third, strong inbound demand, combined with soaring lodging and other costs, appears to be suppressing demand for domestic travel. Moreover, given Japan's projected population decline, we do not expect a significant expansion in demand for domestic flights.

Another factor adversely affecting international demand involves concern about geopolitical risks, including armed conflicts arising from unstable global conditions. An example of this is the avoidance of flights

into Russian airspace, which is expected to result in some flight slots not being used.

Further, the issue of personnel shortages has not been completely resolved. Although the inconvenience caused staff by the need to commute to Haneda Airport places us at a disadvantage when recruiting, we have managed to secure 90% of our recruitment target for the entire Group.

However, it is not easy to achieve the required number of staff for ground handling* and airport security positions, because of the qualification requirements. We need to work on this over the medium to long term, and to request that the Ministry of Land, Infrastructure, Transport and Tourism ease the relevant regulations and hold more qualifying exams.

* This involves a series of ground support operations, performed from the time an airplane lands at the airport until its next flight. The work includes guiding aircraft, maintaining cabins, providing information to passengers, loading and unloading baggage and cargo, and refueling.

Medium-term business plan targets

In light of the aforementioned business environment, we have revised our forecast for the number of passengers who will make use of Haneda Airport in fiscal 2025. Our forecast for domestic flights is down from 69 million to 67 million passengers, and that for international flights is down from 25.6 million to 23.5 million passengers. In addition, rising labor costs and other expenses reflecting rising prices will be major factors driving profits lower.

At the same time, in the belief that such positives as

firm inbound demand and a weaker yen will continue to work in our favor, we have raised our FY2025 forecast for consolidated net income from ¥16.0 billion to over ¥20.0 billion, up approximately ¥4.0 billion. We also see capital investments growing ¥20 billion, reflecting rising material prices, higher labor costs, and the undertaking of repair and renovation work that was halted in the face of the pandemic.

In fiscal 2023, there were in excess of 30 million

inbound tourists, and the Japanese government has set a target of 60 million for fiscal 2030. With visitors arriving at Haneda able to transfer to domestic flights to other parts, we believe that demand to meet such needs and provide the requisite services will mushroom. Of course, a major challenge for the tourism industry is how to handle a huge wave of demand while bearing in mind the potential problems that may arise from overtourism.

If we are to reach the ambitious goal of 60 million passengers, we must expand our capacity as an airport. Starting with the 2024 summer schedule and following the reopening of international flight facilities at Terminal 2, we have been able to raise the number of daily international departures from 16 to 26.

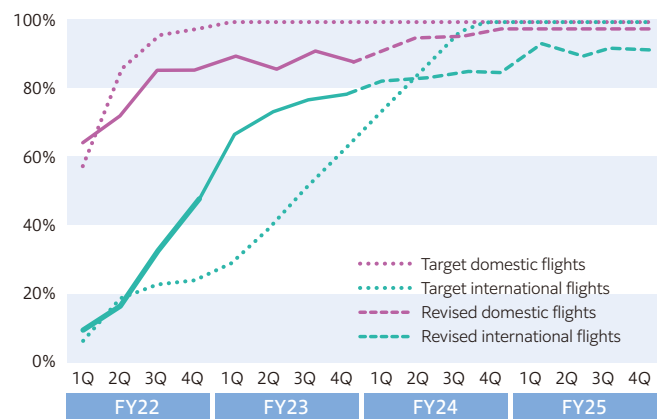
Haneda Airport operates around the clock, so there is still room for more flights. However, the site has almost reached its limit, so we need to work with the national government to tackle operational issues and formulate a solution.

To improve our earnings base, we should also deal with the vacant spaces within our facilities. Among the ways we plan to maximize our real estate value is by improving the appeal of commercial facilities that, if left as they are, inevitably will become outdated. Although we regularly carry out renovations and incorporate the

latest trends, from now on we will have to listen more carefully to customer suggestions and make our facilities more exciting. In addition, we will make better use of vacant rooms and spaces by, for example, expanding the food court and renovating lodging facilities.

In focusing on our e-commerce business, we have just released a new e-commerce app for China. But, so as not to rely solely on the China market, we also are expanding that business to Southeast Asia using various channels. We hope to achieve an operating revenue of ¥10.0 billion by fiscal 2025.

Passenger Volume Forecast for Fiscal 2025



Human capital management and innovation

After discussions with CEO Isao Takashiro, it was decided that bold investment was necessary to secure human resources, so we raised the base pay 6% and significantly hiked starting salaries for university graduates for the second consecutive year. To develop human resources, we introduced evaluation and specialist systems to advance careers. Also as part of our workstyle reforms, we adopted a new system for side businesses and second jobs, and expanded employee benefits, including childcare support.

By investing in people, we are creating an environment in which a range of human resources can thrive. Thus, the ratio of women in management positions now is 38.8%; people with disabilities account for 3.6% of our staff; and while no men took childcare leave in fiscal 2021, 89% did in fiscal 2023.

Significant increases in labor and outsourcing costs mean that we cannot haphazardly add to personnel

numbers. We thus need to review specifications and improve our operational efficiency. That said, how might we most appropriately select staff and concentrate their efforts most efficiently? I believe the key lies in using IT, digital transformation, and robots.

Currently, we are developing robotic warehouses and RFID-compatible cash registers, one of our main focuses being the development of self-driving wheelchairs, through the WHILL Autonomous Service developed by WHILL, INC. Haneda Airport is spread out, which can make moving about stressful at times. But, as we expand the scope of the service and it becomes possible for the wheelchairs to move between floors automatically, we will be able to provide an even more stress-free and comfortable travel experience. Moreover, as WHILL develops, it may be possible for it to be introduced at other airports, so we have assembled a young team of employees to take the lead in tackling this challenge.



In February 2024, we opened terminal.0 HANEDA, an inter-industry collaborative research and development center engaged in resolving issues facing Haneda Airport. One of our research themes is security checkpoints, which are nerve-racking areas that can be stressful for those in charge. If we can come up with

ideas to make the areas more comfortable, we hope that not only will customer stress be reduced, but also a better staff working environment result.

Sustainable development and social responsibility

As a Company that prides itself on being a leading airport enterprise, we believe it only natural that we take the lead in promoting sustainability.

Management is monitoring progress in line with materiality initiatives formulated in 2023 and, thus far, efforts are proceeding according to plan. One of the biggest issues is eliminating CO₂ emissions. By using only conventional approaches, it will be hard for us to realize the national goal of carbon neutrality by 2050. This is true even were we to make every effort to cut back on the drivers of climate change by installing solar power generation facilities, promoting the use of LED lighting, and introducing smart air conditioning.

For this reason, we must take drastic steps, including the exploration of hydrogen energy. With this in mind, we are examining and collaborating on the use of new hydrogen technologies with several business partners and the ENEOS Corporation, a Japanese provider of petroleum products and services. We are also in discussions with government departments at the national and the Tokyo metropolitan levels. Our goal is to spark innovation based on unconventional ideas.

As our Company is responsible for all waste disposal at Haneda Airport, resource recycling and a circular economy are also important. We will promote efforts in this direction throughout the airport, as we work with business partners and ask users to cooperate in the careful separation of trash.

In May 2024, we disclosed information on the



Artist's rendition of the collaboration agreement with ENEOS Corporation

recommendations of the Taskforce on Nature-related Financial Disclosures, a market-led, science-based, and government-supported global initiative. At the Japan Airport Terminal, our top priority is to reduce the environmental impact of our business activities. Seeking to create harmony between business and society, we plan to follow a comprehensive strategy designed to safeguard regional biodiversity. In this connection, we will continue to analyze the risks and opportunities we face, while striving to improve our countermeasures, indicators, and targets.

* TNFD: Taskforce on Nature-related Financial Disclosures

Although we have taken steps in response to the risk of disasters that have become a mounting concern in recent years, it is difficult to predict when there will be an earthquake or torrential rain. For this reason, we are making every effort to put in place a business continuity plan for managing risks in the event of a disaster. We must also be prepared for the possibility that Haneda Airport will be used as a temporary evacuation center, as it was during the Great East Japan Earthquake in 2011.

It is also important to have regular practical training; advanced security operations in place that leave open the possibility of introducing security robots; as well as cybersecurity measures. Airport operations are an integral part of safety and security, the ensuring of which are top priorities for us.

According to its World Airport Star Rating system, the London-based international air transportation rating organization, Skytrax, has awarded the Tokyo Haneda Airport a 5-Star Airport Rating for the 10th consecutive year. As we seek to realize our long-term vision, To Be a World Best Airport, we will not rest as we aim for further progress. Japan Airport Terminal Co., Ltd., and the Japan Airport Terminal Group will work as one to improve and reform our business, and resolve social issues with a spirit of challenge.

Our History of Value Creation



Tokyo International Airport, the Company's business base, was returned to Tokyo International Airport.

To restore its status as a gateway airport, Japan urgently had to expand established to meet this need, as well as to construct, manage, and operate Based on the philosophy of harmony between the business and the society, expanding and renovating passenger terminal buildings; running ancillary value while responding to the demands of the times.

1953–1962

Japan Airport Terminal Co., Ltd. is established Business foundation is determined

Operating revenue (million yen)

200,000



Haneda Airport Terminal opens. It develops into one of Tokyo's most popular spots.

1963–1972

Company expands, diversifies as air travel increases



Japan's first duty-free shop. With the 1964 Tokyo Olympics approaching, the terminal is expanded and given a new look.

1973–2004

International flights move to Narita Airport; Haneda Airport expands into Tokyo Bay



Terminal 2 goes into operation.

Key developments

- Decision made to build new terminal using private capital
- Japan Airport Terminal Co., Ltd. is established
- New terminal building at Haneda Airport opens
- Sale of goods in foreign currency commences
- Japan's first car rental business is launched

- Expansion and renovation of international terminal area completed
- Paid parking ramp opens
- Duty-free sale of imported goods begins
- Jumbo jet aircraft go into service
- Japan Airport Consultants, Inc. is established

- Tokyo City Air Terminal commences operation
- Narita office opens
- Terminal expands into Tokyo Bay
- Company launches an IPO
- Terminal 1 (formerly West Passenger Terminal) commences operation
- Osaka office opens; Company contracted to sell duty-free goods at Kansai International Airport
- Provisional international terminal opens
- Terminal 2 commences operation

100,000



Kiyoshi Goko
First Chairman

Toru Akiyama
First President

Frontier spirit passed down since our founding

When Haneda first opened, it was remote and, much like a frontier location, it presented many challenges. Now, 70 years on, we still face demanding times.

50,000

Passenger traffic
More than 20 million passengers
Domestic flights:
13,750,000 passengers
International flights:
6,251,000 passengers

Operating revenue
Operating income/loss

1953

1960

1970

1980

Japan in 1952, after having been taken over by the United States at the end of World War II. The original name, Tokyo Airfield, then was changed to the facilities to make them suitable for an international airport capable of serving Japan's capital, Tokyo. Japan Airport Terminal Co., Ltd. was terminal buildings using private capital provided by leading companies in Japan's financial sector. for more than 70 years since its founding the Group has been responding to growing aviation demand. It has engaged in its backbone business of businesses, such as airport duty-free shops; as well as operating merchandise stores and food and beverage outlets. We will continue to create

2005 – 2020

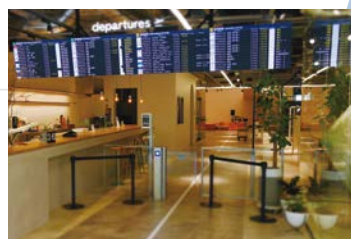
Haneda Airport offers international services



Terminal 3 (private finance initiative project) commences operation.
Terminal 2's expanded section opens.

2021–

Overcomes COVID-19 crisis, fetes 70th anniversary, evokes a warm response



Terminal.0 HANEDA opens and provides post-pandemic airport value.

Operating revenue (million yen)
20,000

10,000

-50,000

- Chubu office opens
- Tokyo International Air Terminal Corporation (TIAT) established
- Terminal 3 commences operation
- Collaboration starts with China's Chengdu Shuangliu International Airport
- Haneda Airport Wharf commences operation; regular routes open
- Japan Duty Free Fa-So-La Mitsukoshi Isetan Co., Ltd. is established
- Ranked Five Star Airport by SKYTRAX
- Terminal 2 international facilities commence operation

- Terminal.0 HANEDA opens
- Terminal 2 international facilities reopen
- Haneda Sanchokukan mall opens
- Japan Mastery Collection opens
- Connection of Terminal 2 north satellite to main building scheduled for completion in 2025

Passenger traffic
More than 40 million passengers

Domestic flights:
39,360,000 passengers
International flights:
828,000 passengers

Passenger traffic
More than 60 million passengers

Domestic flights:
60,696,000 passengers
International flights:
384,000 passengers

Passenger traffic
More than 80 million passengers

Domestic flights:
64,639,000 passengers
International flights:
15,642,000 passengers

1990

2000

2010

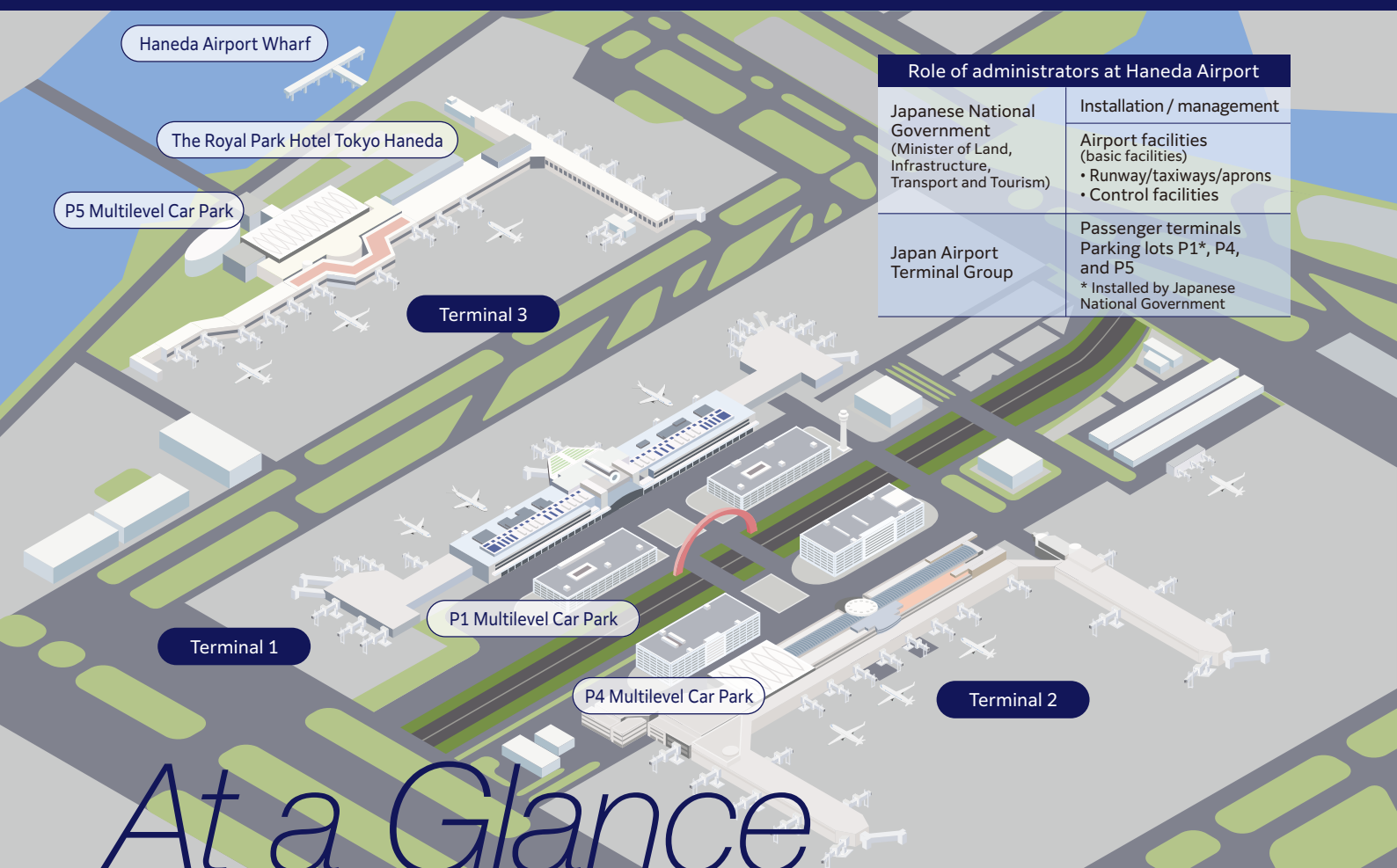
2020

Business Outline

Under the Airport Law, the Japan Airport Terminal Group has been designated an airport functional facility operator at Haneda Airport. It operates and manages Terminals 1, 2, and 3, as well as parking lots P1, P4, and P5. The Group not only rents out office space, but also sells goods (including food) at airport stores, operates restaurants, produces and sells in-flight meals, and provides travel services.

In addition, we provide dining services. These include: the sale of goods; production and sale of in-flight meals at base airports such as Narita International Airport; and the leasing of real estate by using Company-owned land outside the airport.

Besides these services, we leverage the experience we have gained over the years to deploy new businesses, both inside and outside airports.



Role of administrators at Haneda Airport

Japanese National Government (Minister of Land, Infrastructure, Transport and Tourism)	Installation / management Airport facilities (basic facilities) • Runway/taxiways/aprons • Control facilities
Japan Airport Terminal Group	Passenger terminals Parking lots P1*, P4, and P5 * Installed by Japanese National Government

At a Glance

Operating revenue

¥217.5 billion

Haneda Airport passenger traffic

80.94 million passengers

Domestic flights: 61.84 million passengers

International flights: 19.09 million passengers

Awarded 5-Star Airport Rating

Airports rating program by the UK-based Skytrax



World Airport Star Rating

Awarded for 10 consecutive years

World's Cleanest Airports

(Category evaluating airport cleanliness, etc.)



World's Best Domestic Airports

(Category evaluating domestic airports overall)



World's Best PRM* & Accessible Facilities

(Category evaluating PRM responses)



* Persons with Reduced Mobility



Note: FY2023 results

Facilities Management

As an operator of public passenger terminals, we aim to ensure absolute safety and improve our level of service.

FY2023 operating revenue **¥91.7 billion**

Employees **981** persons



Terminal construction, management, and operation

We always aim to offer convenience, comfort, and functionality by having a rigorous security system in place and by expanding and renovating our facilities as necessary.



Real Estate Rental

We rent out offices, stores, and other facilities to airlines and airport-based businesses.



Parking lot management and operation

We manage and operate the P1, P4, and P5 multi-story parking lots at Haneda Airport. To offer our customers ever better service, we provide private parking spaces, pet hotels, and charging stations for electric vehicles.



Haneda Airport Wharf

We manage and operate the wharf in the interests of tourism, regional revitalization, and disaster prevention. In addition to offering pleasure cruises, we have outfitted the jetty to serve aquatic transportation in the event of a disaster.

Merchandise sales

Reflecting our “customer first” motto, we offer an attractive and comprehensive selection of products.

FY2023 operating revenue **¥111.2 billion**

Employees **940** persons



Domestic terminal stores

We operate retail stores that focus on food and miscellaneous goods. They include a selection of carefully selected popular products to satisfy a range of customers, from business travelers to vacationers.



International terminal

We operate duty-free stores, some of which are under contract management. Besides stocking a wide range of top international brand products, the high-quality service of the stores is sure to exceed customer expectations.



Wholesale, duty-free and other merchandise

With a broad range of procurement routes and a reliable supply of merchandise, we provide high-quality goods to airports throughout the country.

Food and beverage

We provide a dining environment where customers can enjoy quintessential Japanese hospitality.

FY2023 net sales **¥14.7 billion**

Employees **561** persons*



Restaurant management

We operate a variety of places to eat, from fast food to authentic Japanese, Western and Chinese restaurants. The food services we provide are designed to suit a range of individual customer needs.



Production and sale of in-flight meals

We provide international airlines with in-flight meals of the highest standard.



Production and sale of boxed lunches, retort foods

We provide safe, hygienic, high-quality, and reasonably priced items.

* In addition, including 178 people working in corporate departments, the consolidated total number of employees is 2,660.

Top-quality services for domestic and overseas airports.

Participation in overseas airport operations

- Palau
- Khabarovsk
- Ulaanbaatar

Chengdu Shuangliu International Airport, China

Operation of retail stores

Kumamoto International Airport

Operates airport as a segregated portfolio investment

Kansai International Airport

- Operates duty-free shops and other retail stores
- Functions as a wholesaler

Narita International Airport

- Operates duty-free and other retail stores
- Runs wholesale and restaurant operations
- Produces and sells in-flight meals
- Runs travel insurance agencies

Chubu Centrair International Airport

- Runs duty-free and other retail stores
- Operates as a wholesaler

Other non-airport operations

Runs retail stores at home and abroad

Value Creation Process

Under its philosophy, the Japan Airport Terminal Group is helping solve social issues as it aims with its stakeholders to attain sustainable growth.

Social issues/changes in the social environment >

Climate change

Domestic population decline/low birth rate and aging population
Growth in Asia

Society

Japan Airport Terminal Group

Risks and opportunities f

Management Resources



Human and intellectual capital

- High level of expertise and knowledge related to overall airport operations



- Frontier Spirit (Application of new technologies such as DX and robotics)



Manufacturing capital

- Construction of user-friendly and sophisticated terminal buildings



Social capital

- Strong relationships with business partners
- Ties to regions and communities



Natural capital

- Efficient resource utilization



Financial capital

- Solid financial foundation



Investment of management resources (input)

Management

Philosophy:

Harmony Between the B

Business areas:

Merchandise sales, food and beverage

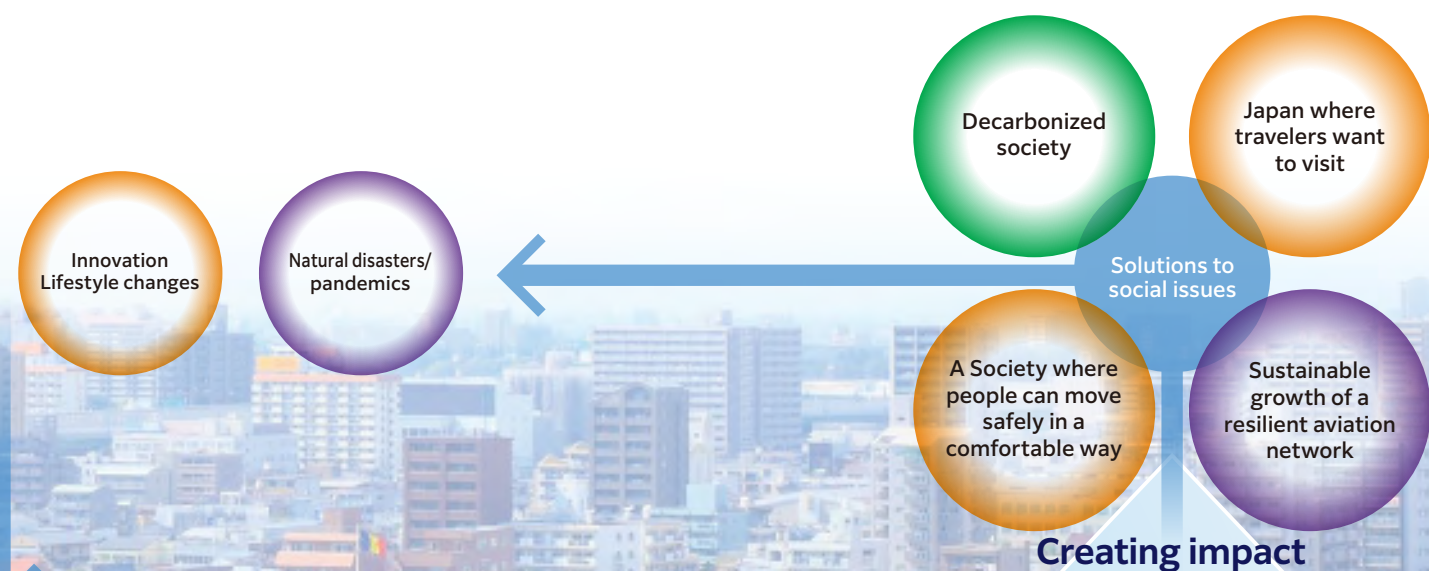
Three Strategy Pillars

- 1 Establishing a foundation for regrowth**
Achieve desired outcomes through the fundamental improvements made during the COVID-19 pandemic
- 2 Growth of airport business**
Capture future airline demand
- 3 Expansion of earnings base**
Broaden earnings base by developing business in new fields

Corporate

Strengthening our m
(internal o

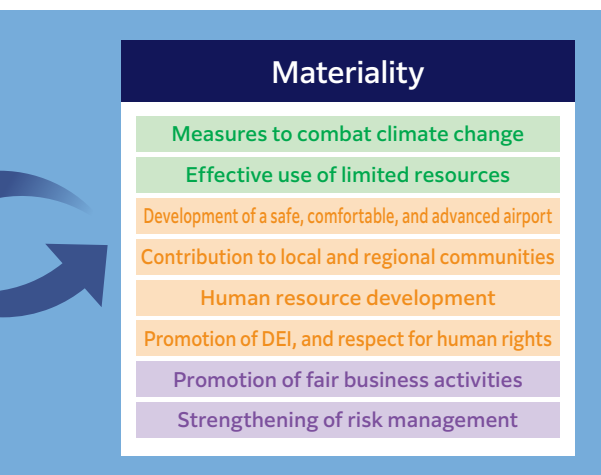
Ensuring stability of earnings and financial base



or management activities

nt activities

Business and the Society



governance

management resources
(outcomes)

Results of management activities (Output)

TO BE A WORLD BEST AIRPORT

Realization of vision (external outcome)

Becoming one of the most advanced, human- and eco-friendly airport by 2030

Eco-airport

World-leading hospitality

Pleasant, stress-free journey

Safe and secure airport

Grouping human resources into professional groups, maximizing organizational strength

Capital realizes value creation

Since its founding, the Japan Airport Terminal Group has accumulated capital—the source of its strength—by responding to social changes and needs. We will pursue further value creation by strategically utilizing this capital.

Human and Intellectual Capital



Great expertise and knowledge regarding airport operations

Over the years, our organization has acquired and developed highly specialized staff for airport operations. We are also seeking diversity among our human resources, including women and individuals with experience outside the company.

The source of our corporate value is the sincere attitude of each and every employee who supports daily airport operations based on a customer-oriented spirit of customer service, including rigorous safety management, crisis response, and the maintenance of a clean environment.

Frontier Spirit

(use of new technologies, such as DX and robotics)

In the ever-changing aviation industry, we value human resources with a frontier spirit. To be flexible and proactive regarding new challenges and innovative ideas is part of our corporate culture. By utilizing new technologies, such as DX and robotics, we are working to improve the quality of our service and streamline airport operations.

Our human-powered airport operations have won great acclaim from organizations around the world.

Total number of employees
(consolidated)

2,660

Percentage of female managers

38.8%

SKYTRAX World's Best Domestic Airport

No. 1 in the world for 12 consecutive years

Manufacturing capital



Construction of user-friendly and sophisticated terminal buildings

We have taken full advantage of the excellent location of Haneda Airport, which serves as a key transportation hub, and are constantly reviewing its operation while proactively introducing the latest technologies.

In addition, by continuing to enhance the functionality of our terminal buildings, we are able to accurately respond to the ever-growing demands of air passengers and provide appropriate amenities for the numerous domestic and international air travelers.

Haneda Airport passenger traffic

80.94 million passengers

Number of routes in service:

**Domestic flights to 50 cities
International flights to 59 cities**

Social and relationship capital



Strong relationships with business partners

The Company is designated by Japan's Ministry of Land, Infrastructure, Transport and Tourism as an airport functional facility operator, based on the Airport Act of Japan. We have built strong, long-term relationships with a variety of business partners, including numerous airlines, tenants, and local business branches. These connections help us deliver results, including quality services and customer satisfaction.

Relationship with regions and communities

JAT's brand value has won great acclaim, thanks to its long history of consistently excellent terminal building management. By using our venue to promote regions and communities, we are deepening our relationships with those regions and communities, while at the same time working to help revitalize domestic air travel.

Number of airlines in service

6 domestic airlines
44 international airlines

Number of regional/community events held

40

Natural capital



Efficient resource utilization

In conducting its business, the company relies on natural capital, such as the surrounding natural environment and ecosystems, for its energy and water. To reduce our environmental footprint and impact on biodiversity and other natural capital, we make efficient use of our resources in our business operations by promoting energy conservation, waste reduction, and resource recycling.

FY2023 power usage

169,916 MWh

FY2023 water resource usage

1,082,124 m³

Financial capital



Solid financial foundation

Based on our high creditworthiness and market reputation, we have built a solid financial foundation by raising funds effectively as needed. This allows us to maintain flexibility and effectively allocate funds for business expansion.

Equity ratio

36.5%

Net D/E ratio

0.9 x

Addressing Societal Challenges

Haneda Airport is an air gateway to Japan and, as the corporate group that empowers that gateway, Japan Airport Terminal Group is seeking to create an impact by addressing some of the challenges facing society. By making its vision a reality and thereby providing genuine value, the Group is working to help solve some of society's issues, such as external environmental risks.

On the other side of the many prevailing issues lies the vibrant society we wish to create. There, diverse people, a variety of goods, and many national cultures would move freely from abroad and all around Japan.

We will continue our drive to create ever better value in a bid to ensure that the airport evokes a warm response, making it a place that people want to visit and use repeatedly.

External Environment

Climate change

Domestic population decline/low birth rate and aging population
Growth in Asia

The society we see

The world

Japan

Value proposition our Group

Materiality

Sustainability

A Society where people can move safely in a comfortable way

Technological innovation and changes in lifestyles are having a major impact on the way business is conducted. This, in turn, is bringing major changes and new opportunities for airport operations.

Each year, Haneda Airport serves more than 80 million people both domestically and internationally. The facilities provide users a comfortable, stress-free journey by means not only of hard and soft skills—such as digital transformation and barrier-free access—but also human services. It is through the respect and diversity characterizing its services that the Group hopes to help achieve a society in which everyone can travel freely, safely, and comfortably.

The Group's materiality includes the creation of a safe, comfortable and advanced airport, human resource development, the promotion of DEI, and respect for human rights. And it is through our business that we will work to ensure these goals are always met.

Decarbonized society

Climate change is disrupting the business operations of the aviation industry and impacting its ability to expand. Meanwhile, the industry is contributing significantly to GHG emissions that, in turn, exacerbate climate change.

Haneda Airport is a junction where people, goods, and industries meet. Were this core airport to function as an environment-friendly eco-airport by promoting decarbonization and resource recycling, it would go far in leading to the eventual achievement of a decarbonized society, where transportation is sustainable and clean.

For us, materiality includes measures to help counter some of the results of climate change and the effective use of limited resources. The Group is working to achieve these goals through our business.

Comfortable, stress-free journey

Eco-airport

Environment

Innovation
Lifestyle changes

Natural disasters/
pandemics

Work to help create

World

an

vided by
roup

Materiality

Basic Policy

Japan where
travelers want
to visit

Japan's shrinking and graying population threatens to reduce the movement of people and hinder the revitalization of local and regional areas.

As a gateway to Japan, Haneda Airport will play a major role in helping achieve the nation's goal of attracting 60 million visitors to Japan each year by 2030. But, if we are to encourage people from all over the world to visit Japan, we first must uncover their potential needs, then extend to them world-class hospitality, and promote the attractions of locations across Japan.

Further, since materiality includes creating a safe, comfortable and advanced airport, as well as contributing to local communities, we need to adapt our business to attain these goals.

Sustainable
growth of a
resilient aviation
network

World-leading
hospitality

Safe and
secure airport

Increasingly severe natural disasters, pandemics, cyber attacks, and other such threats are hindering the free movement of people and goods.

Fifty airlines operate domestic and overseas routes out of Haneda Airport to over 100 cities. We are working with all our business partners to make safety the top priority and to create a safe and secure airport by implementing rigorous emergency response measures and enhancing security. The result should be a resilient aviation network.

Looking at other aspects of our materiality, we must include the strengthening of risk management, which will be underpinned by our business.

Medium-term Business Plan Overview

The plan was formulated by backcasting from our 2030 goals, setting as milestones the government target of attracting 60 million overseas visitors to Japan, CO₂ reduction targets for 2030, and 2025 as the year when passenger numbers are expected to recover to pre-pandemic levels.

To realize airport business growth, which is the biggest driver of our overall growth, we will put together a plan according to which we can resume growth and expand our earnings base. To this end, we have positioned sustainability at the core of our strategy and are working to strengthen our management foundations in terms of digital transformation, organization, human resources, and governance. At the same time, we have an eye on ways of strengthening our financial strategy, in order to expand earnings beyond levels planned before the pandemic.

In FY2023, due to a steady recovery in travel demand and strong inbound demand, domestic flights saw passenger numbers reach approximately 90% of prepandemic levels. Meanwhile, passenger numbers for international flights reached their highest level since before the pandemic. That said, we have made downward revisions to our passenger numbers forecast for FY2025 to reflect the weak recovery in business demand and the impact of airlines' aircraft upgrades during the pandemic.

We recognize that the business environment has recently witnessed a sharp rise in resource costs and growing personnel and other expenses, which are major factors in causing profits to decline. Accordingly, we have revised our net income target in line with our promotion of initiatives in each segment, and rescheduled to FY2026 the completion date for the Terminal 1 north satellite facility. The target of net income, a KPI in the medium-term business plan, has been revised from ¥16.0 billion to ¥20.0 billion, an increase of ¥4.0 billion. We will do our utmost to steadily implement our medium-term business plan so as to realize our long-term vision.

External environment

Business environment

- New values and lifestyles resulting from the pandemic
- Oversupply in the office market (declining demand due to telework, etc.)

Airline industry

- Promoting airline restructuring
- Government targeting 60 million inbound tourists
- Increasing global population in developing countries

Social environment

- Changes in global conditions
- Recurrence of pandemics
- Risk of natural disasters and earthquake
- Decarbonized society
- Global warming countermeasures
- Increased awareness of sustainability and market demands
- Domestic population decline
- Decreasing birthrate, increasingly aging population
- Rising resource prices
- Wage increases due to labor shortages, etc.

Medium-term Business Plan 2020

Execute an investment for internationalization

associated with the expansion of flight slots at Haneda

Making TIAT a consolidated subsidiary

Upgrade the operation of both domestic and international flights

Lessons learned from the COVID-19 pandemic

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

Increase capital

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

Improve and innovate by harnessing DX and new technologies

Organization, gover

Medium-Term

[FY2022–

To be considered one of the human- and eco

Seek profit higher than that prior to COVID-19, assuming

Reform and Innovation Change

Establishing a foundation for regrowth

Optimize

Growth and Evolution

Growth busi
Growth

Enhance the

Promote su

Pursue sus

Enhance the ma

Organization, gover

2016–2020

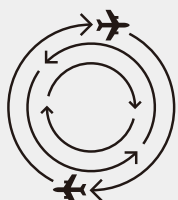
2021

COVID-19 pandemic

Reform and Innovation

Change

Optimize



Establishing a foundation for regrowth

Achieve desired outcomes through the fundamental improvements made during the COVID-19 pandemic

Based on the lessons learned from the pandemic, we will expand non-face-to-face and non-contact services, reduce costs, respond to changed behavior patterns, and use new technologies, such as DX and robotics, to ensure operational efficiency.

- Align terminal operations with the recovery of passenger traffic
- Suppress rebound from cost reductions
- Stabilize real estate income
- Respond to changes in lifestyle and patterns of behavior

Efficiency

Efficiency

Sophistication

Sophistication

Growth and Evolution

Growth

Drive growth



Attracting

Capture future

With the Japanese gov Japan by 2030, we will our biggest growth dri infrastructure for grea

- Achievement o
- T1 internationa satellite site de
- Expansion of p business

Long-term vision

To Be a World Best Airport

- To be the world's most respected airport, pursuing the satisfaction of all stakeholders -

Leading airport company

Our goals for 2030

As the airport representing Japan and the premier gateway to the country, we are creating a model recognized as the best in the world.

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

World-leading hospitality

A safe and secure airport

Pleasant journeys: stress-free

Eco-airport

An airport terminal operator trusted by all stakeholders

Business Plan

FY2025]

the world's most advanced, eco-friendly airports

recovery of passenger numbers to pre-pandemic levels

with solution

low

of airport business

h drive

Facing Challenges

Expand

Expansion of earnings base

Create value

earnings base

P.27 \

Sustainability

Sustainability

P.39 \

- Sustained growth of our Group
- Realization of a sustainable society

Management base

P.33 \

personnel, and finance

Financial strategy

Medium-term business plan KPIs and FY2023 results

Type of metric	Metrics	FY2023 results
Profitability (total)	Consolidated net profit ¥20.0 billion or more	¥19.2 billion
Profitability	Cost reductions ¥2.5 billion	On track
Efficiency	ROA (EBITDA) 12% or more	12.7%
Stability	Equity ratio recovers to 40% level	36.5%
Shareholder return	Dividend payout ratio 30% or more	32.4%
Airport evaluation	SKYTRAX evaluation ranking World's Best Airports top 3	No. 4

2022–2025

–2030

Recovery of passenger numbers

60 million overseas visitors to Japan
SDGs' target year

g more airport business

airline demand

Government planning to attract 60 million overseas visitors to invest in capturing the resultant airport business demand—over—and continue to improve terminal functions and airport user convenience.

f operational excellence

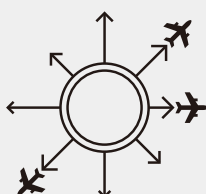
Utilization/T1-T2 connection, development/access measures product sales, food and service

- Operation
- Facilities
- Sales

Facing Challenges

Expansion

Create value



Expanding our earnings base

Broaden earnings base by developing business in new fields

Having experienced the sharp decline in the demand for air travel during the pandemic, we aim to ensure that our business will not rely solely on airline passengers. We will pursue new value and possibilities for Haneda Airport based on our long experience, implement initiatives in new and expertise-based business, and strengthen our earnings base.

- Utilize the value of Haneda
- Respond to target customers seeking high added value
- Monetize the airport consulting business
- Generate revenue that is not dependent on passengers

- Locational value
- Customer assets
- Expertise
- New business

Earnings-Based Strategy: 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. We aim for operating revenues from Facilities management of 110 billion yen.

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.

In passenger terminal operations, we aim to increase our corporate value by demonstrating high performance through the twin pillars of absolute safety and passenger convenience together with real estate value.

Although FY2023 revenue increased, due to a recovery in passenger volume, rising maintenance costs remained issues. These included raw material costs, energy costs, and operating contract fees.

We thus have sought to reduce costs and elevate the level of service we provide by promoting the use of robots and digital transformation to enhance operational efficiency and optimize our allocation of resources.

In addition, construction to expand the terminal is underway in preparation for future growth in demand. As a result, operating revenue from our facilities management business reached ¥91.7 billion, and is progressing smoothly toward our FY2025 target of ¥110 billion.

We plan to continue reviewing the operation of our terminals, reducing maintenance costs, and taking measures to increase rent revenue. Our overall aim in this regard is to provide high-quality services and greater profits. Further, we will work with business providers to improve our operations and, with an eye to the future, we will investigate new operational methods at our research facility, terminal.0 HANEDA, which opened in February 2024. We will also focus on making strategic investments to bolster our sustainable growth and reduce our environmental impact. We aim to operate the terminals in a way that contributes to the ongoing enhancement of our corporate value.



Yoko Koyama Senior Managing Director

Review of FY2023

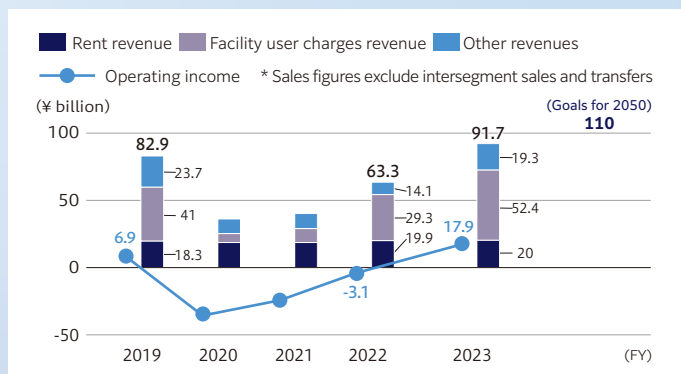
As passenger numbers recovered in FY 2023, segment revenue totaled ¥91.7 billion, with facility user charges revenue in particular having increased approximately 80% to ¥52.4 billion. Parking lots and other facilities also did well, the other revenues having grown approximately 40% to ¥19.3 billion. Rent revenue reached ¥20 billion, thanks to the stimulation of commercial areas by the opening of five new sites, while the Company responded positively to changed customer needs and made every effort to attract office tenants.

Although rising maintenance costs were an issue, by promoting efficient terminal operations we managed to reduce costs. At the same time, we optimized staffing following the reopening of international flight facilities at Terminal 2.

We are now working to reduce electricity consumption by switching to LED lighting, while experimenting with the use of robotics and digital technology at information desks and for security operations.

In order to strengthen terminal functions in preparation for the 60 million people expected to visit Japan each year by 2030, construction of satellites is currently underway, as also is the expansion of those at Terminals 1 and 2. This will lead to better passenger flow and on-time flight rates.

We are putting energy into environmental measures through, for example, the advancement of decarbonization by switching to LED lighting and building a hybrid wood and steel satellite facility that is due to open around summer 2026.



Terminal 1 satellite facility with hybrid wood and steel structure



Strengths	External Environment (Risks and Opportunities)
Expertise related to airport operations (soft skills) <ul style="list-style-type: none"> • High level of service through use of advanced technologies (DX, robots, etc.) • World-renowned airport management skills, efficient operation of international and domestic flights • Top-flight airport safety and hygiene management 	Shrinking domestic market and changing behavior <p>We are facing a shrinking domestic market due to Japan's declining and aging population. Further, since the impact of COVID-19 has significantly altered travel trends, working styles and office demand have changed. This requires a flexible response in facility management and operation.</p>
Improvement and expansion of structures (hard skills) <ul style="list-style-type: none"> • Enhanced convenience, comfort and functionality of buildings • Facility development know-how applied flexibly to passenger demand 	Overseas passenger volume and technological innovation <p>We believe that the increase in international passenger numbers will create new revenue opportunities. To capitalize on those opportunities, the transportation industry is focusing on adapting to new systems and researching next-generation mobility. Since adjusting to technological innovation is essential for growth, smart airports are proliferating.</p>
Strong relationships with business partners <p>Building strong, long-term relationships with domestic and international airlines, public transportation companies, and tenants</p>	Importance of Sustainability Management <p>There is an urgent need to transition to sustainability management. International passengers in particular are sensitive to environmental issues, and sustainable operations have a major influence on trust and reputation. The need for transition is important not only to protect the environment, but also to address societal challenges.</p>
Efficient use of resources <p>Sustainable operation of terminal buildings for efficient use of energy and water resources</p>	

Achieving our goals

Rising costs are an issue, and although they were temporarily curbed by the pandemic, labor costs and outsourcing fees now are skyrocketing. There is also the risk that material costs could rise due to commercial area renovations and facility upgrades. To address this possibility, we plan to increase productivity by labor-saving, and business streamlining by digital transformation. Further, we will revise operations by, for example, shifting cleaning and inspection work to daytime hours.

While the vacancy rate for office space is improving steadily, we still have work to do in commercial areas. We will strengthen our efforts to attract new tenants by efficiently restructuring

commercial areas to make them more attractive. In addition, we will respond to demand for office space by consolidating and reorganizing offices to stabilize our revenue base.

In order to accommodate future increases in air travel demand, we will expand Terminals 1 and 2. At the same time, we will study measures to reduce CO₂ emissions, and the adoption of energy-saving equipment such as AI air conditioning, as well as expand the use of renewable energy and hydrogen power generation.

Through these measures, we aim to streamline facility management and operation, and to stabilize profits.

TOPICS

Trial run of security robots

We have conducted field tests to check whether using security robots would help improve safety inside the terminals, reduce the burden on security guards, and cut costs.

Security robots would patrol the departure lobby and other areas of the terminals. With their omnidirectional cameras and sensors able to detect suspicious objects in crowded areas, the robots would complement the work of the security guards. In cooperation with our security guards we plan to build a more efficient security system and make effective use of human resources.

Resumption of Terminal 2 international flights

The international area of Terminal 2 opened in March 2020. The idea was to strengthen international flight services and improve connections with domestic flights. Unfortunately, the area then had to be closed due to the pandemic. However, in July 2023 it resumed operation to accommodate the increase in visitors from abroad.

As the number of overseas visitors grows, duty-free shops and other businesses are expected to see increased revenues. However, there are concerns that the sudden increase in users of the terminal will lead to congestion and higher operating costs.



Earnings-based Strategy: 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 143 billion yen and operating revenues from food and beverage sales of 17 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.



The JAT Group operates approximately 100 stores in Haneda Airport's terminals. These include food and general sundries stores, duty-free shops, a wide range of restaurants, as well as facilities where it produces in-flight meals.

In fiscal 2023, sales were strong thanks to the recovery in air travel demand, particularly increased inbound demand, with the two segments recording combined operating revenues of ¥125.8 billion and operating income of ¥21.1 billion.

However, as the business environment has been changing, we have seen a decline in air travel demand due to the COVID-19 pandemic as well as a decline in business travel demand due to the greater reliance on remote work. Our response has been to develop new customers and build up a revenue base by promoting digital marketing and strengthening our e-commerce business.

In addition, in order to capitalize on customer needs and inbound demand, which is expected to continue increasing, we are boosting the value of our physical stores by rearranging and renovating them, optimizing our merchandise mix, and enhancing our services.

We are also creating new attractions, such as those related to regional revitalization and regional collaboration. We are leveraging our strengths and network using the Haneda Sanchokukan Mall which opened at Terminal 1 in December 2023 and the Japan Mastery Collection which can be found in the departure area of Terminal 3. It is by undertaking new challenges, so as to maximize the value of our customer experience, that we will put to good use our accumulated operational expertise.

Takeshi Fujino Senior Managing Director

Review of FY2023

Looking at sales trends by segment and content, operating revenues for FY2023 were ¥111.2 billion for the merchandise sales business (of which ¥13.1 billion was domestic, ¥70 billion was international, and ¥28 billion was other sales* excluding internal segment sales) and ¥14.7 billion for the food and beverage business. We are making steady progress toward our FY2025 profit targets.

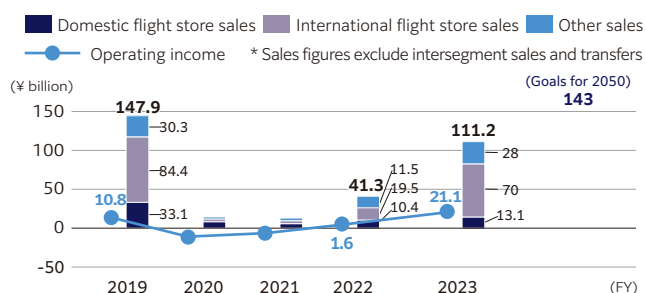
In the interests of expanding domestic flight merchandise sales, we have renovated and renewed stores such as the Haneda Sanchokukan Mall, and expanded our range of big-ticket items. Both average customer ticket and purchasing rates are currently rising.

However, labor and other operating costs are also increasing. Thus, if we are to improve profitability, we must provide better value for our customers. This can be done by expanding sales of original Haneda Airport products and promoting low-cost operations using robotics and digital technology.

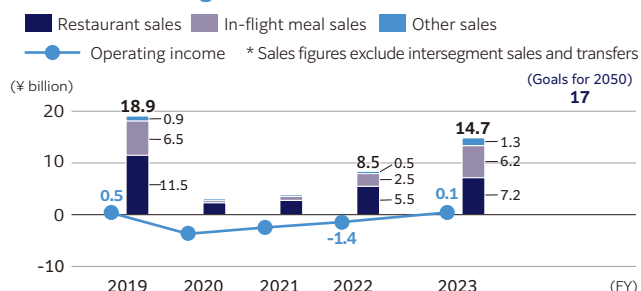
International flight merchandise sales were strong, providing a revenue driver for segment profit. This was thanks to market conditions such as the weak yen and an increase in inbound tourists and sales at duty-free shops of items including luxury brands.

We do, nevertheless, recognize that average purchase prices could decline due to changes in exchange rates and other market conditions. Hence, to boost purchasing rates, we will continue renovating stores in the duty-free areas; working to prevent lost profits and improve revenues by eliminating congestion at cash registers; and improving the efficiency of store and warehouse operations through advance reservations for duty-free items.

Merchandise Sales



Food and Beverage



Strengths	External Environment (Risks and Opportunities)
Advanced operational specialization and knowledge <ul style="list-style-type: none"> • Merchandise mix and services to meet inbound passenger demand • Accumulated expertise as a pioneer in duty-free shop operations • Staff with skills to handle the diverse customer base unique to airports 	Changes in market environment <ul style="list-style-type: none"> • In addition to a shrinking domestic market due to the population decline and the aging of society, the widespread use of remote work has led to changes in consumer trends, demographics, and average customer spending, requiring us to better ascertain customer needs and respond flexibly • We recognize that the increase in stores that offer consumption tax-free shopping in the city will affect the price advantage of the duty-free system at airport stores
Extensive customer base and customer contact points <ul style="list-style-type: none"> • Operation of directly managed stores in terminals used by 80 million people annually • E-commerce sites linked to physical stores • Efficient airport pick-up service 	Rising operational costs <p>We understand that, due to rising energy costs and other purchasing and procurement costs nationwide, we need to implement measures to improve profitability and streamline our operations.</p>
Strengthening of collaboration with stakeholders <ul style="list-style-type: none"> • Building worldwide and nationwide networks with business • Building touch points on e-commerce sites, social media, apps • Promoting the appeal of local products in cooperation with airlines and other entities 	Pursuing new customer experience value <ul style="list-style-type: none"> • We believe that by conducting promotions at our terminals aimed at inbound tourists, as their numbers increase, we will be able to generate demand over the medium to long term • As smart airports become more efficient, the time between airport arrival and boarding it is expected to become shorter, meaning we need to create new value and services

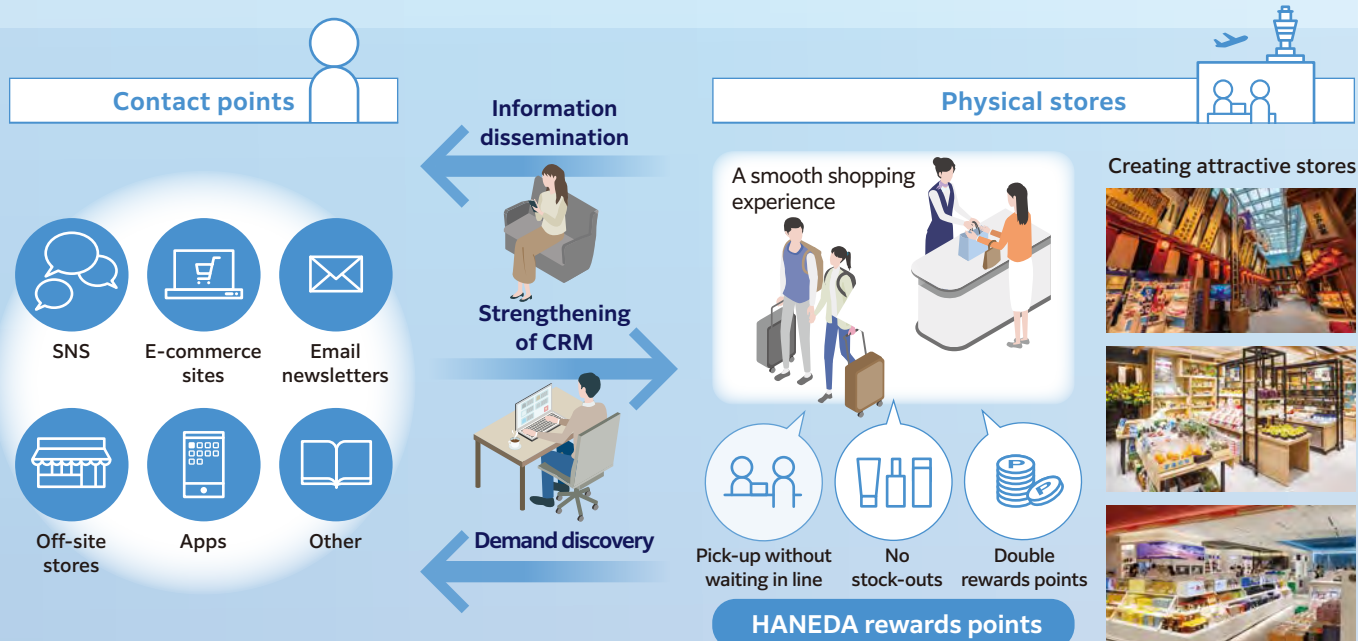
Achieving our goals

To achieve our target profit and loss statement of ¥143 billion in merchandise sales and ¥17 billion in food and beverage sales for FY2025, we need to maximize our strengths (value) through our directly managed stores. Thus, we have been introducing attractive retail services to meet the needs of airport customers.

The airport pickup service uses online services such as duty-free reservation sites and an e-commerce site. It reflects our ability to create a stress-free shopping environment by linking our physical duty-free shops and food and sundries stores with our e-commerce business, which is one of our Group's strengths.

We believe that, by creating synergies, we can increase the value of both physical and online business. Based on the lessons learned from the pandemic, we plan to continue investing in further strengthening our digital marketing and e-commerce businesses, in order to generate revenue that is not dependent on air travel demand.

By leveraging new technology and digital capabilities, in addition to the power of our existing operational expertise and human resources, we will pursue a travel retail model that customers find more convenient and acceptable, as we work to strengthen our revenue base over the medium to long term.



Earnings-based Strategy: New and 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.

We at the Japan Airport Terminal Group, which is a pioneer in airport terminal operations, have accumulated a wide range of expertise over the past 70 years, as we have responded to the needs of our stakeholders and changing times.

Based on the lessons learned during the COVID-19 pandemic, we realize that, in order to realize our long-term vision—To Be a World Best Airport—we need to further hone our accumulated expertise, acquire new knowledge (management resources), and continue to evolve.

We believe that new and expertise-based business will generate revenue independent of air travel demand, and will enhance the value we provide through synergies with our core facilities management, merchandise sales, and food and beverage segments. We hope to leverage these businesses to drive the Group to further growth.



Strengths

Advanced specialization and knowledge in airport operations

- Expertise and technology accumulated over many years
- Frontier spirit that supports the taking on of challenges, flexibility, and proactiveness

Convenient, functional terminal buildings

- A business field comprising terminals used by 80 million people annually
- Business creation using Haneda Airport terminals

Accumulated network

- Strong relationships nationwide and abroad
- Building of the HANEDA brand

External Environment (Risks and Opportunities)

Dependence on air passenger demand

Due to the nature of our business, fluctuations in air passenger demand have a substantial impact on our profits, and we are susceptible to event risks, such as natural disasters and pandemics. We therefore acknowledge the need to build a resilient business foundation that is not dependent on air passenger demand.

Investment efficiency

Given rising terminal operating costs, we must ascertain medium- to long-term business value and sort out financial impacts so as to make appropriate investment decisions.

Sustainability

Issues such as decarbonization and universal design are areas in which we can exercise our strengths as a Company with a history of operating public facilities. We recognize these as areas that will spur the creation of new demand.

Review of FY2023

Looking at the overall performance of new and expertise-based business, the revenue contribution to each segment was approximately ¥1.6 billion.

At the heart of this is e-commerce business, and in FY2023, sales increased by approximately 60% year on year. This is thanks to the expanded merchandise lineup on our duty-free reservation sites, as well as the improved user experience and user interface resulting from the makeover of our HANEDA Shopping domestic e-commerce site.

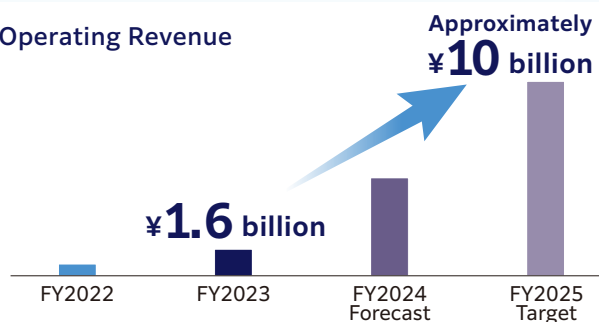
In addition, when it comes to building a revenue base outside the airport, in our off-site commerce and agency business, we have assembled for sale off-site food items that are unique to Haneda Airport (airport meals and in-flight meals), and have strengthened off-site sales of products such as robots and Radi-Cool (radiative cooling material), based on verification tests conducted at Haneda Airport.

In terms of airport business, we have been helping improve service at regional airports by applying our strengths in areas such as duty-free, lounge, and cleaning services.

At the same time, we are working to expand business by participating in the management of domestic and overseas airports, while acquiring expertise in overall airport management.

To acquire new knowledge and expertise, in February 2024 we opened terminal.0 HANEDA, a research and development center run in collaboration with several industries. It is a co-working and R&D hub for research into and development of solutions that contribute to enhanced airport value. The center will facilitate collaboration across a broad range of specialized companies and organizations. The results will be applied at all Haneda Airport terminals, as well as at other domestic and overseas airports.

Operating Revenue



HANEDA Shopping



terminal.0 HANEDA

Achieving our goals

To achieve our target of ¥10 billion in revenue by 2025, we will need to make maximum use of Haneda Airport's strengths and the expertise we have cultivated, while also expanding our potential by acquiring new insights and knowledge.

In order to build an organization with the driving force to generate full-fledged profits, we must identify the issues and needs faced by our stakeholders, including the JAT Group itself. In this way, we can provide value and create business, and at the same time lay the foundations that will allow us to achieve our goals.

In addition, we will invest in new business seeds in R&D and other areas, with the aim of becoming an organization that can

create innovation, such as through our terminal.0 HANEDA initiative.

In addition to pursuing profits, we believe that one of the roles of our business is to enhance the value of the terminals by making Haneda Airport more internationally competitive, establishing our presence in the industry, and strengthening communication with stakeholders.

Being fully aware of the expectations of the Group and its roles, we are committed to generating profits over the medium to long term.

Case studies

Through instances of implementation and verification at Haneda Airport, we have formed a specialized team to provide external sales and expertise, allowing us to address issues faced by our stakeholders.

One example is Radi-Cool, which is both a radiative cooling material and a decarbonization solution. Having verified its marketability by first adopting it in boarding bridges and access corridors at Haneda Airport, we now supply it (as a sales agent) to airports and business partners nationwide.

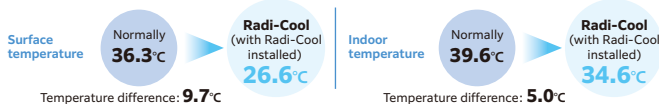
It is by such efforts that we plan to contribute to the sustainable growth of the JAT Group and the decarbonization of the supply chain.

A Haneda Airport passenger boarding bridge No. 57 where Radi-Cool was tested.



- Test location: Haneda Airport
- Installation location: Roof and sides (glass surfaces)
- Materials: Roof and side → Silver film, Glass surfaces → Window film
- Assessment period: August 17th to August 21st, 2020
- PBB size: Length 45.2m x Width 3.1m x Height 2.3m
- Installation area: 350m²
- Purpose: Improving the environment for customers and employees

August 21, 2020 assessment Outside temperature 34.2°C



Management Strategy and Financial Strategy

Balancing capital investment and corporate value



Demand for air travel has recovered rapidly since the lifting of pandemic-related restrictions in May last year. Domestic passenger numbers at Haneda Airport have reached approximately 90% of 2019 levels, while international passenger numbers have exceeded prepandemic levels to reach a record high. Driven by this surging demand, business performance has improved significantly, resulting in operating revenue of ¥217.5 billion and operating income of ¥29.5 billion. This marks a return to profitability for the first time in four years.

We intend to continue controlling costs and investing in growth to achieve our profit targets for FY2025, our Medium-term Business Plan's final year. This we plan to do despite ongoing challenges in the business environment, characterized by an inflationary trend due to rising prices and wages.

Under the current medium-term business plan and to further our long-term goals and objectives, we will make capital investments totaling ¥126.0 billion to help promote facility and environmental investments, as well as to invest in digital transformation. We expect this move to lead to further growth, because it increases customer satisfaction, reduces environmental impacts, and improves operational efficiency.

In addition, we hope to procure the funds needed to realize our growth strategy through cash flows from operating activities and debt financing. We also are considering alternative funding sources in preparation for the redemption of corporate bonds and step-up interest rates on hybrid loans.

We target a dividend payout ratio of 30% or more. The FY2023 year-end dividend resulted in a year-on-year increase of ¥12 per share from the forecast announced in October 2023. An extra ¥5 per share were added to mark our 70th anniversary.

The result was a full-year dividend of ¥67 per share, a payout ratio of 32%. In future, we will continue to stress the need to return profits to our shareholders.

At the same time, we plan to return our equity ratio to the 40% range and establish a strong financial position with an eye to future investments. This will allow us to build a more stable management foundation and promote yet further business expansion.

We will make every effort to capitalize on the rapid recovery in demand, advance our growth strategy, while building a sound financial foundation and fulfilling our responsibilities to all stakeholders.

Kazuhito Tanaka

Executive Vice President
Executive Officer and CFO

Business plan targets, investments revised

We have revised our income and expenditure targets for FY2025, our Medium-term Business Plan's final year. We then aim to increase both operating income and net income by ¥4.0 billion.

For the same period, we have increased our investment plan by ¥20.0 billion. This reflects the need to respond to the rapid recovery in international passenger traffic and government efforts to attract 60 million international visitors to Japan. It also factors in the impact of rising material prices. By revising our plans to reflect the changing business environment, we aim to achieve sustainable growth.

Profit Targets

	Previous	New
Number of passengers	94.6 million	90.5 million
Operating revenue	280	270
Facilities Management	106	110
Merchandise Sales	156	143
Food and Beverage	18	17
Operating income	30	34
Ordinary income	27	32
Net income	16	20

Estimated Investment

	FY2022	FY2023	FY2024	FY2025	Total
Previous	15	29	34	27	105
New	12	31.7	34.3	48	126

Satellite Development Portion of Total Investment Amount

	FY2022	FY2023	FY2024	FY2025	Total
Previous	6	19	18	10	53
New	6.4	18.3	8.7	12.6	46

Realizing our Medium-term Business Plan

Improving profitability and financial soundness

As a passenger terminal building operator, we are working to attain various numerical targets as we seek to boost profitability and financial soundness. In addition to increasing profits through operational efficiency, we also are focusing on the effective use of large-scale assets, with return on assets as our main evaluation criterion. Further, our equity ratio and dividend payout ratio are set with an emphasis on striking a balance between a strong financial base and shareholder returns.

Numerical targets

Several of our initial targets have been revised, including our consolidated net income target of ¥16.0 billion or more, which has been increased by ¥4.0 billion to ¥20.0 billion.

Meanwhile, the downward revision of our forecast for FY2025 passenger traffic, and the new FY2026 completion date for the construction of the Terminal 1 north satellite facility have had an impact on the forecast-associated expenses.

Our plan is to steadily generate revenue through increased product sales resulting from changes in store operations, product purchasing methods, and product-related policies. The greater revenue is due to renovations, undertaken to underpin future growth strategies, that were carried out during the pandemic, as well as to increased rental income from office space.

Our ROA (EBITDA) target of 12% or more leverages large-scale terminal operating characteristics and is based on the average ROA of SKYTRAX's World's Top 10 Airports. Furthermore, by aiming for an equity ratio of at least 40%, we will maintain our credit rating (A+) and stabilize our financial base. This is important for JAT in its role as an infrastructure operator. It will help the Company secure the funds necessary for future terminal building investments and to fulfil our public role.

Importance of ROA and ROE

We find both ROA, which indicates total asset efficiency, and return on equity (ROE) to be important. While the minimum cost of equity that investors generally expect is around 8%, our FY2023 ROE was 12.1%.

We make every effort to increase our capital efficiency by regularly assessing current conditions and steadily implementing the measures set forth in our Medium-term Business Plan.

We will continue conducting measures aimed at increasing capital efficiency, and incrementally executing initiatives designed to realize returns on capital that exceed capital costs over the long term.

Dividend payout ratio and financial strategy

Targeting a dividend payout ratio of 30% or more, we intend to prioritize returns to shareholders and keep our dividends stable. Thus, we will promote growth strategies based on sustainable earning power, while maintaining high equity and dividend payout ratios. In addition, we will secure funds for dividends by improving cash flow while building up internal reserves and implementing flexible financial management that makes use of debt financing when necessary.

Medium-term Business Plan and future outlook

During the remainder of the current Medium-term Business Plan, we will continue to expand earnings while making capital investments based on cash flows from operating activities. We also will realize shareholder returns by securing internal reserves based on investments. These will seek to strengthen profitability, bearing in mind the timing of debt repayments and the need to raise funds to continue providing stable dividends.

Key Performance Indicators (KPIs) and Results

KPI			Key Measures
ROA (EBITDA) 12% or higher FY2023 results 12.7%	Operating income ¥ 34.0 billion FY2023 results ¥ 29.5 billion	Revenue growth	Commercial facility renewal and steps to reduce room vacancy rates
	Net income ¥ 20.0 billion FY2023 results ¥ 19.2 billion	Cost reduction amount ¥ 2.5 billion	Digital marketing, product and service reviews
	Asset efficiency	Working capital	Strengthening of e-commerce business, promotion of sales agency business
		Capital spending	Results of fundamental review during pandemic (restructured service delivery processes)
			More efficient administrative operations
Equity ratio recovery to 40% level FY2023 results 36.5%	Interest-bearing liabilities	Financing	Maintain appropriate inventory, reduce waste disposal
		Debt repayment	Strengthen airport infrastructure (regular investment, equipment renewal, long-term repairs, DX, decarbonization)
	Shareholders' equity	Internal reserves	Evaluate business based on cost of capital; consider appropriate resource allocation
		Payout ratio of 30% or more 2023 results 32.4%	Diversify funding for the environmental
			Build strong financial base, bearing in mind credit ratings (Contractual repayment of loans, redemption of corporate bonds at maturity, step-up interest rates on hybrid loans) <u>Consider alternative funding</u>
			Maintain proactive shareholder returns

Management Strategy: DX Strategy

Haneda Airport terminals are visited by 80 million customers annually and employ approximately 30,000 people daily. We provide a range of services and handle a variety of information, data, and needs. To provide customers with a stress-free and comfortable journey, we recognize that we must pursue data-driven management, operational efficiencies, and other innovations and advances using digital technologies.

To this end, the JAT Group is pursuing digital transformation (DX) using two approaches: offensive DX, to achieve business transformation; and defensive DX, to realize greater efficiency in existing operations by using digital technologies.

Haneda DX Vision 2025

Our vision is to help support the sustainable growth of Japan through the application of digital technologies. This would allow us to innovate operations and enhance customer experience, with a view to being considered the world's best airport by users.



Roadmap to Achieving the DX Strategy

Theme		FY2023	FY2024	FY2025
Realize data-driven management Indirect business reforms	Understand and predict congestion information	• Install sensors to facilitate people-flow analysis and visualize congestion	• Install sensors to facilitate people-flow analysis and visualize congestion	• Enhance business efficiency using people-flow and congestion data
	Effectively disseminate information	• Develop integrated digital signage	• Install digital signage	• Disseminate information tailored to customer needs
	Achieve advances and greater efficiency in business analysis	• Develop analytical tools	• Introduce and improve analytical tools	• Implement data-driven management
Retail business reforms	Enhance business efficiency	• Develop robotic warehouses • Develop RFID-compatible cash registers	• Introduce warehouse robotics • Introduce RFID-compatible cash registers	• Commence operation of warehouse robotics • Begin using RFID-compatible cash registers
	Increase throughput			

Promotion structure and DX human resource development

To develop human resources capable of supporting Group DX, we have formulated a human resources development plan and defined the necessary skills and knowledge.

We are working to improve IT literacy by promoting the acquisition of IT Passports and other basic knowledge, as well as through the provision of online learning for all employees. We also formed a digital promotion team leader meeting to develop human resources capable of coordinating and advancing DX projects fostered in their departments.

Human resource retention and recruiting methods

- Our basic policy is to hire new graduates and develop existing human resources. In the short term, this will be supplemented by outsourcing and the hiring of mid-career professionals capable of making immediate contributions.
- In order to prevent the attrition of internally developed human resources, we are introducing a multi-track personnel system that values staff for their contributions to our business. Here we include those employees who have developed their own specialized careers and demonstrated high levels of expertise, as well as those recruited from outside the Company who are highly sought after for their high level of expertise.

	Required Knowledge and Skills			Human Resource Development Policy
DX human resources (DX technologies education)	Ability to resolve issues using digital technologies	Ability to digitalize business processes	Expertise	In addition to inculcating business knowledge and IT skills related to the Company's business, we will develop human resources who can use a range of specialized knowledge, including the latest digital technologies, and promote various measures based on DX strategies.
DX executing human resources (DX business education)	Ability to promote the use of digital technologies	Ability to design businesses and operational processes	Ability to manage products	We will develop human resources able to examine issues within their own departments, and plan and promote competitive digital businesses together with DX specialists.
All employees (DX literacy education)	Ability to use digital technologies	Ability to interpret data and derive conclusions	Basic knowledge	In addition to improving basic IT skills, employees will acquire a DX mindset that enables them to proactively resolve issues and implement reforms, as well as data literacy enabling them to interpret and use various types of data.

Offensive

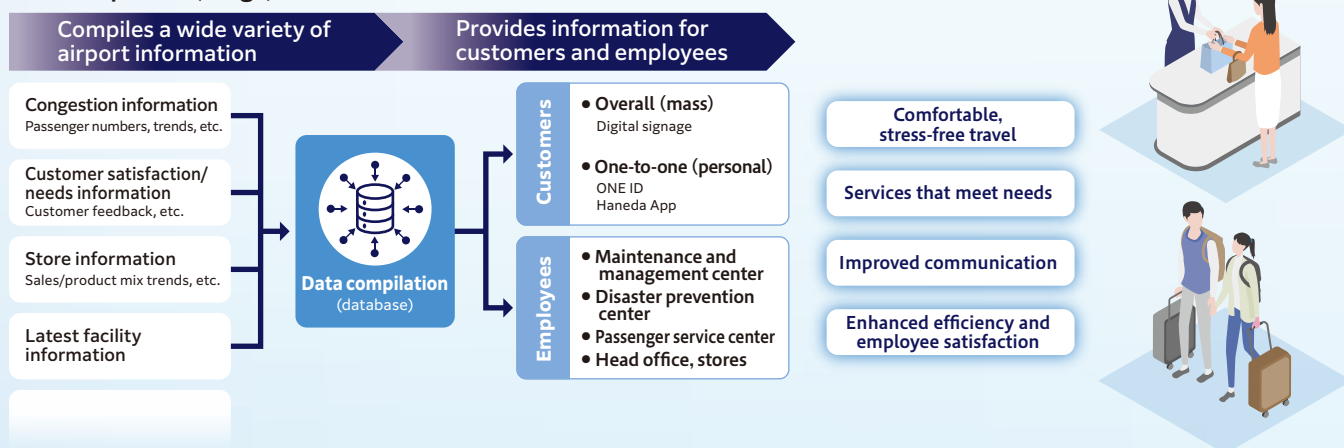
Defensive

Realizing data-driven management

By consolidating all information within Haneda Airport into a database and making it easier to use, we will promote the advancement of functions and services within the airport, as well as data-driven management.

First, we need to install equipment and cameras that analyze human traffic and visualize congestion in terminals as infrastructure for acquiring data within the airport. At the same time, by improving sales analysis tools and core systems, and establishing a system for collecting and using the data obtained they provide, we aim to improve personnel allocation and operations. At the same time, we will strive to provide services and information that meet customer needs, while improving employee productivity.

Data Compilation (image)



Offensive

Personnel efficiency and higher sales through store and warehouse innovations

Amid the expected increase in inbound demand, sales opportunities are being lost at international flight duty-free shops. Customers are, for example, refraining from making purchases due to long queues at cash registers. Meanwhile, due to the shrinking labor force, it is also difficult at present to retain store and logistics staff. To resolve these issues, we will use digital technologies to prevent lost opportunities and improve profits, while building a sustainable retail business structure with improved operational efficiency.

	Digital Measures	Achievable	Effects
Stores	Introduce labor-saving technologies in store operations	<ul style="list-style-type: none"> Streamline cash register operations to eliminate checkout lines Provide cutting-edge customer experiences 	Personnel efficiency <ul style="list-style-type: none"> Efficient personnel allocation and operation Fewer lost sales or opportunities
Warehouses	Introduce robotic warehouses	<ul style="list-style-type: none"> Potential for RFID inventory management Significantly reduces time required for inventory operations 	Increased customer satisfaction <ul style="list-style-type: none"> Comfortable and smooth purchasing environment Operational efficiencies leading to higher quality personalized services

Improved earnings

1. Introduction of RFID*-compatible cash registers

Faster product identification

- RFID tags affixed to target products
- Improved cash register turnover through instant product identification

2. Introduction of digital signage

Provides information, facilitates smooth confirmation of boarding passes

- Installed in front of cash registers to encourage the preparation of boarding passes in multiple languages, ensuring smooth checkout.

3. Rapid payments with credit card terminals

Facilitates rapid terminal operation

- Introduced high-speed terminals to facilitate rapid payments

4. Information management using RFID

- Streamlines and simplifies store and warehouse inventories
- Automatically records warehouse entry and exit data, reducing workloads

5. Introduction of warehouse robotics

- Workloads are reduced through the use of high-density storage and an accelerated selection process

* Radio frequency identification. A system that uses electromagnetic waves to read data wirelessly for the identification and management of objects.

Management Strategy: Organizational and Human Resources Strategy

In the constantly changing airline industry, the JAT Group recognizes that our most important capital (human and intellectual capital) are those human resources with advanced expertise and knowledge in all aspects of airport operations. Those employees continue to demonstrate a frontier spirit and, we believe, their power will enable us to realize our long-term vision: To Be a World Best Airport.

To this end, one pillar of our medium-term business plan, enhancing our management base, is to transform workforce into a group of real professionals and maximize operational strengths. In the medium-term sustainability plan, we selected human resource development and the promotion of diversity, equity, and inclusion (DEI) as material issues and are working to address them.



Organizational and human resources strategy

Another pillar of the medium-term business plan is enhancing the earnings base. In addition to increasing airport business as a growth driver, we aim to establish a foundation for regrowth. We plan to do this by promoting transformations and innovations in light of the pandemic. Further, we plan to augment our earnings base by expanding our business into new areas. To achieve this, we are pursuing the following human resources strategy.

Recruiting and development

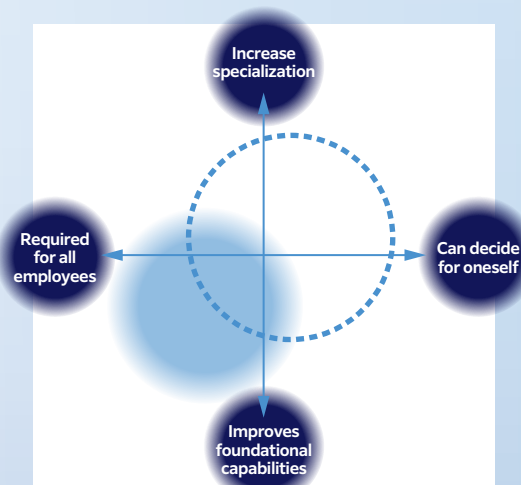
To realize our management strategy, we need a wider range of specialized knowledge and skills than ever before. We also need human resources who can generate new ideas and collaborate with different industries to strengthen airport functions and expand our business into new areas.

For this reason, our human resource development policy is to foster human resources who can think and take on challenges on their own. Thus, when hiring new graduates, we focus on people, both from Japan and abroad, with expertise in fields such as architecture, science, and engineering.

We are also strengthening the mid-career hiring of individuals with different experiences and abilities to make our core human resources more diverse. In terms of training, we have introduced voluntary programs and other systems that support autonomous learning. These programs are shifting from a focus on uniform training for all, to selective training focused on skills enhancement and DX human resource development..

Further, to transform employee awareness and behavior, we have deployed the Plus One Promotion activities throughout the Group. This encourages employees to think of new improvements and changes in their current work, and increases work engagement. We are also implementing external assignments and industry-industry and industry-academia collaborative projects as opportunities to acquire new ideas.

Shift in Training Systems



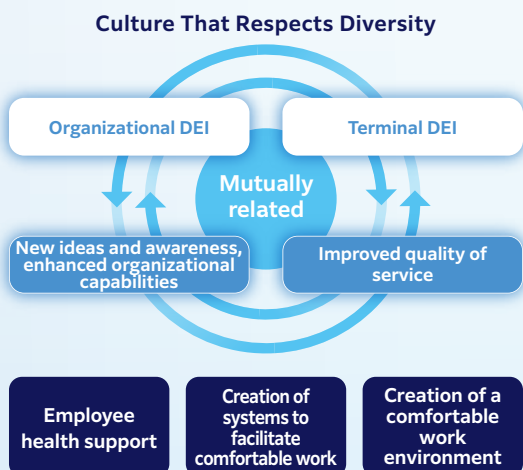
Human Resource Development Policy Indicators

Indicator	Target year	Results
Participation in industry-industry and industry-academia projects	Increasing annually	FY2023: 24 people
External assignments	Increasing annually	FY2023: 21 people
In-house academy Learning Room participation	Increasing annually	FY2023: 114 people
In-house knowledge acquisition seminars	Increasing annually	FY2023: 370 people
IT Passport acquisition rate: 100%	FY2024	31.0% (cumulative total: 60 people)
Plus One Promotion participation (consolidated)	Increasing annually	FY2023: 252 people

Improving workplace environment

As our business is supported by the movement of people from around the world and across Japan, we recognize the need to foster a highly inclusive organizational culture in which all employees accept diverse cultures and values, and respect each other. This ensures that our customers can use our services with peace of mind and in comfort. In addition, to promote globalization and business expansion across the Group, it is essential to maintain an environment that recognizes and respects diversity. We thus have set up a policy for the creation of a corporate culture in which diverse human resources motivate one another.

Reflecting this policy, we are promoting DEI, which involves maintaining a high ratio of female managers and hiring foreign nationals and people with disabilities, while also implementing activities to promote work style reforms led by young employees, to create a comfortable and rewarding working environment.



Internal Environment Development Indicators

Indicator	Target year	Results
Maintain female manager ratio of 40%	FY2027	FY2023: 38.8%
Male employees using childcare leave: 100%	FY2027	FY2023: 88.9%
Gender wage gap (all staff)	Declining annually	FY2023: 84.7%
Gender wage gap (full-time staff) ¹	Declining annually	FY2023: 87.2%
Gender wage gap (part-time staff) ²	Declining annually	FY2023: 48.2%
Employment rate of persons with disabilities 6.6%	FY2025	FY2023: 3.6%
Employment rate of foreign nationals	Results management	FY2023: 2.4%
Ratio of mid-career hires promoted to managerial positions	Results management	FY2023: 35.3%

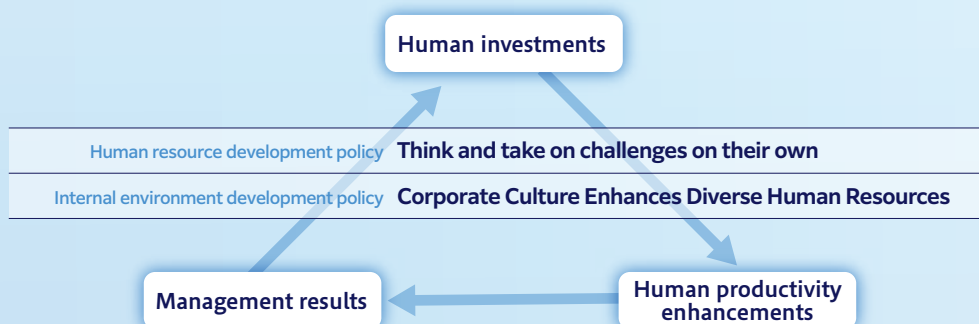
Notes: 1. Excludes employees assigned outside the Company.

2. Total of mid-career employees (including those with disabilities) and non-regular employees at the level of general manager or counselor.

Retaining employees, improving productivity

To realize our management strategy, we will appropriately allocate personnel to new areas such as the operation of a research and development center for cross-industry collaboration and expertise-based businesses. We will secure these and other personnel needs resulting from the pandemic by recruiting more employees and retaining them through appropriate improvements to working conditions. We also aim to realize our management strategy with an efficient personnel structure through efforts to improve capabilities and engagement, increase productivity through greater efficiencies driven by digital transformation, and other measures.

By means of employee surveys, we aim to turn the results of human resource development and internal environment measures into a PDCA cycle. This will create a virtuous cycle in which investment in human resources will lead to improved human productivity, resulting in increased revenue and profits, and expansion into new business areas.



	2019	2020	2021	2022	2023
i. Employees (non-consolidated; people)	290	264	251	272	293
ii. Personnel (consolidated + temporary + dispatched; people) ¹	5,379	4,031	3,299	3,595	4,565
iii. Operating revenue (consolidated; previous standard; millions of yen) ²	249,756	52,572	67,380	139,037	276,995
iv. Operating income (consolidated; millions of yen)	9,892	- 59,020	- 41,255	- 10,579	29,527
v. Non-consolidated revenue per employee ($\frac{\text{iii}}{\text{i}}$; millions of yen)	861	199	268	511	945
vi. Non-consolidated operating income per employee ($\frac{\text{iv}}{\text{i}}$; millions of yen)	34	- 224	- 164	- 39	101
vii. Consolidated revenue per personnel ($\frac{\text{iii}}{\text{ii}}$; millions of yen)	46	13	20	39	61
viii. Consolidated operating income per personnel ($\frac{\text{iv}}{\text{ii}}$; millions of yen)	2	- 15	- 13	- 3	6

Notes: 1. The number of temporary and dispatched employees is calculated based on the number of hours worked in the final month of the fiscal year.

2. The Accounting Standard for Revenue Recognition and other standards have been applied since the beginning of FY2021. But, for the purpose of year-on-year comparisons, operating revenue and related indicators calculated using previous standards are also shown.

Sustainability Strategy

Right from the start, we have focused on sustaining business growth, developing the Group, benefiting society by ensuring we balance corporate growth and social responsibility, and helping to realize a sustainable society.

To ensure sustainable management is deeply embedded in our organization, we have formulated a Medium-term Sustainability Plan that clearly defines key issues and key performance indicators. This enables us to promote our management strategy and enhance the effectiveness of our sustainability management initiatives.

The Sustainability Committee, chaired by the president, meets twice a year to confirm plan results and progress, manage and operate the plan, and implement the PDCA cycle.

We have establishing subcommittees for each priority theme, and are now creating a governance system for sustainability through the leadership of senior management, the establishment of specialized departments, and collaboration with external experts.

In FY2023, progress was confirmed every six months, and KPIs were revised and updated. The achievement of KPIs is progressing smoothly, and we are disseminating the appropriate information in a timely manner through integrated reports and our corporate website.

We also are promoting sustainability through the provision of management training led by experts; opportunities to learn about sustainability; and the regular dissemination of information within the Company.

JAT will continue helping to realize a sustainable society through our business by strengthening business partnerships and participating in global initiatives. This we will do to achieve our vision of becoming a human- and eco-friendly advanced airport by 2030.

WE SUPPORT



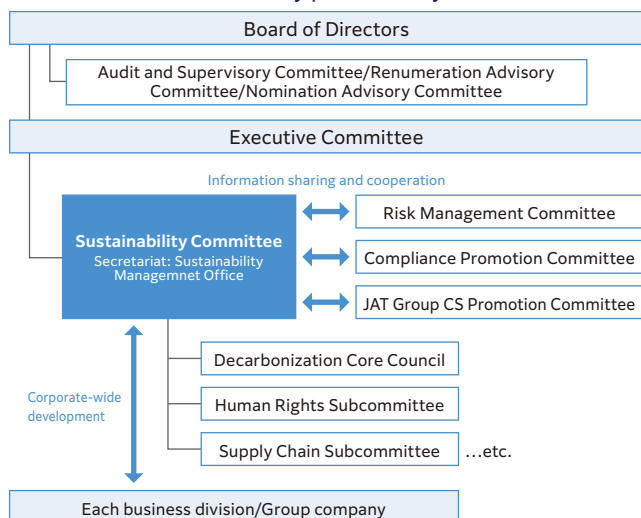
To contribute to the creation of a healthy global society, starting this year JAT has participated in the United Nations Global Compact, the world's largest sustainability initiative.

Materiality

Categories	Materiality	Vision for 2030	SDGs to be contributed
	Measures to combat climate change	Safe and secure airport Eco airport	  
	Effective use of limited resources	Safe and secure airport Eco airport	  
	Development of a safe, comfortable and advanced airport	World-leading hospitality Safe and secure airport Pleasant journey: stress-free	  
	Contribution to local and regional communities	Safe and secure airport Pleasant journey: stress-free	   
	Human resource development	World-leading hospitality	 
	Promotion of DEI and respect for human rights	World-leading hospitality Safe and secure airport	  
	Promotion of fair business activities	World-leading hospitality Safe and secure airport Pleasant journey: stress-free Eco airport	  
	Strengthening of risk management	World-leading hospitality Safe and secure airport Pleasant journey: stress-free Eco airport	

Sustainability Promotion System

Overview of the sustainability promotion system

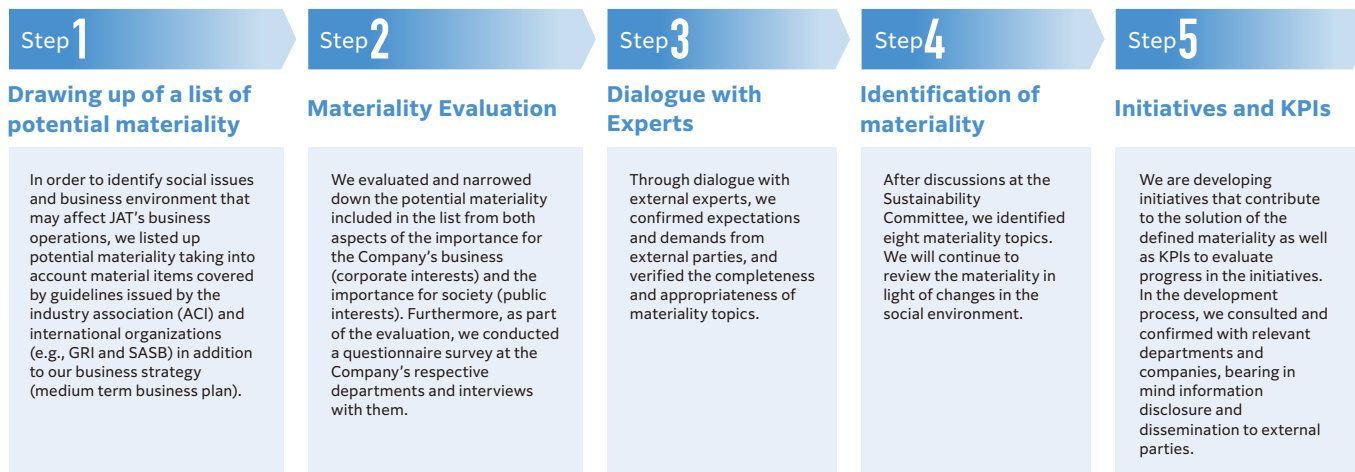


Outline of Meeting Body and Working Group

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 (four times in FY2023)
Matters for deliberation	<ul style="list-style-type: none"> KPI progress management Information disclosure based on TCFD recommendations Priority risk response status Human rights due diligence, etc.
Others	Establish the Risk Management Committee and theme-based working groups <ul style="list-style-type: none"> Decarbonization Core Conference (one time in FY2023) Human Rights Subcommittee (five times in FY2023) Supply Chain Subcommittee (three times in FY2023)

Medium-term Sustainability Plan Development Process



The full text of the Japan Airport Terminal Group Medium-term Sustainability Plan can be found at Medium-Term Sustainability Plan

Medium-Term Sustainability Plan https://www.tokyo-airport-bldg.co.jp/en/sustainability/medium_term_plan/



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 DEI and Respect for Human Rights	Promotion of fair business activities	Strengthening of risk management
Reinforcement of earnings base	Establishing a foundation for regrowth Reform and Innovation (Change)	●	●	●					
	Growth of airport business Growth and Evolution (Grow)	●	●	●	●				
	Expansion of earnings base Facing Challenges (Expand)	●	●	●	●				
Enhance the management base	Improve and innovate by harnessing DX and new technologies			●			●		●
	Organization, personnel, and governance					●	●	●	●
	Financial strategy							●	●

Establishing Absolute Safety

As a corporate group responsible for the construction, management, and operation of public passenger terminals, the Japan Airport Terminal Group places top priority on the safety of all people, including passengers, who use the airport. Accordingly, ensuring absolute safety is one of our business policies and a top priority in all our operations.

We have put in place a business continuity plan (BCP) and hold daily drills to ensure that safety and security will prevail at airport terminals even in the event of a natural disaster or other threat to aviation security and business operations. We also collaborate closely with airport stakeholders and share information. By ensuring both the safety of passengers and others on the premises, and rapid recovery from emergencies, we have created a safe, secure airport and built a sustainable, resilient aviation network.

Safe, secure terminal operations

We do our best to ensure both hard and soft safety and security management systems to enable airport customers to use the terminals safely and comfortably.

In terms of the hard defenses, we maintain and manage the terminal facilities and equipment, as well as carry out hygiene management and repair plans to make the terminals more comfortable. We also design terminals to minimize damage in the event of an emergency; secure emergency supplies for passengers; and ensure a system for sheltering people who are stranded.

In terms of soft aspects, we comply with Tokyo International Airport's Business Continuity Plan, the A2 (Advanced/Airport)-BCP, adopted by the Civil Aviation Bureau of Japan's Ministry of Land, Infrastructure, Transport and Tourism. Accordingly, we have prepared the Japan Airport Terminal Group Disaster Countermeasures Manual and a business continuity plan. We also conduct regular response drills for airport personnel.

In addition, we distribute pocket-sized disaster prevention manuals to staff working at the airport; ask tenants to comply with management regulations and voluntary standards, and carry out fire and disaster prevention patrols and regular hygiene audits in an effort to ensure safety throughout the terminals.



Equipment maintenance

Work safety

Absolute passenger

Hygiene m

Safe, secure terminal operations

FY2023 results

Training sessions: **206**

Participants: **3,662**

Main training sessions

Disaster prevention, injury response, firefighting, lifesaving

Operating large airport terminals requires the ability to respond to a variety of risks, including the occurrence of natural disasters, such as earthquakes and tsunamis; the impact on facilities of increasingly frequent and severe extreme weather due to climate change; accidents; fires; and the occurrence of injuries and illnesses.

In the event of an emergency, confusion is expected to ensue inside the terminals. Thus, all those working in the terminals will be required to assess various priorities and act accordingly. For this reason, we are working to strengthen safety in the terminals by conducting training that includes airport-related parties (the government, airlines, and tenants).

In FY2023, we held 206 training sessions with 3,662 participants. We will continue to cooperate with airport stakeholders to ensure the airport remains safe and secure.

Disaster prevention training

A Terminal 1 Comprehensive Disaster Prevention Drill was held in March 2024. Some 163 employees took part from 61 businesses, including airlines. Using the emergency earthquake alert as a signal, we held drills simulating what should be done were there an earthquake. Included were initial response, fire extinguisher, and supply distribution drills.

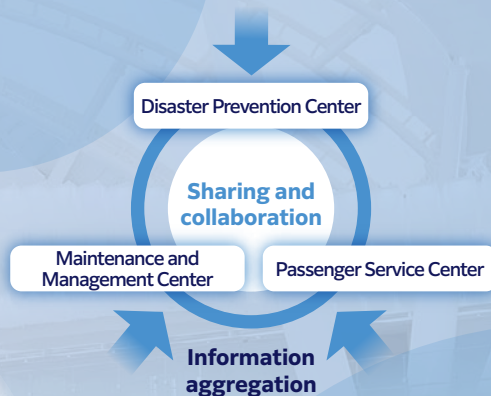
We then set up an area where staff could learn from instructors how to use bandages when administering first aid, and how to use an AED. They also experienced the effects of an earthquake simulator. Instruction on how to respond to injured people included the introduction of Live119.

The system allows the caller to transmit video of the emergency scene to the Tokyo Fire Department command center, and then give verbal instructions while watching the video. These efforts were intended to raise staff awareness of disaster prevention and improve their response in the event of an emergency.

Information sharing system

There is a strong regard for safety at the terminals on the part of all employees, including security and disaster prevention staff, facility maintenance and management staff, guides, as well as retail and food service staff.

In the interests of safety, we have a reporting and communication system at the terminals, while the Disaster Prevention, Facility Maintenance, and Passenger Service Centers collect information from members on patrol inside and outside the terminals. The information is shared at information liaison meetings to help ensure safety.



Training at emergency response headquarters



Disaster and crime prevention

Food safety

Terminal management

Providing safety

In addition to the drills described above, the Disaster Prevention Center conducts comprehensive disaster prevention inspections of all shops in the terminals before peak periods, to prevent fires and other accidents from occurring. Additionally, to properly implement aviation security management at stores inside the gates and raise awareness of such management, we check the management status at all stores within the security area. Disaster Prevention Center patrol members check for abnormalities in the buildings through daily patrols and inspections; work to detect suspicious people and objects early; and try to prevent incidents and accidents using hazard prediction and drills. They also work to improve response capabilities when incidents do occur by, for example, responding rapidly to emergencies.

At the same time, to improve passenger convenience, we also make efforts to improve our soft skills by proactively holding in-house awards for promoting customer service and providing sign language training. We will continue improving our response capabilities and taking steps to provide absolute safety, so that our customers can use our services with peace of mind.



Yukitaka Kodama

Manager
Security & Disaster Prevention Section
Haneda Airport Security Co., Ltd.

Suspicious person response drills

To respond appropriately in the event that there should be a suspicious person carrying a knife or other dangerous object in the terminals, we conduct semi-annual drills under the guidance of the Metropolitan Police Department's Tokyo Airport Police Station. This is done to clarify the roles and required collaboration of security guards and concierges, and to ensure that appropriate response drills take place.

Starting this fiscal year, in addition to concierges, we will also have retail and food store staff participate in the drills, and the entire airport will be trained in how to respond to the threat of suspicious persons. In so doing, we will work to further ensure safety throughout all areas of the terminals.



A suspicious person response drill



Disaster prevention training



Evolving services

Maximizing customer experience

As an initiative to enhance customer convenience, the Group operates an e-commerce site that allows advance reservations for duty-free items and handles products exclusive to Haneda Airport.

As revenue from physical stores has declined, the Group has reallocated management resources to further strengthen its e-commerce business. This initiative has not only compensated for the decline in demand, but also pioneered touchpoints with new customer segments and increased the appeal of physical stores and facilities through synergistic effects.

In particular, our click-and-collect service, which allows customers to pre-order duty-free items and souvenirs, has become more convenient and helped us elevate our level of service.

This initiative has created a new revenue base by leveraging Haneda Airport's strengths and network.

We will maximize the value of our customer experience by combining the real and online worlds, making maximum use of our newly acquired resources and the business foundation we built during the pandemic.



Non-contact services

Safe and secure travel

During COVID-19, there was an increased need for safety and and crowded places, one could help prevent the spread of infection. we implemented stringent hygiene requirements and expanded

In 2016 we set up the Haneda Robotics Lab and since have at the airport. We are doing so to promote non-contact services, and guidance. Our self-driving wheelchairs, available through the WHILL, Inc., allow passengers to move around the terminal without helping to reduce the risk of infection for passengers and employees. returned to where they are kept, also helping reduce the employee

The mini MORK voice guidance robot, introduced in 2021, is function. By putting it to work in various situations, we are able travelers.

We also supported safe and secure travel by introducing Face recognition technology for boarding procedures on international safety and comfort, and we will continue to adopt new technologies

Lessons from Response and p

The spread of the pandemic caused people to refrain from going out and significantly impacted our Group's business base at Haneda Airport. public interest, it was vital that we ensure that terminal operations were management, but also to review our business portfolio.

We have reexamined each of our businesses to determine what to improve various measures, including operational efficiency, by cutting recovered steadily, and we recorded record highs in both operating mean that we are being forced to operate our businesses more world, we will continue to pursue new airport value by maintaining rebounds, based on the lessons learned from the pandemic.



Changing Awa Promoting Plus One

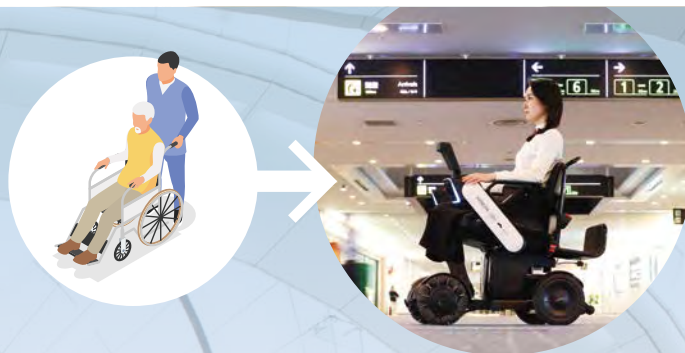
Responding to the ever-changing have been reminded, yet again, human resources who have the

To ensure that all employees changing the staff mindset and This requires that, when taking

To improve understanding intranet website called Plus practices. We plan to continue with new ideas and ambitions.

security. By avoiding contact with people
In a bid to ensure absolute passenger safety,
our non-contact services.
been working to apply robotics technology
particularly in the areas of mobility support
WHILL Autonomous Service developed by
the need for help from employees, thus
After use, the wheelchairs are automatically
workload.
equipped with a remote control guidance
to provide non-contact guidance for

Express in 2021. The procedure uses facial
flights. The above initiatives contribute to
that enhance these aspects.



Improving work efficiency, Shaping work styles

A healthy work environment

Our Group's business model of providing services in physical stores and facilities has seen a significant decline in revenue due to our reliance on air travel demand.

At the same time, stable terminal operations are crucial for us. To ensure this, we had to extricate ourselves quickly from the impact of the pandemic, while maintaining our level of service. To achieve a sound financial position, our cost management emphasizes balance, that is, prioritizing operations and postponing implementation of non-urgent operations. At the same time, we have tried to go on providing the same services by promoting the use of digital technology and digital transformation. We intend to continue promoting operational efficiency and work style reforms to provide a healthy environment for our employees. Through still further improvements in employee satisfaction and productivity, this will lead to greater customer satisfaction.

the Pandemic

ost-COVID plans

and to work remotely. This led to a decrease in air travel demand
At the same time, as a corporate business group responsible for the
ongoing. This forced us not only to implement thorough cost

role our Group is expected to play, and have studied and endeavored
costs and diversifying revenue sources. In fiscal 2023, air travel demand
and ordinary profits. Meanwhile, rising labor and resource costs
efficiently than ever. Even as we transition to a post-COVID
resilient organizational management while minimizing cost

reness and Behavior

business environment requires new ideas and flexible thinking. We
of the importance of returning to our founding spirit and nurturing
spirit to think for themselves and take on challenges.
evolve, we are conducting internal branding activities aimed at
their behavior by promoting activities based on a Plus One mindset.
action based on one's ideas, it is crucial not to fear failure.
of, and engagement in, this initiative we have launched a dedicated
One News to present individual Group initiatives and best
using this approach to build a more resilient organization brimming



Initiatives for Regional Revitalization

Haneda Airport serves as a transportation hub connecting people, industry, and culture, and is visited by many people from all over Japan and around the world. Thus, it is important that we maintain ongoing growth in a business environment predicated on a domestic population decline, fewer children, and a growing elderly population. To this end, we must make maximum use of the potential and networks of Haneda Airport, meet the expanding demand of inbound tourists, and otherwise generate interactions that connect people and communities, as we promote Haneda's appeal.

Providing New Value as an Airport

Until now . . .

Pursuing better services to meet the demands of the times as the entity responsible for the construction, management, and operation of the Haneda Airport passenger terminals, the gateway to the skies of Japan and Tokyo

From now on . . .

To improve airport functions for inbound visitors and domestic travelers; as a base linking overseas visitors with the allure of domestic and world destinations; to enable exchanges of people, things, and experiences; to improve experiences; and to help regional revitalization



Information hubs co

In December 2023, the Haneda Sanchokukan (Haneda direct from all regions of Japan) mall opened in the departure lobby on the second floor of Terminal 1. The mall is a direct sales outlet offering retail, food, and beverage sales, as well as other services. It helps local revitalization efforts by holding city promotions in collaboration with local governments. Under the theme of "Get to know Japan. Get to know it at Haneda," the venue sells fresh, seasonal primary produce and local specialty products from around the country. Brimful of regional character, the goods provide an opportunity to promote the appeal of the food, tourism, and accommodations of 1,718 cities, towns, and villages across the nation.

日本全国1718市町村とつなぐ

羽田産直館



Weaving together people, things, events

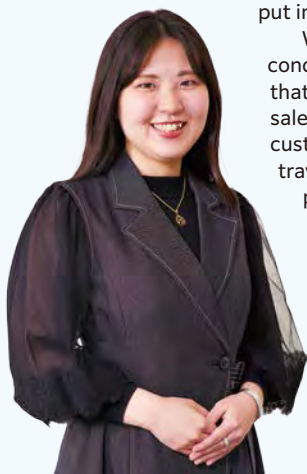
The Haneda Sanchokukan mall contributes to the revitalization of local economies by making the most of its location as a metropolitan airport connected to the rest of Japan and by promoting the appeal of outstanding local products from individual regions.

We are working to create a sales area where all customers who visit the mall can come across hitherto unknown regional products and get a feel for the passion that the producers put into every item.

With the limited-time promotions we conduct with local governments, we hope that the dialogue that take place on the sales floor between exhibitor and customer will inspire the latter's next travels. We work to create heartwarming promotions that allow first-time visitors and repeat visitors alike to make new discoveries and feel a sense of nostalgia for the areas with which they have a connection.

Minami Yamazaki

Retail Sales Division
Merchandising Management Division
Japan Airport Terminal Co., Ltd.



Case study

An example of a city promotion at the Haneda Sanchokukan mall was a local PR event held with Japan Airlines and Higashine City, Yamagata Prefecture.

The goal was to help further revitalize Higashine City, and to promote the city's charms to people at Haneda Airport, thereby promoting tourism and the distribution of local products. At the venue, JAL flight attendants and Higashine City officials promoted tourism, and our Company procured and sold local products from the city.





Our customers

Will develop a desire to visit places they have never been, and rediscover great things about their hometowns



Our employees

Will become more engaged by providing customer-oriented service



Local governments

Will help regional revitalization by promoting tourism and local specialty products

Japan Airport Terminal Group Maintaining ongoing growth

Convey Japan's charms



Japan Mastery Collection (JMC), a luxury brand created in Japan with a focus on local community revitalization, is open for business in the departure area of Haneda Airport's Terminal 3. By taking advantage of Haneda Airport, a touchpoint for domestic and international customers departing from Japan, we hope to help boost the global reputation of Japanese craftsmanship by introducing attractive products from individual regions. Furthermore, through JMC, we aim to industrialize craftsmanship that is backed by history and culture, and build a circular platform that returns benefits to producers. In this way they will nurture successors to carry on Japan's excellence in materials, technology, and sensibilities, while creating new regional business regions and contributing to improving the standing of those regions.

About JMC activities

JMC is divided into five zones that combine psychological keywords that resonate with target customers, and Japanese products.

1. Travel: Women's/Men's Fashion, Miscellaneous Goods, Accessories
2. High Quality Everyday Life: Pottery, Tableware, Lifestyle Goods
3. Hobbies: Aesthetics, Artwork
4. Japan Luxury
5. Promotion



Significance of JMC branding

When we opened JMC, we were conscious of three points. The first is the need to contribute to regional revitalization by providing customer service and sales that would not only allow overseas customers to purchase our products, but would also entice them to visit the places where our products were produced the next time they came to Japan.

The second point is that the purchasing data is fed back to the producers so that they can use it as a reference for product development and channel selection. It is also utilized in other retail activities at the airport. The third is the need to: differentiate Haneda Airport from other domestic airports and commercial facilities; pursue its own unique style; build a luxury brand made in Japan; and expand it externally to augment its image and profits as a new business.

Through JMC brand business we can continue contributing to improving the value of Haneda Airport.

Yoshihiko Yanai




Vice President
Regional Revitalization Business Department
Haneda Future Research Institute Incorporated



Key Issues and KPIs

The promotion of sustainability is at the core of the Japan Airport Terminal (JAT) Group's strategy. We have identified eight material issues and key performance indicators (KPIs), given in the table below, that are relevant to our business, and plan to create medium- to long-term value by resolving those issues through our business activities.

The progress of our efforts is managed semiannually by the Sustainability Committee and revised as necessary. Information is disseminated on the Sustainability page of our corporate website and through various media.

Categories	Meteriarity	Initiatives	Stakeholder	Major
 environment	Measures to combat climate change	Reduction of CO ₂ emissions	Partners Global environment	Reduction by 46% from the FY2013 level (net zero by 2050)
	Effective use of limited resources	Introduction of eco-friendly materials and merchandise	Partners Global environment	Receipt of ZEB Oriented certification for T1 satellite in the te
		Waste reduction/resource recycling		Offering of ethical products at all directly managed (JAT's se
				Introduction of wooden structure/interior decoration to T1 s
				Closed-loop recycling of all PET bottles collected at termina
				➡ Recycling rate for waste from the terminals: 70%
	Identification of issues for reducing food waste in the Group			
➡ Recycling rate for food residue from the manufacturing				
 social	Development of a safe, comfortable and advanced airport	Enhanced terminal functionality	Customers Partners Employees Local Communities Common	Continuous receipt of "5 Star Airport" rating from SKYTRAX (te
		Assurance of safety and security		Continuous receipt of the 1st rating from SKYTRAX in the "Wo
		Promotion of universal design		Continuous implementation of disaster drills, etc. (150 time
		Use of digital technologies		Continuous receipt of the 1st rating from SKYTRAX in the "B
	Contribution to local and regional communities	Creation of interaction with local communities	Customers Partners Local Communities	Completion of the initiative to introduce mobile electric carts
		Benefit-sharing with local communities		A wider use of digital and robotic technologies in the five cat and food service
				Utilizing the "location" of Haneda Airport, promotions for local a year.
				Provision of know-how acquired in the Haneda Airport and pro
	Human resource development	Transformation of workforce into a group of real professionals	Customers Employees	Continued participation of at least 1,000 people, including local
		Improved employee engagement		Grand opening of the HICity (benefit sharing with local comm
	Promotion of DEI and respect for human rights	Promotion of DEI	Customers Partners Employees Local Communities Common	➡ Holding of regional cooperation events in the "terminal. local companies, and (3) regional tours.
		Implementation of human rights due diligence		Active recruitment and development of human resources wi
 governance	Promotion of fair business activities	Ensuring of thorough compliance	Customers Partners Employees Shareholders/Investors Common	Embedding of internal branding activities (Plus One Promot "human resources who can think and take on challenges on
		Strengthening of sustainability governance		Rate of childcare leave being taken by male workers: 100%;
				Employment rate of persons with disabilities: 6.6% *Non-co
	Strengthening of risk management	Strengthening of risk management systems	Customers Employees Shareholders/Investors Common	Investigation of human rights risks and identification of issu
		Cybersecurity		➡ Implementation of measures to the issues identified in h
				➡ Continuous improvements both in the response rate for
				Dialogue with experts (twice a year)
				Establishment of the Risk Management Committee and a P
				➡ Semiannual implementation of PDCA for priority risks
				Zero incidents that result from a lack of adequate cybersecu

*1 Excluding those from airport vehicles owned by the JAT Group

*2 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

*3 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 wo consecutive years from 2016) and the "Best PRM/Accessible Facilities" category (for five consecutive years from 2019). "PRM," an abbreviation of "Persons with Reduced Mobility," repres

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



KPIs (Key Performance Indicators)	Target year	FY2023 Results
	2030/2050	<ul style="list-style-type: none"> • Increase by 5.0% from the FY2013 level (CO₂ emissions from the JAT Group in the premises of Haneda Airport*1)
Terminal expansion project	2025	<ul style="list-style-type: none"> • The construction company was decided. Work begins in May 2024 (Scheduled to begin operation in 2026)
Elect stores *2	2025	<ul style="list-style-type: none"> • Offered at 12 of the 37 directly managed stores (editorial shops)
Satellite in the terminal expansion project	2025	<ul style="list-style-type: none"> • The construction company was decided. Work begins in May 2024 (Scheduled to begin operation in 2026)
Recycling	2025	<div>Target attained</div> <ul style="list-style-type: none"> • A system was put in place where users put used bottles in dedicated collection boxes from which recyclers collect them.
	2030	—
JAT's restaurant business and set FY2025 targets	2023	<div>Target attained</div> <ul style="list-style-type: none"> • The targets are set.
Ratio of in-flight meals in the JAT Group's business: 95%	2025	—
Terminal expansion, smoother passenger flows, enhanced signage, diverse commercial facilities, etc.) *3	Every straight year	<ul style="list-style-type: none"> • JAT received the "5 Star Airport" rating, the highest rank in the world, for the 10th straight year.
"World's Cleanest Airport" category	Every straight year	<ul style="list-style-type: none"> • JAT received the 1st rating in the "World's Cleanest Airport" category for the 8th straight year.
Participants/year; 3,000 total participants/year)	Every straight year	<ul style="list-style-type: none"> • 206 disaster drills participated by 3,662 people in FY2023
"Best PRM & Accessible Facilities" category	Every straight year	<ul style="list-style-type: none"> • JAT received the 1st rating in the "Best PRM & Accessible Facilities" category for the 5th straight year.
Self-driving wheelchairs to all terminals	2025	<ul style="list-style-type: none"> • 6 "WHILL" self-driving wheelchairs were introduced at Terminal 3.
Categories of (1) cleaning; (2) guidance/translation; (3) mobility support; (4) security; and (5) retailing	2025	<ul style="list-style-type: none"> • Category (2): Such technologies were installed in the T2i security area. • Category (4): A proof of concept was conducted, with the introduction slated for the latter half of FY2024.
Local products and specialty products are held at permanent promotion stores and event spaces at least 24 times	Every straight year	<ul style="list-style-type: none"> • Haneda Sanchoku-kan opened in December 15, 2023. • 40 regional collaboration promotions held.
Products (robots, etc.) installed therein to overseas airports and other facilities at the rate of 50 cases a year	2025	<ul style="list-style-type: none"> • 23 such contracts were signed (for Radi-Cool, robots, consulting services, etc.)
(Ota City) elementary and junior high school students, in the airport tours and work experience programs	Every straight year	<ul style="list-style-type: none"> • 195 such events were held, with the total participation of some 10,000 people in FY2023.
Facilities by providing medical services, creating vibrancy, offering a traffic hub, etc.)	2023	<div>Target attained</div> <ul style="list-style-type: none"> • HICity opened on November 16, 2023. • Terminal 0 HANEDA opened at the end of February 2024.
10 HANEDA" R&D project in three categories: (1) events for local communities, (2) participation of	Every straight year	—
Employees with diverse skills	Performance management	<ul style="list-style-type: none"> • Mid-career hires accounted for 16% of all hires. • People trained in architecture and foreign languages accounted for 23% of all new graduates hires. • Total training time was 10.8 hours per hire.
Business operations through cross-industry/industry-academia collaboration and secondment of	Performance management	<ul style="list-style-type: none"> • Cross-industry/industry-academia collaboration: 4 people (Total of 24 people) • Number of employees seconded to other companies: 21 people
(Inclusion) into the mindset of all JAT Group executives to promote the development of their own	2025	<ul style="list-style-type: none"> • Corporate logos of 20 Group companies were renewed or unified. • A new corporate logo "Brand book" and a special issue of company newsletter were distributed.
Rate of managerial posts being assumed by female personnel: 40%*Non-consolidated basis	2027	<ul style="list-style-type: none"> • Rate of childcare leave being taken by male workers: 88.9%; Rate of managerial posts being assumed by female personnel: 38.8%
Consolidated basis	2025	<ul style="list-style-type: none"> • Employment rate of persons with disabilities: 3.6%
Measures and countermeasures	2023	<div>Target attained</div> <ul style="list-style-type: none"> • JAT conducted a human rights risk survey, which identified issues and measures to address them. • JAT conducted a questionnaire survey on major business partners.
Human rights risk surveys	2025	—
Misconduct/violations) in corporate activities	Every straight year	<ul style="list-style-type: none"> • Number of incidents of inappropriate behavior (serious misconduct/violations) in corporate activities: 0
Dissemination thereof to business partners *4	2023	<div>Target attained</div> <ul style="list-style-type: none"> • JAT disseminated the guidelines to 570 business partners, who were identified as Tier 1 based on turnover and other criteria.
Surveys on compliance with the Sustainable Procurement Guidelines and in the conformance rate.	2030	—
	Every straight year	<ul style="list-style-type: none"> • Number of sessions of dialogue with experts: 2
PDCA cycle for priority risks	2023	<div>Target attained</div> <ul style="list-style-type: none"> • JAT established the Risk Management Committee, which identified priority risks. • The Risk Management Committee met twice to implement PDCA.
	Every straight year	—
Security measures and have a serious impact on the terminal building operations	Every straight year	<ul style="list-style-type: none"> • Number of incidents that result from a lack of adequate cybersecurity measures and have a serious impact on the terminal building operations: 0

take into consideration local production and consumption, organic products, alternative meat/milk products, etc
 in various awards, including the "5 Star Airport" rating (for ten consecutive years since 2014) and the 1st rank in the "Best Airport Terminal Cleanliness" category (for eight
 years) and an evaluation category for facilities that consider the elderly, people with disabilities, and those who have been injured

Materiality

Measures to Combat Climate Change

Approach

While climate change, including the frequent occurrence of extreme weather events, has a significant impact on the JAT Group, we ourselves have an impact on the environment in that we emit large amounts of greenhouse gases (GHGs) through our activities, which include the consumption of electricity for terminal operations. Given that we recognize the importance of addressing climate change, we will continue conducting business with the aim of realizing environment-friendly airports compatible with social sustainability.

Initiatives	Major KPIs (Key Performance Indicators)	Target Year	FY2023 results
Reduce CO ₂ emissions	46% reduction compared with FY2013 (net zero in 2050)	2030/2050	Increase by 5.0% from the FY2013 level (CO ₂ emissions from the JAT Group in the premises of Haneda Airport)*
	Acquire ZEB Oriented certification for terminal expansion projects	2025	The construction company was decided. Work begins in May 2024 (Scheduled to begin operation in 2026)

* Excluding emissions from airport vehicles owned by the Group.

Main initiatives

Toward the realization of net zero in 2050

As a corporate Group that builds, manages, and operates passenger terminals, which operate around the clock, we have a social responsibility to reduce greenhouse gas emissions from both facility and operational perspectives, and to create an environment-friendly eco-airport.

To achieve our KPI of a 46% reduction in the CO₂ discharge compared with the FY2013 figure (net zero by 2050), we are first focusing on reducing Scope 1 and 2 emissions at Haneda Airport Terminal. These account for approximately 90% of the Group's total discharge.

Following that, we will make every effort to operate the terminal efficiently, so as to conserve energy. We will consider various reduction options, including decarbonization in our own company, and the adoption of innovative technologies as we aim to contribute to the decarbonization of the entire aviation industry and to attain carbon neutrality throughout the entire supply chain. By investigating the use of new energy sources, we will promote initiatives related to sustainable aviation fuel (SAF).

At the same time, we plan to use more wood when we expand our terminals, to promote sustainable construction.

Energy conservation

Efficient use of energy
Upgrade energy-saving equipment

Energy creation

Use of natural energy
Solar, geothermal, and other forms of energy

New energy

Realize net zero using future energy
Consider use of hydrogen energy, etc.

Carbon neutrality throughout the entire supply chain

Environmental impact data

In FY2023, terminal activities increased substantially, up 104.0% (+4,505t-CO₂) year on year, in line with the recovery in air passenger volume and the reopening of Terminal 2 international flight service facilities in response to the growing number of international flights.

Starting this fiscal year, we are revising emission factors and the scope of coverage to include non-energy-generated CO₂ emissions from waste incineration. This we are doing to align our target values with those of the Tokyo International Airport Decarbonization Promotion Plan put forward by the East Japan Civil Aviation Bureau of the Ministry of Land, Infrastructure, Transport and Tourism. As the number of air passengers is expected to increase even further, we will use a number of approaches to enable us to continue promoting efficient energy use in order to achieve net zero emissions.

CO₂ Emissions

Item	Scope	FY2021	FY2022	FY2023
Total emissions	Consolidated	94,480	113,412	117,917
	Haneda Airport	88,420	104,851	110,758
	Outside airport	6,060	8,561	7,159
breakdown				
Scope 1	Consolidated	13,673	17,472	22,534
	Haneda Airport	11,813	14,967	19,194
	Outside airport	1,860	2,505	3,340
Scope 2	Consolidated	80,807	95,940	95,383
	Haneda Airport	76,607	89,884	91,564
	Outside airport	4,200	6,056	3,819

Scope of targets: Haneda Airport and outside airport. The emissions from airport vehicles owned by the Group are included in the outside airport figures.
Scope of emissions: CO₂ derived from energy consumed in-house during business operations, non-energy-origin CO₂ from waste incineration.
Reference: List of calculation methods and emission factors in the Ministry of the Environment Greenhouse Gas Emissions Calculation and Reporting Manual calculation and report publication system

Scope 3

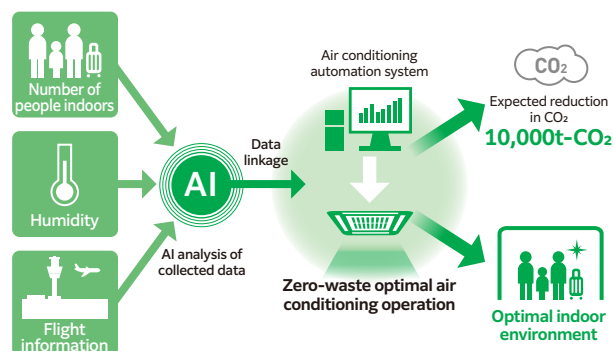
Category*	FY2021	FY2022	FY2023
1 Purchased goods and services	—	113,819	137,307
2 Capital goods	17,862	45,474	104,372
3 Fuel- and energy-related activities not included in Scope 1 and Scope 2	24,688	28,268	31,576
4 Transportation and distribution (upstream)	3,881	10,193	23,135
5 Waste generated in operations	832	1,478	2,223
6 Business travel	—	45	119
7 Employee commuting	—	—	1,868
13 Leased assets (downstream)	29,490	29,458	29,531
Total	76,753	228,735	330,131

* Excluding non-target and uncounted categories.

AI smart air conditioning

In terminals, we are pursuing energy conservation by updating air conditioning equipment and promoting efficient operations. As a medium-term measure through FY2030, we will use AI and data analysis technologies in an effort to make our use of energy even more efficient.

Japan Airport Techno, which is responsible for terminal maintenance and management, is introducing AI smart air conditioning and an energy visualization system from a project adopted by the Ministry of Land, Infrastructure, Transport and Tourism. AI will analyze collected data, such as flight information, indoor temperature and humidity, and crowd density. The smart system, integrated with the air conditioning control systems, will promote efficient energy use without compromising comfort inside the terminal. We estimate this will result in an annual reduction of approximately 10,000t-CO₂.



CO₂-free hydrogen to decarbonize terminal buildings

In March 2024, JAT and ENEOS Corporation signed a collaboration agreement to jointly study the use of CO₂-free hydrogen to decarbonize Haneda Airport. Under this agreement, the two companies will study the introduction of hydrogen power cogeneration and the development of hydrogen supply infrastructure at Haneda Airport passenger terminal buildings. Were hydrogen power to be used there, it would be a first for a Japanese airport. The goal would be to be using hydrogen by around 2030.

In considering the setting up of a CO₂-free hydrogen supply chain to provide hydrogen for use at Haneda Airport, we plan to collaborate with several initiatives so as to promote carbon neutrality across industries and regions, thereby contributing to the realization of a sustainable society.



MOU to supply and sell SAF to airlines at Haneda Airport

In May 2024, the JAT Group and Euglena Co., Ltd., signed a memorandum of understanding (MOU) to jointly consider building a supply chain with the aim of commercializing the supply and sale of sustainable aviation fuel (SAF) to airlines at Haneda Airport.

By leveraging our network of business partners, which is one of our strengths, and collaborating in the area of SAF, which is the key to decarbonization in the aviation sector, we will contribute to the decarbonization of Haneda Airport as a whole. This move will include the airport's supply chain, and will contribute to sustainable air travel while making Haneda an environment-friendly airport.



VOICE



Ryota Yasu

Assistant Manager,
Corporate Planning Division
Japan Airport Terminal Co., Ltd.

Promoting decarbonization to achieve net zero by 2050

The effects of climate change are becoming increasingly severe and are threatening our daily lives. We at JAT thus realize that, as a company operating airport infrastructure, there is an urgent need for us to reduce our greenhouse gas emissions.

Due to space restrictions and other factors, it would be difficult to introduce large-scale solar power generation at Haneda Airport. So we have been researching the feasibility of the use of hydrogen and considering its feasibility. The chemical element is attracting attention as a next-generation source of energy.

There are likely to be various challenges that must be overcome before hydrogen can be put to practical use as an energy source. Nevertheless, we will continue to work with all relevant parties, and will take on the challenge of supplying SAF to airlines at Haneda Airport, with a view to decarbonizing aircraft arrivals and departures, thus contributing to sustainable, clean air travel.

Materiality

Effective use of Limited Resources

Approach

In the construction, management, and operation of facilities, as well as the operation of merchandise stores and restaurants, the Group uses building materials, plastics, water, and many other resources, while generating construction scrap, food residue, accumulated trash, and other types of waste. JAT recognizes that the effective use of limited resources, including efforts to minimize environmental impacts by establishing recycling-oriented systems that incorporate the supply chain, and meeting user needs for environment-friendly products, are critical issues for continuing business as an eco-friendly airport.

Initiatives	Major Key Performance Indicators	Target Year	FY2023 Results
Introduction of eco-friendly materials and merchandise	Offering of ethical products* at all directly managed stores	2025	Offered at 12 of the 37 directly managed stores
	Introduction of wooden structure/interior decoration to T1 satellite in the terminal expansion project	2025	The construction company was decided. Work begins in May2024(Scheduled to begin operation in 2026)
Waste reduction/resource recycling	Closed-loop recycling of all PET bottles collected at terminals	2025	Target Attained A system was put in place where users put used bottles in dedicated collection boxes from which recyclers collect them.
	→ Recycling rate for waste from the terminals: 70%	2030	—
	Identification of issues for reducing food waste in the Group's restaurant business and setting of FY2025 targets	2023	Target Attained The targets are set.
	→ Recycling rate for food residue from the manufacturing of in-flight meals in the JAT Group's business: 95%	2025	—

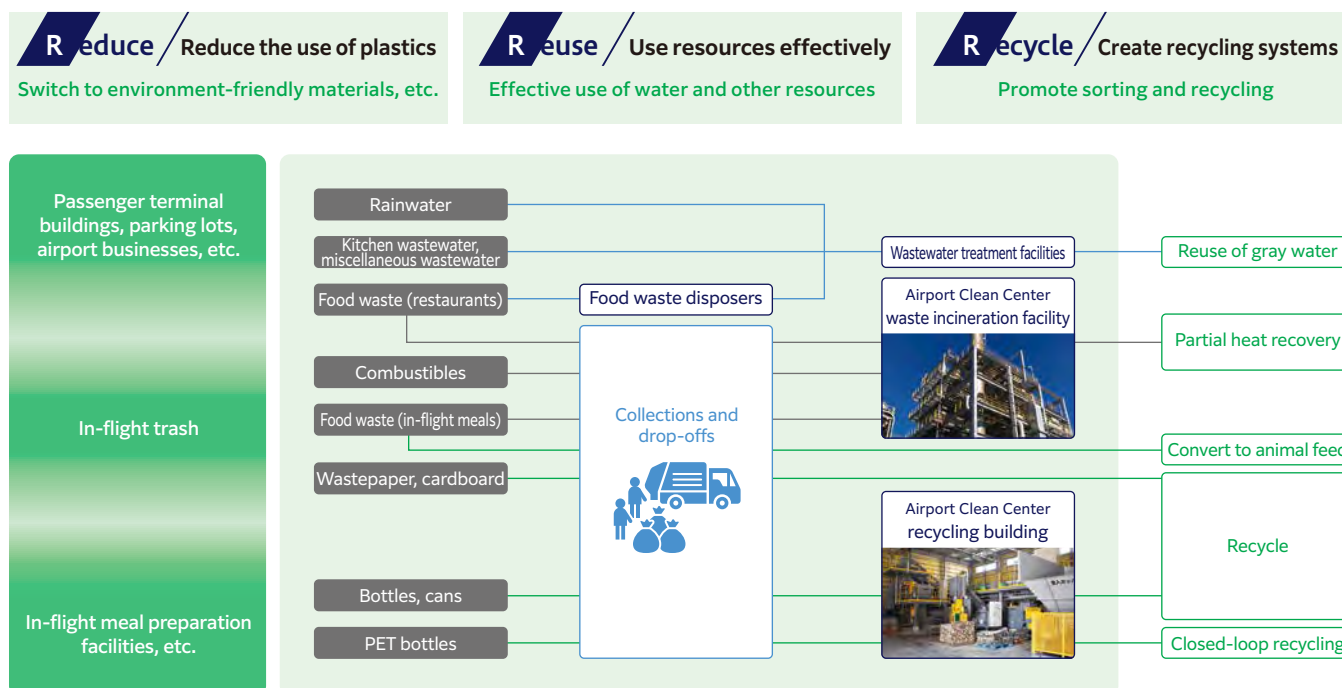
Note: Ethical products include those that lead to less food loss, fair trade products, items that use recycled materials, goods that bear a certification label or mark, merchandise that takes into consideration local production and consumption, organic products, alternative meat/milk products, and other items.

Main initiatives

Group approach to resource recycling

To promote the reduction of environmental impacts from business activities related to terminal operations and the supply chain, we are working to recycle resources and reduce waste based on the concept of reduce, reuse, and recycle. In addition to reducing and recycling waste generated directly by our business activities, we seek to ensure our operations take into consideration the natural environment and biodiversity. To this end, we procure eco-friendly materials and merchandise.

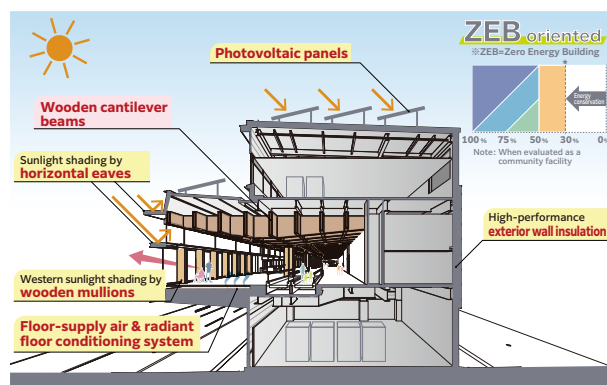
The Airport Clean Center, operated by Group company Sakura Shokai, accepts waste from Haneda Airport terminal buildings as well as from hotels, factories, and other facilities in the Haneda area, and is working to improve the separation of trash and recycling. An overview of JAT Group resource recycling is shown below.



Start of Terminal 1 north satellite facility construction

The Terminal 1 north satellite facility, scheduled to commence operation in the summer of 2026, will feature a hybrid wood and steel structure. Compared to steel-frame facilities, the use of wood in this structure reduces CO₂ emissions during construction by 2,630t-CO₂, and fixes 1,435t-CO₂ in the building over the long term once the terminal satellite it has gone into service.

Further, the use of environment-related technologies, such as highly efficient equipment and high-performance exterior wall insulation has resulted in the facility obtaining ZEB oriented certification, which defines Zero-Energy Buildings (ZEB).. The facility's annual primary energy consumption thus will be cut by more than 30%, while the terminal environment will be comfortable. By minimizing environmental impact from the design to the construction and operational stages, we are contributing to decarbonization and resource recycling, including in the supply chain.



Activities promoting the closed-loop recycling of PET bottles

As one initiative promoting the recycling of resources disposed of at terminals, the JAT Group is collaborating with the Japan Soft Drink Association, which comprises companies involved in the manufacture and sale of soft drinks and related businesses. Together, they are promoting closed-loop recycling (bottle-to-bottle) of PET bottles.

At Haneda Airport Terminal, approximately 120 tons of PET bottles are discarded each year. Unfortunately, due to improper sorting, some are incinerated. Thus, to increase resource recycling further, we are installing dedicated collection boxes throughout the airport, and calling for greater cooperation in the sorting of trash.

In November 2023, we held an event—Recycle at Haneda: PET Bottles, from Bottle to Bottle—to promote and expand bottle-to-bottle recycling. This gave airport users an opportunity to better understand the importance of resource recycling. We will roll out this initiative at seminars held by the All Japan Airport Association and continue to promote this activity as an industry-wide environmental initiative.



(Top) Event at Haneda (Bottom) Lecture by the All Japan Airport Association

Ethical products

As a company that operates merchandise sales businesses in airport terminals that are visited by customers from around the world and across Japan, we are expanding the range of ethical products offered in our directly managed stores; collaborate with business partners, suppliers, and the entire supply chain; and contribute to the realization of a sustainable society through our core business.

Example of ethical products at Haneda Airport



In collaboration with JALUX Inc., and Beer the First Inc., we have jointly developed an original happoshu called Bready to Fly. This alcoholic beverage is sold at airport retail stores, and is made from upcycled bread crusts left over from the making of sandwiches sold at Haneda Airport.

VOICE



Mari Furuta

Facility & Operation Division
Facility Division
Japan Airport Terminal Co., Ltd.

Creating a new look for Haneda Airport

To ensure customers are comfortable during the time they spend at Haneda Airport, the terminal architecture incorporates some of our aspirations and the spirit of hospitality we have inherited.

In a bid to create a sustainable terminal that is people- and eco-friendly, while focusing on the changing times, we have taken on the challenge of transforming Haneda Airport as we build the north satellite. The materials we are using include wood, in response to the need for climate change countermeasures and the recycling of resources. This use of timber is not only environment-friendly, but it also creates an attractive space, making the time customers spend at the airport more pleasant. Through the strength and warmth of wood, we hope to create a terminal that will instill a sense of excitement in passengers setting off on journeys, and peace of mind when returning home.

Response to TCFD and TNFD Recommendations

If we are to become an eco-airport and realize our vision for 2030 of becoming a human- and eco-friendly advanced airport, our terminal operations must be efficient and minimize our environmental impact. To this end, management has put in place measures to combat climate change and is making effective use of limited resources.

To realize our vision and achieve net-zero CO₂ emissions by 2050, we support recommendations made by the Task Force on Climate-related Financial Disclosures (TCFD) and the Taskforce on Nature-related Financial Disclosures (TNFD). Thus, we are disclosing information in line with these recommendations related to climate- and natural capital-related risks and opportunities, as well as our plans for responding to both. We will continue to closely monitor and analyze the business environment surrounding the Group, including the impact of each risk and opportunity, and strive to improve and enhance our disclosure of related information.

The full text of each information disclosure can be found at [TCFD https://www.tokyo-airport-bldg.co.jp/files/en/ir/000014843.pdf](https://www.tokyo-airport-bldg.co.jp/files/en/ir/000014843.pdf)
[TNFD https://www.tokyo-airport-bldg.co.jp/files/en/ir/000014844.pdf](https://www.tokyo-airport-bldg.co.jp/files/en/ir/000014844.pdf)

Governance and risk management structure commonalities

The Sustainability Committee, chaired by the president and representative director and comprising executive officers, formulates policies and plans. It meets at least twice a year to discuss the progress made by management and other initiatives.

Climate- and nature-related risks and opportunities which are identified during deliberations and that have a significant impact on our business and performance are integrated into a comprehensive risk management process. Further, if deemed necessary, the risks and opportunities are verified and evaluated by the Risk Management Committee, which is responsible for company-wide risk management.

The results of deliberations at the Sustainability Committee and Risk Management Committee meetings are discussed by the Executive Committee, taking into account their relevance and consistency with our business strategy. The results are reported to the Board of Directors at least once every six months for supervision.

Strategic assumptions (climate-related risks and opportunities) TCFD

To assess the impact of climate change on Group business, we conducted an analysis using the following two scenarios.

In setting the scenarios, we referred to the scenarios published by the International Energy Agency (IEA) and the Intergovernmental Panel on Climate Change (IPCC) scenarios.

1.5°C scenario		4.0°C scenario	
Scenario overview	<ul style="list-style-type: none"> As a result of drastic measures having been taken effectively, a decarbonized society is achieved, limiting the rise in the global temperature to 1.5°C from the pre-industrial levels. Major risks that turn into reality include those associated with the transition to a decarbonized society. 	Scenario overview	<ul style="list-style-type: none"> As a result of additional measures being not taken, the average global temperature will rise further by approximately 4°C compared to the pre-industrial levels. Major risks that turn into reality include physical risks arising from climate change.
Key scenarios referred to	<ul style="list-style-type: none"> World Economic Outlook (WEO): APS (Announced Pledge Scenario, Paris Agreement's goal achievement scenario) SSP1-2.6 <p>Note: We partly referred to the WEO Net Zero Emissions (NZE) and SSP1-1.9 scenarios.</p>	Key scenarios referred to	<ul style="list-style-type: none"> WEO: STEPS (Stated Environmental Policies Scenario) SSP5-8.5

Approach to climate-related risks and opportunities

Our analysis covers facilities management, together with merchandise as well as food and beverage operations (a category that includes both merchandise sales and food and beverage sales). Based on the two scenarios described above, we identified risks and opportunities, assessed their impact, and formulated countermeasures in response.

The table below indicates time horizons and impacts for assessing climate-related risks and opportunities.

Time frame	Short-term	Until fiscal 2025 (the period of the Medium-term Business Plan)	Impact level	Minor	Less than ¥100 million per year
	Medium-term	Until fiscal 2030 (the period up to the target year for "human- and eco-friendly advanced airport 2030")		Medium	¥100 million or more but less than ¥1 billion per year
	Long-term	Until fiscal 2050 (the period up to the target year for net zero)		Major	¥1 billion or more per year

TNFD-related strategic assumptions (nature-related risks and opportunities) TNFD

After reviewing the relationship between our Group's business and the natural environment (dependency and impacts, as well as the surrounding environment, such as air, water, and land) and considering its importance to our business, we decided our TNFD analysis would cover Haneda Airport's facilities management, together with its merchandise as well as food and beverage operations, these being the Group's main businesses.

Businesses that incinerate waste materials at the airport are part of the facility management and operations business. The assessment used the LEAP approach, a science-based, systematic assessment of nature-related risks and opportunities, and was based on then-available data.



Risks, Opportunities, Impacts Associated with Climate Change TCFD

Risk and opportunity categories		Summary	Segment		Timeline	Relevant scenario	Degree of impact
			Facilities	Merchandise, food, and beverage			
Transition risk	GHG emission reduction measures (Policy and law/technology)	Increased terminal operating costs and raw material procurement and logistics costs associated with the introduction of carbon pricing*	✓	✓	Short-medium	1.5°C	Major
		Increased costs due to climate change-related regulations (increased construction costs due to environment-related regulations, etc.)	✓		Short-long	1.5°C	Major
		Increased costs due to climate change-related laws and regulations (plastic and other resource recycling and procurement that takes into consideration natural capital, etc.)		✓	Short-medium	1.5°C	Medium
		Increased investment costs for climate change measures due to the introduction of renewable and new energy sources, etc.	✓		Short-medium	1.5°C/4.0°C	Major
	Others (Market/Reputation)	Slower growth in the number of passengers using airports due to policy measures that adversely impact air travel demand	✓	✓	Short-long	1.5°C	Medium
		Loss of reputation among tenants, partners, customers, suppliers, and employees due to late environmental responses	✓	✓	Short-medium	1.5°C/4.0°C	Medium
Physical risks	Chronic	Impact of sea level rise on airport transportation access	✓	✓	Medium-long	4.0°C	Minor
		Impact of infectious disease outbreaks due to changes in climate patterns	✓	✓	Long	4.0°C	Major
	Acute	Impact on user numbers due to frequent and severe extreme weather events	✓	✓	Short-medium	4.0°C	Major
		Damage to facilities, flooding, and other impairments caused by frequent and severe extreme weather events	✓	✓	Medium-long	4.0°C	Major
		Supply chain disruptions due to severe and frequent extreme weather events		✓	Short-medium	4.0°C	Major
Opportunities	GHG emission reduction measures (Energy sources)	Reduced costs attained through more efficient energy use, new technologies, etc.	✓		Long	1.5°C	Medium
		Contributions to decarbonization and securing new sources of revenue	✓		Medium-long	1.5°C/4.0°C	Medium
	Others (Resource efficiency/products and services/markets)	Enhanced brand value through decarbonization efforts	✓	✓	Medium-long	1.5°C	Major
		Usage of policy support for low-carbon companies	✓		Medium-long	1.5°C	Medium
		Creation of a recycling-oriented system centered on JAT	✓		Short-medium	1.5°C/4.0°C	Medium
	Physical risks	Enhanced resilience through collaboration with stakeholders and local communities	✓		medium	1.5°C/4.0°C	Medium

* The impact associated with carbon pricing is assessed based both on the emissions projected for 2030 (57,000t-CO₂) and on the following assumptions:

•Emissions: 57,000t-CO₂ (projected for 2030)

•Carbon price: ¥21,000 (IEA WEO2023 1.5°C scenario [NZE]), calculated based on two assumptions: the price projected for 2030 is \$140/t-CO₂; the exchange rate is ¥150 to the dollar

•Impact: 57,000t-CO₂ x ¥21,000 = approx. ¥1.2 billion

Measures addressing risks and opportunities		Summary
Transition risk related	GHG emission reduction measures	Converting to LED lighting, upgrading air conditioning, introducing AI air conditioning and other energy conservation measures
		Introducing mega solar power plants and other renewable energy sources, revising the power source procurement mix, and promoting the efficient use of heat sources
		Improving environment-friendly performance with ZEB Oriented facilities, the construction of wooden buildings, the use of Radi-Cool radiant cooling material, etc.
		Examining and considering the use of new energy
	Other	Effectively utilizing resources (providing materials and equipment from Haneda Airport to local and participating airports, etc.) and commercializing waste control (collection of waste oil for use as biofuel, etc.)
Physical risks related		Strengthening support for airport advanced business continuity planning at Tokyo International Airport, establishing a BCP system, and conducting periodic drills
		Implementing thorough infection control measures and non-contact sales using robots and digital technologies
		Overall optimization of procurement and production logistics, including supply chain redundancy

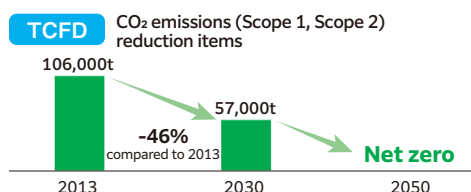
Relationships with the Natural Environment in Our Value Chain (Heat Map) and Strategy TNFD

Environmental Impact*			Use of land	Use of fresh water	Use of seawater	Use of water	Use of water resources	GHG emissions	Air pollution other than GHG emissions	Water pollution	Soil pollution	Waste	Noise and pollution	Alien species
Facility management	Upstream	Construction, etc. of facilities												
	Direct operations	Facility management and operation, and waste disposal												
	Downstream	Use by aircraft and passengers												
Merchandise sales, and food and beverage	Upstream	Procurement of merchandise and raw materials												
	Direct operations	Merchandise sales, manufacturing of in-flight meals, and food and beverage services												
	Downstream	Use and disposal of merchandise, and food, beverages, etc.												

Note: The darker the color, the stronger the relationship (dependencies and impacts) with the environment. We are considering assessing dependencies and impacts for each case in the future.

Our Strategy on Nature-related Risks and Opportunities	
Realizing an Eco Airport	Under the relevant policy and decarbonization plan of the central government, we will take measures to reduce the impact of our airport operations on the global and local environments in cooperation with our stakeholders concerned.
Establishing a circular economy	We will work to make the entire airport more like a circular economy by reducing the amounts of waste that is generated and disposed of in the airport through the promotion recycling and reuse and the resultant reduction of the amount landfilled.
Promoting sustainable procurement	We will work to reduce the impact of our supply chain as a whole on the natural environment. To this end, we will give more consideration to the environment and human rights in the manufacturing and processing of raw materials in our merchandise sales and food and beverage operation.

Indicators and Targets



TNFD To be formulated and disclosed in the near future.

CO₂ emissions

	FY2021	FY2022	FY2023
	88,420t-CO ₂	104,851t-CO ₂	110,758t-CO ₂

Scope of targets: The volume of CO₂ emitted by the Group in the premises of Haneda Airport (excluding emissions from airport vehicles owned by the Group).

Scope of emissions: CO₂ derived from energy consumed in-house during business operations, non-energy-origin CO₂ from waste incineration.

Note: To align target values with the Tokyo International Airport Decarbonization Promotion Plan promoted by the East Japan Civil Aviation Bureau of the Ministry of Land, Infrastructure, Transport and Tourism, emission factors and scope of coverage were revised. As a result, base year emissions and 2030 target values have increased.

Materiality

Development of a Safe, Comfortable and Advanced Airport

Approach

The Group's core business and social mission is to provide safe and comfortable airports that are advanced in terms of the processes and operations that apply to the terminal and airside areas. Airports, as public infrastructure, support society and the economy through the movement of people. JAT recognizes that providing safe and comfortable transportation, which incorporates digital transformation and advanced technologies, for a variety of users is essential for realizing sustainable growth. This will become increasingly important as the number of overseas and domestic visitors, as well as the elderly, people with disabilities, and other users increases.

Initiatives	Major Key Performance Indicators	Target Year	FY2023 Results
Enhanced terminal functionality	Consecutive awarding of 5-Star Airport rating by Skytrax (for which terminal expansion, smoother passenger flows, enhanced signage, diverse commercial facilities, and other aspects were evaluated).	Annually, ongoing	JAT received the 5 Star Airport rating, the highest rank in the world, for the 10th straight year.
Assurance of safety and security	Consecutive awarding of #1 rating by Skytrax in the World's Cleanest Airport category	Annually, ongoing	JAT received the 1st rating in the World's Cleanest Airport category for the ninth straight year.
	Implementation of disaster drills, etc. (150 times/year; 3,000 total participants/year)	Annually, ongoing	Held 206 times/year; 3,662 participants/year
Promotion of universal design	Consecutive awarding of #1 rating by Skytrax in the Best PRM & Accessible Facilities category	Annually, ongoing	JAT received the 1st rating in the Best PRM & Accessible Facilities category for the sixth straight year.
	Completion of initiatives to introduce mobile electric carts and self-driving wheelchairs to all terminals	2025	Six WHILL self-driving wheelchairs were introduced at Terminal 3.
Use of digital technology	Digital and robotic technologies to be used in five categories (i. cleaning, ii. guidance/translation, iii. transportation support, iv. security, v. retail/food and beverage)	2025	ii. The technologies were installed in the T2i security area. iv. A proof of concept was conducted, with the introduction slated for the latter half of FY2024.

Main initiatives

Customer-oriented passenger terminal operations

The JAT Group's management policy is to operate passenger terminals in a customer-centered manner, focusing on convenience, comfort, and functionality. In addition to adhering to the customer first principle, we incorporate the concept of universal design into our facilities and services, to ensure that customers who come from around Japan and across the world are able to use our facilities and services in comfort and with peace of mind.

As a corporate group responsible for operating passenger terminals, which are above all meant for use by the public, our mission is to address and resolve the issues customers face in terms of mobility, thereby promoting the creation of a safe, comfortable, and advanced airport.



World Airport Awards 2024 ceremony

Airport ranking by a professional airline industry research firm

For 10 consecutive years, UK-based Skytrax has awarded Haneda Airport Passenger Terminal a 5-Star Airport rating, the highest level in its World Airport Star Rating evaluation system. The terminal also ranked fourth in the World's Best Airport category (overall evaluation of global airports) at the 2024 World Airport Awards (survey conducted from August 2023 to February 2024), in addition to ranking first in three other categories. We will continue to work with our business partners to pursue operational excellence at Haneda's terminals.



World Airport Star Rating
Awarded for 10 consecutive years

World's Best Airports World's #4

World's Cleanest Airports

(Category evaluating airport cleanliness, etc.)

World's #1
for 9 consecutive years

World's Best Domestic Airports

(Category evaluating domestic airports overall)

World's #1
for 12 consecutive years

Best Airports in Asia Asia's #3

World's Best PRM* & Accessible Facilities

(Category evaluating PRM responses)

World's #1
for 6 consecutive years

* Persons with Reduced Mobility

Skytrax is a global airline industry rating company established in 1989 and based in London, England. It conducts independent audits and passenger satisfaction surveys on airlines and airports around the world, and publishes its ratings of airlines and international aviation in various countries. The World Airport Star Rating recognizes airports that achieve comprehensive quality performance with the world's highest rating of 5 Star Airport, the mark of top quality.

Further, the World Airport Awards, a multifaceted category that evaluates quality and is positioned as a global benchmark, announces the ranking of more than 550 international airports based on votes submitted by average passengers in an online survey conducted each year.

Efforts to provide a safe, secure airport

Telephone relay service proving trial

We have set up booths for a telephone relay service, a universal service in which operators provide interpretation for people with functioning hearing and those with hearing or speech impairments. We are the first domestic airport to offer this service, which can be used even by people who do not have a dedicated number.



Sign language training and seminars

We teach airport employees to recognize Japanese sign language as a language, and provide training in sign language that they can use at the airport. We have invited athletes who will be competing in the Deaflympics in Tokyo in 2025 to hold a seminar to help increase our understanding of hearing impairment.



Seminar about sign language

Efforts to provide a comfortable airport

Haneda Airport has been ranked number one in the world for cleanliness for nine consecutive years in the World Airport Awards organized by SKYTRAX, and is committed to maintaining a clean environment and providing comfortable spaces.

We have many nationally certified building cleaning technicians on staff, and the entire Company is working to improve its cleaning skills. We also use the expertise we have cultivated at Haneda Airport to carry out daily cleaning according to the location and frequency of customer use.



TOPICS



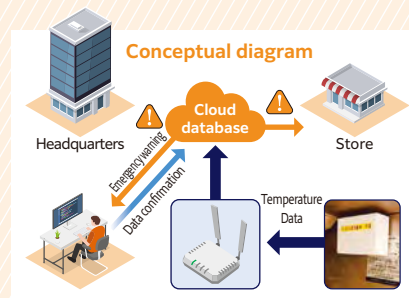
In-house fire brigade

We regularly conduct evacuation and fire drills at each store, and hold training sessions for members of our in-house fire brigade. We sit on the in-house fire brigade training review board, organized by the Kamata Fire Department, and are keenly aware of the importance of our in-house firefighting ability.



Airport Concierge

We encourage employees to acquire qualifications in areas such as service reception, foreign languages, sign language, and service assistance. To help them improve their skills through their daily work, we are building a system that allows a diverse range of customers to use our services with peace of mind and in comfort.



Food Safety

To ensure food safety, we have set strict standards for quality and hygiene management. We have also introduced an app to manage product temperatures, and are working to implement rigorous food safety management.

VOICE



Megumi Utada

Environmental Management Division
Environmental Services Department
Japan Airport Techno Co., Ltd.

The energy source behind the world's cleanest airport

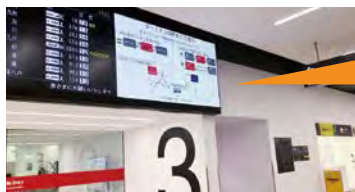
I have been involved in cleaning at Haneda Airport for approximately a decade, and to me the airport lobby is like something that is alive. Since the airport's appearance changes every day, we respond with a different cleaning menu each day, depending on the level of congestion, how quickly trash accumulates, and how often the lobby gets dirty.

As we clean it, we begin to feel almost attached to and fond of it. When we put our all into cleaning duties, our customers often say, "Thank you for keeping it so clean." This is gratifying and, in order to live up to that praise, we work hard at cleaning, hoping that our guests will have a comfortable stay and take happy memories away with them.

Main initiatives

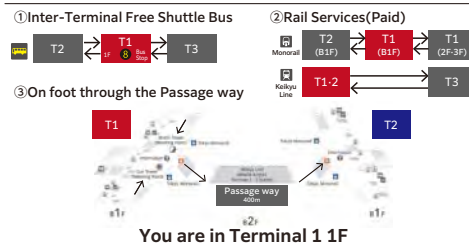
Guidance on movement between terminals

As there was little information on how to move between terminals and many customers were getting lost, we now are using digital signage and have added new information. As ours are public terminals, we recognize the need to help ensure stress-free, comfortable travel.



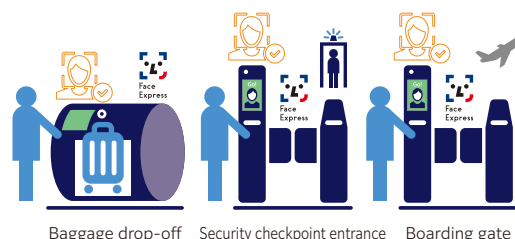
Digital signage helps guide passengers as they move between terminals.

Travel Between Terminals



Adoption of Face Express

To ensure our customers have a safe, comfortable, and stress-free journey, we have introduced Face Express, which uses facial recognition technology to allow for face pass during some of the boarding procedures conducted between customers and airlines. We will continue to work with relevant businesses to verify the benefits of advanced examples in order to create a smart airport.



Ramp bus dispatch system improves on-time flight rates

To improve on-time flight rates at Haneda Airport, together with airlines and the Airport Transport Service Co., Ltd. we have incorporated the Ramp Bus Allocation System (RBAS), which went into operation in April this year.

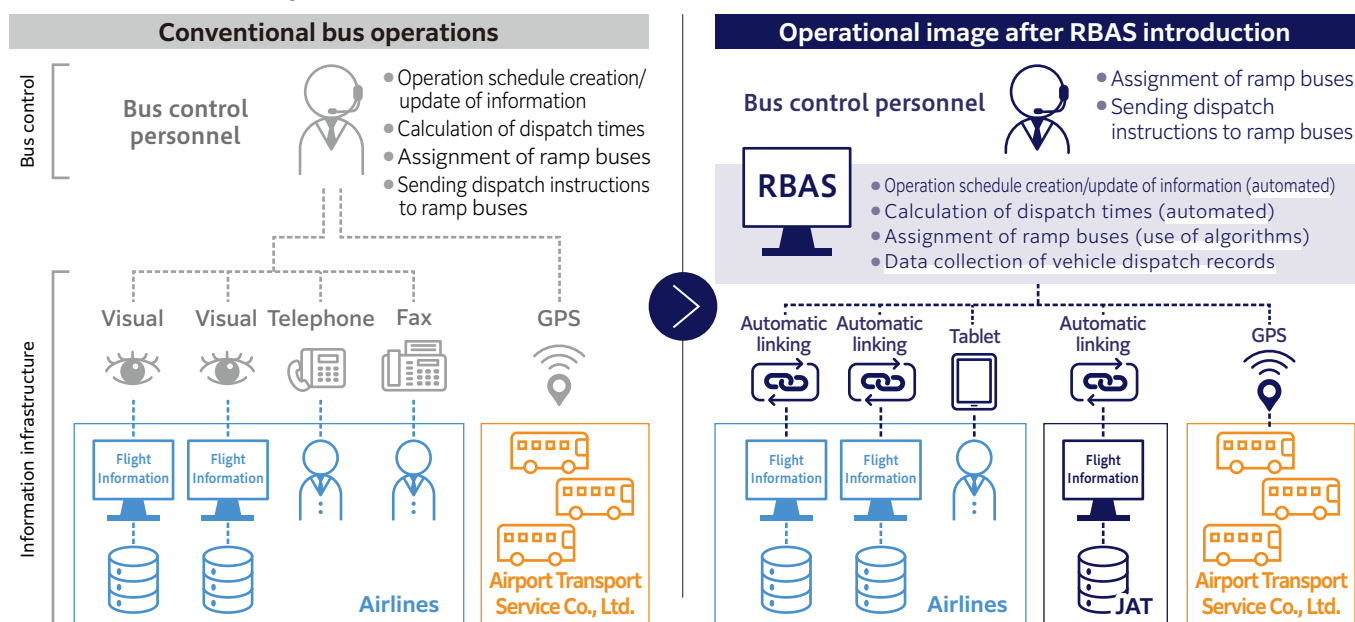
Ramp buses are dispatched according to the number of passengers boarding an aircraft, its flight status, and the status of runway operations based on wind direction. As a result, delays occur during busy periods when flight operations are disrupted.

By introducing RBAS, we are able to link this information and data, and automatically dispatch buses using an algorithm to improve the efficiency of ramp bus operations. In this way we reduced customer waiting time and optimized staff and the number of buses in operation.



A ramp bus that runs inside the airport.

Overview of the RBAS system



* Includes current implementation and planned implementation.

Use of robotics technology

By using cutting-edge robotics technology in public airport terminals, we are addressing societal issues with the following goals: 1) To improve personnel and business efficiency, 2) reduce the workload of employees, 3) improve passenger experience and convenience, and 4) share our efforts with other airports.

Currently, we are introducing robotics technology in five areas (cleaning, guidance/translation, transportation assistance, security, and sales/food and beverage) at Haneda Airport, and adopting such robotics technology as key performance indicators.

Mobility support

WHILL introduced in 2020

Role:	Passenger transportation support
Installation area:	Terminal 1, 2, and 3 security areas
Effects:	Reduces staff workloads through use of automatic return function
Manufacturer:	WHILL, Inc.



Guidance/translation

mini MORK introduced in 2021

Role:	Information services
Installation area:	Terminal 1 and 2 information counters, etc.
Effects:	Achieves overall optimization of concierge allocation, promotes work style reforms
Manufacturer:	Indy Associates Co., Ltd.



Cleaning

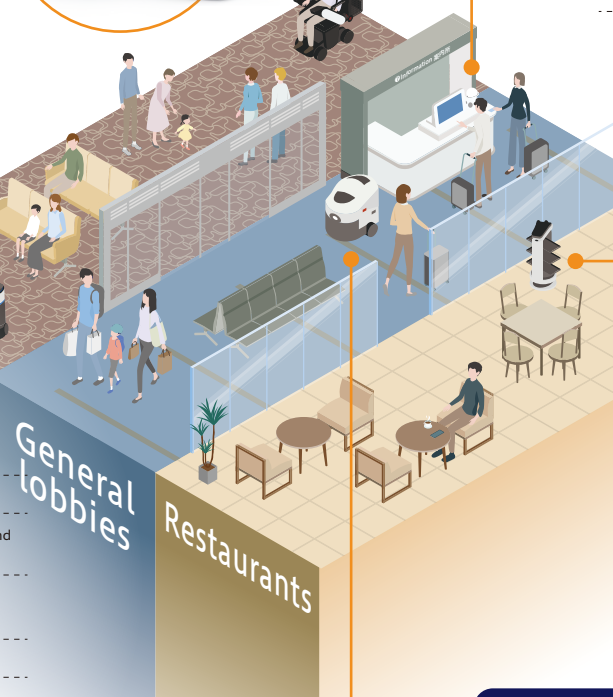
Vacuum40 introduced in 2022

Role:	Autonomous cleaning of carpeted floors
Installation area:	Terminal 1 and 2 general lobbies and security areas
Effects:	Reduces workloads and improves work efficiency in cleaning during off-peak hours
Manufacturer:	Kukan Co., Ltd.

Security

Demonstration experiments in progress

Role:	Security services
Installation area:	General lobbies
Effects:	Increased security



Merchandise/food and beverages

Bellabot introduced in 2022

Role:	Automated food delivery and serving
Installation area:	Group directly managed restaurants (limited to certain locations)
Effects:	Reduces staff workloads
Manufacturer:	Pudu Robotics Japan Co., Ltd.



Cleaning

EGrobo introduced in 2019

Role:	Autonomous cleaning of tile floors
Installation area:	Terminal 1 and 2 general lobbies
Effects:	Reduces workloads and improves work efficiency in cleaning during off-peak hours
Manufacturer:	Amano Corporation



Terminal.0 HANEDA: R&D hub collaborating across industries

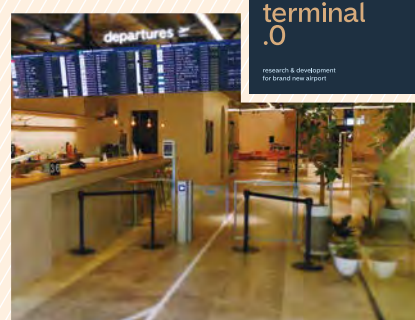
At the end of February this year, we opened terminal.0 HANEDA at Haneda Innovation City as an R&D hub that will work across industries to solve problems facing airports. The co-working hub studies and develops solutions to enhance airport value.

The aim is to develop results through cross-sectional collaboration with highly specialized companies and organizations, before applying the results at each Haneda Airport terminal, as well as at airports nationwide and worldwide.

In August this year, 35 companies and organizations took part in the project. Members are working together to solve problems through regular communication, by sharing the challenges faced by each department at the airport, and by forming R&D units and holding meetings. In addition, they are working to accumulate new knowledge and expertise that will lead to improved airport services, better functionality, and greater comfort.



An issue-sharing session



terminal.0 HANEDA

Materiality

Contribution to Local and Regional Communities

Approach

The JAT Group maintains positive relationships with the regions in which it operates, including metropolitan Tokyo and Tokyo's Ota Ward. The ties are supported by the movement of people among various regional cities and the Tokyo area.

We recognize that maximizing use of the Haneda Airport terminal helps ensure the Company's sustainable growth. This is because the terminal serves a broad swath of customers as a space facilitating interaction with local communities and residents, and to communicate the attractiveness of the airport.

Initiatives	Major Key Performance Indicators	Target Year	FY2023 results
Creating interaction with local communities	Install permanent local specialty stores in the premises of Haneda Airport within FY2023; hold promotional campaigns at event spaces at least 24 times a year.	Annually, ongoing	Haneda Sanchokukan Mall opens in December 15, 2023; 40 regional collaboration promotions held
	Provide 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	23 contracts signed (for Radi-Cool, robots, consulting services, etc.)
Benefit-sharing with local communities	Continue providing airport tours and work experience programs for more than 1,000 participants, including elementary and junior high school students from Ota Ward and other areas.	Annually, ongoing	195 events held, with a total of some 10,000 participants
	Grand opening of the HICity (benefit sharing with local communities by providing medical services, creating vibrancy, offering a traffic hub, etc.	2023	Target attained HICity opened on November 16, 2023; Terminal.0 HANEDA opened at the end of February 2024.
	→ Terminal.0 HANEDA R&D collaboration to include: i. regional events, ii. events with local businesses, and iii. tours of surrounding areas.	Annually, ongoing	—

Main initiatives

Regional revitalization and local development

We are leveraging the potential of the Haneda Airport terminal as part of our bid to assist in regional revitalization and local development using the JAT Group's businesses. Since the airport is used by 80 million customers each year, we are collaborating with such business partners as local governments and airlines to hold events that communicate the attractions of various regions, promote tourism, and encourage the distribution of local specialties.

In FY2023, we conducted 40 promotions, and sold merchandise at permanent stores—including Haneda Sanchokukan Mall, JMC, Wakuraba, and Hokkaido Dosanko Plaza—as well as through e-commerce sites, such as Haneda Sanchoku Selection. We plan to continue promoting the area as a focal point for people and industry, as well as a cultural hub.



Haneda Sanchokukan Mall



Events held in collaboration with local producers



Wakuraba

Number of regional collaboration promotions held

40
events in
FY2023



Haneda Sanchoku Selection (e-commerce site)

Installation of Hometown Tax Vending Machines

To support the victims of the 2024 Noto Peninsula Earthquake, we collected donations at information counters, held events featuring products from the Noto region, and set up a Hometown Tax Vending Machine to provide aid.



Airport tours

We offer airport tours for schools in surrounding areas, as well as for companies and organizations. The tours provide an overview of Haneda Airport and the professions and occupations that support its operations. In FY2023, we arranged 195 tours, in which approximately 10,000 people took part. By offering such off-the-beaten-track visits as the Haneda Airport Restricted Area Bus Tour, which takes visitors on a special bus through the restricted areas of Haneda Airport, we aim to promote the appeal of the airport, nurture the next generation of airport service providers, and contribute to the local community.



People enjoying a Haneda Airport Restricted Area Bus Tour.



Students participating in an airport tour.

Management of other airports

By working with local governments and other companies, we are taking the operational experience we have cultivated at Haneda and applying it to other airports; revitalizing stores by opening new duty-free shops; and developing new services. At the same time, we are securing new sources of revenue, contributing to the development of local economies and tourism, and promoting sustainable coexistence with local communities.

In Japan, we are supporting the operation of a new terminal at Kumamoto International Airport on the island of Kyushu, thereby contributing to the revitalization of the local economy. The new terminal building, which opened in March 2023, has significantly improved user convenience with its state-of-the-art facilities and comfortable spatial design. The new and spacious duty-free area offers a wide range of merchandise popular with domestic and international travelers, making the airport more attractive and profitable.

We have also helped make airports overseas more convenient and profitable. Examples are the operational improvements we have made at Palau International Airport in the Republic of Palau, and New Ulaanbaatar International Airport in Mongolia. In such efforts, we work closely with local communities in order to help revitalize local economies and promote sustainable development.



The new Ulaanbaatar International Airport Passenger Terminal



Kumamoto International Airport passenger terminal



Palau International Airport Passenger Terminal

TOPICS



Haneda Shrine's summer festival

As part of our contribution to community activities, the JAT Group helps out with Haneda Shrine's summer festival each year. In FY2023, six JAT Group companies took part, setting up a water station in front of the torii gate near Tenkubashi Bridge to distribute chilled tea.



Production, donation of educational materials for elementary school students

JAT and Gakken Co., Ltd., a Japanese publishing company that also makes educational toys, jointly produced learning materials to generate interest in working at Haneda Airport. Through Gakken, we donated 20,000 copies of the materials to all elementary schools and special needs schools across the country, and 4,000 copies to public libraries and children's centers.



Ota Ward elementary school painting exhibition

The JAT Group, together with various airports, holds an art exhibition of works of art created by students attending Ota Ward, Tokyo, Elementary Schools. Reflecting the theme Haneda Airport. The works are displayed at each terminal, in a bid to arouse the next generation's interest in airports.



Materiality

Human Resource Development

Approach

To realize our long-term vision of becoming a World Best Airport, we recognize that human resources are our most important form of capital. We also recognize that, in order to realize sustainable Group growth, we must promote human resource development. This includes career development support, so that human resources might be transformed into professionals, and workplace environment improvement to enhance employee engagement.

Initiatives	Major Key Performance Indicators	Target Year	FY2023 Results
Transforming workforce into a group of real professionals	Active recruitment and training of human resources with diverse skills.	Performance management	<ul style="list-style-type: none"> Mid-career hires accounted for 16% of all hires People trained in architecture and foreign languages accounted for 23% of all new graduates hires Total training time was 10.8 hours per hire
	Creation of innovative businesses and improvement of business operations through cross-industry/industry-academia collaboration and secondment of personnel to outside entities.	Performance management	<ul style="list-style-type: none"> Cross-industry/industry-academia collaboration: 4 people (total 24 people) Secondment of personnel to outside entities: 21 people
Improving employee engagement	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	Renewed the corporate logos of 20 Group companies, distributed unified new corporate logo Brand Book and special edition of in-house newsletter

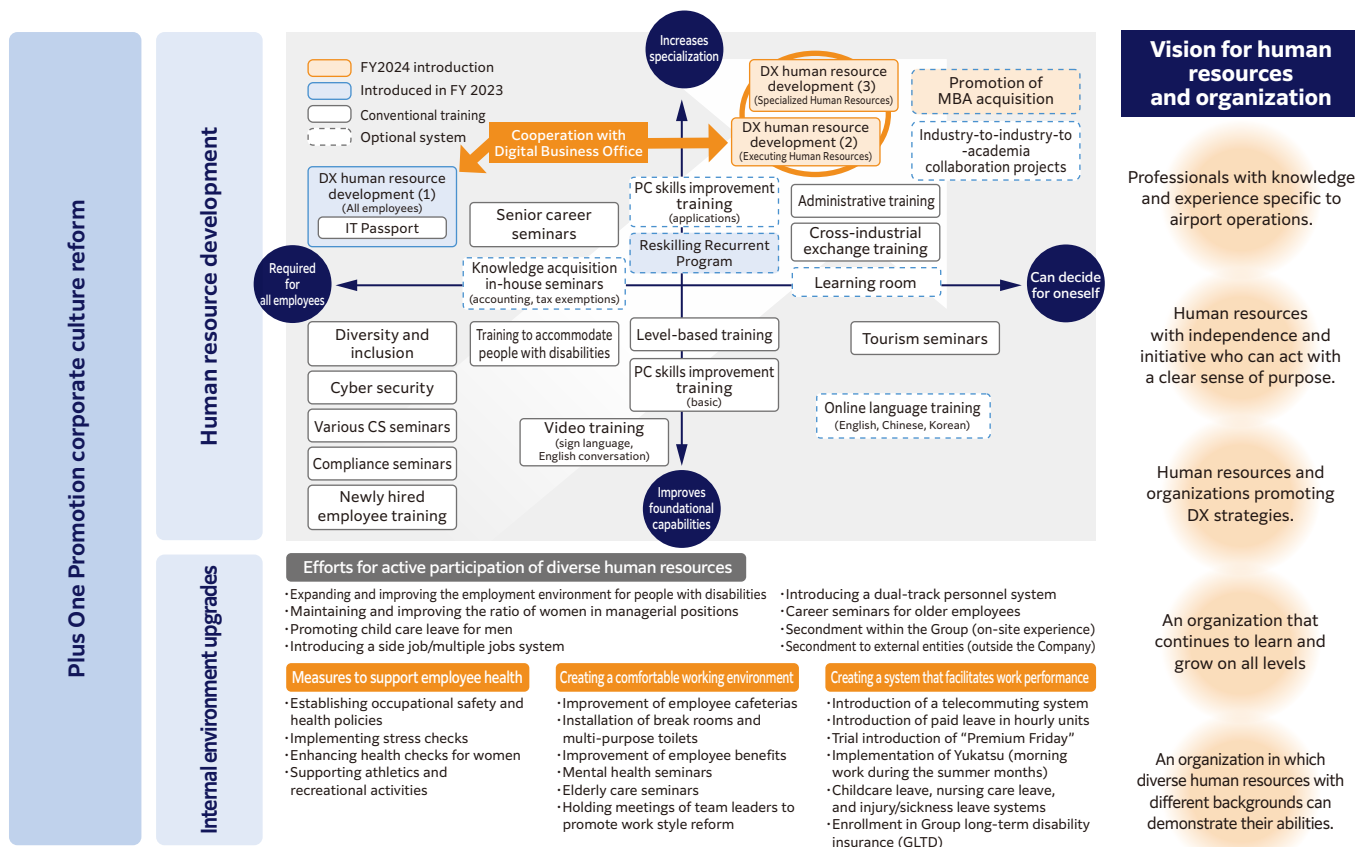
Main initiatives

Based on our organization and human resources strategy (see page 37), the JAT Group has established a variety of learning and training systems to support employees' independent learning and encourage them to take on challenges. The education available includes basic and uniform instruction, whereby staff develop the skills required by all JAT Group employees; job- and rank-specific skills, focused on knowledge particular to airport operations and digital transformation; as well as in-house academies and programs to instill tarmac-related hand-raising proficiency.

In addition, we aim to create workplaces that, with their support of staff well-being, maximize the abilities of diverse human resources. We create environments and systems that support the physical and mental health of our employees, making it easy for them to perform their duties where their jobs are rewarding.

Human resource development policy: **Think and take on challenges on their own**

Internal environment development policy: **Corporate culture enhances diverse human resources**



Industry-academia collaboration projects

In order to develop human resources who think for themselves and take on challenges, we are creating opportunities for young employees through in-house recruitment. As they assume new experiences while we carry out projects involving industry-academia collaboration projects, the staff are able to cultivate experience and skills in planning and proposing new areas of business.

In FY2023, we collaborated with The University of Tokyo Faculty of Engineering, Industry-Academia Collaborative Education Course to conduct field surveys and hold discussions. As a result, we created the concept of an emotional airport. We are currently working with participating companies to actualize the concepts we have created at our terminal.0 HANEDA research and development center.



Implementation of Learning ROOM (in-house academy)

We have established an in-house academy we call the Learning Room. It provides a place for independent learning and the exchange of ideas, as well as somewhere opportunities for learning can be created. At the same time, it encourages interaction and knowledge sharing across departmental and Company intake boundaries.

In FY2023, we held 13 lectures for young to mid-career staff. Some 80 employees took part and covered topics such as our medium-term management plan, sustainability, employees' past experiences (overseas assignments and graduate school studies), parental leave, and working styles.



A Well-being in the Workplace lecture



A Juggling Work and Childcare seminar for men

Reskilling and recurrent program

To create an environment in which a diverse range of human resources can thrive, JAT has revised its HR system as it applies to older employees, lifting the mandatory retirement age to 65, abolishing the mandatory retirement age for managerial positions, and extending the post-retirement re-employment system to age 70. We will put in place an environment where veteran employees can utilize the experience and skills they have cultivated to contribute to the future development of each of our businesses and the improvement of operational efficiency. We will also implement career counseling as well as a reskilling and recurrent program to help our employees form their future career vision and further hone their skills. In so doing, we aim to provide ongoing learning and growing even among the senior generation.



Career seminar for older employees



VOICE



Mayuko Hattori

Director,
General Affairs & Human Resources Division
Human Resources & Labor Welfare Division
Japan Airport Terminal Co., Ltd.

Aiming for ongoing organizational growth

Recognizing that, in times of change, it is important to develop human resources and evolve as an organization, we have incorporated a wide range of support systems. We have created environments in which employees can work with peace of mind and pride, improve their basic skills, and take part in forums to conduct independent learning.

As an opportunity for independently taking on challenges, the Industry-Academia Collaboration Project started last year with the laying down of concepts. Since then, it has developed into a collaborative effort with other companies and the project has become a reality. At the same time, participation in the Learning Room is increasing year by year.

As we continue to take new steps, we aim to encourage those people who think for themselves and take on challenges to discover the diversity within themselves, to thrive, to foster a corporate culture in which diverse people can help each other grow and, thereby, to create an organization that continues to learn and grow.

Materiality

Promotion of DEI* and Respect for Human Rights

Approach

The JAT Group welcomes a variety of customers from across Japan and around the world. We thus have a crucial responsibility to respect diverse cultures and ways of thinking, as well as to respect human rights in the supply chain and throughout our business, merchandise sales and food and beverage (F&B) businesses included.

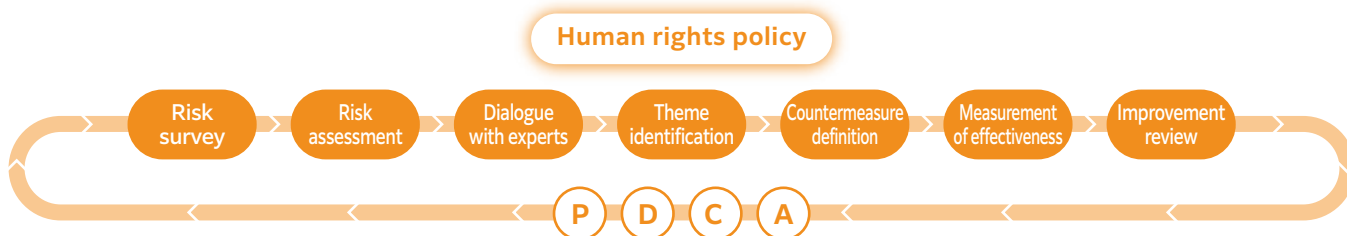
* Diversity, equity, and inclusion

Initiatives	Major Key Performance Indicators	Target Year	FY2023 Results
Promotion of DEI	i. Rate of childcare leave being taken by male workers: 100% ii. Rate of managerial posts being assumed by female personnel: 40% (non-consolidated basis)	2027	i. 88.9% ii. 38.8%
	Employment rate of persons with disabilities: 6.6% (non-consolidated basis)	2025	3.6%
Implementation of human rights due diligence	Investigation of human rights risks and identification of issues and countermeasures	2023	Target attained • JAT conducted a human rights risk survey, which identified issues and measures to address them. • JAT conducted a questionnaire survey on major business partners.
	→ Implementation of measures to the issues identified in human rights risk surveys	2025	—

Main initiatives

Human rights due diligence

To promote DEI and respect for human rights in our business activities, we have developed policies related to human rights and procurement, and conduct human rights due diligence. In FY2023, we identified human rights themes to tackle as described below. In deciding on the themes, we not only considered the deliberations of each subcommittee, but also the opinions of external experts. By conducting human rights due diligence, we will build sustainable relationships with our stakeholders.



Engagement in human rights issues

Issue 1 Ascertaining working conditions at partner companies involved in facility management

Amid labor shortage concerns, it is important to ensure that work environments are properly maintained by subcontractors that manage facilities. We assessed the working environment in the areas of security and cleaning through questionnaires and other methods. Further, we conducted interviews with our partner companies in the areas of cleaning.



Interview with the members of the cleaning partner company

Issue 2 Identifying retail F&B supply chain human rights risks

As Japan's premier gateway to the skies, it is important that we reduce supply chain risks related to the products we provide. To this end, we first must identify human rights risks in the supply chain, starting with our original clothing products and the coffee we serve at our directly managed stores. In the event that areas needing improvement are identified through the interviews, we discuss remedial measures.

Other human rights-related issues

Although human rights risk surveys confirm that the system for rapid risk identification and remedial action is functioning, we have identified the following three items that we will continue to monitor and address to ensure that future changes in the social environment do not have a negative impact on human rights.

Comfortable working environment for employees

Management of individual user information

Responding to diversifying customer needs

Making a diverse workforce successful

Gender wage gap analysis

At JAT, there is no wage disparity between men and women who do equal work. We have analyzed the main factors below.

Gender wage gap (all workers)	FY2023 result: 84.7%
Gender wage gap (full-time employees) ¹	FY2023 result: 87.2%
Gender wage gap (part-time employees) ²	FY2023 result: 48.2%

Notes: 1. Excluding seconded employees.

2. Combined figure for department manager-class non-regular employees, counselors, and mid-career employees (including people with disabilities).

1. Full-time employees

The differences in average age (40.2 years for men, 36.6 years for women) and average years of employment (14.7 years for men, 14.1 years for women) do not appear to have a significant impact on the wage gap. Moreover, we are promoting more women to managerial positions, and the ratio of women in these positions is approximately 40%, although the ratio at the level of department head is only around 20%.

However, the difference in the number of men and women being promoted to higher managerial positions affects the wage gap. To improve the situation, we will introduce a one-on-one mentoring system for senior executives (both male and female) who are seeking section manager-level positions, and strengthen training for upper management positions.

2. Part-time employees

Among our part-time employees, approximately half (47.3%) the mid-career staff (including those with disabilities) are women, and there is no wage difference between men and women. That said, the majority of department manager-class non-regular employees and counselors who are brought in from outside the company are men. The wages of department manager-class non-regular employees and counselors are about twice as high as those of the part-time employees, due to the nature of the job and the level of responsibility. Hence the difference in the gender composition of these two positions affects the wage gap.

DEI seminars

We hold DEI seminars to build a work environment where diverse human resources, regardless of background or attributes, can put to use their individual capabilities. In addition, to promote the employment of people with disabilities, we provide general knowledge training for all staff, and for those departments that employ people with disabilities, we arrange for seminars to be given by clinical psychologists in an effort to create a comfortable working environment.



Training for people with disabilities

Heading for a diverse society

Haneda Blue Week

Coinciding with the United Nations' World Autism Awareness Day and the Ministry of Health, Labour and Welfare's Developmental Disabilities Awareness Week, we held an exhibition at Haneda Airport to present DEI success stories and promote understanding of a society rich in diversity. The event was also supported by JAL Sunlight Co., Ltd. and ANA Wing Fellows Vie Oji Co., Ltd., and featured an exhibition of works by staff from each company.



Haneda Cocoa Journey

At the Haneda Chocolate Journey event held in February 2024, we gathered chocolate brands that are helping improve and solve various issues facing cacao producing areas around the world through fair trade and farm support. By promoting them as Haneda Cacao Journey, we will use chocolate to contribute to a sustainable society.



VOICE



Masahiko Kaino

Assistant Manager,
Retail Sales Division
Business Management Division
Japan Airport Terminal Co., Ltd.

A sustainable world through retail trade

The Haneda Cacao Journey brand brings together Japanese chocolate brands that are working to solve issues on cocoa farms around the world. The impetus for launching this event was that, amid our efforts to advance sustainability, the question arose regarding how we could make a difference in, for example, the retail sector and our projects. We learned that cocoa-producing areas face many challenges, and discovered that some brands are working to resolve the issues through fair trade and farm support. We thus reached out to individual brands and, after sharing our thoughts, were able to make this happen.


It is really meaningful if one can implement and promote such initiatives at Haneda Airport, given the diverse range of customers it serves. Based on our vision of being an advanced, human- and eco-friendly airport, we intend to continue contributing to the realization of a sustainable world through retail trade.

Materiality

Promotion of Fair Business Activities

Approach

As a Group engaged in the operation of public airport passenger terminals, JAT complies with laws, regulations, and social norms as a matter of course. Further, we also recognize that some social concerns can be resolved if we strengthen our system of governance, engage in sound, highly transparent management, and promote fair business activities.

Initiatives	Major Key Performance Indicators	Target Year	FY2023 Results
Ensuring thorough compliance	Zero incidence of inappropriate behavior (serious misconduct/violations) in corporate activities	Annually, ongoing	Number of incidents of inappropriate behavior in corporate activities (serious misconduct/violations): 0
Strengthening sustainability governance	Formulation of sustainable procurement guidelines and their dissemination to business partners	2023	 JAT disseminated the guidelines to 570 business partners, who were identified as Tier 1 based on turnover and other criteria.
	→ Continuous improvements both in the response rate for surveys on compliance with the Sustainable Procurement Guidelines and in the conformance rate.	2030	—
	Dialogue with experts (twice a year)	Annually, ongoing	Number of dialogue sessions with experts: 2

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

Main initiatives

Ensuring thorough compliance

Promotion Structure

To conduct corporate activities in accordance with laws, regulations, and social rules, the Group has issued a Compliance Declaration and formulated Basic Compliance Guidelines to establish a system to promote compliance. To ensure that management is compliance oriented, the operation of the system is regularly examined and supervised by the Compliance Promotion Committee, chaired by the representative director and president.

FY2023 Results

E-learning test pass rate

99.1%

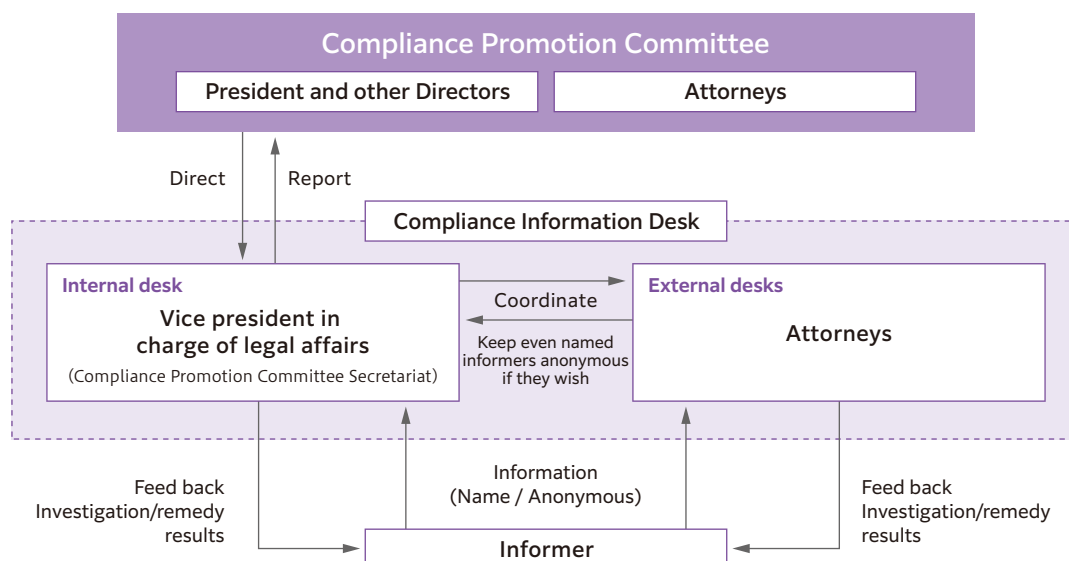
Awareness of compliance information desk

86.7%

Main initiatives

We set up an internal and external compliance information desk (reporting system) to identify problems within the Group, take corrective action at an early stage, and implement measures to prevent recurrences.

To further inculcate compliance awareness, we conduct periodic e-learning tests for all employees. Our *Japan Airport Terminal Group Compliance Handbook* includes specific examples of necessary compliance, and is posted on the Company intranet to enhance staff knowledge and ensure thorough awareness.



The full text of Basic Compliance Guidelines can be found at
<https://www.tokyo-airport-bldg.co.jp/files/en/ir/compliance.pdf>

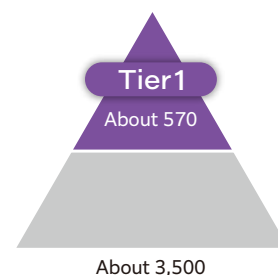


Strengthening sustainability governance

The JAT Group has formulated a Procurement Policy and Sustainable Procurement Guidelines to promote proper supply chain management and fair procurement practices. Currently, of the approximately 3,500 companies that do business with our Group, about 570 companies (suppliers who account for the top 90% of overall transaction value plus tenants, and other businesses), have been identified as Tier 1. Our Supply Chain Subcommittee has taken the lead in communicating to major suppliers the guidelines that we had set as KPIs for FY2023.

In addition to conducting a survey to determine whether our suppliers comply with the Sustainable Procurement Guidelines, we are also working with the Human Rights Subcommittee to conduct additional surveys in business areas where human rights risks have been identified as high.

We plan to continue conducting the Sustainable Procurement Guideline Compliance Survey each year, as we strive to improve response and conformance rates, and ensure that procurement throughout the supply chain is fair.



Guideline Item

Conducting Transactions in a Fair, Just, and Sincere Manner	<ul style="list-style-type: none"> (1) Compliance with competition laws (2) Prevention of corruption and bribery (3) Elimination of relationships with anti-social forces (4) Protection of personal information and prevention of leakage of confidential information (5) Protection of intellectual property rights 	Respect for Human Rights	<ul style="list-style-type: none"> (1) Respect for human rights and elimination of discrimination (2) Prohibition of forced labor (3) Prohibition of child labor (4) Prohibition of harassment, inhumane handling, and unfair treatment (5) Occupational safety and health (6) Management of workers' health
Ensuring Safety and Quality	<ul style="list-style-type: none"> (1) Ensuring the safety of products and services (2) Provision of accurate information about products and services (3) Development of business continuity plan 	Consideration for the Environment	<ul style="list-style-type: none"> (1) Compliance with environmental laws and regulations (2) Disclosure of environmental information (3) Efficient use of energy and reduction of greenhouse gas emissions (4) Effective use of resources and waste management (5) Implementation of responsible procurement activities



The full text of Sustainable Procurement Guidelines can be found at

<https://www.tokyo-airport-bldg.co.jp/files/en/sustainability/JapanAirportTerminalGroupSustainableProcurementGuidelines.pdf>

Conformance rate survey

In accordance with our Sustainable Procurement Guidelines, the Group aims to conduct transactions fairly and honestly, paying attention to environmental and social issues in all of our business activities and in our supply chain. We are asking our suppliers to understand this and to comply with the guidelines, and have conducted a survey to help us improve sustainability throughout the supply chain.

Main survey items

1. Understanding Japan Airport Terminal Group Sustainable Procurement Guidelines
2. Transactions in a Fair and Just manner
3. Ensuring safety and quality
4. Respect for human rights
5. Consideration for the Environment

Results

Response rate: 39%; Conformance rate: 67%

We will continue to conduct surveys each year and strive to improve response and conformance rates.

Dialogue with experts

To strengthen its sustainability governance system, the Group has set as a KPI the holding of dialogues with experts twice a year. We held two such sessions in FY2023.



Human rights dialogue session

The themes we used to conduct human rights due diligence reflected the results of discussions we held with human rights experts.



Security training for managers

We invited an external lecturer to give a talk to Group managers about recent cybersecurity threats and the steps that should be taken.

Materiality

Strengthening of Risk Management

Approach

Ensuring business continuity is the JAT Group's social mission. In a highly uncertain society in which new risks are forever emerging, we recognize the importance of ensuring and maintaining organizational resilience by understanding the risks surrounding our business environment and implementing countermeasures.

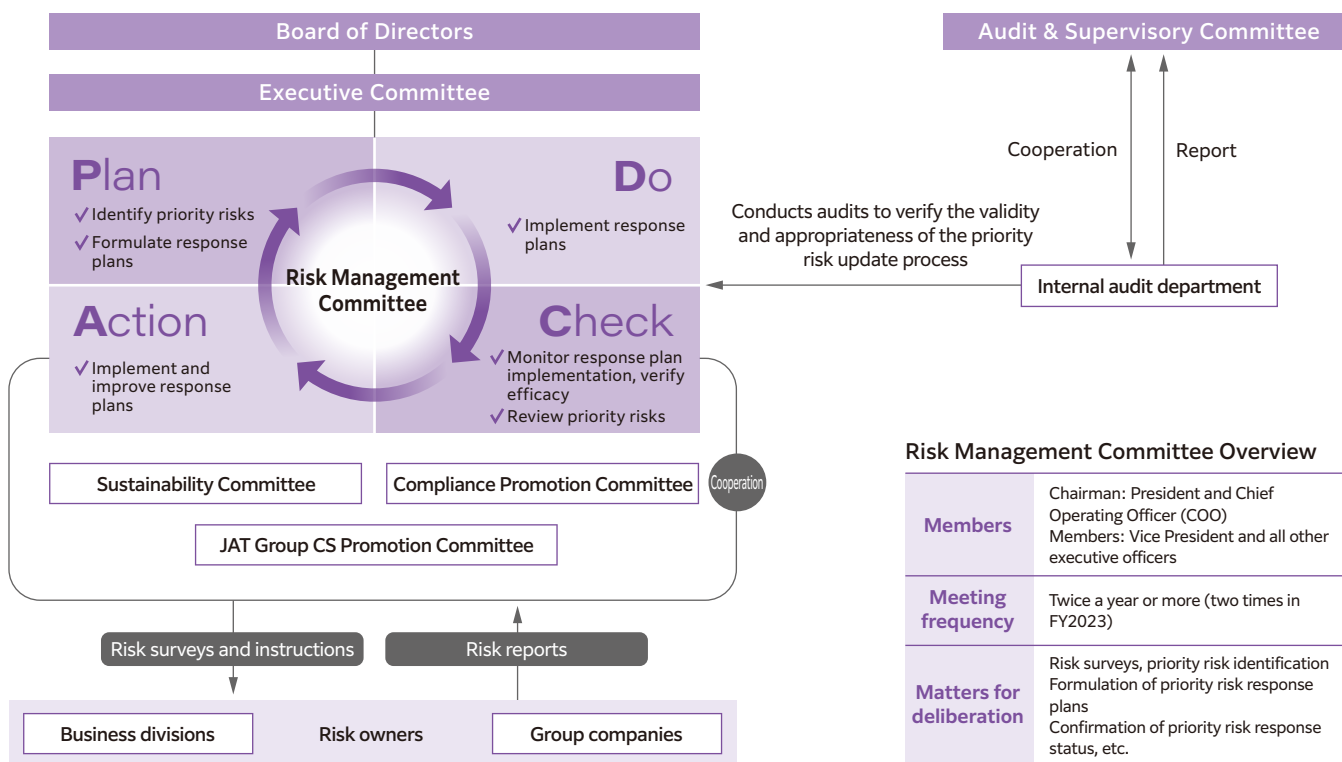
Initiatives	Major Key Performance Indicators	Target Year	FY2023Results
Strengthening of risk management systems	Zero incidence of inappropriate behavior (serious misconduct /violations) in corporate activities	2023	Target attained JAT established the Risk Management Committee, which identified priority risks; The Risk Management Committee met twice to implement PDCA.
	→ Semiannual implementation of PDCA for priority risks	Annually, ongoing	—
Cybersecurity countermeasure enhancements	Zero significant impacts on terminal building operations caused by inadequate cybersecurity measures	Annually, ongoing	Number of incidents that result from a lack of adequate cybersecurity measures and have a serious impact on the terminal building operations: 0

Main initiatives

Risk management

Given the environment surrounding the company, and in light of trends in environmental and social issues related to materiality, as well as risk-related information published by research organizations, each business division and Group company coordinates with the Sustainability Committee and Compliance Promotion Committee on the implementation of risk surveys. We conducted evaluations from the perspectives of degree of impact and frequency (rate of expansion), and identified 18 priority risks as being very important to our businesses.

With regard to priority risks, we have a system in place that involves the Risk Management Committee and management processes. Responses are reviewed and effectiveness is verified on a semi-annual basis, while the internal audit department conducts audits to verify the validity and appropriateness of the priority risk update process.



Responding to priority risks

The identified priority risks are classified into four categories: Crisis management (external factors), business processes (internal factors), management infrastructure, and changes in the business environment.

The Risk Management Committee formulates response plans for risks from the perspectives of avoiding, mitigating, transferring, and accepting them, both in terms of preventing losses and developing opportunities, and provides instructions and support to risk owners.

The details of Risk Management Committee deliberations and response plans are discussed by the Executive committee, taking into account their consistency with strategy, and are then reported to the Board of Directors for management and supervision. Through the appropriate application of the PDCA cycle we have established and the implementation of an integrated risk management process, we will strive to strengthen our corporate structure and improve our overall capabilities.

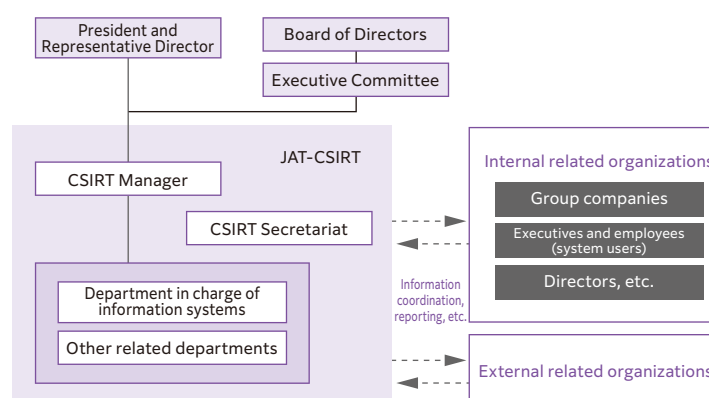
Classification	Priority Risks
Crisis management (external factors) Risks that must be prevented from materializing	<ul style="list-style-type: none"> • Terrorist acts and subversive activities • Significant airport functional decline (natural disasters, accidents) • Spread of serious infectious diseases • Inadequate cybersecurity measures
Business processes (internal factors) Risks that must be prevented from materializing	<ul style="list-style-type: none"> • Inadequate product management (food safety, excess inventories) • Inadequate supply chain management
Management infrastructure An inadequate framework for managerial functions may pose risks for the Company	<ul style="list-style-type: none"> • Insufficient human resources, lack of training and low engagement • Inadequate Group governance • Insufficient promotion of DEI, respect for human rights • Financial covenant violations • Acquisitions without consent
Changes in the business environment Risks expected to materialize due to changes in the external environment and for which management strategies are required to prevent losses, or to expand or transform opportunities	<ul style="list-style-type: none"> • Responses to environmental issues • Responses to changes in behavioral patterns and technological innovations • Changes in government policies (public regulations) • New businesses, acquisitions, and capital investments • Rapid, drastic changes in market conditions • Diversification of sales composition (less dependence on airlines) • Changes in international conditions

Enhancing cybersecurity measures

In line with our digital transformation (DX) strategy, we are promoting the collection and utilization of various data, which has resulted in concern over increased security risks such as cyberattacks. Accordingly, while promoting DX, we are also working to strengthen cybersecurity measures to protect business continuity and information assets, as well as to improve IT governance in Group companies.

We ensure stable IT system operations through a permanent, 24 hour-a-day monitoring system. But, in the event of an emergency, we will promptly implement an initial response, set up a company-wide Cybersecurity Incident Response Team (CSIRT), and strive to restore operations as quickly as possible, based on our IT System Business Continuity Plan (IT-BCP).

We also regularly provide security education for both officers and employees.



Main initiatives

Formulation of security standards

We have formulated and are implementing our IT-BCP based on laws and regulations related to information security, as well as national guidelines and directives.

IT system security countermeasures

In addition to having in place basic countermeasures, such as regular updates for operating systems and software, and the introduction of multi-factor authentication requirements when accessing systems, we check security measures and implement them based on the IT-BCP requirements for various systems. These include facility and equipment systems that support passenger terminal buildings, e-commerce sites, and core business systems that support each of our business divisions and administrative departments.

Employee security education

To improve our ability to respond to targeted email attacks aimed at stealing confidential information, we conduct training for all employees that simulates such attacks. We also regularly conduct e-learning and testing to inculcate security awareness.

Incident response training

To ensure that the CSIRT system will function effectively in the event of an emergency, we participate in incident response training organized by the Cabinet Office and the Tokyo Metropolitan Police Department.

Enhancing information-sharing systems

We participate in various councils organized by relevant national organizations, such as the Ministry of Land, Infrastructure, Transport and Tourism, the National Center of Incident Readiness and Strategy for Cybersecurity (NISC), and the Tokyo Metropolitan Police Department. In addition, we share information with other airports and aviation industry-related businesses.

Communicating with Stakeholders

To further deepen the understanding of various stakeholders, the JAT Group recognizes the importance of promoting and stimulating two-way communication. This we do by responding to opinions, conducting dialogues, and providing timely and appropriate information through our information media. By creating sustainable relationships based on stakeholder opinions and expectations, we are contributing to economic and societal development, while expanding our business activities.

Group information disclosure and dissemination system

Financial information

(Information for shareholders and investors)
IR materials, stock information, etc.

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



Non-financial disclosure

(Sustainability related)
Environment, society, governance, etc.

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

Terminal information

Facilities and services information
Flight information
Congestion information
Online shopping
Haneda Airport Passenger Terminal (tokyo-haneda.com)
Japan Airport Terminal corporate website
Haneda Airport Terminal website
<https://tokyo-haneda.com/en/index.html>



Japan Airport Terminal corporate website

Haneda Airport Terminal website

Engagement with stakeholders

Stakeholders	Sustainability Basic Policy	Method of Execution
 Customers	We strive to operate customer-centered passenger terminals, since they serve as air gateways to Japan. In terms of convenience, comfort and functionality, the services and operations of the terminals are constantly being improved, as we implement digital technologies and provide top-flight hospitality.	<ul style="list-style-type: none"> • Haneda Airport Terminal Information (Customer Service Counters) • Official website • Shopping website • Haneda Airport official app • Social media
 Partners	With our partners (airlines, tenants, and subcontractors) and the national government, we are developing safe, secure airports and promoting open innovation resulting in mutual growth.	<ul style="list-style-type: none"> • Airline Liaison Committee • Tenant Liaison Committee • Educational protocols, seminars for tenants • Service councils • Group Sustainable Procurement Guidelines conformity survey
 Employees	We take into account physical and mental health, and the security of officers and employees. We strive to help personnel develop, and improve work environments so that staff feel motivated to work and apply their wide-ranging abilities.	<ul style="list-style-type: none"> • Implementation of Plus One promotions • Business improvement proposals • CS award • Company newsletter • Staff stress checks • Compliance information desk for internal reporting
 Local communities	As the hub of the domestic aviation network, we are contributing to the growth of the Tokyo metropolitan area as we facilitate domestic air mobility together with domestic airports. We seek to co-exist and prosper with local communities nationwide.	<ul style="list-style-type: none"> • Member of All Japan Airport Association • Hold promotions with municipalities • Provide Haneda Airport facility tours • Arrange social contribution activities • Participate in community events
 Shareholders and investors	As we engage with shareholders and investors, we endeavor to be transparent, disclose information in a timely manner, and increase corporate value over the long term.	<ul style="list-style-type: none"> • General Meeting of Shareholders • Financial results presentations • Small meetings • Individual meetings with Japanese and international investors • Shareholder newsletters, official website, integrated reports
 Global environment	As society moves to decarbonize and recycle resources, we aim to reduce our business-related impact on the environment by taking steps to counter global warming and promote the practice of reducing, reusing, and recycling commodities. We also work with stakeholders to create a sustainable airport in harmony with the environment.	<ul style="list-style-type: none"> • Tokyo International Airport Eco-Airport Council • Disclosures in line with TCFD and TNFD recommendations • Participation in Japan's private-sector TCFD Consortium • Participation in the global, multi-disciplinary consultative TNFD Forum
 Common	<p>Besides ensuring absolute safety of airport, we appropriately manage risks that may threaten business activities. We routinely conduct disaster prevention drills and have in place a business continuity plan. Thus, even in emergencies, we can ensure that safety levels are maintained and that passenger terminals continue operating.</p> <p>We comply with domestic and overseas laws, rules and regulations, and conduct business honestly and fairly, taking into consideration human rights.</p>	<ul style="list-style-type: none"> • Compliance with the Tokyo International Airport Business Continuity Plan (A2-BCP) • Comprehensive disaster-preparedness drills involving business partners • Declaration of Partnership Building endorsement



Customers

Incorporating customer feedback

We are working to further improve our services by collaborating with the relevant departments and business partners to make improvements based on the opinions and requests of Haneda Airport customers.

Customer Feedback Submission Flow

Customer feedback
Haneda Airport website
Information counters
Telephone
Suggestion boxes, letters

Requests
Opinions

Japan Airport Terminal
Group Customer Satisfaction
Promotion Office

Shared

Increasing Customer Satisfaction

- Relevant divisions
- Collaborations with other companies, etc.
- Group companies

Short- and long-term renovations and improvements

- JAT Group Management Committee
- Customer satisfaction team leader meetings
- Related business operators
- Store manager liaison meetings
- Joint regular meetings
- Various meetings (including government ministries)

Improvements

Customer service
Improvements



Improvement measures

Arranged the terminal environment so that wheelchair users can eat and drink in communal passenger areas.



Partners

Alliances with business partners



Tenant association meeting

To strengthen our business alliances and improve the service provided at our terminals, we formed a tenant association led by JAT. Annual general meetings of tenants are held at which information is shared and communicated to business operators.

We respond promptly to common issues and requests at monthly store manager meetings and through the Bond Gate communication tool used among tenants. In addition we offer basic tenant- and airport-related training to ensure customer satisfaction, and provide sign language and other learning opportunities.



Employees

Enhancing employee engagement



Poster promoting a culture of appreciation.

To promote communication with staff, we organize meetings that are attended mainly by younger employees. At these, current issues are discussed, group work is carried out, solutions to problems are developed, and new systems and initiatives are introduced.

In this way, we are promoting intra-company communication and making the working environment comfortable and rewarding, increasing work efficiency, sharing knowledge within the company, and cultivating a culture of appreciation.



Local communities

Collaborating with local communities



In March, to mark Tokyo Creative Salon 2024, which is one of Japan's major fashion and design festivals, we exhibited a fashion mikoshi at the Terminal 2 international departure lobby. The mikoshi—a portable mini shrine believed to house a god—was created in a workshop by children from Haneda Elementary School and decorated with 1,500 paper airplanes on which the children had drawn representations of their dreams. The fashion mikoshi was then donated to the Anamori Inari Shrine in the Haneda district in the hope that the children's dreams would come true on Dream Day, on June 10 this year.

The JAT Group will continue working with local communities to support the development of children, who will become the next generation's leaders.



Shareholders and investors

IR activities



IR briefing

Each fiscal year—at the end of the second and the fourth quarter—we hold meetings at which we present the Group's financial results, to ensure that shareholders and investors have a correct understanding of our financial situation, management policies, and growth strategies. In FY2023, we engaged with shareholders and investors at around 200 interviews, small meetings, conferences, and individual interviews.

Main topics

The business environment (impact of domestic and international economies and policies, trends in passenger numbers, anticipated risk factors, and other matters)

Business performance trends

(overview of each business, response to labor shortages and rising prices, shareholder return policy, etc.)

Medium-term business plan

(changes in the business environment, vision, strategic direction, target indicators, investments, etc.)

ESG-related matters

(decarbonization efforts, human capital, executive compensation system, ratio of independent executives, etc.)

Messages from Outside Directors

The World's Best Airport: What It Means

Yukihiro Kawamata

Outside Director



Outside direc

External perspectives transcend internal discussion

As an executive, I well understand the difficulty in taking risks and making decisions given today's increasingly uncertain business environment. No matter how talented a company's managers or board members, decisions and discussions involving only members from inside the company tend to be biased. At times, it even can be difficult to have a broad perspective.

For this reason, I believe that it is the role of outside directors to offer objective advice and suggestions. They should also support the Company in reaching conclusions through substantive discussions based on multifaceted and long-term perspectives.

Japan Airport Terminal's Board of Directors comprises members with wide-ranging backgrounds. Therefore, the opinions expressed are broad and discussions lively, while even in the face of harsh criticism we are given proper replies. I believe we have an effective Board.

As an executive of a company that handles part of the transportation infrastructure originating at Haneda, I would like to use my career experience to offer suggestions on how to proceed with business, while pursuing customer safety and comfort in a legal and regulatory context.

Management reforms, strategies leading to long-term vision

The Company's strategy is clear. It is formulating business plans and strategies with a view to taking its business to the next level in order to attain its long-term vision: To Be a World Best Airport. In order for it to be an airport that is commended not only in Japan but around the world, we are constantly discussing how best to use the expertise cultivated so far and what actions and goals should be formulated next.

In May 2024, the Board decided to introduce a performance-linked stock compensation plan. I believe this will greatly advance our long-term strategy. The decision to extend the plan to officers of major Group subsidiaries is based on the desire to design a system that incentivizes long-term initiatives. I believe this gives us hope that the strategy will make steady progress.



Young executives should address the Board

If I were to pick just one area to help deepen discussions at Board meetings, it would be to make the process of identifying issues a little more transparent. The matters raised at meetings have become more important and are organized intuitively. Yet, the way issues are discussed inside the Company has become more opaque. Were information shared more openly, we would be able to participate in discussions with a greater sense of presence which, I believe, would improve their quality.

I also believe it would be beneficial to have young and mid-level executives give presentations at Board meetings. We have many talented people with great future potential, and giving them more chances to participate would nurture the next generation. We outside directors ought to do more to ensure that such proposals are on the agenda.

I believe that the facilities at Haneda Airport have great potential, and by making them even more user-friendly, the airport can play an increasingly important role both for Japan and abroad. I hope to continue providing support and suggestions to that end.



Board Seeking Harmony between the Business and the Society

Ryoko Takeda

Outside Director, Audit & Supervisory Committee Member

Taking public interest into account

As an outside director, I believe the role expected of me is to utilize my skills as both an attorney and a certified fraud examiner. I thus investigate corporate improprieties to confirm whether corporate governance is being maintained and compliance observed in the Company.

In addition, I believe it is my role to make suggestions that are necessary for the Company in light of its philosophy of engendering Harmony between the Business and the Society. I frequently carry out work in the public interest, serving as a member of the Financial Services Agency's Automobile Liability Insurance Council, and as a member of the Ministry of Justice bar examination committee. Based on these public interest activities, I see it as my responsibility to offer recommendations in line with the Company's role in society—which goes beyond the mere pursuit of profit—and the corporate culture that has been cultivated over the years.

In addition, I believe that data utilization will become even more important as we work to create new, attractive airport features. As a specialist in the handling of personal information and data protection, I have been involved in data security as well as in supporting recovery at companies targeted by cyber attacks, so I would like to use this experience to benefit Japan Airport Terminal's data strategies.



Lively Board discussions

The Company's Board meetings never end in formal, pre-determined agreement. Moreover, outside directors are always given an opportunity to freely express their opinions.

Because thorough explanations are given in advance,

we are able to focus on constructive discussions at Board meetings. I get the sense that the secretariat is constantly thinking about how to improve the effectiveness of discussions at the meetings.

Agenda items presented at Board meetings always include items that have been checked from a compliance perspective. The Company's practices are scrutinized by the legal department, and cooperation between the internal auditing department and the Audit & Supervisory Committee is being strengthened, which will result in more effective governance.

The main focus of Board meetings is how to make the Company's philosophy a reality in line with its medium-term business plan, and there is also plenty of discussion about sustainability. I believe that all the Company's directors acknowledge that a sustainable management perspective is essential for future corporate management.

Our vision for the future

For the Board to evolve further, I would like to broaden its perspectives beyond the medium-term business plan and create opportunities for discussion on many more points regarding the ways in which the Company should change over the medium to long term. I would also like more opportunities to discuss what the Company should be like in the future with a broader range of stakeholders, including non-top executives and younger employees.

We are currently focusing on promoting digital transformation, and still have room to grow in that area. These days, there is substantial demand for data utilization, and we believe that this is an area where we must make great strides in terms of reform.

Haneda Airport is highly regarded around the world, and I personally feel it is a wonderful, clean airport where I discover something new every time I use it. When you experience leading airports around the world, you realize that many of them have introduced new systems and regulations, which points up the fact that there is still a lot that Haneda can do.

To help the Company achieve its goal—To Be a World Best Airport—I will continue to work to create a cutting-edge, ever more comfortable airport, while keeping in mind the Company's mission and the kind of Company it ought to be.

Corporate governance

Corporate governance structure

The JAT Group is responsible for constructing, administering, assigning duties, and managing airport terminal buildings used by the general public. From this standpoint, the Company recognizes the importance of corporate governance in its management, and has worked to ensure management transparency. Since its establishment, it has been enhancing its corporate governance by means including the appointment of outside directors.

The Company's Board of Directors is responsible for supervising management execution and making decisions on basic management policies, matters subject to laws and regulations, and other important matters. In principle, it meets once per month.

The Company adopted a committee governance structure on gaining approval for this change at its 78th General Meeting of Shareholders, held on June 24, 2022. Accordingly, its former

Board of Auditors was replaced by its current Audit & Supervisory Committee. The Audit & Supervisory Committee monitors the execution of duties by directors to ensure that their actions are lawful and appropriate, and that management is conducted in a transparent and sound manner. This committee comprises three independent outside directors, who attend meetings of the Board of Directors and other important meetings.

Special Audit & Supervisory Officers are appointed to assist the committee and follow its directions in order to ensure that audit and supervisory duties are performed effectively.

The Company has set up an internal control system encompassing the Group as a whole, and has put in place systems to improve the effectiveness and efficiency of business management. This ensures the credibility of its financial reporting, and maintaining compliance with laws and regulations relevant to business management.

URL for reference <https://www.tokyo-airport-bldg.co.jp/en/ir/policy/governance.html>

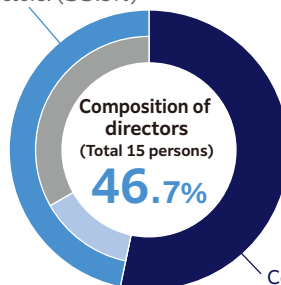
History of strengthening corporate governance

Developments up till now

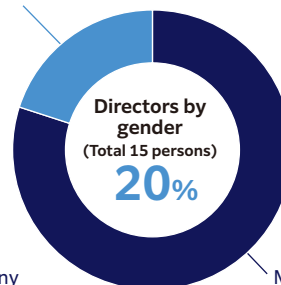
1953	Selection of outside directors
2003	Establishment of a voluntary Remuneration Advisory Committee
2004	Increase in number of outside auditors (from 2 to 3)
2009	<ul style="list-style-type: none"> Introduction of executive officer system Reduction in number of directors (from 25 to 15)
2015	Establishment of a voluntary Nomination Advisory Committee

Outside directors **7** persons

Of whom, **5** are independent directors. (33.3%)



Female directors **3** persons



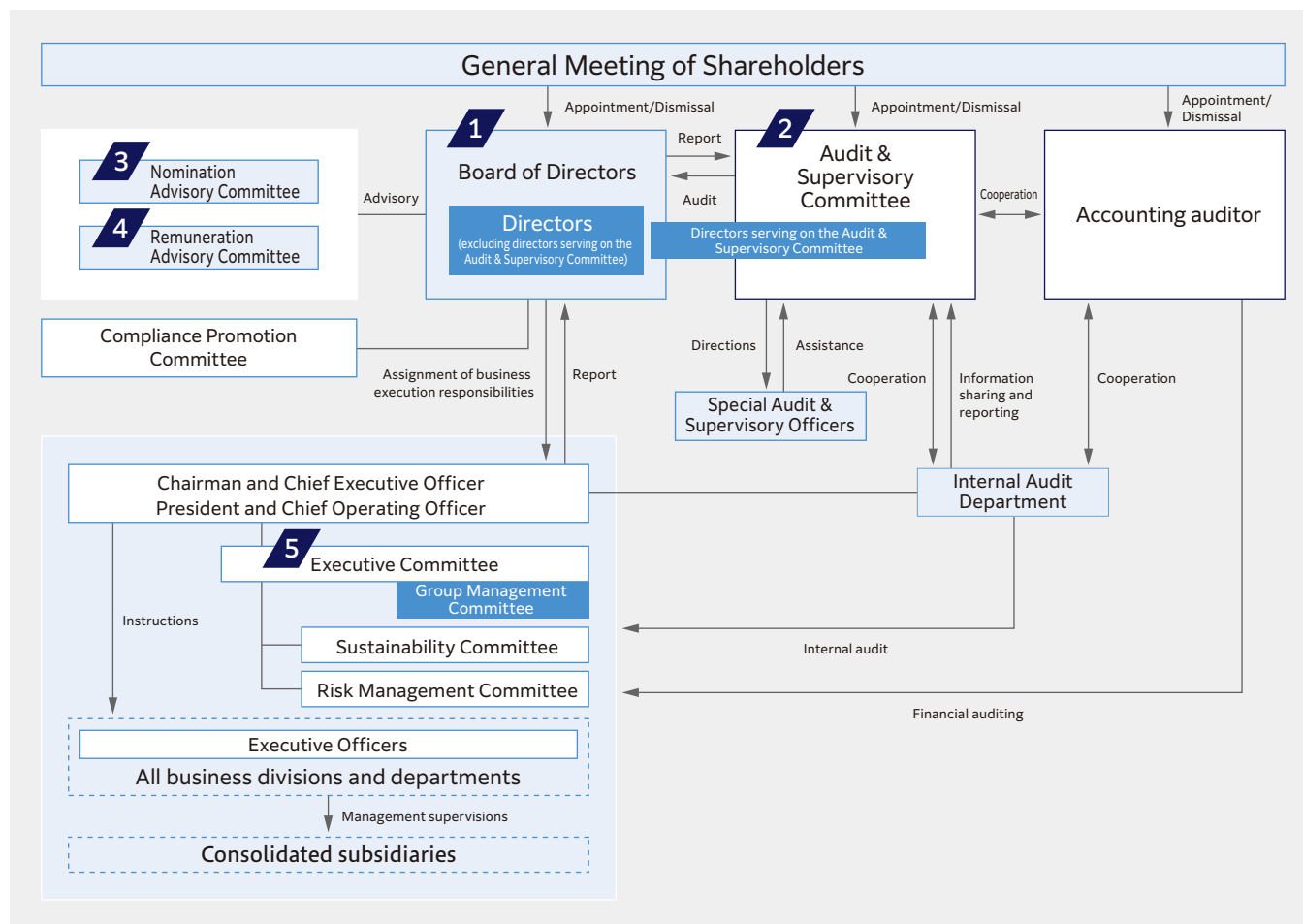
Company directors **8** persons

Male directors **12** persons





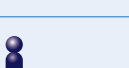



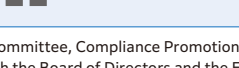

Developments in recent years

	Management plan	Composition of the Board of Directors	Outside directors / total number of directors	Evaluation of effectiveness of the Board of Directors	Organizational design	Other
2016	2016 ~ 2020 Medium-Term Business Plan Period	Composition of outside directors 26.7%	4名/15名 Company director: 11 icons, Outside director: 4 icons	Start of self-evaluation and analysis regarding the effectiveness of the Board of Directors as a whole		
2017						
2018						
2019						
2020		First female internal director appointed				
2021						
2022	2022 ~ 2025 Medium-Term Business Plan Period	Number of female directors (increased from 1 to 3) Composition of outside directors 46.7%	7名/15名 Company director: 8 icons, Outside director: 7 icons		Transitioned to the "company with an audit and supervisory committee" system of governance	Prime Market transition Establishment of a Risk Management Committee
2023						
2024						Introduction of a stock compensation plan

Organizational chart



Organizations involved in corporate governance¹

	Number and types of members			Meetings held in FY2023	Role and objectives
1 Board of Directors	15	Company director 8 Outside director 7	 	13 times	The Board is responsible for supervising management execution and making decisions concerning basic management policies, matters subject to laws and regulations, and other important matters.
2 Audit & Supervisory Committee	3	Outside director 3		11 times	The committee prepares audit reports, supervises the execution of duties by directors, and decides on proposals concerning officer remuneration, as well as the selection and dismissal of directors and accounting auditors.
3 Nomination Advisory Committee	6	Company director 1 Outside director 5	 	2 times	The advisory committee to the Board of Directors was set up to deliberate matters concerning the selection of senior managers and nomination of directors, and to ensure the transparency, credibility, and objectivity of that process.
4 Remuneration Advisory Committee	6	Company director 1 Outside director 5	 	3 times	This advisory committee to the Board of Directors was established to deliberate on matters concerning the remuneration of directors, and ensuring the transparency, credibility, and objectivity of that processes.
5 Executive Committee	25	Company director 8 Executive officers 15 Special audit & supervisory officers ² 2	  	44 times	This committee monitors business operations as a whole and deliberates on basic policies and important matters related to business execution, based on management policies set by the Board of Directors.

Notes: 1. Other important organizations are the Group Management Committee, Compliance Promotion Committee, Sustainability Committee, and Risk Management Committee.
2. Special audit and supervisory officers attend meetings of both the Board of Directors and the Executive Committee.

Skills matrix for officers

JAT's Board of Directors is limited to 15 directors as stipulated in the Company's Articles of Incorporation, of which the number of directors who are Audit and Supervisory Committee members must be no more than four. Our basic approach is to ensure diversity by composing our Board of Directors of appropriate individuals, taking into consideration the balance of knowledge, experience, and skills associated with each of our businesses. The skill requirements necessary for the Board of Directors are determined by the Board of Directors after discussion and recommendation by the Nomination Advisory Committee. The skill sets and skill matrix for the Directors are as follows:

Skills		Reasons for skill selection
Corporate management		The Company is a pioneer in private-sector terminal building management, and in the midst of a dramatically changing business environment, it needs directors with management experience and track records in a variety of industries to formulate a sustainable growth strategy.
Finance / accounting		Accurate financial reporting, as well as sustainable growth and medium- to long-term enhancement of corporate value, require directors with knowledge and experience in finance and accounting, including knowledge of capital efficiency and other financial matters and an understanding of relevant laws and regulations.
Legal affairs / compliance		We need to accurately understand and comply with the laws and regulations that apply to our business and manage risks appropriately so as to ensure sound and efficient corporate management.
Global experience		We need directors with global knowledge and experience to meet the higher standards of governance and engage in constructive dialogue with global investors as required of a company listed on the TSE Prime Market.
Safety & security		Because the Company is engaged in the highly public business of constructing, managing and operating the Haneda Airport passenger terminals, "ensuring absolute safety" is fundamental, and we require directors with knowledge and experience in safety and security.
Real estate / facilities		Appropriate management and operation of airport terminals, measures to improve their functionality, and the formulation and supervision of future plans require directors with knowledge and experience in real estate and facilities (leasing, management, construction, maintenance, environmental measures).
Marketing / sales		To create new value, maximize our response to customer needs, and improve the profitability of Haneda Airport, which is our business base, we need directors with knowledge and experience in sales and marketing.
Airports / aviation		In a business environment undergoing dramatic change, the formulation of a sustainable growth strategy requires directors with knowledge and experience of airport operations and aviation.

Name	Position in the Company	Independent Officer	Professional expertise and experience							
			Corporate management	Finance / accounting	Legal affairs / compliance	Global experience	Safety & security	Real estate / facilities	Marketing / sales	Airports / aviation
Isao Takashiro	Representative Director, Chairman of the Board of Directors & CEO		●	●	●	●			●	●
Nobuaki Yokota	Representative Director, President & COO		●		●		●	●	●	●
Hisayasu Suzuki	Representative Director, Executive Vice President		●		●	●	●			●
Hiroshi Onishi	Representative Director, Executive Vice President		●		●	●	●	●	●	●
Kazuhito Tanaka	Member of the Board of Directors, Executive Vice President		●	●	●	●				●
Yoko Koyama	Senior Managing Director, Executive Officer					●	●	●	●	●
Takeshi Fujino	Senior Managing Director, Executive Officer							●	●	●
Keishi Matsuda	Managing Director, Executive Officer			●		●	●	●		●
Keiji Kimura	Outside Director	●	●			●	●	●		
Ichiro Fukuzawa	Outside Director		●	●			●			●
Yukihiro Kawamata	Outside Director	●	●				●	●	●	
Yuji Saito	Outside Director		●	●			●		●	●
Tamaki Kakizaki	Outside Director, Audit & Supervisory Committee Member	●			●					
Ryoko Takeda	Outside Director, Audit & Supervisory Committee Member	●		●	●	●				
Kenji Iwasaki	Outside Director, Audit & Supervisory Committee Member	●	●	●					●	

Criteria for Determining the Independence of Outside Directors

To ensure management transparency, of its 15 directors the Company has appointed 7 outside directors, 5 of whom are designated as independent outside officers. The criteria for determining the independence of outside directors are set out below. We determine that individual lacks independence if any of the following criteria apply.

1. A person who is currently or has been in the past 10 years an executive officer of the Company or its group companies.
2. A person who is a major shareholder of the Company or an executive officer of a company that is a major shareholder of the Company.
3. A person who is a major lender to the Company or an executive officer of a company that is a major lender to the Company.
4. A person who is a material counterparty to the Company, or an executive officer of a company that is a material counterparty to the Company.
5. A person who is a material business associate of the Company or an executive officer of a company that is a material business associate of the Company.
6. A person who has received a donation or grant in excess of a specified amount from the Company, or a director and officer of a corporation, association or other organization that receives a donation or grant in excess of a specified amount from the Company.
7. An attorney, certified public accountant, tax accountant, consultant, etc., who has received money or other financial benefits in excess of a specified amount from the Company, other than compensation for services as a director (if the person receiving such financial benefits is a corporation, partnership, bureau or other organization, the person who is a member of such organization is included).
8. The spouse or a relative within the second degree of a person covered by criteria 1 through 7. (excluding insignificant persons).
9. A person who falls under any of criteria 2 to 7 in the past year.

For further information, please refer to the "Corporate Governance Report" <https://www.tokyo-airport-bldg.co.jp/000012768.pdf>

Reasons for appointment of outside directors

Name	Designation as Independent Outside Director	Reasons for Appointment
Keiji Kimura	●	Mr. Keiji Kimura has served in the past as a representative director of a company engaged in the real estate business, etc., and has extensive experience and insight as a manager. By utilizing such experience and insight to supervise management based on an objective viewpoint independent of business operations, he is deemed capable of contributing to the improvement of the effectiveness of the Board of Directors and is therefore appointed as an outside director.
Ichiro Fukuzawa		Mr. Ichiro Fukuzawa has served as a representative director of a company engaged in air transportation and other businesses, and has extensive experience and insight as a manager. We elected him as an outside director because we believe that he can contribute to improving the effectiveness of the Board of Directors by supervising management from an objective perspective that is independent of the conduct of business operations.
Yukihiro Kawamata	●	Mr. Yukihiro Kawamata has served as a representative director of companies engaged in transportation, real estate, etc., and has extensive experience and insight as a manager. By utilizing such experience and insight to supervise management from an objective viewpoint independent of business operations, he is deemed capable of contributing to the improvement of the effectiveness of the Board of Directors and is therefore appointed as an outside director.
Yuji Saito		Mr. Yuji Saito was previously a representative director of a company engaged in air transportation and other businesses, and has extensive experience and insight as a manager. We elected him as an outside director because we believe that he can contribute to improving the effectiveness of the Board of Directors by utilizing this experience and insight to supervise management from an objective perspective that is independent of business operations.
Tamaki Kakizaki Audit & Supervisory Committee member	●	Although Ms. Tamaki Kakizaki has never been involved in management in any manner other than as an outside officer, she is appointed as an Outside Director as a member of the Audit & Supervisory Committee based on her extensive experience and deep insight as a specialist in internal control and corporate governance, and because she is expected to play an appropriate role in reviewing the conduct of the Company's business.
Ryoko Takeda Audit & Supervisory Committee member	●	Although Ms. Ryoko Takeda has never been involved in management in any manner other than as an outside officer, she is appointed as an Outside Director as a member of the Audit & Supervisory Committee based on the Company's judgment that she can be expected to play an appropriate role in reviewing the Company's business operations due to her extensive experience and broad insight as a lawyer.
Kenji Iwasaki Audit & Supervisory Committee member	●	Mr. Kenji Iwasaki was previously in charge of corporate planning and other departments of another company engaged in the property insurance business in the past, and through such duties he has extensive experience and insight. He is appointed as an Outside Director as a member of the Audit & Supervisory Committee based on the Company's judgment that he can be expected to play an appropriate role in reviewing the Company's business operations by applying his experience and insight.

Cross-shareholdings

Policy concerning cross-shareholdings

As a matter of policy, the Company holds shares issued by other companies for purposes other than investment. This is done specifically to maintain medium- and long-term business partnerships that can expand business and generate synergies, if it is deemed that such ownership will raise the Company's enterprise value and benefit shareholders.

	Number of Companies	Amount Recorded on Balance Sheet
Unlisted stocks	16	5,225
Stocks other than unlisted stock	10	7,541

Assessing relevance of cross-shareholdings

Every year, the Board of Directors reviews the relevance of the Company's cross-shareholdings by examining quantitative results, such as transaction amounts, dividends received, as well as qualitative factors, including the purpose of holding shares of its business partners.

Voting rights granted through cross-shareholdings

When deciding on whether to exercise voting rights granted through cross-shareholdings, the Company considers the impact of such actions on its financial performance, and whether they might contribute to its sustainable growth and enterprise value.

Evaluating the Board's effectiveness

Since fiscal 2016, the Company has been assessing the effectiveness of its Board of Directors through self-evaluations by its members with a view to enhancing the Board's performance and, ultimately, raising its enterprise value. Based on the results of the evaluations, the Company considers issues to address and routinely implements measures aimed at improving the performance of the Board. A questionnaire format is used as the method of evaluation, with responses submitted to a third-party organization to ensure anonymity.

- Directors evaluated: All 15 members of the Board of Directors (including those serving on the Audit & Supervisory Committee)
- Evaluation method: Questionnaires
- Main survey items:

<ul style="list-style-type: none"> • Structure of the Board of Directors • Composition of the Board of Directors • Operations of the Board of Directors • Discussions at the Board of Directors 	<ul style="list-style-type: none"> • Monitoring functions • Director performance • Director training • Support system for directors • Dialogue with shareholders
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Effectiveness evaluation process



Issues and responses regarding effectiveness evaluation

Based on the results of the above questionnaire, the Board of Directors' structure, monitoring function, and other items were generally evaluated positively, and we believe that the effectiveness of the Board of Directors as a whole is ensured. We will work to strengthen effectiveness and enhance corporate value over the medium to long term by reflecting self-evaluations by directors (including Audit and Supervisory Committee members) and analyses by third-party organizations. In addition, the Company regularly provides opportunities for directors to participate in seminars and other means to acquire necessary knowledge. Additionally, any expenses incurred as a result of these actions will be borne by the Company in accordance with internal regulations. The outside directors are provided with information on the Group's basic philosophy, management policies, business activities, organization, and other items as necessary to deepen their understanding of these matters.

Fiscal 2024

Issues identified

- Opportunities for training to acquire the necessary knowledge required of directors
- Exchange of opinions between outside directors in addition to board meetings

Initiatives and approaches

- Increase training opportunities for directors
- Create opportunities for dialogue between outside directors

Basic policy on officer compensation

The Company's basic policy regarding the process for determining the amount of compensation for Directors and the calculation method thereof is to ensure objectivity and transparency. This policy is deliberated, examined and determined by the Board of Directors after deliberation by the Remuneration Advisory Committee. Additionally, the amount of compensation for each individual member of the Audit and Supervisory Committee is determined through discussion among the Audit and Supervisory Committee members.

Compensation for our directors (excluding outside directors and Audit and Supervisory Committee members) consists of fixed compensation, performance-linked compensation, and non-monetary compensation that is not linked to performance. Performance-linked compensation consists of short-term performance-linked compensation and medium- to long-term performance-linked compensation. The ratio of fixed compensation and performance-linked compensation is based on the compensation levels benchmarked against companies in industries and business formats related to JAT and companies of a similar business scale to JAT. Outside directors receive only monthly

fixed compensation.

Short-term performance-linked compensation is calculated using consolidated operating revenue, operating income/loss, ordinary income/loss, and net income/loss attributable to owners of the parent as indicators, taking into consideration the factors such as status of budget achievement, in order to ensure consistency with management strategies and linkage with shareholder interests.

With regard to medium- to long-term performance-linked compensation, from fiscal year 2024 we have introduced a new performance-linked stock compensation system. We have adopted the executive compensation Board Incentive Plan (BIP) trust mechanism, with the aim of raising awareness of contributing to medium- to long-term performance and enhancing corporate value, and aligning interests with shareholders. In addition, the number of shares to be issued will be linked to the degree of achievement of performance targets in the medium-term business plan, thereby increasing motivation to achieve performance targets.

Type of compensation		Payment method	Directors	Outside directors (including directors serving on the Audit & Supervisory Committee)
Fixed salary		Payment according to position	●	●
Performance-linked compensation	Short term	Operating revenue, operating income/loss, ordinary income/loss, net income/loss attributable to owners of parent Note: Paid for senior managing directors and below according to the achievement of individual goals.	●	—
	Medium to long term (stocks)	The rate will vary between 0% and 150% depending on the achievement level of important financial and non-financial metrics for achieving the performance targets in the medium-term business plan and other metrics determined by the Board of Directors (for the initial period, the achievement level of consolidated net income, ROA (EBITDA), equity ratio, and SKYTRAX evaluation).	●	—

Fiscal 2023 compensation-linked performance indicators

Short-term metrics		Medium- to long-term metrics (FY2025 target values)	
Operating revenues	217,578	Net income attributable to owners of parent	¥20 billion
Operating income and loss	29,527	ROA(EBITDA)	At least 12%
Ordinary income and loss	27,225	Equity ratio	Recovery to 40% range
Net income and loss attributable to owners of the parent	19,255	SKYTRAX 5Star Airport	Ongoing award winning
Note: Performance-linked compensation for fiscal year 2023 was calculated based on the performance of the items in the shaded areas above.		SKYTRAX World's Best Airports: Overall evaluation of global airports TOP3	TOP3
		SKYTRAX World's Cleanest Airports: Cleanliness category	Maintain No. 1 position
		SKYTRAX World's Best PRM/Accessible Facilities Category for facilities that are considerate of the elderly, disabled and injured.	Maintain No. 1 position

Compensation by category of officer in fiscal 2023

Officer category	Total amount of compensation (millions of yen)	Breakdown of total compensation (millions of yen)		Number of officers
		Fixed salary	Performance-linked compensation	
Directors (excluding outside directors and directors serving on the Audit & Supervisory Committee)	353	272	81	10
Directors serving on the Audit & Supervisory Committee (excluding outside directors)	—	—	—	—
Outside officer	73	73	—	9

1.The maximum compensation for directors as resolved at the General Meeting of Shareholders (resolution of the 78th Ordinary General Meeting of Shareholders held on June 24, 2022) is ¥450 million per year (¥48 million for outside directors) for the 12 directors (excluding directors who are Audit and Supervisory Committee members) (including four outside directors).

2.The maximum compensation for directors who are Audit and Supervisory Committee members, as resolved at the General Meeting of Shareholders (78th Ordinary General Meeting of Shareholders held on June 24, 2022), is ¥80 million per year for the four directors who are Audit and Supervisory Committee members.

3.At the 80th Ordinary General Meeting of Shareholders held on June 26, 2024, a resolution was passed to introduce a performance-linked stock compensation plan for JAT directors (excluding directors who are Audit and Supervisory Committee members, outside directors, and non-residents in Japan), under which the upper limit of the amount of money to be contributed by the Company is an amount calculated by multiplying ¥350 million by the number of fiscal years of the applicable period (in principle, the fiscal years covered by our medium-term management plans) (¥350 million per fiscal year), the upper limit of the number of JAT shares, etc. that can be granted, etc. to directors, etc. is an amount calculated by multiplying 78,000 shares by the number of fiscal years of the applicable period (78,000 shares per fiscal year), and the number of directors related to the resolution of the General Meeting of Shareholders is eight.

4.The above amount of performance-linked compensation is the executive bonuses paid to eight directors, which were recorded as expenses during the fiscal year under review.

Executive Team



Representative Director,
Chairman of the Board of Directors & CEO

Isao Takashiro

Attendance at Board of Directors' meetings13/13

[Past experience, positions]

April 1968 Joined the Company
June 2001 Senior Managing Director
April 2003 Representative Director and Executive Vice President
April 2005 Representative Director and President
April 2009 Representative Director, President and Executive Officer
June 2016 Representative Director, Chairman & CEO (current position)

[Responsibilities]

Chairman of the Board of Directors
Chairman of the Executive Strategy Meeting



Representative Director,
President & COO

Nobuaki Yokota

Attendance at Board of Directors' meetings13/13

[Past experience, positions]

April 1974 Joined the Company
April 2009 Managing Director and Executive Officer
June 2011 Senior Managing Director and Executive Officer
June 2014 Member of the Board of Directors, Executive Vice President and Executive Officer
June 2015 Representative Director, Executive Vice President and Executive Officer
May 2016 Chairperson, All Japan Airport Terminal Association (currently The All Japan Airport Association, Inc.) (current position)
June 2016 Representative Director, President and Executive Officer & COO (current position)

[Responsibilities]

Chairman of the Executive Committee
Chairman of the Business Management Committee
Chairman of the Group Management Committee
Chairman of the Compliance Promotion Committee
Chairman of the Sustainability Committee
Chairman of the Risk Management Committee

[Significant concurrent positions]

Chairperson, The All Japan Airport Association, Inc.



Representative Director,
Executive Vice President

Hisayasu Suzuki

Attendance at Board of Directors' meetings13/13

[Past experience, positions]

April 1975 Joined the Ministry of Transport (currently the Ministry of Land, Infrastructure, Transport and Tourism)
July 2006 Director-General, Civil Aviation Bureau, the Ministry of Land, Infrastructure, Transport and Tourism
July 2009 Commandant, the Japan Coast Guard
January 2013 Full-time Adviser, the Company
January 2014 Senior Executive Officer
June 2014 Member of the Board of Directors, Executive Vice President and Executive Officer
June 2015 Representative Director, Executive Vice President and Executive Officer (current position)
June 2023 Outside Director, SAN-AI OBBLI CO., LTD.(current position)

[Responsibilities]

Chief Operations Director
Public Relations Management

[Significant concurrent positions]

Outside Director, SAN-AI OBBLI CO., LTD.



Representative Director,
Executive Vice President

Hiroshi Onishi

Attendance at Board of Directors' meetings13/13

[Past experience, positions]

April 1979 Joined Isetan Co., Ltd.
June 2009 Representative Director, President and Executive Officer, Isetan Co., Ltd.
June 2010 Director, Isetan Mitsukoshi Holdings Ltd.
April 2011 President, Representative Director, Executive Officer, Isetan Mitsukoshi Ltd.
February 2012 Representative Director, President and Executive Officer, Isetan Mitsukoshi Holdings Ltd.
April 2017 Director, Isetan Mitsukoshi Holdings Ltd.
July 2017 Special Adviser, the Company
June 2018 Member of the Board of Directors, Executive Vice President and Executive Officer, the Company
June 2021 Outside Director, KOMATSU MATERE Co., Ltd. (current position)
June 2023 Representative Director, Executive Vice President and Executive Officer (current position)

[Responsibilities]

Chief Operations Director
Chairman of the JAT Group CS Promotion Committee
Passenger Terminal Operation Management
Management of General Affairs Group

[Significant concurrent positions]

Outside Director, KOMATSU MATERE Co., Ltd.



Member of the Board of Directors,
Executive Vice President

Kazuhito Tanaka

Attendance at Board of Directors' meetings13/13

[Past experience, positions]

April 1987 Joined the Company
June 2011 Executive Officer and Vice President, Corporate Planning Division, Corporate Planning Department
June 2013 Managing Executive Officer and Vice President, Corporate Planning Division, Corporate Planning Department
July 2014 Managing Executive Officer; Deputy Senior Vice President, Corporate Planning Department; and Deputy Senior Vice President, Administration Department
June 2015 Managing Director and Executive Officer
June 2020 Senior Managing Director and Executive Officer
June 2023 Member of the Board of Directors, Executive Vice President and Executive Officer (current position)

[Responsibilities]

Management of Corporate Planning Group
Management of Business Development Department
Management of Sustainability



Senior Managing Director,
Executive Officer

Yoko Koyama

Attendance at Board of Directors' meetings13/13

[Past experience, positions]

April 1992 Joined the Company
June 2013 Executive Officer and Vice President, Corporate Planning Division, Corporate Planning Department
July 2014 Executive Officer; Vice President, Corporate Planning Division, Corporate Planning Department; and Vice President, Business Planning Division
June 2016 Managing Executive Officer and Deputy Senior Vice President, Corporate Planning Department
July 2017 Managing Executive Officer and Deputy Senior Vice President, Business Development Department
August 2017 Outside Director, Haneda Mirai Kaihatsu Co., Ltd. (current position)
April 2019 Outside Director, Kyushu Kumamoto International Airport Co., Ltd. (current position)
July 2019 Managing Executive Officer; Deputy Senior Vice President, Business Development Department; and Deputy Senior Vice President, Passenger Terminal Operation Department (in charge of Facility Planning Office / Tokyo Olympic & Paralympic Games Promotion Office)
June 2020 Managing Director and Executive Officer
June 2023 Senior Managing Director and Executive Officer (current position)

[Responsibilities]

Senior Vice President, Business Development Department
Senior Vice President, Passenger Terminal Operation Department (in charge of Facility Management)
Special Executive Assistant to the President

[Significant concurrent positions]

Outside Director, Haneda Mirai Kaihatsu Co., Ltd.
Outside Director, Kyushu Kumamoto International Airport Co., Ltd.



Senior Managing Director,
Executive Officer

Takeshi Fujino

Attendance at Board of Directors' meetings9/10*

[Past experience, positions]

April 1991 Joined the Company
June 2013 Executive Officer and Vice President, International Terminal Business Department
June 2016 Managing Executive Officer, Deputy Senior Vice President, Operation Department
June 2020 Chief Managing Executive Officer; Deputy Senior Vice President, Passenger Terminal Operation Department; Deputy Senior Vice President, Business Development Department
June 2021 Chief Managing Executive Officer in charge of Business Promotion Office; Deputy Senior Vice President, Business Development Department; Deputy Senior Vice President, Passenger Terminal Operation Department
June 2022 Chief Managing Executive Officer in charge of Business Promotion Office; Deputy Senior Vice President, Business Development Department (in charge of New Business); Deputy Senior Vice President, Passenger Terminal Operation Department (in charge of Retail Sales)
June 2023 Senior Managing Director and Executive Officer (current position)

[Responsibilities]

Senior Vice President, Business Development Department (in charge of New Business)
Senior Vice President, Passenger Terminal Operation Department (in charge of Retail Sales)
Special Executive Assistant to the President

* Attendance since taking office June 28, 2023



Managing Director, Executive Officer

Keishi Matsuda

Attendance at Board of Directors' meetings10/10*

[Past experience, positions]

April 1994 Joined the Company
June 2019 Executive Officer; General Manager, Corporate Planning Group, Planning & Administration Department; Vice President, Business Reform Office; Vice President, Facility Planning Office / Tokyo Olympic & Paralympic Games Promotion Office, Facility Management Group, Passenger Terminal Operation Department
June 2020 Executive Officer; General Manager, Corporate Planning Group, Planning & Administration Department; General Manager, Facility Management Group, Passenger Terminal Operation Department; Vice President, Facility Planning Office / Tokyo Olympic & Paralympic Games Promotion Office
June 2022 Executive Officer; General Manager, Corporate Planning Group, Planning & Administration Department; Vice President, Facility Planning Office; General Manager, Business Development Department
June 2023 Managing Director and Executive Officer (current position)

[Responsibilities]

Deputy Senior Vice President, Corporate Planning Group
Deputy Senior Vice President, Business Development Department
Special Executive Assistant to the President

* Attendance since taking office June 28, 2023



Outside Independent

Outside Director

Keiji Kimura

Attendance at Board of Directors' meetings 12/13

[Past experience, positions]

May 1970 Joined Mitsubishi Estate Co., Ltd.
June 2005 President & Representative Director, Mitsubishi Estate Co., Ltd.
April 2011 Chairman & Representative Director, Mitsubishi Estate Co., Ltd.
June 2016 Chairman of the Board, Mitsubishi Estate Co., Ltd.
April 2017 Director, Mitsubishi Estate Co., Ltd.
June 2017 Senior Advisor, Mitsubishi Estate Co., Ltd. (current position)
June 2018 Outside Director, Matsumotokiyo Holdings Co., Ltd. (currently MatsukiyoCocokara & Co.) (current position)
June 2019 Chairperson, Japan Building Owners & Managers Association (current position)
June 2019 Outside Director, the Company (current position)

[Significant concurrent positions]

Senior Advisor, Mitsubishi Estate Co., Ltd.
Outside Director, MatsukiyoCocokara & Co.
Chairperson, Japan Building Owners & Managers Association



Outside

Outside Director

Ichiro Fukuzawa

Attendance at Board of Directors' meetings 12/13

[Past experience, positions]

October 1989 Joined ALL NIPPON AIRWAYS CO., LTD.
June 2019 Member of the Board of Directors and Deputy Executive Officer, ANA HOLDINGS INC.
April 2020 Member of the Board of Directors and Executive Officer, ANA HOLDINGS INC.
April 2021 Member of the Board of Directors and Senior Executive Officer, ANA HOLDINGS INC.
April 2022 Representative Director and Executive Vice President, ANA HOLDINGS INC. (current position)
April 2022 Representative Director and Executive Vice President, ALL NIPPON AIRWAYS CO., LTD. (current position)
June 2022 Outside Director, the Company (current position)
April 2024 Senior Advisor, ANA HOLDINGS INC.
June 2024 Full-time Audit & Supervisory Board member, ANA Holdings Inc. (current position)
June 2024 Full-time Audit & Supervisory Board member, All Nippon Airways Co., Ltd. (current position)

[Significant concurrent positions]

Full-time Audit & Supervisory Board member, ANA Holdings Inc.
Full-time Audit & Supervisory Board member, All Nippon Airways Co., Ltd.



Outside Independent

Outside Director

Yukihiro Kawamata

Attendance at Board of Directors' meetings 10/10*

[Past experience, positions]

April 1986 Joined Keikyu Corporation
June 2016 Director, Keikyu Corporation
June 2019 Director, Managing Executive Officer, Keikyu Corporation
April 2022 Representative Director, President and Executive Officer, Keikyu Corporation (current position)
June 2023 Outside Director, the Company (current position)

[Significant concurrent positions]

Representative Director, President and Executive Officer, Keikyu Corporation

* Attendance since taking office June 28, 2023



New appointment Outside

Outside Director

Yuji Saito

[Past experience, positions]

April 1988 Joined Japan Airlines Co., Ltd.
April 2019 Executive Officer and Senior Vice President, Corporate Control Division, Japan Airlines Co., Ltd.
April 2021 Managing Executive Officer; Senior Vice President, Corporate Planning Division; Senior Vice President, Corporate Control Division, Japan Airlines Co., Ltd.
April 2023 Senior Managing Executive Officer; Senior Vice President, Corporate Planning Division, Japan Airlines Co., Ltd.
June 2023 Chief Financial Officer of the JAL Group
June 2023 Director, Senior Managing Executive Officer; Senior Vice President, Corporate Planning Division, Japan Airlines Co., Ltd. Chief Financial Officer of the JAL Group
April 2024 Representative Director, Executive Vice President, Japan Airlines Co., Ltd. (current position)
June 2024 Chief Financial Officer of the JAL Group (current position)
June 2024 Outside Director, the Company (current position)

[Significant concurrent positions]

Representative Director, Executive Vice President, Chief Financial Officer, Japan Airlines Co., Ltd.



Outside Independent

Outside Director,
Audit & Supervisory Committee Member

Tamaki Kakizaki

Attendance at Board of Directors' meetings 13/13
Attendance at Audit and Supervisory Committee 11/11

[Past experience, positions]

April 2009 Professor, Graduate School of Law (Professional Graduate School), Toyo University
April 2012 Professor, Graduate School of International Social Sciences, YOKOHAMA National University
April 2014 Professor, School of Law, Meiji University (current position)
June 2016 Outside Director, Mitsubishi Shokuhin Co., Ltd. (current position)
June 2017 Outside Auditor, the Company
June 2020 (Independent) Outside Director, Keikyu Corporation (current position)
June 2021 Outside Director, The Akita Bank, Ltd. (current position)
June 2023 Outside Director, the Company (Audit & Supervisory Board Member) (current position)

[Significant concurrent positions]

Professor, School of Law, Meiji University
Outside Director, Mitsubishi Shokuhin Co., Ltd.
Outside Director, Keikyu Corporation
Outside Director, The Akita Bank, Ltd.



Outside Independent

Outside Director,
Audit & Supervisory Committee Member

Ryoko Takeda

Attendance at Board of Directors' meetings 13/13
Attendance at Audit and Supervisory Committee 11/11

[Past experience, positions]

April 1998 Registered as a lawyer and joined Nishimura Sogo law firm (now Nishimura & Asahi (Gaikokuho Kyodo Jigyol))
December 2014 Special Counsel, City-Yuwa Partners
February 2016 Certified as a Certified Fraud Examiner (CFE)
June 2017 Councilor, International Civil and Commercial Law Center (current position)
June 2020 External Audit & Supervisory Board Member (part-time) ALCONIX CORPORATION (current position)
June 2021 Outside Director, DKK Co., Ltd. (current position)
June 2022 Substitute Director, the Company (Audit & Supervisory Board Member)
November 2022 Outside Director, the Company (Audit & Supervisory Board Member) (current position)
January 2023 Partner lawyer, City-Yuwa Partners (current position)
March 2023 Extramural Director, Komazawa University of Educational Corporation (current position)

[Significant concurrent positions]

Partner lawyer, City-Yuwa Partners
Councilor, International Civil and Commercial Law Center
External Audit & Supervisory Board Member (part-time), ALCONIX CORPORATION
Outside Director, DKK Co., Ltd.
Extramural Director, Komazawa University of Educational Corporation



Outside Independent

Outside Director,
Audit & Supervisory Committee Member

Kenji Iwasaki

Attendance at Board of Directors' meetings 10/10*
Attendance at Audit and Supervisory Committee 7/7*

[Past experience, positions]

April 1978 Joined Tokio Marine & Fire Insurance Co., Ltd.
June 2010 Managing Director, Tokio Marine & Nichido Fire Insurance Co., Ltd.
April 2014 Senior Managing Director, Tokio Marine & Nichido Fire Insurance Co., Ltd.
April 2017 Executive Vice President, Tokio Marine & Nichido Fire Insurance Co., Ltd.
June 2017 Vice President Executive Officer, Tokio Marine Holdings, Inc.
June 2017 Executive Vice President, Tokio Marine & Nichido Fire Insurance Co., Ltd.
June 2018 Executive Vice President, Tokio Marine Holdings, Inc.
June 2022 Executive Director, The General Insurance Association of Japan
June 2022 Outside Director, SOHGO SECURITY SERVICES CO., LTD. (current position)
June 2023 Outside Director, the Company (Audit & Supervisory Board Member) (current position)

[Significant concurrent positions]

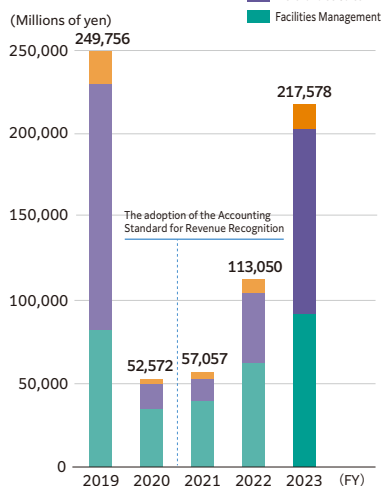
Outside Director, SOHGO SECURITY SERVICES CO., LTD.

* Attendance since taking office June 28, 2023

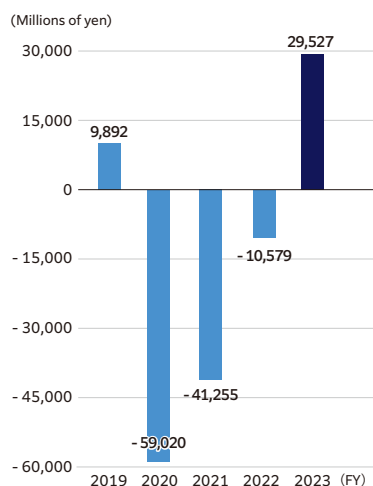
Financial and Non-financial Highlights

Financial Highlights

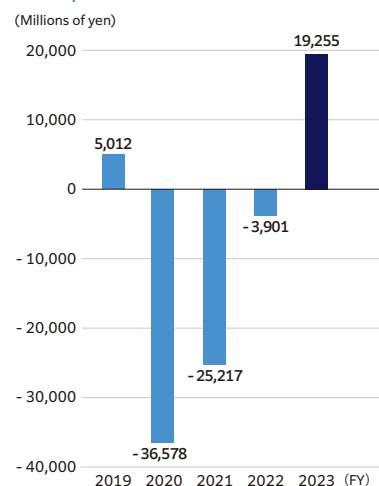
Operating revenues



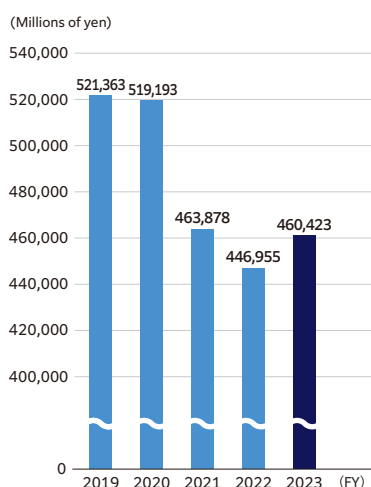
Operating income (loss)



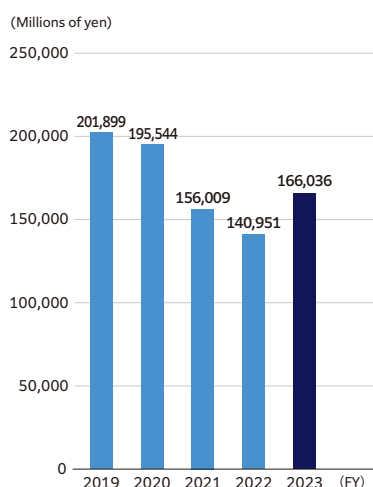
Net income (loss) attributable to owners of the parent



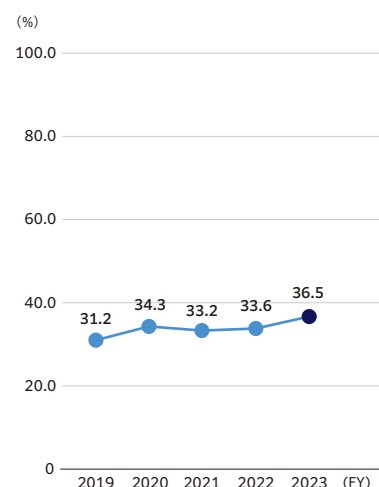
Total assets



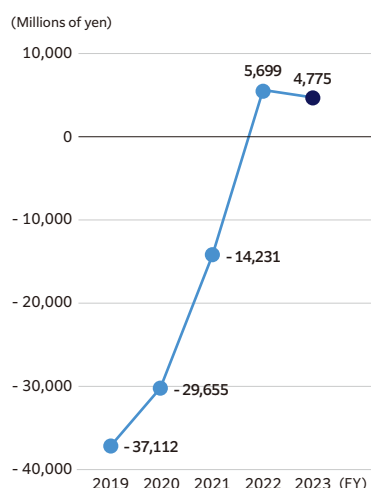
Net assets



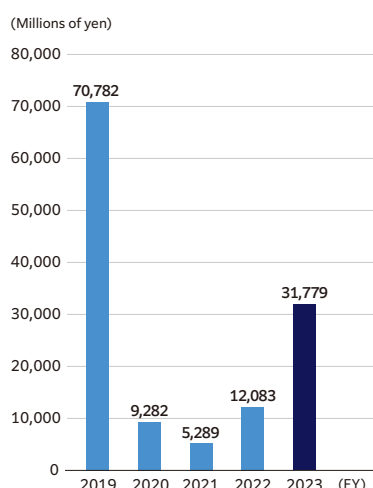
Equity ratio



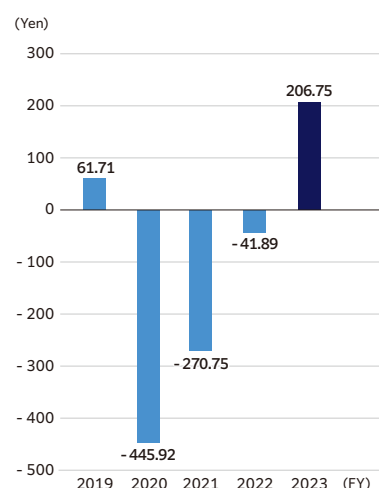
Free cash flows



Capital investment



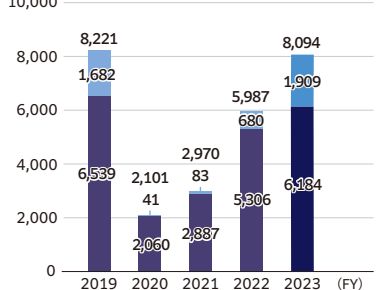
Net income (loss) per share



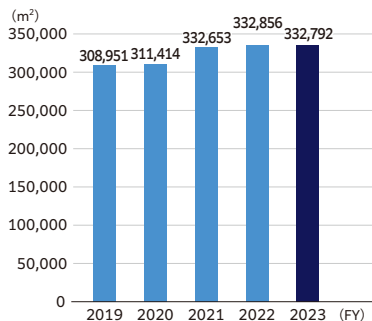
Non-financial Highlights

Number of passengers at Haneda Airport

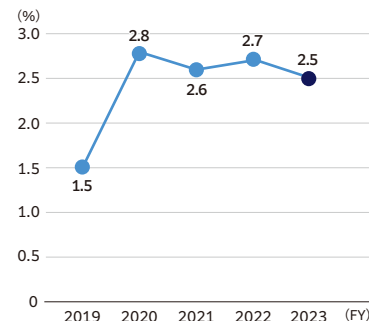
(Ten thousand people)



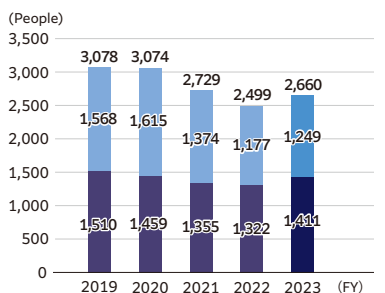
Management area (leasable area)



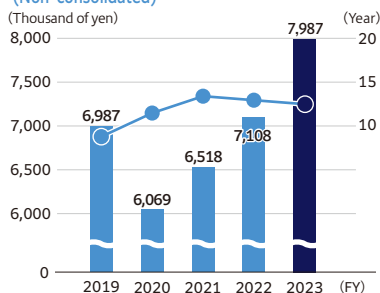
Vacancy rate



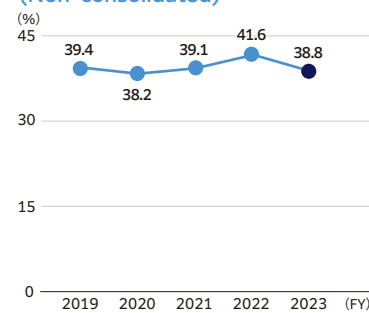
Number of employees (Consolidated)



Average length of service
Average annual salary (Non-consolidated)



Ratio of female managers (Non-consolidated)



Environmental Data

Amount of Energy Input

Category	Unit	FY2021	FY2022	FY2023
City gas	Thousand Nm³	3,777	3,999	4,569
Diesel oil	KL	177	264	477
Gasoline	KL	69	86	115
Heavy fuel oil A	KL	2	5	12
Kerosene	KL	28	36	43
LPG (Liquefied Petroleum Gas)	t	229	314	392
Volume of waste incinerated	t	7,832	13,420	19,293
Electricity	MWh	130,557	154,015	169,916
Steam and cold water	GJ	401,975	448,519	507,631

GHG Emissions

Item	Scope	FY2021	FY2022	FY2023
Total emissions (Scope 1 + Scope 2)	Consolidated	94,480	113,412	117,917
	Haneda	88,420	104,851	110,758
	Outside the airport, etc.	6,060	8,561	7,159
Scope1	Consolidated	13,673	17,472	22,534
	Haneda	11,813	14,967	19,194
	Outside the airport, etc.	1,860	2,505	3,340
Scope2	Consolidated	80,807	95,940	95,383
	Haneda	76,607	89,884	91,564
	Outside the airport, etc.	4,200	6,056	3,819

Resources Related

Category	Unit	FY2021	FY2022	FY2023
Water usage	m³	—	744,004	1,082,124
Drainage amount	m³	—	741,110	1,001,040
Waste generated	t	3,755	6,115	9,118
Terminal 1	t	1,863	2,574	2,866
Terminal 2	t	1,397	2,042	2,679
Terminal 3	t	495	1,499	3,573
Waste reused	t	1,220	2,317	3,730
Terminal 1	t	517	779	891
Terminal 2	t	473	679	951
Terminal 3	t	230	859	1,888
Recycling rate	%	32.5	37.9	40.9

Item	FY2021	FY2022	FY2023
Scope3	76,753	228,735	330,131
1. Products and services purchased	—	113,819	137,307
2. Capital goods	17,862	45,474	104,372
3. Fuel and energy related activities not included in scope 1 and 2	24,688	28,268	31,576
4. Transportation and delivery (upstream)	3,881	10,193	23,135
5. Waste from operations	832	1,478	2,223
6. Business trip	—	45	119
7. Commute	—	—	1,868
13. Leased assets (downstream)	29,490	29,458	29,531

Other ESG-related information is available at the following link. ESG Data Book.
https://www.tokyo-airport-bldg.co.jp/files/ir/esg_data_book_en.pdf



Eleven-Year Financial Summary

	FY2013	FY2014	FY2015	FY2016
Consolidated Financial Figures (Millions of yen)				
Operating revenues ¹	147,116	173,505	204,134	204,953
Operating income (loss)	6,194	9,888	11,302	9,497
Ordinary income (loss)	5,723	11,849	13,654	12,843
Net income (loss) attributable to owners of the parent	2,979	6,648	8,870	6,886
Total assets	185,358	218,229	222,542	213,026
Interest-bearing debt ²	53,976	71,165	63,055	54,135
Net assets	101,866	112,530	118,394	125,438
Cash flows from operating activities	15,204	19,520	15,235	15,620
Cash flows from investing activities	- 9,660	- 4,008	- 7,810	- 8,373
Cash flows from financing activities	- 6,574	16,251	10,759	- 11,702
EBITDA ³	18,874	21,760	22,534	21,106
Capital expenditures ⁴	6,212	5,034	9,354	7,613
Depreciation and amortization	12,680	11,872	11,232	11,609
Per Share Data (Yen)				
Earnings per share ⁵	36.68	81.84	109.20	84.78
Book-value per share ⁶	1,235.25	1,349.32	1,427.66	1,511.92
Dividends per share	13.00	21.00	33.00	33.00
Financial Indicators (%)				
Operating profit margin	4.2	5.7	5.5	4.6
Return on equity ⁷	3.0	6.3	7.9	5.8
Return on assets ⁸	3.1	5.9	6.2	5.9
ROA(EBITDA)	10.2	10.8	10.2	9.7
Equity ratio	54.1	50.2	52.1	57.7
Net debt equity ratio	0.4	0.2	0.2	0.1
Dividend payout ratio ⁹	35.4	25.7	30.2	38.9
Trading Indicators				
Closing market price (yen)	2,681	7,280	4,000	3,865
Dividend yield (%) ¹⁰	0.5	0.3	0.8	0.9
Price earnings ratio ¹¹	73.1	89.0	36.6	45.6
Price book-value ratio ¹²	2.2	5.4	2.8	2.6
EV/EBITDA ratio ¹³	14.1	29.5	16.0	16.3

Notes: 1. The Company has adopted the "Accounting Standard for Revenue Recognition" and relevant revised ASBJ regulations from the beginning of the FY2021, for transactions in which the Company's role in providing goods or services to customers falls under the category of agent, revenue is now recognized as the net amount, the amount received from customers less the amount paid to suppliers.

2. Interest-bearing debt=Bonds + Short-term loans payable + Long-term loans payable + Lease obligations

3. EBITDA=Operating Revenues + Depreciation and Amortization

4. Capital Investment=Increase in tangible and intangible fixed assets(excluding the impact of sale and disposal)

5. EPS=Net Income Attributable to Owners of the Parent / Average outstanding shares during the period(excluding treasury stock)

6. BPS=(Total Equity - Non-controlling interests) / The number of shares at March 31 each (excluding treasury stock)

7. ROE=Net Income Attributable to Owners of the Parent / Average of Shareholders' equity at the beginning and end of the period

8. ROA=EBITDA / Average of Total Assets at the beginning and end of the period

9. For FY2018, the calculation excludes the impact of Extraordinary gains, loss and its tax effect due to consolidation of TIAT.

10.Dividend yield = dividend per share ÷ end-of-term stock price

11. PER = Closing Market Price / EPS

12. PBR = Closing Market Price / BPS

13. EV/EBITDA Ratio = (Liabilities with interest - Cash and Cash Equivalents +Market capitalization + Non-controlling interests)/EBITDA

Before TIAT consolidation ◀	▶ After TIAT consolidation			▶ Adopting the Accounting Standard for Revenue Recognition		
FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023
225,953	273,618	249,756	52,572	57,057	113,050	217,578
13,429	22,481	9,892	- 59,020	- 41,255	- 10,579	29,527
16,696	20,379	8,705	- 57,320	- 43,861	- 12,064	27,225
11,776	33,004	5,012	- 36,578	- 25,217	- 3,901	19,255
239,389	484,654	521,363	519,193	463,878	446,955	460,423
66,744	215,850	243,557	265,040	257,150	244,304	228,283
136,156	201,390	201,899	195,544	156,009	140,951	166,036
22,257	34,288	20,222	- 4,387	- 9,305	16,326	47,761
- 28,474	- 8,489	- 57,334	- 25,268	- 4,926	- 10,627	- 42,986
9,438	19,152	21,644	78,228	- 9,035	- 12,641	- 19,649
24,235	47,115	37,699	- 24,710	- 9,540	18,375	57,698
28,590	58,123	70,782	9,282	5,289	12,083	31,779
10,806	24,634	27,807	34,310	31,715	28,954	28,171
144.98	406.31	61.71	- 445.92	- 270.75	- 41.89	206.75
1,641.82	2,011.61	2,001.83	1,910.83	1,655.32	1,613.62	1,805.67
44.00	45.00	32.00	0.0	0.0	16.0	67.0
5.9	8.2	4.0	-	-	-	13.6
9.2	22.2	3.1	-	-	-	12.1
7.4	5.6	1.7	-	-	-	6.0
10.7	13.0	7.5	-	-	4.0	12.7
55.7	33.7	31.2	34.3	33.2	33.6	36.5
0.2	0.8	1.1	0.8	1.0	1.0	0.9
30.3	31.2	51.9	-	-	-	32.4
4,065	4,675	4,175	5,440	5,590	6,600	5,930
1.1	1.0	0.8	-	-	0.2	1.1
28.0	11.5	67.7	-	-	-	28.7
2.5	2.3	2.1	2.8	3.4	4.1	3.3
15.3	11.9	15.0	-	-	41.3	12.2

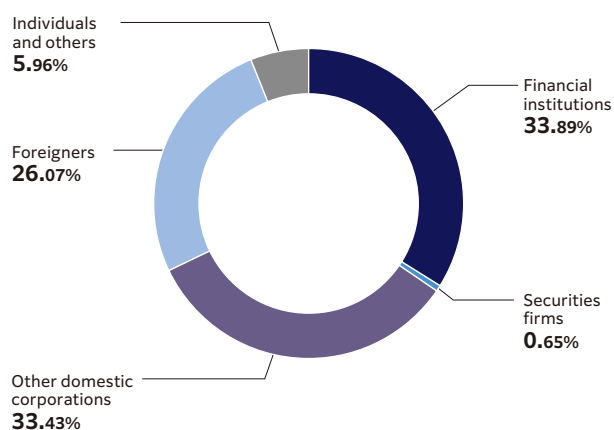
Corporate Data *As of March 31, 2024

Name	Japan Airport Terminal Co., Ltd.
Date of Establishment	July 20, 1953
Paid-in Capital	38,126,380,000 yen
President	Nobuaki Yokota
Address	Terminal 1, 3-3-2 Haneda Airport, Ota-ku, Tokyo 144-0041, Japan Tel: +81-3-5757-8000
Number of Employees	293 (as of March 31, 2024) * Consolidated: 2,660 (Facilities Management: 981, Merchandise Sales: 940, Food and Beverage: 561, Other: 178)

Stock Information (As of March 31, 2024)

Security Code	9706
Stock Listing	Prime Market, Tokyo Stock Exchange
Number of shares per unit	100 shares
Total number of authorized shares to be issued	288,000,000 shares
Number of issued shares	93,145,400 shares (including 9,339 treasury stock)
Number of shareholders	11,089

Shareholdings Structure



Major Shareholders

	Number of shares (Thousands)	Shareholding ratio (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	9,308	9.99
Japan Airlines Co., Ltd.	4,398	4.72
ANA Holdings Inc.	4,398	4.72
Custody Bank of Japan, Ltd. (Reinvested portion of the Keikyu Corporation pension benefits trust fund managed by The Sumitomo Trust and Banking Co., Ltd.)	3,484	3.74
Mizuho Bank, Ltd.	3,300	3.54
SSBTC CLIENT OMNIBUS ACCOUNT	3,166	3.40
Mitsubishi Estate Co., Ltd.	3,111	3.34
MUFG Bank, Ltd.	3,068	3.29
Custody Bank of Japan, Ltd. (Trust Account)	2,821	3.02
Taisei Corporation	2,731	2.93

* Shareholding ratio is calculated exclusive of treasury stock (9,339 shares).

Group Companies (19 consolidated Group companies)

Name	Business	Business details	Acquired certifications
Tokyo International Air Terminal Corporation (TIAT)	Facilities management	<ul style="list-style-type: none"> • Management and operation of international passenger terminal buildings • Lease of offices, stores, and other spaces to airline companies and airport-based businesses • Guidance and lounge services for international passenger terminal buildings • Provision of rental meeting rooms, other services, and parking lot business • Merchandise sales targeting international passenger terminal users • Food, beverage and coffee shop services for international passenger terminal users 	<ul style="list-style-type: none"> • CASBEE Building (New Construction) S-Rank (July 2010) • CASBEE Building (Renovation) S-Rank (August 2014) • CASBEE Building (Renovation) S-Rank (December 2019)
Japan Airport Techno Co., Ltd.	Facilities management	<ul style="list-style-type: none"> • Maintenance and management of airport terminal facilities and equipment • Cleaning, planting, and other environmental management • Design and construction of buildings and facilities • Airport terminal services • House cleaning services 	<ul style="list-style-type: none"> • ISO 9001 (November 14, 2003) • ISO 14001 (February 12, 2013)
Haneda Airport Security Co., Ltd.	Facilities management	<ul style="list-style-type: none"> • Facility security services • Airport security guard duties (airline security checks) • Parking lot management 	
Sakura Shokai Co., Ltd.	Facilities management	<ul style="list-style-type: none"> • Waste treatment operations 	<ul style="list-style-type: none"> • ISO 14001 (June 2003)
BIG WING Co., Ltd.	Facilities management	<ul style="list-style-type: none"> • Advertisement planning, management, and agency services • Event planning and management • Life insurance solicitation and non-life insurance agency business • Vending machine sales of beverages, food, telephone cards, and alcoholic beverages • Sales of mobile phones, daily sundries, household furnishings, and food products • Planning, production, and sales of pamphlets and other printed materials • Real estate sales, leasing, and management • Restaurant business • Pet hotel operation and management • Relaxation services • Salon business 	
Haneda Passenger Service Co., Ltd.	Facilities management	<ul style="list-style-type: none"> • General information services for airport users (domestic and international flights at Haneda Airport) • Other services incidental to the preceding paragraph (attendant services, in-building broadcasts, radio broadcasts) • Travel services (travel agency services, ticket sales, etc.) 	
Japan Airport Ground Handling Co., Ltd.	Facilities management	<ul style="list-style-type: none"> • Passenger handling operations • Ramp handling operations • Private jet handling operations 	
Haneda Future Research Institute Incorporated	Facilities management	<ul style="list-style-type: none"> • Further enhances value of existing airport operations, develops new business models, and functions as a think tank 	
Haneda Airport Enterprise Co., Ltd.	Merchandise sales	<ul style="list-style-type: none"> • Operation of duty free shops and other airport stores 	<ul style="list-style-type: none"> • Eruboshi certification (February 24, 2021) • Kurumin certification (March 24, 2021) • Health Excellent Company Silver Certification (October 19, 2022)
International Trade Inc.	Merchandise sales	<ul style="list-style-type: none"> • Wholesale business and merchandise sales to airport stores nationwide • Facility services business 	
Japan Airport Logitem Co., Ltd.	Merchandise sales	<ul style="list-style-type: none"> • Inspection, storage, and delivery of merchandise sold at Tokyo International Airport, Narita International Airport, and other airports • Transportation • Customs clearance • Warehousing • Sales of business supplies • Leasing of real estate and operation and management of parking lots 	<ul style="list-style-type: none"> • G-mark certification, Japan Trucking Association (January 1, 2007) • Green Management certification (May 20, 2004)
Japan Airport Terminal Trading (Chengdu) Co., Ltd.	Merchandise sales	<ul style="list-style-type: none"> • Merchandise sales business at Chengdu Shuangliu International Airport 	
Hamashin Co., Ltd.	Merchandise sales	<ul style="list-style-type: none"> • Wholesale marine products and processed marine food products 	
Japan Duty Free Fa-So-La Isetan Mitsukoshi Co., Ltd.	Merchandise sales	<ul style="list-style-type: none"> • Operation of airport duty free stores throughout the city 	
Air BIC INC.	Merchandise sales	<ul style="list-style-type: none"> • Sales of home appliances, travel goods and daily sundries 	
Tokyo Airport Restaurant Co., Ltd.	Food and beverage	<ul style="list-style-type: none"> • Operation of restaurants • Operation of commissioned lounges and multipurpose halls • Box lunch sales • Box lunch deliveries within and outside the airport and catering services 	
Cosmo Enterprise Co., Ltd.	Food and beverage	<ul style="list-style-type: none"> • Preparation and loading of in-flight meals • Production and sales of frozen and retort-pouch foods 	<ul style="list-style-type: none"> • HACCP certification (Taiei Unit: May 11, 2017; Haneda Unit: May 12, 2017) • Halal certification (Taiei Unit: January 9, 2014; Haneda Unit: May 14, 2014)
LANI KE AKUA PACIFIC, INC.	Food and beverage	<ul style="list-style-type: none"> • Restaurant and other businesses 	
KAIKAN KAIHATSU Co., Ltd.	Food and beverage	<ul style="list-style-type: none"> • Restaurant business, management and operation of lodging, halls, and meeting rooms 	

Japan Airport Terminal Co., Ltd.

Sustainability Management Office

www.tokyo-airport-bldg.co.jp/en/

Terminal1, 3-3-2 Haneda Airport, Ota-ku, Tokyo 144-0041

Tel.: 81 + 3-5757-8064