

*This document has been translated from the original Japanese version for reference purposes only. In the event of any discrepancy between this translated document and the original Japanese version, the latter shall prevail in all respects.*

"System for Ensuring the Appropriateness of Business Operations," "Outline of the Status of Operation of System for Ensuring the Appropriateness of Business Operations," "Consolidated Statement of Changes in Net Assets," "Notes to Consolidated Financial Statements," "Nonconsolidated Statement of Changes in Net Assets" and "Notes to Nonconsolidated Financial Statements" are provided to our shareholders through our Website (<https://www.ana.co.jp/group/en/investors/>) pursuant to laws and regulations, and Article 17 of our Articles of Incorporation.

To Our Shareholders,

I would like to take this opportunity to express my sincere appreciation for all of our shareholders' continued interest in and support for the ANA Group. We are sending you the notice of convocation for our 76th Ordinary General Meeting of Shareholders.

We would like to extend our sincere condolences to those who have lost their lives to Coronavirus (COVID-19). We also offer our heartfelt wishes to those who are affected by COVID-19 for a speedy recovery. Moreover, we would like to deeply thank all healthcare workers and others who are tirelessly working to prevent the spread of infection of COVID-19.

For the fiscal year ended March 31, 2021 ("Fiscal Year"), the COVID-19 pandemic severely affected our business results, whereas the sales of the air transportation business decreased approximately 70% year-on-year for the domestic passenger service and decreased approximately 93% year-on-year for the international passenger service. Meanwhile, although passenger flights remained suspended, the international cargo business reinforced its acceptance and handling of great demands of cargo services for medicine, automobile equipment, semiconductors and other goods after the restart of economic activities. In terms of costs, we achieved a cost reduction of 590 billion yen including fixed costs, but this was not sufficient to cover the decrease of passenger service revenues. As a result, our revenues and profits for the Fiscal Year were dramatically reduced compared to the prior fiscal year. Accordingly, we regret to inform you that we will not be providing dividends again as in previous fiscal year.

For the fiscal year ending March 31, 2022, we will steadily conduct the reduction of fixed costs and other structural business reforms pursuant to the "Transformative Measures to a New Business Model" released last October. Although immediate circumstances remain highly challenging, the demand for air transportation services is starting to recover in the EU and the US due to increasing cases of vaccination, and we expect to see similar trend in Japan. We will never lose hope even during this crisis and will endeavor to attain surplus.

We sincerely ask for your ongoing support for the ANA Group.

Shinya Katanozaka, Representative Director, President & Chief Executive Officer

**Mission Statement**

Built on a foundation of security and trust, "the wings within ourselves" help to fulfill the hopes and dreams of an interconnected world.

**ANA Group Safety Principles**

Safety is our Promise to the public and is the foundation of our business.

Safety is assured by an integrated management system and mutual respect.

Safety is enhanced through individual performance and dedication.

**Management Vision**

It is our goal to be the world's leading airline group in customer satisfaction and value creation.

**ANA's Way**

To live up to our motto of "Trustworthy, Heartwarming, Energetic!", we work with:

**1. Safety**

We always hold safety as our utmost priority, because it is the foundation of our business.

**2. Customer Orientation**

We create the highest possible value for our customers by viewing our actions from their perspective.

**3. Social Responsibility**

We are committed to contributing to a better, more sustainable society with honesty and integrity.

**4. Team Spirit**

We respect diversity of our colleagues worldwide and come together as one team by engaging in direct, sincere and honest dialogue.

**5. Endeavor**

We endeavor to take on any challenge in the global market through bold initiative and innovative spirit.

Securities ID Code: 9202  
June 8, 2021

Dear Shareholders

Shinya Katanozaka  
Representative Director, President &  
Chief Executive Officer  
ANA HOLDINGS INC.  
5-2, Higashi-Shimbashi 1-chome  
Minato-ku, Tokyo 105-7140, Japan

**Notice of the 76th Ordinary General Meeting of Shareholders**

We sincerely appreciate all our shareholders' continued interest in and support for the ANA Group. We are pleased to announce that the 76th Ordinary General Meeting of Shareholders ("Meeting") will be held as below.

In order to minimize the risk of infection of COVID-19 as much as possible, we strongly recommend our shareholders to refrain from coming to the venue for the Meeting and to exercise your voting rights in advance by post or through the Internet.

You will be required to register in advance (first-come-first-served basis) in order to attend in person at the venue. In addition, the Meeting will be streamed live to enable you to view the Meeting from home.

In the event that you will not attend the meeting, please read the Supplementary Information for General Meeting of Shareholders enclosed herewith and then exercise your voting rights of this Notice by no later than June 28, 2021 (Monday), 6:00 PM (Japan Standard Time).

Your understanding and cooperation are highly appreciated.

## General Information of the Meeting

<b>1. Date:</b>	June 29, 2021 (Tuesday), 10:00 AM (Japan Standard Time) (reception desk will be open at 8:30 AM)
<b>2. Location:</b>	Grand Prince Hotel New Takanawa, International Convention Center PAMIR; 13-1, Takanawa 3-chome, Minato-ku, Tokyo
<b>3. Objectives:</b>	<p><b>Matters to be reported:</b></p> <ul style="list-style-type: none"> <li>(a) Business Report, Consolidated Financial Statements, and the Results of Audit of Consolidated Financial Statements by Independent Auditors and the Audit &amp; Supervisory Board for the 71<sup>st</sup> fiscal year (from April 1, 2020 to March 31, 2021).</li> <li>(b) Nonconsolidated Financial Statements for the 71<sup>st</sup> fiscal year (from April 1, 2020 to March 31, 2021).</li> </ul> <p><b>Matters to be resolved:</b></p> <ul style="list-style-type: none"> <li>1. Partial Amendment to Articles of Incorporation</li> <li>2. Election of 10 Directors of the Company</li> <li>3. Election of 1 Audit &amp; Supervisory Board Member of the Company</li> </ul>
<b>4. Note on Exercise of Voting Rights</b>	<ul style="list-style-type: none"> <li>• If you exercise your voting rights twice, both in writing form and through the Internet, only the exercise through the Internet will be counted.</li> <li>• If you exercise your voting rights more than once through the Internet, only the last exercise will be counted.</li> <li>• If you have a proxy to attend the General Meeting of Shareholders on your behalf, the proxy must be a shareholder of the Company who has voting rights in the Company. The proxy shall be no more than one person. In order to attend the General Meeting of Shareholders, the proxy is required to hand in at the reception desk, a written instrument evidencing the proxy's power of representation.</li> </ul>

<p><b>5. Note on Online Disclosure</b></p>	<ul style="list-style-type: none"> <li>• In accordance with the applicable laws and regulations and Article 17 of the Articles of Incorporation of the Company, the following documents (which are part of the documents to be provided to shareholders) are not included in this Notice as they are disclosed online on our website:  (1) System for ensuring the appropriateness of business operations;  (2) Outline of the status of operation of system for ensuring the appropriateness of business operations;  (3) Consolidated Statement of Changes in Net Assets;  (4) Notes to Consolidated Financial Statements;  (5) Nonconsolidated Statement of Changes in Net Assets; and  (6) Notes to Nonconsolidated Financial Statements</li> </ul> <p>Accordingly, the Business Report, Consolidated Financial Statements and Nonconsolidated Financial Statements that are included in this Notice constitute a part of the Business Report, Consolidated Financial Statements and Nonconsolidated Financial Statements audited by Independent Auditors or Audit &amp; Supervisory Board Members upon the preparation of independent auditor's report or audit report.</p>
<p><b>6. Method of Making an Announcement to Shareholders</b></p>	<ul style="list-style-type: none"> <li>• Upon the occurrence of any event which may cause an amendment to the Supplementary Information for General Meeting of Shareholders, Business Report, Consolidated Financial Statements, or Nonconsolidated Financial Statements no later than the day before the General Meeting of Shareholders, we will make an announcement by posting the amended sections on our website.</li> </ul>
<p><b>7. Company website</b></p>	<p><a href="https://www.ana.co.jp/group/en/investors/">https://www.ana.co.jp/group/en/investors/</a></p>

END

## Guidance Notes on Exercise of Voting Rights

### **Recommended:**



If you are to exercise the voting rights by writing form (postal mail):

**Due date of exercise: Forms that arrive by no later than June 28, 2021 (Monday), 6:00 PM (Japan Standard Time)**

Please read the directions described in the Form for Exercise of Voting Rights enclosed herewith, mark your approval or disapproval of each resolution, cut off the unnecessary section and then post the Form after pasting the personal information protection seal thereonto.

### **Recommended:**



If you are to exercise the voting rights through the Internet:

**Due date of exercise: Acceptable until June 28, 2021 (Monday), 6:00 PM (Japan Standard Time)**

Please enter your approval or disapproval of each resolution by reading the QR code printed on the lower right-hand side of the Form for Exercise of Voting Rights with your smartphone or on our website for exercising the voting right at <https://www.web54.net>.

► For more details, see "Guidance Notes on the Exercise of Voting Rights through the Internet."



If you are to attend the meeting and exercise the voting rights:

**Date of the Meeting: June 29, 2021 (Tuesday), 10:00 AM, reception starts from 8:30 AM (Japan Standard Time)**

\* Advance registration (first-come-first-served basis) is required for this year. If you wish to attend in person at the venue, please apply for the advance registration as follows no later than June 22, 2021 (Tuesday). Advance registration will be closed when all available seats are registered.

<How to make advance registration (Japanese version only)>

1. Please access to <https://www.ana.co.jp/group/investors/> and click "Advance Registration" button.
2. Please follow the on-screen instructions and register your shareholder number\* (9-digit number), name of shareholder and email address. (\* refer to right-hand diagram for location of indication) [translation of screen: shareholder number (9-digit number)]
3. After the registration, a registration completion email will be sent to your registered email address (\* Please be sure to arrange your email setting to receive emails with the domain: [anahd.co.jp])
4. On the day of the Meeting, please present the registration completion email (whether in print or digital form) and submit the Form for Exercise of Voting Rights enclosed herewith at the reception desk.

### **Request to Shareholders Attending the Meeting:**

• In order to minimize the infection risk, the number of seats are significantly reduced compared to prior years due to the wider space given between the seats. Accordingly, **attending the Meeting in person requires your advance registration (first-come-first-served basis)**. For more details, see "Guidance Notes on Exercise of Voting Rights" above. Please note in advance that you may be not able to enter the venue without an advance registration.

• **Shareholders who are attending the Meeting are requested to sterilize their hands and to wear a mask. Please note that you may be asked to refrain from entering the venue if you fail to comply with these measures.**

• We will check your body temperature at the reception by using thermography. Please note that our staff may ask any shareholder whose body temperature is 37.5 C or higher or who seems be unwell to refrain from entering the venue.

• Please note that our staff may also ask any shareholder who seems not to feel well after the commencement of the Meeting to leave the venue.

- The Meeting is scheduled to be held for a shorter amount of time than previous years by smooth and efficient processing of the items of business. We would appreciate the understanding and cooperation of all attending shareholders.

- We would appreciate it if you could come ahead of time to avoid last-minute congestion (the reception will open at 8:30 AM).

**Our Measures:**

- All directors and other officers attending the Meeting and our staff will be wearing a mask.

- Antiseptic solutions will be placed at the reception and other areas within the venue.

- Please note that the display booth and travelling product session that were held annually will be cancelled this year.

- Please note in advance that we do not distribute any gifts at the day of the Meeting.

- The Meeting will be streamed live for shareholders to be viewed from home. For more details, see "Live Streaming of the Meeting" below.

Any material changes to the operation of the Meeting will be announced on our website (<https://www.ana.co.jp/group/en/investors/>).



## **Guidance Notes on the Exercise of Voting Rights through the Internet**

The exercise of voting rights through the Internet is allowed through either of the following two methods:

- (1) Reading the QR code; or
- (2) Entering the Code for Exercise of Voting Rights and password.

Due date of exercise of voting rights:

**Acceptable until June 28, 2021 (Monday), 6:00 PM (Japan Standard Time)**

In utilizing these methods, please read and accept the following instructions beforehand.

### **(1) Reading the QR code, so-called "Smart Exercise"**

Step 1: Read the QR code on the lower right-hand side of the Form for Exercise of Voting Rights with your smartphone

You are able to log-in to the website for exercising voting rights without entering the Code for Exercise of Voting Rights and password.

\* Note: "QR code" is a registered trademark of Denso Wave Incorporated.

Step 2: Please continue by following the directions on the screen and enter your approval or disapproval of each resolution

(Translation of the message on the screen)

["Approve" all items proposed by the Company / Instruct separately for each item]

### **You can only exercise your voting rights once by way of "Smart Exercise"**

If you wish to change your vote after exercising your voting rights, please, as described in section (2) below, access to the PC website and log-in by entering the Code for Exercise of Voting Rights and password indicated on the Form for Exercise of Voting Rights, and then re-exercise your voting rights (\* By reading the QR code again, you will be able to access the PC website)

### **(2) Entering the Code for Exercise of Voting Rights and password**

Step 1: Access to the website for exercising voting rights → Click "Next"

Website URL for exercise of voting rights: <https://www.web54.net>

( Translation of the message on the screen )

[Welcome to our website for exercising voting rights!]

- Read the instructions carefully on "Exercise of Voting Rights through the Internet" before using this website. If you agree to the instructions described above, please click "Next" and use this website.

<Other notices>

- Click here if you wish to take procedures to confirm the notification for use of electronic delivery of convocation notice, etc.

- Click here if you are a shareholder of shares in connection with which electronic convocation notices are delivered and you wish to change your registered email address or to cancel the electronic delivery.
- Click here if you wish to request for a delivery of any forms for change of address or demand for purchase by the company of shares less than one unit.]

Step 2: Log in → Enter "Code for Exercise of Voting Rights" indicated on the Form for Exercise of Voting Rights and click "Login." When accessing for the first time, it will move on to the password change screen.

( Translation of the message on the screen )

[Login

- Enter "Code for Exercise of Voting Rights" indicated on the Form for Exercise of Voting Rights and click "Login."
- "Code for Exercise of Voting Rights" is written on the right-hand side of the Form for Exercise of Voting Rights (If you had received the convocation notice by email, it is described in the main text of the same email).]

Step 3: Entry of password → Enter the initial password indicated on the Form for Exercise of Voting Rights and set up a new password for actual use. Then, click "Registration"

( Translation of the message on the screen )

[Password authentication

- Change the password to the one you register by yourself for security purposes.
- Please enter the password appearing in the Form for Exercise of Voting Rights and a new password that you use for the Meeting, and click "Register."
- If you are using software keyboards, click onto the link at the right.

Password on the Form for Exercise of Voting Rights:

New password to be used:

(Enter again for confirmation):

\* Only half-width alphanumeric characters can be used.

\* For security reasons, password will not be notified by telephone or in writing. Please do not forget your new password.]

→ Please continue by following the directions on the screen and enter your approval or disapproval of each resolution.

Inquiries on this website	Inquiries concerning account in a security firm
<b>Sumitomo Mitsui Trust Bank, Limited</b> <b>Stock Transfer Agency Business</b> <b>Planning Department Web Support</b> <b>Service Hotline</b> <b>0120 (652) 031 (9:00 AM to 9:00 PM /</b> Japan Standard Time, domestic calls only)	<p>If you have any account in a security firm in Japan, please contact the security firm. If you have any special account, please contact the following:</p> <p><b>Sumitomo Mitsui Trust Bank, Limited</b>  <b>Stock Transfer Agency Business Planning</b>  <b>Department Administration Center</b>  <b>0120 (782) 031 (9:00 AM to 5:00 PM,</b>  <b>weekdays / Japan Standard Time, domestic</b>  <b>calls only)</b></p> <p>* Any requests for various forms concerning special accounts can be made via "Request for procedural forms" on the website of Sumitomo Mitsui Trust Bank, Ltd.</p> <p>(<a href="http://www.smtb.jp/personal/agency/request/">http://www.smtb.jp/personal/agency/request/</a>) or by calling 0120-782-031 (9:00 AM to 5:00 PM, weekdays / Japan Standard Time, domestic calls only)</p>

**To all institutional investors:**

Institutional investors may exercise their voting rights for this meeting by electromagnetic means at the Ordinary General Meeting of Shareholders through the "Electronic Voting Platform" operated by ICJ, Inc.

## Live Streaming of the Meeting

The Meeting will be streamed live for shareholders to be viewed from home. **Please note that shareholders who are viewing the Meeting from home cannot participate in the resolutions of the Meeting or ask any questions. Thus, please exercise your voting rights in advance.** For more details, see "Guidance Notes on Exercise of Voting Rights."

Date and time of live streaming	June 29, 2021 (Tuesday) from 10 AM to end of the Meeting * You can connect to the live streaming service from 30 minutes prior to the start of the Meeting (i.e. 9:30 AM) and live video will be available from around 9:55 AM.
How to view	<ol style="list-style-type: none"> <li>1. Please have your shareholder number (9-digit number described on the Form for Exercise of Voting Rights) and password (initial password is 7-digit postal code of your registered address. After formal registration, it will be your designated password) ready as they are required for shareholder website and log-in by accessing to the following website (<a href="https://sh.anahd.co.jp">https://sh.anahd.co.jp</a>) (Japanese version only) or by reading the QR code.</li> <li>2. After log-in, please register in accordance with the on-screen instructions.  * After entering the required items and making registration, a "temporary registration completion/formal registration request" email will be sent to your registered address. Formal registration will be completed by clicking the link on the email. There may be cases where the email does not arrive. Please arrange your email setting to receive emails with the domain: [<a href="mailto:">@anahd.co.jp</a>].</li> <li>3. After the formal registration, click "Click here for live streaming" button on the home page of the shareholders website. Livestreaming will start at the time of service. <b>* Please complete the above items 1 and 2 no later than the day immediately prior to the Meeting and complete the formal registration procedures on the shareholders website beforehand to confirm that you are able to login.</b></li> </ol>
Notes	<ul style="list-style-type: none"> <li>· There may be cases where you are unable to view depending on your PC environment or Internet connection.</li> <li>· Shareholders will bear the Internet service fees for viewing.</li> <li>· Please refrain from taking photos, recording or saving the livestream video.</li> </ul> <p>&lt;Inquiries&gt; Sumitomo Mitsui Trust Bank, Virtual General Shareholders Meeting Support Hotline: 0120-782-041 (9:00 AM to 5:00 PM/weekdays)</p>

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## **Supplementary Information for General Meeting of Shareholders**

### **Item 1: Partial Amendment to Articles of Incorporation**

#### **1. Reason of proposal**

The total number of authorized shares prescribed in Article 6 (Total number of authorized shares) of the Articles of Incorporation will be increased from 510 million shares to 1,020 million shares in order to expand financing options and enable flexible capital policy

As a result of the capital increase through public offering and the capital increase by third-party allotment conducted in the Fiscal Year, the number of issued and outstanding shares of the Company is 484,293,561 shares.

#### **2. Details of amendment**

The proposed amendment is as follows:

(amended sections are underlined)

<b>Current Articles of Incorporation</b>	<b>Proposed amendment</b>
Article 6. (Total number of authorized shares) The total number of authorized shares shall be <u>510,000,000 shares</u> .	Article 6. (Total number of authorized shares) The total number of authorized shares shall be <u>1,020,000,000 shares</u> .

### **Item 2: Election of 10 Directors of the Company**

Since Yutaka Ito retired from his office as Director as of March 31, 2021 and the term of office of all current nine (9) Directors will expire at the time of the closing of this 76th Ordinary General Meeting of Shareholders, we hereby ask our shareholders to elect the ten (10) members of the Board of the Directors.

The candidates for Directors are as shown below, and their details are described on later pages:

< Policy and Process of Selection of Director Candidates>

Directors are selected from candidates inside and outside the company who have impeccable character, extensive experience, broad insight, and advanced expertise. Ideal candidates have the potential to contribute to improved policy-making, decision-making, and oversight befitting a global airline group with widespread businesses centered on the Air Transportation Business. Our selection is made without regard to gender, nationality, or other such factors, and falls within the scope of the Civil Aeronautics Act and other relevant laws.

Pursuant to this policy, candidates are decided by the Board of Directors, taking into the reports by the Personnel Advisory Committee, which is an advisory committee to the Board of Directors. The majority of members on this committee are Outside Directors. In order to ensure transparency and fairness in the selection, the Personnel Advisory Committee discusses the candidates for directors before the Board of Directors makes its resolution.

Candidate No.	Name				Position and assignment in the Company	Participation in the Board of Directors' meeting
1	Shinichiro Ito	re-elected			Chairman of the Board (Chairman of the Board of Directors)	12/12
2	Shinya Katanozaka	re-elected			Representative Director, President & Chief Executive Officer, Chairman of the ANA Group Management Committee; Committee Head of Group ESG Management Promotion Committee; In charge of Internal Audit	12/12
3	Koji Shibata	re-elected			Representative Director, Executive Vice President, In charge of Corporate Strategy, Corporate Communications and Branding, Facilities Planning, Digital Design Lab, Okinawa Region	10/10
4	Naoto Takada	re-elected			Member of the Board of Directors, Executive Vice President , Chairman of Group ESG Management Promotion Committee; In charge of Legal & Insurance, General Administration, Corporate Sustainability, Government & Industrial Affairs, Executive Secretariat	12/12
5	Ichiro Fukuzawa	re-elected			Member of the Board of Directors, Executive Vice President Chief Financial Officer; In charge of Group Procurement	12/12
6	Tatsuhiko Mitsukura	new			Executive Vice President; In charge of Group IT Management, Human Resources Strategy, D&I Promotion	-/-
7	Yuji Hirako	re-elected			Member of the Board of Directors	12/12
8	Ado Yamamoto	re-elect ed	Outside Director candidate	Independent Director	Outside Director	12/12
9	Izumi Kobayashi	re-elect ed	Outside Director candidate	Independent Director	Outside Director	12/12
10	Eijiro Katsu	re-elect ed	Outside Director candidate	Independent Director	Outside Director	10/10

new	New Director candidate	re-elected	Re-elected Director candidate	Outside Director candidate	Outside Director candidate	Independent Director	Independent Director candidate
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Knowledge, experience and ability especially expected						
Corporate management and experience as leader	Air transportation business and safety	Personnel and human resources development	Finance and accounting	Legal, ESG, risk management	Technology and innovation	Global and long-term strategy
●	●	●				●
●	●	●				●
	●				●	●
	●	●		●		
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	●	●			●	
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●			●	●		●
●				●	●	●

Candidate no.

1

**Shinichiro Ito**

(Date of Birth: December 25, 1950)

re-elected



No. of shares of the  
Company owned:  
**16,500**

**Biography and position and assignment in the Company**

April 1974	Joined the Company	April 2009	Representative Director, President & Chief Executive Officer;
April 2001	Director of Personnel, the Company		Representative Director, the Company Chairman of the Board of Directors,
April 2003	Executive Vice President the Company	April 2015	
June 2003	Member of the Board of Directors, Executive Vice President, the Company	April 2017	Representative Director, the Company Chairman of the Board of Directors, the Company to present
April 2007	Representative Director, President & Chief Executive Officer; , the Company		

**Material concurrent positions at other corporations, etc.**

Outside Director of Mitsui Fudosan Co., Ltd.

**Reason for electing as Director candidate**

Shinichiro Ito has extensive experience in sales, human resources and other disciplines. As a President & CEO, Representative Director from April 2009, he led the management of the Group during challenging management environment after Lehman shock, and he achieved to improve the business results by promoting group management structure reforms and revenue base expansion. He chaired the Board of Directors as the Chairman of the Board and Representative Director since April 2015, and has made progress in the reinforcement of the function of the Board of Directors by promoting proceedings that encourage free, open-minded and constructive discussions and exchange of opinions. Since he is contributing to the reinforcement of the supervisory function of the Board of Directors as its Chairman given his abundant experience and performance, the Company has decided to continue to reappoint him as a Director candidate to overcome the current management crisis due to the COVID-19 pandemic and to attain a sustainable increase in the Group's corporate value.

Candidate no.

2

**Shinya Katanozaka**

(Date of Birth: Jul. 4, 1955)

re-elected



No. of shares of the  
Company owned:  
**16,000**

**Biography and position and assignment in the Company**

April 1979	Joined the Company	April 2013	Representative Director, President & Chief Executive Officer;
April 2004	Director of Personnel, the Company		the Company
April 2007	Executive Vice President, the Company	April 2015	Representative Director, President & Chief Executive Officer; Representative Director, the Company Representative Director, President & Chief Executive Officer;
June 2009	Member of the Board of Directors, Executive Vice President, the Company	April 2020	Representative Director, Chairman of the ANA Group Management Committee, Committee Head of Group ESG Management Promotion Committee; In charge of Internal Audit, the Company to present

**Material concurrent positions at other corporations, etc.**

Outside Director, Tokio Marine Holdings, Inc.  
Vice Chairman, Japan Business Federation (Keidanren)

**Reason for electing as Director candidate**

Shinya Katanozaka has extensive experience in sales, human resources, corporate planning and other disciplines. He was appointed as Representative Director, Representative Director, President & Chief Executive Officer from April 2015. Under this uncompromising stance on safety, the Company has implemented a growth strategy, achieving a profit growth for four (4) consecutive years. Since he is contributing to the reinforcement of decision-making function and supervisory function of the Board of Directors by always maintaining a global perspective, and has taken immediate actions to ensure liquidity in hand since the start of the COVID-19



pandemic and prepared the structural business reforms based on arrangements with all stakeholders and is leading the Group to attain growth again, the Company has decided to continue to reappoint him as a Director candidate to overcome the current management crisis due to COVID-19 and to attain a sustainable increase in the Group's corporate value.

Candidate no. 3

## Koji Shibata

(Date of Birth: Aug. 16, 1957)

re-elected



No. of shares of the  
Company owned:  
4,000

### Biography and position and assignment in the Company

April 1982	Joined the Company	April 2021	Executive Vice President,
April 2005	Director of Alliance Office, the Company		Representative Director, the Company;
April 2012	Executive Vice President, the Company,		In charge of Corporate Strategy, Corporate Communications and Branding, Facilities Planning, Digital Design Lab, Okinawa Region, the Company to present
June 2020	Member of the Board of Directors, Executive Vice President, the Company		

### Material concurrent positions at other corporations, etc.

Outside Director, Japan Airport Terminal Co. Ltd.  
Outside Director, Airport Facilities Co., Ltd.

### Reason for electing as Director candidate

Koji Shibata has extensive experience in sales and marketing, and international alliance and other disciplines. As Executive Vice President and Director from June 2020, and as Executive Vice President and Representative Director from April 2021, he was in charge of planning and implementing management strategies of the Company and is promoting corporate management. He endeavored to support the President appropriately for promoting structural business reforms. Since he is contributing to the reinforcement of the decision-making function and supervisory function of the Board of Directors based on his abundant experience and performance, the Company has decided to continue to reappoint him as a Director candidate to overcome the current management crisis due to COVID-19 and to attain a sustainable increase in the Group's corporate value.

Candidate no. 4

## Naoto Takada

(Date of Birth: Jul. 26, 1958)

re-elected



No. of shares of the  
Company owned:  
3,200

### Biography and position and assignment in the Company

April 1981	Joined the Company	June 2017	Member of the Board of Directors, Executive Vice President, the Company
June 2011	Director of Public Relations Office, the Company		
April 2013	Executive Vice President, ALL NIPPON AIRWAYS CO., LTD.	April 2021	Member of the Board of Directors, Executive Vice President, the Company; Chairman of Group ESG Management Promotion Committee; In charge of Legal & Insurance, General Administration, Corporate Sustainability, Government & Industrial Affairs and Executive Secretariat, the Company to present
April 2016	Executive Vice President, the Company		

### Reason for electing as Director candidate

Naoto Takada has extensive experience in labor relations, industrial policies, public relations and other disciplines. After he being engaged in human resources development of the Group as Executive Vice President and Member of the Board of Directors in charge of human resources from April 2019, he is in charge of Executive Secretariat, General Administration, Legal & Insurance, Corporate Social Responsibility (CSR) and risk management as Executive Vice President and Member of the Board of Directors from April 2021.

Since he is collecting internal and external information at all times and contributing to the reinforcement of the decision-making function and supervisory function of the Board of Directors based on his abundant experience and performance, the Company has decided to continue to reappoint him as a Director candidate to overcome the current management crisis due to COVID-19 and to attain a sustainable increase in the Group's corporate value.

Candidate no.

5

Ichiro Fukuzawa

(Date of Birth: April 14, 1961)

re-elected



No. of shares of the  
Company owned:

3,100

#### Biography and position and assignment in the Company

October 1989	Joined the Company	April 2021	Member of the Board of Directors, Executive Vice President, Chief Financial Officer, In charge of Procurement, the Company to present
April 2013	Director of Finance, Accounting & Investor Relations, the Company		
April 2017	Executive Vice President, the Company		
June 2019	Member of the Board of Directors, Executive Vice President, the company		

#### Reason for electing as Director candidate

As Chief Financial Officer and Member of the Board of Directors from June 2019 and as Executive Vice , Chief Financial Officer and Member of the Board of Directors from April 2021, Ichiro Fukuzawa has built stable financial basis and attained financial strategy including efficient capital restructuring. In addition, he provided appropriate support to the president for each business of the Group, and was also directly involved in active communications with domestic and foreign institutional investors. While the Company was hugely affected by COVID-19, he strived to ensure sufficient liquidity in hand as the Chief Financial Officer. Since he is contributing to the reinforcement of the decision-making function and supervisory function of the Board of Directors based on his abundant experience and performance and while also bearing a new responsibility to reform procurement, the Company has decided to continue to reappoint him as a Director candidate to overcome the current management crisis due to COVID-19 and to attain a sustainable increase in the Group's corporate value.

Candidate no.

6

**Tatsuhiko Mitsukura**

(Date of Birth: Nov. 27, 1956)

new



No. of shares of the  
Company owned:

2,600

**Biography and position and assignment in the Company**

April 1982	Joined the Company	April 2019	Executive Vice President, the Company
November 2012	Head of Maintenance Center, Aircraft Business, the Company	April 2021	Member of the Board of Directors, Executive Vice President, the Company; In charge of Group IT Management, Human Resources Strategy, D&I Promotion, the Company
April 2014	Executive Vice President, ALL NIPPON AIRWAYS CO., LTD.		
April 2015	Member of the Board of Directors, Executive Vice President, ALL NIPPON AIRWAYS CO., LTD.		to present

**Reason for electing as Director candidate**

Since April 2015, Tatsuhiko Mitsukura was engaged in ensuring safe air transportation as Head of Maintenance Center and Member of the Board of Directors of ALL NIPPON AIRWAYS CO., LTD., a core subsidiary of the Group. He has promoted safety and security activities as Executive Vice President in charge of group technology of the Company from April 2019, and as safety controller of ALL NIPPON AIRWAYS CO., LTD. from April 2021. He is also engaged in IT, human resources strategy and D&I Promotion of the Company. Based on the judgment that his abundant experience and his perspective and insight as a technician would be crucial in order to overcome the current management crisis due to COVID-19 and to attain a sustainable increase in the Group's corporate value, the Company has decided to appoint him as a new Director candidate.

Candidate no.

7

**Yuji Hirako**

(Date of Birth: Jan. 25, 1958)

re-elected



No. of shares of the  
Company owned:

11,300

**Biography and position and assignment in the Company**

April 1981	Joined the Company	April 2015	Executive Vice President, the Company
April 2010	Director of Corporate Planning, the Company	June 2015	Member of the Board of Directors, Executive Vice President, the Company
June 2011	Executive Vice President, the Company	April 2017	President and CEO of ALL NIPPON AIRWAYS CO., LTD. to present
April 2013	Executive Vice President, ALL NIPPON AIRWAYS CO., LTD.		

**Material concurrent positions at other corporations, etc.**

President and CEO of ALL NIPPON AIRWAYS CO., LTD.  
Chairman of All Japan Air Transport and Service Association Co., Ltd.

**Reason for electing as Director candidate**

Yuji Hirako has extensive experience in sales, finance and other disciplines. He serves as the President and CEO of ALL NIPPON AIRWAYS CO., LTD., a core subsidiary of the Group, from April 2017 and is operating the business with a global perspective using his extensive knowledge and expertise concerning international services with safety as a top priority, and thus allowing ALL NIPPON AIRWAYS CO., LTD. to steadily grow as a leading global airline. Since he is contributing to the reinforcement of the decision-making function and supervisory function of the Board of Directors based on his abundant experience and performance, the Company has decided to continue to reappoint him as a Director candidate to lead the reform of service model aligned with post-COVID-19 life, to overcome the current management crisis due to COVID-19 and to attain a sustainable increase in the Group's corporate value.

Candidate no.

8

Ado Yamamoto

(Tenure as Outside Director: 8 years)

(Date of Birth: Dec. 1, 1948)

re-elected

Independent  
Director

Outside Director  
candidate



No. of shares of the  
Company owned:

3,000

#### Biography and position and assignment in the Company

June 2004	Managing Director, Nagoya Railroad Co., Ltd.
June 2006	Senior Managing Director, Nagoya Railroad Co., Ltd.
June 2008	Vice President and Representative Director, Nagoya Railroad Co., Ltd.
June 2009	President and Representative Director, Nagoya Railroad Co., Ltd. Independent
June 2013	Outside Director, the Company to present
June 2015	Chairman and Representative Director of Nagoya Railroad Co., Ltd. to present

#### Material concurrent positions at other corporations, etc.

Chairman and Representative Director of Nagoya Railroad Co., Ltd. (scheduled to retire by expiry of term and to serve as advisor of Nagoya Railroad Co., Ltd. as of June 25, 2021)  
Outside Director, Yahagi Construction Co., Ltd. (scheduled to retire by expiry of term as of June 29, 2021)  
Outside Director, Chubu-Nippon Broadcasting Co., Ltd.  
Chairman of Nagoya Chamber of Commerce & Industry

#### Reason for electing as Outside Director candidate and expected roles

Ado Yamamoto has a wealth of experience and expertise in transportation industry management. He offers the benefit of his background to actively provide opinions and proposals concerning responses to the COVID-19 pandemic, group management strategy, structural business reforms, risk management, investment management at the meetings of the Board of Directors. The Company has decided to continue to reappoint him as Independent Outside Director candidate to expect his contribution in reinforcement of the supervisory function of the Board of Directors especially through his professional perspective in promotion of management strategy, organization operation and human resources strategy of the Group based on his expertise. He was appointed as chairman of both the Remuneration Advisory Committee and the Personnel Advisory Committee in June 2020.

#### Special interest between the corporation where the candidate holds concurrent position and the Company

Ado Yamamoto is Chairman and Representative Director of Nagoya Railroad Co., Ltd. Nagoya Railroad Co., Ltd. owns the Company shares but its holding ratio is less than 2% of the total issued and outstanding shares of the Company. Our group companies execute sales transactions with Nagoya Railroad Co., Ltd. and several of its affiliated companies, but the amount of the relevant transactions is small (less than 1% of consolidated sales of the Company and less than 1% of consolidated sales of Nagoya Railroad Co., Ltd.), and there are no special relationships between them. He is also Outside Director of Yahagi Construction Co., Ltd., with which the Company conducts no steady transactions. He is also Outside Director of Chubu-Nippon Broadcasting Co., Ltd., with which the Company conducts no steady transactions. He is also Chairman of Nagoya Chamber of Commerce & Industry, but there are no special relationships between the Company and Nagoya Chamber of Commerce & Industry.

#### Fact, preventions and subsequent measures concerning unreasonable business execution during the candidate's term of office at the Company

In May, 2020, during Ado Yamamoto's tenure as Outside Director of the Company, ALL NIPPON AIRWAYS CO., LTD., a core subsidiary of the Group, received a "Business Improvement Order concerning Air Transportation Safety" from the Ministry of Land, Infrastructure, Transport and Tourism as a result of an incident of drunk flight crew member that occurred in November 2019. Ado Yamamoto has been making various proposals on legal compliance in the meetings of the Board of Directors, and after the revelation of the incident, he requested that internal control including subsidiaries should be reinforced and is actively making proposals for recurrence prevention.

#### Notification on Independent Director

The Company has notified the Tokyo Stock Exchange that Ado Yamamoto is an Independent Director. If his re-election is approved and passed, the Company will continue to have him remain as Independent Director.

Candidate no.

9

Izumi Kobayashi

(Tenure as Outside Director: 8 years)

(Date of Birth: Jan. 18, 1959)

re-elected

Independent  
Director

Outside Director  
candidate



No. of shares of the

Company owned:

3,000

#### Biography and position and assignment in the Company

Dec 2001	President and Representative Director, Merrill Lynch Japan Securities
July 2002	Outside Director, Osaka Securities Exchange Co., Ltd.
Nov 2008	Executive Vice President, Multilateral Investment Guarantee Agency, The World Bank Group
July 2013	Independent Outside Director, the Company to present

#### Material concurrent positions at other corporations, etc.

Outside Director of Mitsui & Co., Ltd.  
Outside Director of Mizuho Financial Group, Inc.  
Outside Director of OMRON Corporation

#### Reason for election as Outside Director candidate and expected roles

Izumi Kobayashi has a wealth of experience and expertise having served as representative in private financial institutions and international development and finance institutions and as outside director of other businesses. She offers the benefit of her background to actively provide opinions and proposals concerning responses to the COVID-19 pandemic, group management strategies, business restricting, risk management, investment management, sustainability strategy, or organization operation with a global perspective at the meetings of the Board of Directors. The Company has decided to continue to reappoint her as Independent Outside Director candidate to expect her contribution in reinforcement of the supervisory function of the Board of Directors through her professional perspective especially in global management, D&I, sustainability based on her expertise. She was appointed as a member of the Remuneration Advisory Committee in July 2013, and a member of the Personnel Advisory Committee in June 2016.

#### Special interest between the corporation where the candidate holds concurrent position and the Company

Izumi Kobayashi is Outside Director of Mitsui & Co., Ltd. There is a record of sales transactions of air tickets between our Group companies and Mitsui & Co., Ltd., but the amount of the relevant transactions is small (less than 1% of consolidated sales of the Company) and there are no special relationships between them. She is also Outside Director for Mizuho Financial Group, Inc. The Company and our Group companies have borrowing transactions with Mizuho Financial Group companies, but they are ordinary transactions, and there are no special relationships between them. She is also Outside Director of OMRON Corporation. There is a record of sales transactions of air tickets between our Group companies and OMRON Corporation, but the amount of the relevant transactions is small (less than 1% of consolidated operating revenues of the Company) and there are no special relationships between them.

#### Fact, preventions and subsequent measures concerning unreasonable business execution during the candidate's term of office at the Company

In May, 2020, during Izumi Kobayashi's tenure as Outside Director of the Company, ALL NIPPON AIRWAYS CO., LTD., a core subsidiary of the Group, received a "Business Improvement Order concerning Air Transportation Safety" from the Ministry of Land, Infrastructure, Transport and Tourism as a result of an incident of drunk flight crew member that occurred in November 2019. Izumi Kobayashi has been making various proposals on legal compliance in the meetings of the Board of Directors, and after the revelation of the incident, she requested that internal control including subsidiaries should be reinforced and is actively making proposals for recurrence prevention.

#### Notification on Independent Director

The Company has notified the Tokyo Stock Exchange that Izumi Kobayashi is an Independent Director. If her re-election is approved and passed, the Company will continue to have her remain as Independent Director.

Candidate no.

10

Eijiro Katsu

(Tenure as Outside Director: 1 year)

re-elected

Independent  
Director

(Date of Birth: June 19, 1950)

Outside Director  
candidate



No. of shares of the

Company owned:

2,400

#### Biography and position and assignment in the Company

July 2008	Minister's Secretariat of Finance
July 2009	Director-General of Budget Bureau, Ministry of Finance
July 2010	Administrative Vice Minister of Ministry of Finance
Aug 2012	Retire from Ministry of Finance
June 2013	President and Representative Director and COO of Internet Initiative Japan Inc.
June 2020	Independent Outside Director of the Company to present
April 2021	President, Representative Director and Co-CEO and COO of Internet Initiative Japan Inc. to present

#### Material concurrent positions at other corporations, etc.

President and Representative Director and Co-CEO and COO of Internet Initiative Japan Inc.

#### Reason for election as Outside Director candidate and expected roles

Eijiro Katsu has a wealth of experience and expertise as having served as Administrative Vice Minister and administrative officer, and as Executive Director of ICT company. He offers the benefit of his background to actively provide opinions and proposals concerning responses to the COVID-19 pandemic, structural business reforms, risk management, sustainability strategy and cyber security at the meetings of the Board of Directors. The Company has decided to continue to reappoint him as Independent Outside Director candidate to expect his contribution in reinforcement of the supervisory function of the Board of Directors especially through his professional perspective in ICT technologies, digital transformation and organization operation based on his expertise. In addition, he has been serving as a member of the Remuneration Advisory Committee and the Personnel Advisory Committee from June 2020.

#### Special interest between the corporation where the candidate holds concurrent position and the Company

Eijiro Katsu is President and Representative Director of Internet Initiative Japan Inc. There is a record of sales transactions of air tickets between our Group companies and Internet Initiative Japan Inc., but the amount of the relevant transactions is small (less than 1% of consolidated sales of the Company) and there are no special relationships between them.

#### Notification on Independent Director

The Company has notified the Tokyo Stock Exchange that Eijiro Katsu is an Independent Director. If his re-election is approved and passed, the Company will continue to have him remain as Independent Director.

#### (Notes)

1. There are no special interests between each Director candidate and the Company.
2. In accordance with Article 427, Paragraph 1 of the Companies Act and the Articles of Incorporation of the Company, the Company has entered into a contract for limitation of damage liability prescribed in Article 423, Paragraph 1 of the Companies Act with Ado Yamamoto, Izumi Kobayashi and Eijiro Katsu, setting forth that the maximum extent of the damage liability payable thereunder should be the amount set forth in Article 425, Paragraph 1 of the Companies Act. If their respective re-election is approved and passed, this contract will continue to be in effect.
3. The Company has entered into an insurance contract for damage liability of officers, etc. stipulated in Article 430-3, Paragraph 1 of the Companies Act with all directors as the insured. Pursuant to the relevant contract, any damages to be borne resulting from the liabilities of the directors who are insured regarding the execution of their duties or from any claim for the relevant liability will be covered. Any candidate who becomes a director will be included as the insured under the relevant insurance contract.

[Reference]

<Independence Guidelines for Independent Outside Director and Outside Audit & Supervisory Board Members>

The following requirements shall not apply to an Outside Director or Outside Audit and Supervisory Board Member ("Outside Officers") in order for the Outside Officer to be deemed as independent.

1. A person for whom the Group is a key business partner (\*1), or an executive officer thereof
2. A person who is a key business partner of the Group (\*1), or an executive officer thereof
3. A person who is a key lender of the Group (\*2), or an executive officer thereof
4. A major shareholder of the Company (\*3), or an executive officer thereof
5. An attorney, certified public accountant, consultant or other expert who receives, apart from executive compensation as a director or Audit and Supervisory Board Member, a significant monetary compensation or other economic benefit (\*4) from the Group
6. A certified public accountant who is a member of the auditing firm that is the Company's accounting auditor
7. A person who has received a large donation (\*5) from the Group
8. A person who is a close relative (\*6) of a director, Audit & Supervisory Board Member, Executive Vice President or key employee of the Company or a consolidated subsidiary
9. A person whose close relative comes under any of 1 through 7 above
10. A person who came under any of 1 through 8 above in the past three years
11. In addition to the preceding items, a person who has a special reason for not being able to fulfill his/her duties as an independent Outside Officer, including a conflict of interest with the Company

Note that even in the event that any one of the items 1 through 11 above apply, the Outside Officer is effectively independent as long as the reason is explained and disclosed at the time of appointment as an Outside Officer.

- \*1. "A person for whom the Group is a key business partner" is defined as a business partner that accounts for more than 2% of consolidated net sales.  
"A person who is a key business partner of the Group" is defined as a business partner who accounts for more than 2% of consolidated net sales of the Group.
- \*2. "A person who is a key lender" is a financial institution from whom outstanding loans of the Group exceed 2% of the total consolidated assets of the Company at the end of the most recent fiscal year.
- \*3. "A major shareholder" is a shareholder who holds 10% or more of voting rights directly or in another name at the end of the most recent fiscal year, or an executive officer thereof if the shareholder is a corporation.
- \*4. "A large sum of money or other economic benefit" is a benefit exceeding an average of 10 million yen per year over the past three fiscal years.
- \*5. "A large donation" is a donation that exceeds an average of the higher of 10 million yen or 2% of the consolidated sales of the recipient from the Group over the past three fiscal years.
- \*6. "A close relative" is a spouse or a relative within two degrees of kinship.




### Item 3: Election of 1 Audit & Supervisory Board Member of the Company

Kiyoshi Tonomoto, an Audit & Supervisory Board Member, will have his term of office expire at the time of the closing of this Ordinary General Meeting of Shareholders. Therefore, we hereby ask our shareholders to elect one (1) Audit & Supervisory Board Member.

We have obtained consent of the Audit & Supervisory Board for submission of this proposal.

The candidate for the Audit & Supervisory Board Member is as shown below:

Akihiko Miura		(Date of Birth: Aug. 3, 1957)	new
	<a href="#">Biography and position and assignment in the Company</a>		
	April 1981	Joined the Company	
	October 2012	Head of Maintenance Center, Equipment Business	
	April 2015	Executive Vice President, ALL NIPPON AIRWAYS CO., LTD.	
	April 2018	Member of the Board of Directors, Executive Vice President, ALL NIPPON AIRWAYS CO., LTD.	
	April 2021	Counselor, the Company to present	
No. of shares of the Company owned: 2,000			

#### [Reason for electing as Audit & Supervisory Board Member candidate](#)

Akihiko Miura has been engaged in maintenance, procurement, management planning for many years, and has extensive expertise and experience in air transportation business and safety and other technical issues. Since his extensive experience regarding airline industry and his perspective and knowledge as a technician will reinforce the audit & supervisory function, the Company has decided to appoint him as a new Audit & Supervisory Board Member candidate to attain a sustainable increase in the Group's corporate value.

#### (Notes)

1. If his election is approved and passed, in accordance with Article 427, Paragraph 1 of the Companies Act and the Articles of Incorporation of the Company, the Company will enter into a contract for limitation of damage liability with Akihiko Miura, setting forth that the maximum extent of the damage liability payable under Article 423, Paragraph 1 of the Companies Act should be the minimum amount set forth in Article 425, Paragraph 1 of the Companies Act.
2. The Company has entered into an insurance contract for damage liability of officers, etc. stipulated in Article 430-3, Paragraph 1 of the Companies Act with all Audit & Supervisory Board Members as the insured. Pursuant to the relevant contract, any damages to be borne resulting from the liabilities of the Audit & Supervisory Board Members who are insured regarding the execution of their duties or from any claim for the relevant liability will be covered. If Akihiko Miura becomes an Audit & Supervisory Board Member, he will be included as the insured under the relevant insurance contract.



## <Reference information> Composition of the Audit & Supervisory Board After Appointment

If Item 3 Election of 1 Audit & Supervisory Board Member is approved and passed, there will be five (5) Audit & Supervisory Board Members, three (3) of whom are Outside Audit & Supervisory Board Members, and the composition of the Board is as follows:

Name	Participation in the Board of Directors' meeting	Participation in Audit & Supervisory Board meeting	Knowledge, experience and ability especially expected			
			Air transportation business and safety	Finance and accounting	Legal, ESG, risk management	Global and long-term strategy
Nozomu Kano <div>Outside</div> <div>Independent</div>	12/12	13/13		●	●	●
Toyoyuki Nagamine	10/10	10/10	●			●
Akihiko Miura	- / -	- / -	●			●
Shingo Matsuo <div>Outside</div> <div>Independent</div>	12/12	13/13	●		●	●
Eiji Ogawa <div>Outside</div> <div>Independent</div>	12/12	13/13		●	●	●
<div>Outside</div> <div>Independent</div>	Outside Audit & Supervisory Board Member	Independent Director				

(Notes)

1. There are no special interests between the Company and each Audit & Supervisory Board Member.
2. The Company has designated Nozomu Kano, Shingo Matsuo and Eiji Ogawa as Independent Directors pursuant to the rules of the Tokyo Stock Exchange and has notified the Tokyo Stock Exchange thereof.

END

## **Business Report**

(April 1, 2020 to March 31, 2021)

### **1. Present state of the ANA Group**

#### **(1) Business of the Fiscal Year**

##### **(i) Progress and results of business**

Although the Japanese economy continues to struggle in the year under review (April 1, 2020 to March 31, 2021, hereinafter, the "Fiscal Year"), due to the effects of Coronavirus (COVID-19), corporate production activities and capital investment continue to revive, while weaknesses remain in terms of, for example, personal consumption.

The airline industries have faced an unprecedented worldwide severe condition, because the passenger demand dramatically decreased by immigration restrictions and stay-at-home request. Under these economic conditions, operating revenues decreased rapidly to 728.6 billion yen (down 63.1% year-on-year) due to the severe impact on all segments. ANA Group implemented cost reduction measures of 590.0 billion yen by decreasing the fixed expenses, and reducing variable expenses due to curbing the scale of operations. However, due to the extremely large reduction in operating revenues, operating loss was 464.7 billion yen (operating income 60.8 billion yen same period a year ago), ordinary loss was 451.3 billion yen (ordinary income 59.3 billion yen same period a year ago) and net loss attributable to owners of the parent was 404.6 billion yen (net income attributable to owners of the parent 27.6 billion yen same period a year ago). We recorded a special loss of 86.3 billion yen for structural business reform expenses such as impairment loss by a retirement of a large number of aircraft, including 28 aircrafts that we retired early, mainly large aircraft.

The Company has received the Gold Class distinction from the 2021 S&P Global Sustainability Awards, becoming the only company within the aviation industry of its outstanding environmental record as well as its prioritization of safety and quality across its full range of operations. Furthermore, for the fourth year in succession, the Company was chosen as a constituent of the Dow Jones Sustainability World Index, one of the world's leading indicators of socially responsible investment. Looking ahead, we will continue to aim for sustainable growth by simultaneously creating both social and economic value.

An overview of the Fiscal Year by segment is given on the following pages:

## Consolidated Results

Operating Revenues	JPY 728.6 billion Down 63.1% YoY	Operating Loss	JPY 464.7 billion YoY -
Ordinary Loss	JPY 451.3 billion YoY -	Net Loss Attributable to Owners of the parent	JPY 404.6 billion YoY -

## Segment Results

Segment	Operating revenues (billions of yen)	Segment income (billions of yen)	Segment assets (billions of yen)
Air Transportation	604.0	(447.8)	2,935.7
Airline Related	222.1	3.6	141.5
Travel Services	45.0	(5.0)	31.6
Trade and Retail	79.9	(4.2)	52.5
Other	36.6	(0)	24.9
<b>Total</b>	<b>987.8</b>	<b>(453.6)</b>	<b>3,186.4</b>
Adjustments	(259.1)	(11.1)	21.4
<b>Amount reported on the consolidated financial statements</b>	<b>728.6</b>	<b>(464.7)</b>	<b>3,207.8</b>

(Note) Operating revenues include inter-segment transactions. Segment income is adjusted to be consistent with the operating income on the Consolidated Statement of Income.

## Cash Dividends

While the Company recognizes that shareholder returns are a key management issue, the Company will not be paying any dividends for this period as the impact of COVID-19 has led to a significant deterioration in the Group's performance.

Furthermore, in this unprecedentedly difficult business environment, our task at hand is the strengthening of our financial base while securing liquidity on hand to cope with future uncertainties. Therefore, we regretfully announce that we do not plan to pay dividends for the year ending March 31, 2022 as well.

The Company would like to apologize most sincerely to shareholders and ask for their continued support as the ANA Group works on structural business reforms to improve earnings, so that dividend payouts can be resumed as soon as possible.

## Air Transportation Business

Air Transportation Business is our core business through which we strive to be "the world's leading airline group," a goal set forth in our Management Vision.

In addition to having been awarded the maximum "5-Star" rating by the UK-based company SKYTRAX\* for our countermeasures against COVID-19, the ANA Group has been recognized for its efforts over the past ten years and awarded "Excellence Award" of "Decade of Airline Excellence Award 2020" for Asia-Pacific region by Flight Global, a British aviation magazine.

\* SKYTRAX, founded in 1989, is an airline industry rating company based in London, England.

## Composition of operating revenues by segment: 61.1%

### Overview of Air Transportation

Due to COVID-19 pandemic, while customer demand decreased dramatically and operating revenues have significantly decreased, cargo revenue has reached record levels positively impacted by the supply and demand environment.

## ● Air Transportation - International Passenger Services

### Revenues of International Passenger Services

2019 (70<sup>th</sup> fiscal year): 613.9 billion yen

2020 (71<sup>st</sup> fiscal year): 44.7 billion yen

### Results of International Passenger Services

	2019 (70 <sup>th</sup> fiscal year)	2020 (71 <sup>st</sup> fiscal year)
Passenger revenues (billions of yen)	613.9	44.7
Number of passengers (millions)	9.41	0.42
Available seat-kilometers (billions)	68.8	14.4
Revenue passenger-kilometers (billions)	50.2	2.8
Load factor (%)	72.9	19.6

## ● Air Transportation - Domestic Passenger Services

### Revenues of Domestic Passenger Services

2019 (70<sup>th</sup> fiscal year): 679.9 billion yen

2020 (71<sup>st</sup> fiscal year): 203.1 billion yen

## Results of Domestic Passenger Services

	2019 (70 <sup>th</sup> fiscal year)	2020 (71 <sup>st</sup> fiscal year)
Passenger revenues (billions of yen)	679.9	203.1
Number of passengers (millions)	42.91	12.66
Available seat-kilometers (billions)	58.5	26.8
Revenue passenger-kilometers (billions)	39.5	11.5
Load factor (%)	67.5	43.0

In international passenger services, both passenger numbers and revenue decreased significantly year-on-year. This was due to the substantial decline in passenger demand due to the continuation of immigration restrictions in countries worldwide caused by the effects of COVID-19.

In terms of the route networks, while large-scale operation suspensions and reduced flight numbers persist, we have worked to ascertain the demand of personnel stationed overseas, personnel returning to Japan from overseas, etc., and to select which routes to continue operating and to set temporary routes. Furthermore, since demand is expected to stay at a certain amount for cargo transportation in particular, in December the Company started operating a Narita-Shenzhen route for the first time as a Japanese aviation company, as well as a Haneda-San Francisco route. As a result, the scale of operations was 21.0% compared to the same period last year.

In terms of sales and services, we have introduced our discounted fares for one-way trips flying out of Japan from August of this year for drawing in demand for personnel being stationed overseas and foreign exchange students, etc., In January, we launched a new website offering Safe Homecoming Services for passengers returning to Japan, including easy arrangement of transportation options and hotels to help returning passengers safely quarantine.

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Domestic passenger services have been heavily affected by COVID-19, with passenger numbers and revenues decreasing significantly compared to the same period in the previous year. After the emergency restrictions were lifted in May, although passenger demand had steadily recovered, it began to decline again from December, changing in conjunction with trend of the number of infections.

In terms of the route network, the scale of operations for the first quarter (April – June 2020) was 26.7% year-on-year, but by increasing the number of flights in tandem with the recovery in demand, this number went up to 50.7% for the second quarter (July – September 2020), and was 61.4% in the third quarter (October - December 2020) due to the effect of the “Go To Travel” campaign. However, in the fourth quarter (January – March 2021), the scale of operations was 44.7 % due to reduction the number flight in accordance with decreasing demand. During the Fiscal Year, we have flexibly adjusted the scale of operation by close observation.

In terms of sales and service, starting in July we began “Free and Easy Change Campaign” that would allow our customers to change flight dates and destinations without handling fees, and we expanded the functions that can be used for everything from route searching to reserving and paying for ground transportation such as railroads, buses, and taxis in our original navigation service named “Airport Access” that supports MaaS (Mobility as a Service). In the future, we will continue to work to improve convenience by promoting seamless movement from the beginning to the end of journey.

- **Air Transportation - Cargo Services**

Revenues of Cargo and Mail Business

2019 (70<sup>th</sup> fiscal year): 136.1 billion yen

2020 (71<sup>st</sup> fiscal year): 186.8 billion yen

Results of Cargo Business

	2019 (70 <sup>th</sup> fiscal year)	2020 (71 <sup>st</sup> fiscal year)
Cargo and mail revenues (billions of yen)	136.1	186.8
Cargo revenues (billions of yen)	128.2	181.3
Mail revenues (billions of yen)	7.9	5.4
Cargo volume (thousand tons)	1,239	873
Mail volume (thousand tons)	51	37

- **Air Transportation – LCC and Others**

Revenues of LCC in Air Transportation

2019 (70<sup>th</sup> fiscal year): 81.9 billion yen

2020 (71<sup>st</sup> fiscal year): 22.0 billion yen

Results of LLCs

	2019 (70 <sup>th</sup> fiscal year)	2020 (71 <sup>st</sup> fiscal year)
Passenger revenues (billions of yen)	81.9	22.0
Number of passengers (millions)	7.28	2.08
Available seat-kilometers (billions)	11.0	4.9
Revenue passenger-kilometers (billions)	9.2	2.4
Load factor (%)	83.1	48.7

With respect to international cargo, the effects of COVID-19 have caused suspensions and reductions of passenger flights on a global scale, and the amount of supplied cargo space trended low. Under this situations supply and demand remained tight, as a result of increase in demand for emergency cargo transport such as masks during the first quarter (April - June 2020), recovery of demand for vehicles and vehicle components, as well as semiconductors and other electronic equipment from August and congestion in sea transportation especially in the fourth quarter (January - March this year). In these conditions, besides beginning operation of Boeing 777F large cargo aircraft on Narita-Frankfurt route in October and the Narita-Bangkok route in December, the Group has also actively worked to draw in demand by setting temporary cargo flights using freighter plane and passenger plane.

The ANA Group has commenced delivering Pfizer's COVID-19 vaccine to Japan since February of this year. To do our part in realizing a society where people can live with peace of mind through the dissemination of vaccines, we will carry out transport under strict temperature control.

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In LCCs, both passenger numbers and revenue decreased significantly year-on-year due to the decline in demand caused by the effects of COVID-19. Although passenger demand for domestic routes has been recovering steadily since the emergency restrictions were lifted in May, it began to decline again from December due to the increase in the number of infections.

In terms of the route network, domestic flights operated at 42.0% capacity for the first quarter (April - June 2020) compared to the same period in the previous year. However, in addition to restoring the network in response to increased passenger demand, the Company opened Narita-Kushiro and Narita-Miyazaki routes in August, New Chitose - Naha and Sendai-Naha routes in October, and Nagoya (Chubu Centrair) - New Chitose and Nagoya (Chubu Centrair) - Sendai routes in December. As a result, the scale of operations grew to 112.4% year-on-year for the second quarter (July - September 2020), and 132.2% for the third quarter (October - December 2020). In the fourth quarter (January - March this year), we opened Nagoya(Chubu Centrair) - Naha and Nagoya(Chubu Centrair) - Ishigaki routes in January, and Narita - Memanbetsu and Narita - Oita routes in February, but the scale of operations was 78.9% year-on-year due to suspensions and reductions of flights in accordance with decreasing demand. The Suspensions continued on all international routes, but flights to Taipei (Taoyuan) partly resumed in October due to the easing of immigration restrictions.

In order to provide passengers with reassuring comfort, we started a service in November that allows customers to apply for a ticket reservation and an infection test for COVID-19 simultaneously on some domestic routes.

In addition, other revenue in Air Transportation other than LCCs was 147.2 billion yen (down 34.8% year-on-year).

Other revenue in Air Transportation includes revenue from the mileage program, in-flight sales revenue, and revenue from maintenance contracts, etc.

## **Airline Related**

In the Airline Related business, ANA Group companies are involved in airport ground support, aircraft maintenance, vehicle maintenance, cargo and logistics, catering, contact center and other businesses that support the Air Transportation and other businesses.

Composition of operating revenues by segment: 22.5%

### ● **Airline Related**

#### Revenues of Airline Related

2019 (70<sup>th</sup> fiscal year): 299.4 billion yen

2020 (71<sup>st</sup> fiscal year): 222.1 billion yen

#### Segment Income

2019 (70<sup>th</sup> fiscal year): 18.1 billion yen

2020 (71<sup>st</sup> fiscal year): 3.6 billion yen

As a result of a decrease in contracts for ground handling services such as passenger check-in and baggage handling at all airports and a decrease in contracts related to in-flight meals service due to the impact of suspension and reduction of flights of various airlines in response to the spread of COVID-19, revenues decreased year-on-year.

We started selling ANA international Economy Class in-flight meals on the Internet in December as the impact of COVID-19 continues. It has been well received as a product because it gives people the sense that they are traveling, and we will strive to increase sales by expanding the merchandise lineup.

## **Travel Services**

A wide variety of travel services are offered, including travel packages such as products sold through brochures and dynamic packages for domestic and overseas travel as well as experiences at destinations and individual sale of accommodations under the brand name of “ANA Travelers”.

Composition of operating revenues by segment: 4.6%

### ● **Travel Services**

#### Revenues of Travel Services

2019 (70<sup>th</sup> fiscal year): 143.9 billion yen

2020 (71<sup>st</sup> fiscal year): 45.0 billion yen

#### Segment Income (Loss)

2019 (70<sup>th</sup> fiscal year): 1.3 billion yen

2020 (71<sup>st</sup> fiscal year): (5.0) billion yen



Since both domestic travel services and overseas travel services have been heavily affected by the spread of COVID-19, revenues decreased significantly year-on-year and recorded operating loss.

Due to the effects of travel restrictions on overseas travel services, all tours operated by the ANA Group have been suspended.

Through various factors such as the support of “Go To Travel” campaign, domestic travel services saw a gradual recovery in demand during the third quarter (October - December 2020) but it began to decline again from December due to the impact of the increase in infections.

## **Trade and Retail**

A wide range of businesses are offered, from aircraft import, export, leasing, and sales; aircraft parts procurement; planning and procurement of in-flight services and merchandise; and airport retail operations, to food and semiconductors.

Composition of operating revenues by segment: 8.1%

### ● **Trade and Retail**

#### Revenues of Trade and Retail

2019 (70<sup>th</sup> fiscal year): 144.7 billion yen

2020 (71<sup>st</sup> fiscal year): 79.9 billion yen

#### Segment Income (Loss)

2019 (70<sup>th</sup> fiscal year): 2.9 billion yen

2020 (71<sup>st</sup> fiscal year): (4.2) billion yen

Since the spread of COVID-19 has significantly impacted our retail division, primarily centered around ANA DUTY FREE SHOP airport tax-free store, and ANA FESTA shops in airports, revenues decreased significantly year-on-year and recorded operating loss.

Although ANA FESTA is seeing a steady recovery in tandem with the recovery in domestic passenger service numbers, it began to decline again from December. Furthermore, in the lifestyle-industries business, trade in items such as in-flight food, beverages and amenities also decreased significantly.

## **Other**

Property management and comprehensive maintenance and management business for buildings and facilities, and training business are offered. Furthermore, we intend to create new social infrastructure by developing “avatars”, which are remote-controlled robots.

Composition of operating revenues by segment: 3.7%

### ● **Other**

#### Revenues of Other

2019 (70<sup>th</sup> fiscal year): 44.2 billion yen

2020 (71<sup>st</sup> fiscal year): 36.6 billion yen

#### Segment Income (Loss)

2019 (70<sup>th</sup> fiscal year): 3.5 billion yen

2020 (71<sup>st</sup> fiscal year): (0) billion yen

While revenues from real estate-related businesses remained strong, due to the impacts of COVID-19, the number of contracts for reception management work decreased in tandem with lounge closures, and income from training projects such as dispatching instructors also decreased. As a result of the above, operating revenues decreased significantly year-on-year.

“avatarin Inc.” was established in April 2020 to create new business models and we validate services that use avatars, which are remote-controlled robots, for sightseeing and shopping. We intend to popularize and expand these services and improve the performance of avatars to create new social infrastructure.

## Our Efforts During COVID-19

### We implemented drastic cost reductions

At the same time that the impact of COVID-19 became apparent, the entire ANA Group undertook a variety of countermeasures. We reduced variable costs such as fuel expenses and airport fees by adjusting the scale of operations in line with the rapid decline in passenger demand. On the other hand, in international cargo, where demand was strong, we significantly increased the number of extra flights and charters and worked to aggressively capture demand. As for fixed costs, as there was large surplus in employee utilization, we introduced a temporary leave program and utilized employment adjustment subsidies. Furthermore, we implemented in-house manufacturing of outsourced work and rent reduction mainly for airport-related facilities, in addition to reducing personnel costs such as remuneration for directors and wages and bonuses of employees.

Results of Cost Reductions (YoY)

	71 <sup>st</sup> fiscal year (The Fiscal Year)
Variable costs	418 billion yen
Fixed costs*	172 billion yen
Total	590 billion yen

\* Including employment adjustment subsidies

### We implemented early retirement of a large number of aircrafts

We made efforts toward cost reductions after the next term by implementing early retirement of 28 aircrafts in connection with the reduction of operations and postponing the timing of aircraft delivery.

### We implemented a variety of initiatives to increase revenues

In the midst of the decline in passenger revenues due to COVID-19, the ANA Group worked to increase revenues by implementing new initiatives unique to the ANA Group. They have been well received by our customers and is being implemented continuously.

#### ● "FLYING HONU" Airbus A380 charter flight

We implemented domestic sightseeing flights using our "FLYING HONU" Airbus A380, which we launched for use on our Hawaii route.

#### ● Selling in-flight meals on the Internet

We started selling ANA international Economy Class in-flight meals on the Internet.

#### ● Restaurant on Wings HANEDA

We provided First Class and Business Class meals and services using aircraft grounded at the Haneda Airport.



Send-off of passengers participating in the sightseeing flight.



Japanese main dish  
12 packs

In flight meal set for sale (image)

## We engaged in the creation of clean and sanitary environments

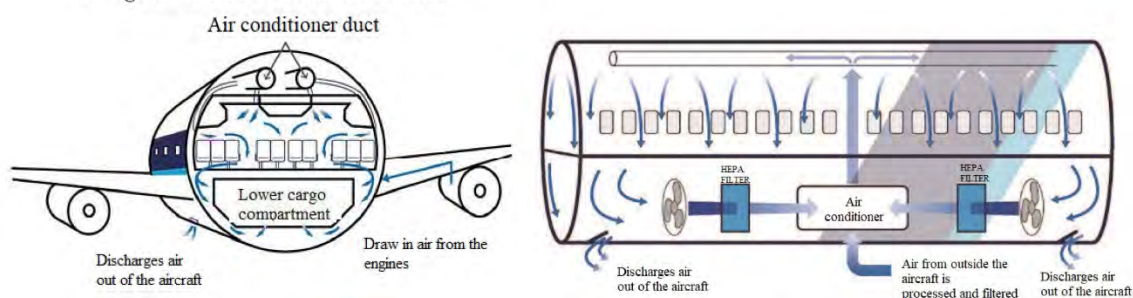
### ●Ventilate air in the cabin every three minutes

Aircrafts ventilate all air in the cabin in three minutes by drawing in clean outside air.

We filter and circulate air inside the cabin with high-performance filters (equip all types of aircrafts with HEPA filters※). Therefore, it is said that there is low risk of infection inside the aircraft.

※HEPA filters are a type of filters used in hospital operating room air conditioners.

<Image of ventilation inside the aircraft>



### ●ANA Care Promise



ANA has engaged in the following initiatives in airports and aircraft cabins based on the "ANA Care Promise" to enable customers to use aircraft safely and with reassuring comfort.

- Providing an always sanitary and clean environment
- Wearing masks in the airport and inside the aircraft
- Disinfect inside the aircraft on a regular basis
- Thorough ventilation inside the aircraft
- Social distancing

Like ANA, Peach Aviation has also implemented various measures for the creation of clean and sanitary environments.



Attend wearing masks and gloves



Disinfect inside the aircraft with alcohol

## (ii) Capital expenditure

- (a) Capital expenditure for the Fiscal Year totaled 156,710 million yen, and the principal facilities completed during the Fiscal Year are as follows:

Boeing 787-9:	1	(owned)
Airbus A321neo	6	(leased)
Airbus A320neo:	1	(leased)

- (b) Major facilities sold or retired during the Fiscal Year:

Boeing 777-300:	5	(sold)
Boeing 777-200:	6	(sold)
Boeing 767-300:	3	(sold)
Boeing 767-300F:	1	(sold)

Boeing 737-700:	3 (sold)
Boeing 737-500:	3 (sold)

(c) Expansion of major facilities ongoing during the Fiscal Year:

Boeing 777-9X:	20 (on order)
Boeing 787-10:	12 (on order)
Boeing 787-9:	12 (on order)
Airbus A380:	1 (on order)
Airbus A321neoLR	4 (on order)
Airbus A321neo:	5 (on order)
Airbus A320neo:	23 (on order)
Mitsubishi SpaceJet M90:	15 (on order)

(Note) Boeing 737MAX8 (twenty aircrafts subject to a definitive order and ten option aircrafts), which the Board of Directors made a resolution to order on January 29, 2019, is not described since definitive agreements have not been signed with respect to these aircrafts.

(iii) Financing activities

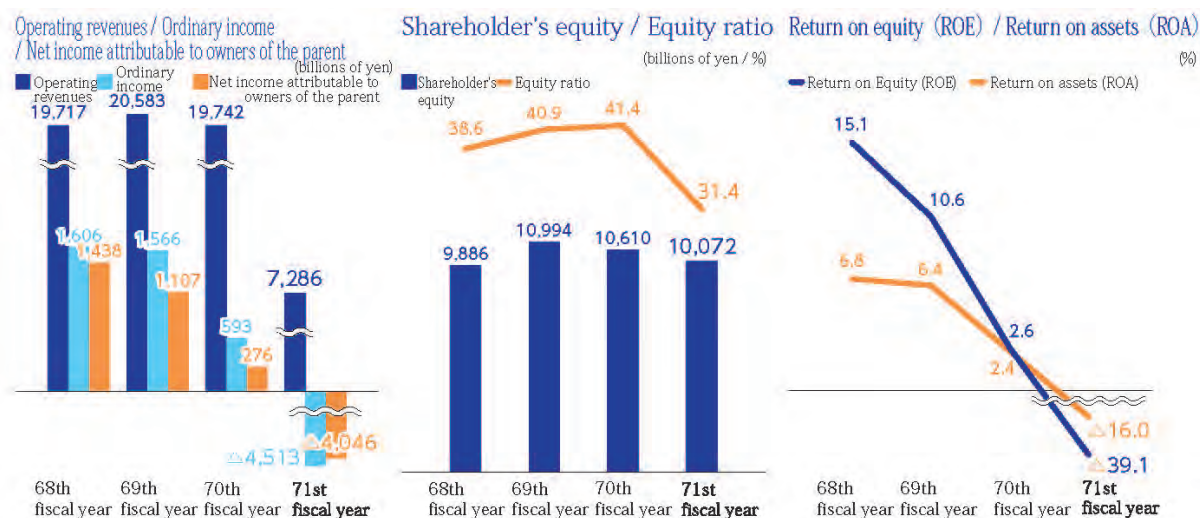
- (a) On April 30, 2020, the Company took out a short-term syndicated loan of 100 billion yen from a few private financial institutions to obtain funds for equipment.  
On May 28, 2020, the Company took out a long-term loan of 200 billion yen to obtain funds for aircrafts and aircraft-related equipment, and on June 29, 2020, the Company took out a long-term loan of 150 billion to obtain business funds for FY 2020.  
On June 30, 2020, the Company took out a long-term loan of 85.6 billion yen from a financial institution to obtain funds for aircrafts.
- (b) On October 30, 2020, the Company took out a subordinated syndicated loan of 400 billion yen from a financial institution to maintain and improve financial soundness.
- (c) The Company increased its capital by 297.6 billion yen in total through a public offering and a third-party allotment.
- (d) The Company has entered into long-term commitment line contracts (148 billion yen in total) with major Japanese financial institutions.

## (2) Assets, profit and loss for the last three fiscal years

	2017 (68th fiscal year)	2018 (69th Fiscal Year)	2019 (70th Fiscal Year)	2020 (The Fiscal Year)
<b>Fiscal year (millions of yen)</b>				
Operating revenues	1,971,799	2,058,312	1,974,216	728,683
Ordinary income	160,636	156,681	59,358	(451,355)
Net income attributable to owners of the parent	143,887	110,777	27,655	(404,624)
<b>Year-end (millions of yen)</b>				
Total assets	2,562,462	2,687,122	2,560,153	3,207,883
Net assets	1,000,552	1,109,313	1,068,870	1,012,320
Shareholder's equity	988,661	1,099,413	1,061,028	1,007,233
<b>Per share information (yen)</b>				
Net income per share	417.82	331.04	82.66	(1,082.04)
Net assets per share	2,954.47	3,285.46	3,171.80	2,141.49
<b>Management indicator (%)</b>				
Return on assets (ROA)	6.8	6.4	2.4	(16.0)
Return on equity (ROE)	15.1	10.6	2.6	(39.1)
Equity ratio	38.6	40.9	41.4	31.4

(Notes)

- Figures in brackets indicate losses.
- Net income per share is calculated based on the average number of outstanding shares during the fiscal year (after deduction of the number of shares of treasury stock). Net assets per share are calculated based on the number of outstanding shares at the end of the fiscal year (after deduction of the number of the shares of treasury stock). The number of shares of treasury stock (ordinary shares) includes the number of shares held by the ANA Group Employee Stock Ownership Trust (ESOT) and the number of shares held by the Trust for Delivery of Shares to the member of the Board of Directors. Please note that ESOT terminated in July, 2017.
- Since a 10-to-1 share consolidation was conducted effective October 1, 2017, "net income per share" and "net assets per share" were calculated supposing that the share consolidation was conducted in the beginning of the 68<sup>th</sup> fiscal year.





### (3) Material subsidiaries (as of March 31, 2021)

#### (i) Material subsidiaries

Company name	Amount of capital stock (millions of yen)	Ratio of voting rights holding (%)	Principal business
All NIPPON AIRWAYS CO., LTD.	25,000	100.0	Air transportation
Air Japan Co., Ltd.	50	100.0	Air transportation
ANA WINGS CO., LTD.	50	100.0	Air transportation
Peach Aviation Limited	7,515	77.9	Air transportation
ANA Cargo Inc.	100	100.0	Cargo business
Overseas Courier Service Co., Ltd.	100	91.5	Express shipping
ANA Systems Co., Ltd.	80	100.0	Development and operation of computer systems
ANA Sales Co., Ltd.	100	100.0	Planning and sale of travel packages, etc.
All NIPPON AIRWAYS TRADING Co., Ltd.	1,000	100.0	Trading and retailing

(Note) 1. As of the end of the Fiscal Year, the Company had no specified wholly-owned subsidiary.  
2. ANA Sales Co., Ltd. has changed its trade name to ANA Akindo Co., Ltd as of April 1, 2021.

#### (ii) Progress and results of business combinations

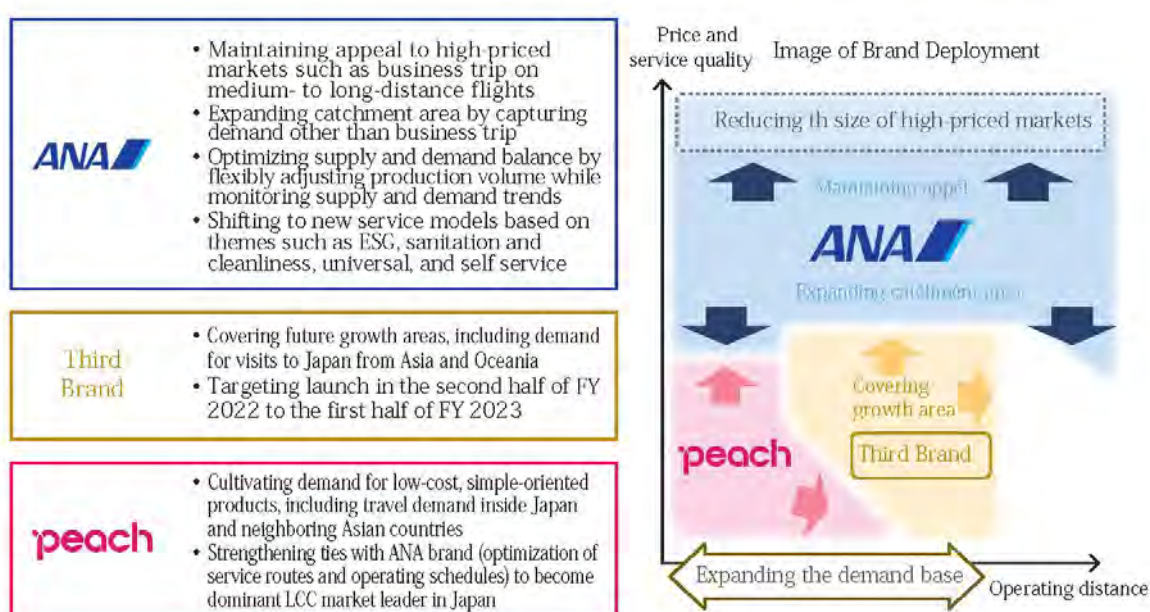
The Company has fifty-six (56) consolidated subsidiaries, including nine (9) material subsidiaries described in (i) above, and fourteen (14) equity-method subsidiaries and affiliates.

For the Fiscal Year, operating revenues were 728,683 million yen (down 63.1% from the previous fiscal year), ordinary loss was 451,355 million yen (ordinary income for the previous fiscal year was 59,358 million yen), and net loss attributable to owners of the parent was 404,624 million yen (net income attributable to owners of the parent for the previous fiscal year was 27,655 million yen).

#### (4) Current issues facing the ANA Group

The ANA Group will pursue structural business reform in order to make business model changes that can achieve sustainable growth even under the new conditions in the post-covid-19 era and to establish platform businesses that utilize customer data assets as a new source of profit.

- ① Short Term: We will reduce the scale of Air Transportation Business for the time being to get over COVID-19.
  - Fleet: We will accelerate the retirement of large aircraft and postpone the receipt of aircraft to be introduced.
  - Human Resources: We will reduce the number of employees by curbing the number of new hires and review the treatment of employees and reduce personnel costs.
- ② Short- to Medium Term: We will reform Air Transportation Business model to maximize demand coverage across the entire ANA Group while taking advantage of the unique characteristics of each brand.





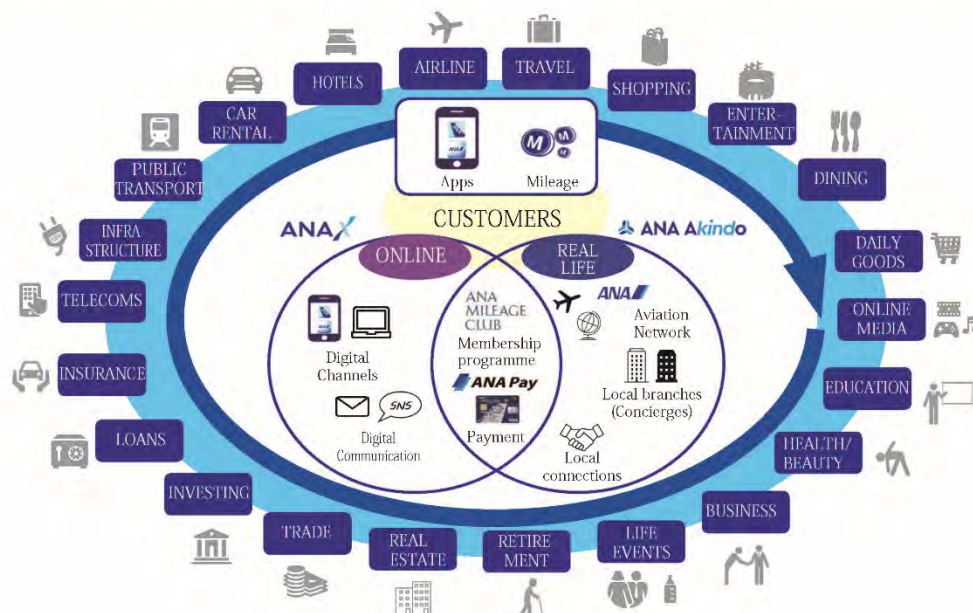
- ③ **Medium Term:** We will set our sights on creating new profit opportunities by establishing platform businesses that utilize customer data assets.
- In April 2021, we reorganized the businesses of ANA X Co., Ltd. and ANA Sales Co., Ltd., reformed “ANA X” as a platform business company, and established “ANA Akindo” as a regional revitalization business company.
  - In addition to the “extraordinary experiences” such as air travel and travel, we link “daily lives” with “miles” and, starting with the “ANA Super app”, which will be available as early as FY 2022, we will create a “Mileage-based Ecosystem” in which users can accumulate and use miles on the streets and online by using smartphones in their hands.



We will form a “digital market” that handles a wide range of commercial products, including real estate, finance, and insurance, and will evolve payment functions that can be used in “ANA Super app” on smartphones. We will dramatically expand the range of products and services covered by “accumulate and use” miles to suit each customer’s lifestyle and further enhance customer convenience.



We will deploy approximately 120 people “ANA Group Concierges to Collaborate with local regions” to 33 local branches, and deliver comprehensive solutions on mobility, logistics, digital markets, payment functions, and digital communication channels, to help resolve regional issues by utilizing the diverse assets of the ANA Group.



## 《Reference: ANA Group's efforts for ESG》

We aim for sustainable growth by promoting ESG management that takes consideration into Environment, Social, and Governance.

### E: Environment

#### The ANA Group aims for Net Zero Emissions by 2050

We will strengthen our efforts to address the urgent issue of climate change, and by fiscal 2050, we will achieve net zero\* CO<sub>2</sub> emissions from aircraft flight operations and non-aircraft flight operations, and fulfill our responsibility to realize a sustainable, carbon-neutral society through our business activities.

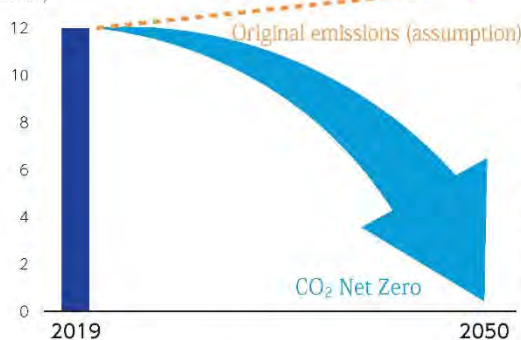
\* Net zero: Balance between emissions and absorption through technological innovations such as capture of emitted CO<sub>2</sub> while striving to reduce emissions

#### <Medium- to Long- Term Environmental Target>

	Target for 2030	Target for 2050
CO <sub>2</sub> emissions from aircraft flight operations	Fiscal 2019 level or less (net)	Net zero
CO <sub>2</sub> emissions from non-aircraft flight operations	Reduction by 33% or more (vs. fiscal 2019)	Net zero

#### <Initiatives to reduce CO<sub>2</sub> from aircraft flight operations>

CO<sub>2</sub> emissions  
(million tons)



#### >> Four pillars of reducing CO<sub>2</sub> emissions

- ① Utilization of SAF\* ※ Sustainable Aviation Fuel
- ② Technological innovation of aircraft
- ③ Improve flight operations Aiming To be Net Zero Emissions by ①~④
- ④ Utilize carbon credit trading

The ANA Group place the use of SAF at the center of its CO<sub>2</sub> Reduction measures, which highly contributes to environment. We have been supporting the development of domestic SAF production and forming strategic alliances with overseas manufacturers. For future SAF utilization, we will be actively involved in environmental improvement.



#### <Initiatives to reduce CO<sub>2</sub> from non-aircraft flight operations>

- Upgrading existing facilities and equipment to more energy-efficient models and replacing aging facilities and equipment
- Reducing electricity consumption by purchasing renewable energy (solar and wind power)
- Reducing fuel consumption by switching to EVs when airport vehicles are renewed



## ■ The ANA Group aim to reduce the resource waste and food waste

Ocean plastic waste and food loss are also global social issues. The ANA Group is promoting "Reduce resource waste from business activities" and "Reduce food waste, including in-flight meals".

	Target for 2030	Target for 2050
Resource waste	Reduction by 70% or more (vs. fiscal 2019)	Zero
Food waste, including in-flight meals	3.8% or less (Reference: 4.6% in fiscal 2019)	2.3% or less (50% reduction compared to fiscal 2019)

Since 2016, we have been sequentially changing the use of plastic products used in-flight to environment friendly materials.

- Use recycled plastic for cups and salad bowl cup covers for international route economy class
- Change plastic cutlery and muddlers to wooden ones
- Change plastic straws of bioplastic
- Change plastic main dish containers for international route Economy Class to ones made of bagasse\*, plant derived material (from August 2021 onwards)

\*Stems and leaves that remain when sugar is refined from sugarcane.



Main dish container for in-flight meal made of bagasse



Wooden cutlery for international route light meals

## Evaluation of ESG by external organizations

The ANA Group's progress in ESG management will be monitored from an objective and multifaceted perspective by making use of the following four external ESG evaluations. The evaluation of these four evaluation organizations will also be reflected in executive compensation.

	Evaluation of ANA		Remarks
	FY2019	FY2022	
DJSI <small>part of Dow Jones Sustainability Indices in Collaboration with RobecoSAM</small>	Selected as a stock in World Index Asia Pacific Index	Keep the same evaluation	Stock index developed by S&P in the U.S. and Robeco SAM in Switzerland. Corporate sustainability is assessed from the aspects of "Economy", "Environment", and "Social".
FTSE <small>FTSE4Good</small>	Selected as FTSE 4 Good Index	Keep the same evaluation	Equity indicator provided by FTSE in the UK. Management and performance of ESG activities are evaluated based on their own ESG standards.
MSCI <small>MSCI Japan Environmental, Social &amp; Governance Index</small>	Selected as Japan Empowering Women Index (WIN)	Selected as Japan ESG Select Leaders Index	Stock index provided by MSCI in the U.S. Indexes the performance of stocks around the world from various perspectives. Our target index is selected by examining a company's involvement in ESG.
CDP <small>CDP Climate Change</small>	B	A-	An NPO based in the UK. It analyzes the impact of CO <sub>2</sub> emissions on the environment and climate change and evaluates responses.

※ Inclusion of ANA HOLDINGS INC. in the MSCI index and use of the MSCI logo, trademark, service mark or index name do not represent a sponsorship, endorsement or advertisement of ANA HOLDINGS INC. by MSCI or its affiliates.  
The MSCI index is the exclusive property of MSCI. MSCI, MSCI index names and logos are trademarks or service mark of MSCI or its affiliates.

## S: Social

We will continue to address the following issues related to corporate management.

### Responsibility to respect human rights

The ANA Group will pay greater attention to the human rights risks of vulnerable people in its supply chain, which have become a source of concern due to the impact of COVID-19, and will make every effort to promote the respect of human rights based on the United Nations Guiding Principles on Business and Human Rights.

- Supply Chain Management

In 2020, we revised our existing procurement policy and established a new “ANA Group Procurement Policy” comprising “Basic Procurement Policy” and “Supplier Code of Conduct” with consideration for human rights risks. This policy also applies to services related to business activities. The ANA Group’s business is supported by workers of various nationalities, and efforts are made to understand the employment environment of particularly vulnerable foreign workers.

- Prevent the Use of Airplanes in Human Trafficking

We provide all cabin attendants with training on the prevention of human trafficking, and report to ground facilities when cases of suspected human trafficking are found in-flight. In 2020, we held a seminar on the prevention of human trafficking with the cooperation of various organizations concerned (Government agencies, UN organizations, etc.), and have been promoting initiatives that transcend the framework of one company.



Online seminar on the prevention of human trafficking (together with Narita International Airport Corporation)

<Human Rights Report>

The ANA Group issued our first Human Rights Report in Japan in 2018. The Group has continued to issue these reports annually since then.

### Initiatives for utilizing innovation to solve social issues

We will work with companies in different industries to realize emergency supply transportation using drones and telemedicine using avatars.

### Human resources development to support sustainable growth

Develop human resources and a sustainable work environment in which employees raise their productivity and contribute to sustainable corporate growth.

### Responding to the diversity of our customers

Regardless of nationality, religion, taste, age, or physical condition, we will strive to provide universal and barrier-free services by promoting both products and services so that passengers can use airplanes with safety.



Demonstration of immediate delivery service of goods via drone ordered at “Seven-Eleven’s Net Convenience Store” (Nokoshima Island, Fukuoka City)

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## G: Governance

The ANA Group will achieve sustainable growth and medium- to long-term value creation by practicing management that contributes to value creation for our various stakeholders in accordance with our Mission Statement.

In order to ensure its progress, the ANA Group has a decision-making and business execution system that ensure the promptness and efficiency of operation and a supervisory and audit system that keep health and transparency of operation.

### Accounting Auditors

- The accounting auditors perform audits in accordance with the Companies Act of Japan and the Financial Instruments and Exchange Act of Japan.

### Audit & Supervisory Board and Audit & Supervisory Board Members

- Five Audit & Supervisory Board members, three of which are outside Audit & Supervisory Board members, that possess plentiful experience and the high level of expertise required to conduct audits. The three full-time Audit & Supervisory Board members include one outside Audit & Supervisory Board member.
- While strengthening cooperation with the Accounting Auditors and the Internal Audit Division, opinions are exchanged with outside directors on a regular basis.
- The three outside Audit & Supervisory Board members are registered as independent auditors with the Tokyo Stock Exchange.

### Internal Audit Division

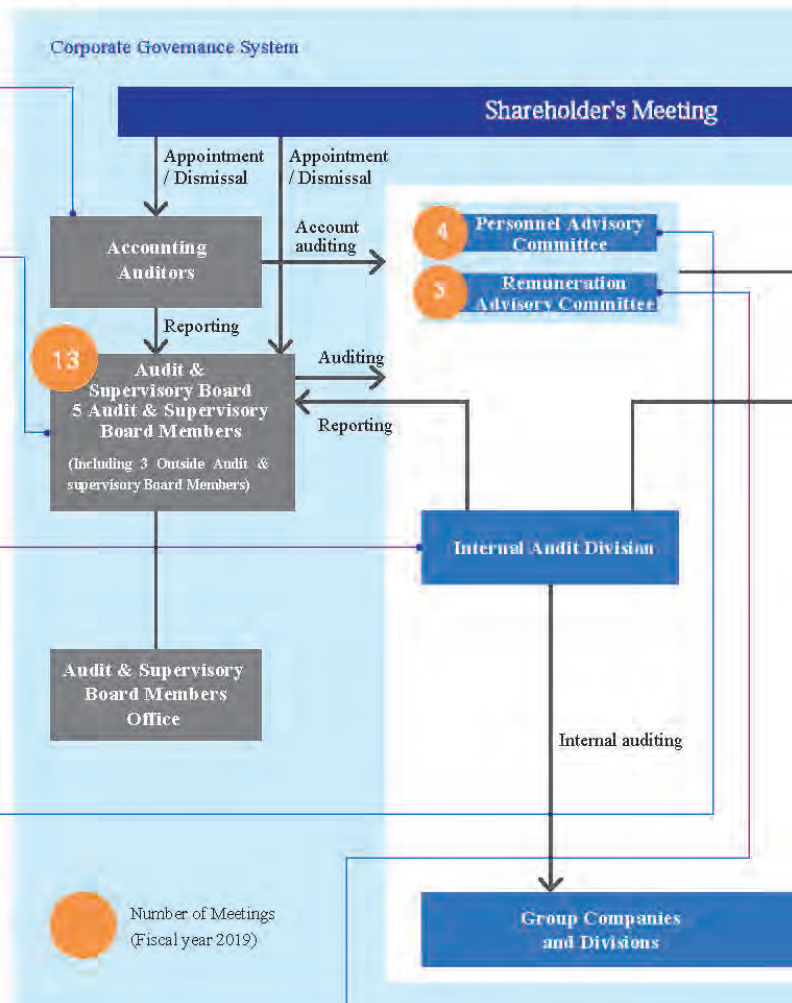
- As an organization which reports directly to the president and CEO, the Internal Audit Division conducts regular audits, which are conducted in accordance with annual audit plans (mainly audits of operations and accounts), and intermittent audits conducted at the direction of management.
- The Internal Audit Division conducts evaluations from an independent, objective perspective that correspond to the reporting system for the internal control over financial reporting.
- Regular audits are impartially and objectively conducted based on risk analyses of each division and Group company.
- The results of audits are reported to the president and CEO every month.

### Personnel Advisory Committee

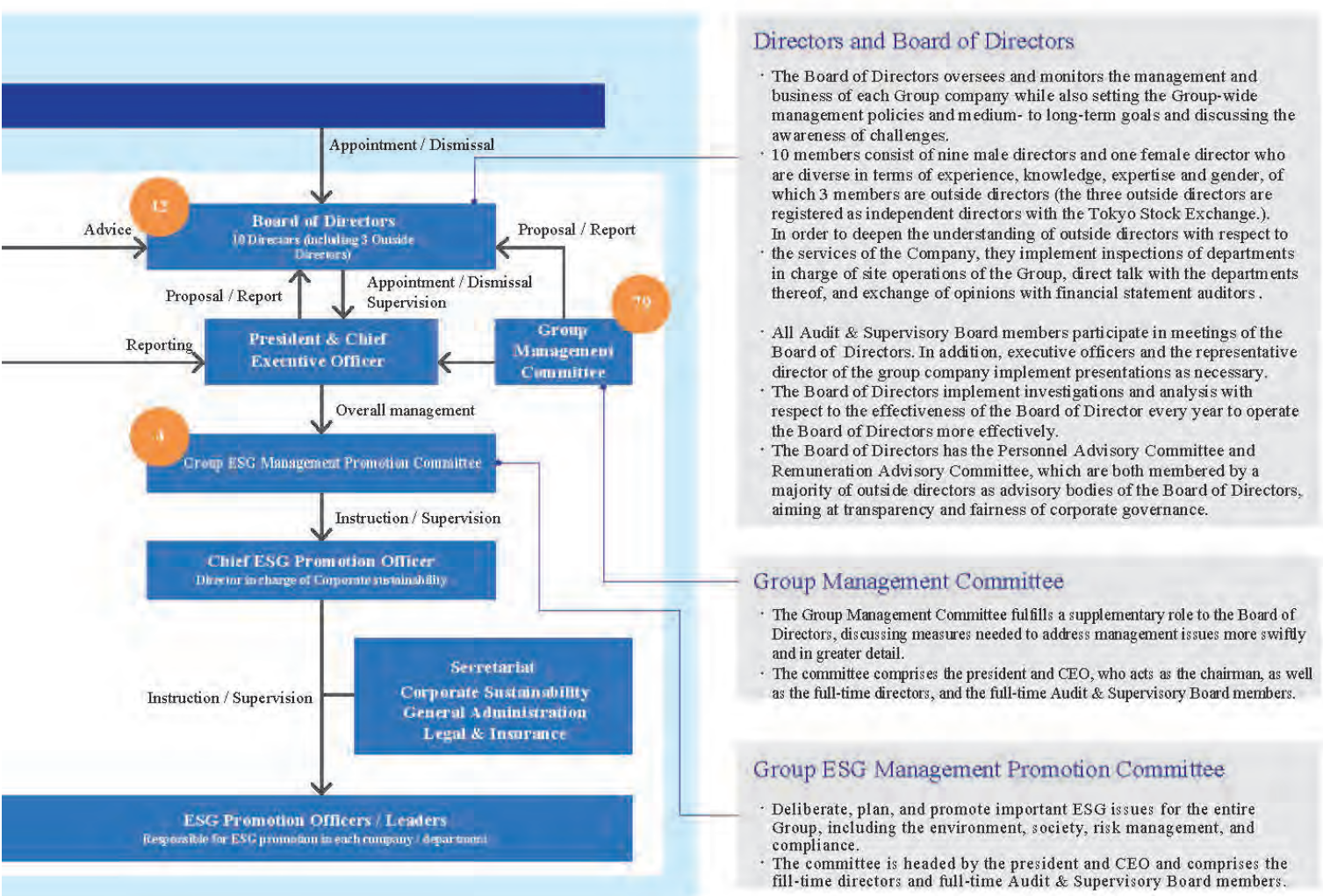
- The Personnel Advisory Committee discusses appointment of director candidates and dismissal of directors and reports it to the Board of Directors.
- The committee is chaired by an outside director in order to ensure the fairness and transparency of the appointment process of candidates and comprises four persons including three outside directors.

### Remuneration Advisory Committee

- The Remuneration Advisory Committee discusses the director remuneration system and director remunerations standards, considering the surveys of director remuneration at other companies provided by outside experts and reports it to the Board of Directors.
- The committee is chaired by an outside director and comprises six persons including three outside directors, one outside auditor and one expert.



For details, please see "Fundamental Policy on Corporate Governance" and "Corporate Governance Report" published on the website of the Company (URL : <https://www.ana.co.jp/group/about-us/governance/>).



As of the end of March 2021



## **Outlook for the Next Fiscal Year**

In terms of the future economic outlook, while the situation remains dire due to the impacts of COVID-19, it is expected to improve due to the effects of various government policies and improvements in overseas economies. However, there are also remaining concerns about the risks of disadvantageous effects infection trends may pose to domestic and foreign economies.

The prolongation of the stay-at home request due to the spread of infection in metropolitan areas and immigration restrictions in various countries have had a major impact on our business performance, and we believe it is inevitable that impacts from the previous fiscal year will continue. On the other hand, vaccination started in Japan in February of this year. If vaccination progresses smoothly as it has in foreign countries where vaccination had already been in progress, the spread of infection can be expected to subside, which would allow aviation demand to recover rapidly.

Based on the “ANA HOLDINGS Announcement of Transformative Measures to a New Business Model” that the Company group announced on October 27, 2020 amidst these circumstances, we will steadily implement business structure reform plans in response to the behavioral changes brought about by COVID-19 and to reemerge as a stronger corporate group able to withstand the recurrence of infectious diseases. After promoting a significant reduction in fixed costs by temporarily reducing the scale of the aviation business centered on the ANA brand, we will pursue an optimal aviation business portfolio with an eye on future growth returns, and set our sights on creating new profit opportunities by establishing platform businesses that utilize customer data. In terms of funding, we raised a total of one trillion yen or more via loans from financial institutions in the form of subordinated syndicated loans, etc. and public offerings intended to accelerate business structure reforms and strengthen our financial base, etc., to improve our cash balance going forward. We believe that there is no material uncertainty regarding the assumption of a going concern because we will continue to raise funds as necessary, including new borrowings, to secure liquidity on hand.

### **Air Transportation**

Although ANA will continue, for the time being, to reduce the number of flights for international and domestic passenger services under the ANA brand while paying close attention to infection status and immigration regulations in each country, we will flexibly resume flights and actively capture demand during the demand recovery phase. As passenger flights continue to be suspended or reduced globally, we will continue to aggressively capture demand for international cargo, like we did last fiscal year, since we expect supply and demand constraints to continue due to the boom in cargo against the backdrop of economic recovery.

For the time being, LCC (Peach Aviation Limited) will continue to adjust the scale of their operations in line with declining demand, meanwhile, we not only plan to open new domestic routes and increase flights on some routes, we also intend to actively expand our network during the demand recovery phase.



## **Fleet Plan**

In the Fleet Plan, the following aircrafts are scheduled to be introduced and to be retired, but the time of its implementation may change in connection with the review of the capital expenditure.

Aircraft to be introduced	
Model	No. of Aircraft
Airbus A380	1
Boeing 787-10	1
Boeing 787-9	8
Airbus A321neoLR	1
Airbus A321neo	5
Airbus A320neo	4
Total	20

Aircraft to be retired	
Model	No. of Aircraft
Boeing 777-300	10
Boeing 777-200	4
Boeing 767-300	3
Boeing 737-700	5
Airbus A320-200	10
Total	32

## **Others**

In April of this year, we integrated the travel business to ANA X Co., Ltd., which is in charge of platform businesses that utilize customer data. Under the new company, we will work to strengthen sales in the digital domain and to enhance our merchandise lineups for hotels and rental car, etc. ANA Akindo Co., Ltd., which is responsible for regional revitalization business, will work to resolve regional issues by utilizing the ANA Group's diverse assets.

After the situation is resolved, we will take appropriate measures to recover, strengthen and expand business in our aviation-related and trading company businesses.

It is expected that the business environment will continue to be harsh due to the impact of the COVID-19. We would like to thank our shareholders for their continued support.

## **(5) Key principles of capital policies**

The Company has the following three key principles underlying its capital policies. However, given the impacts of COVID-19, the Company is putting top priority on the maintenance and strengthening of its financial foundation for the moment. The Company will strive to get back on a growth path as soon as possible to be able to enhance shareholders' return again.

### **(i) Growth of shareholder value through improvement of ROE**

- ▶ The Company seeks sustainable profit growth and improvement of capital efficiency (ROE) to deliver sustainable growth of shareholder value.
- ▶ The Company seeks to improve its ROE with a focus on "profitability (return rate)" and "asset effectiveness (turnover)" while maintaining a sound balance sheet.

### **(ii) Maintenance of sound balance sheet – level of shareholders' equity**

- ▶ The Company will maintain the required level of shareholders' equity to ensure capturing of expanding business opportunities from the following viewpoints:
  - The level of shareholders' equity is sufficient to cover risks associated with its business activities.
  - The level of shareholders' equity is sufficient to obtain and maintain credit ratings that are required for supporting of continued capital investment.

### **(iii) Shareholders' return**

- ▶ The Company views the return of profits to shareholders as an important management issue. While securing resources for investing in growth, such as aircraft fleet for future business expansion, the Company intends to enhance shareholders' return giving due consideration to its free cash flow and other metrics, provided that the Company maintains its financial health.

## **(6) Principal businesses of the ANA Group (as of March 31, 2021)**

Segment	Nature of business
Air Transportation	Air transportation by scheduled and non-scheduled flights on international and domestic routes and other related businesses
Airline Related	Airport ground support, maintenance, information and telecommunications and logistics businesses
Travel Services	Planning, development, sale and other related businesses for travel packages
Trade and Retail	Trading and retailing business
Others	Building maintenance, real estate and other businesses

**(7) Principal offices and branches of the ANA Group (as of March 31, 2021)**

Company name	Offices and location	
(Group-wide)		
ANA HOLDINGS INC.	Head Office	5-2, Higashi-Shimbashi 1-chome, Minato-ku, Tokyo
(Air Transportation)		
ALL NIPPON AIRWAYS CO., LTD.	Head Office	Minato-ku, Tokyo
	Domestic Sales Branches	Tokyo Sales Office, Hokkaido Sales Office, Tohoku Sales Office, Chubu Sales Office, Kansai Sales Office, Chugoku-Shikoku Sales Office, Kyushu Sales Office, Okinawa Sales Office
	Domestic Airport Branches	Narita Airport Office, Tokyo Airport Office, Osaka Airport Office, Kansai Airport Office, Chitose Airport Office, Chubu Airport Office, Fukuoka Airport Office, Okinawa Airport Office
	Overseas Branches	Beijing, Dalian, Shenyang, Qingdao, Shanghai, Hangzhou, Chengdu, Wuhan, Xiamen, Guangzhou, Hong Kong, Taipei, Seoul, Delhi, Mumbai, Chennai, Yangon, Bangkok, Ho Chi Minh, Hanoi, Singapore, Kuala Lumpur, Jakarta, Manila, Phnom Penh, Sydney, Perth, San Francisco, San Jose, Seattle, Los Angeles, Houston, Chicago, New York, Washington D.C., Honolulu, Vancouver, Mexico City, London, Frankfurt, Munich, Dusseldorf, Paris, Brussels, Vienna, Milan, Stockholm, Moscow, Vladivostok, Istanbul
Air Japan Co., Ltd.	Head Office	Narita-shi, Chiba
ANA WINGS CO., LTD.	Head Office	Ota-ku, Tokyo
Peach Aviation Limited	Head Office	Sennan-gun, Osaka
(Airline Related)		
ANA Cargo Inc.	Head Office	Minato-ku, Tokyo
Overseas Courier Service Co., Ltd.	Head Office	Koto-ku, Tokyo
ANA Systems Co., Ltd.	Head Office	Ota-ku, Tokyo
(Travel Services)		
ANA Sales Co., Ltd.	Head Office	Chuo-ku, Tokyo
(Trade and Retail)		
ALL NIPPON AIRWAYS TRADING CO., LTD.	Head Office	Minato-ku, Tokyo

**(8) Aircraft used by the ANA Group (as of March 31, 2021)**

Aircraft	Number of aircraft			Number of seats
	Owned	Leased	Total	
Boeing 777-300	21	9	30	212 - 514
Boeing 777-200	10	4	14	392 / 405
Boeing 777F	2	—	2	—
Boeing 787-10	2	—	2	294
Boeing 787-9	30	6	36	215 - 395
Boeing 787-8	31	5	36	169 - 335
Boeing 767-300	21	—	21	202 / 270
Boeing 767-300F	6	3	9	—
Boeing 737-800	24	15	39	166
Boeing 737-700	5	—	5	120
Airbus A380	2	—	2	520
Airbus A321neo	—	17	17	194
Airbus A321-200	—	4	4	194
Airbus A320neo	11	3	14	146 / 188
Airbus A320-200	—	38	38	180
De Havilland Canada DASH 8-400	24	—	24	74
Total	189	104	293	

(Note)

In addition to the above, there are seventeen (17) aircraft owned or leased by the Company which are leased to other entities.

**(9) Employees (as of March 31, 2021)****(i) Employees of the ANA Group**

Segment	Number of employees		Change in the number since the previous fiscal year end	
Air Transportation	18,840	(326)	+169	(-129)
Airline Related	21,949	(1,553)	+491	(-177)
Travel Services	1,302	(69)	-17	(-51)
Trade and Retail	1,504	(833)	-25	(-176)
Other	2,810	(246)	+123	(-39)
Group-wide (common)	175	(0)	-10	(0)
Total	46,580	(3,027)	+731	(-572)

(Notes)

1. Number of employees means the number of full-time employees, and the number of temporary employees is stated in brackets.
2. Number of employees excludes employees of the Company and its consolidated subsidiaries who are temporarily transferred to companies other than the Company's consolidated subsidiaries.
3. Number of employees includes employees of companies other than the Company's consolidated subsidiaries who are temporarily transferred to the Company or its consolidated subsidiaries.

4. The numbers of employees shown on the Group-wide (common) represent those who belong to the holding company that cannot be classified into any specific segment.
5. The number of full-time employees of the Air Transportation and Airline Related businesses increased by 169 and 491, respectively, as compared to the previous consolidated fiscal year end. The increase in the number of full-time employees was primarily because the ANA Group increased the number of newly hired employees in preparation for the re-expansion of the airports in the Tokyo metropolitan area through 2020.

(ii) Employees of the Company

Number of employees	Change in the number since the previous fiscal year end	Average age	Average service years
175 (0)	-10 (0)	45.2	3.9

(Notes)

1. Number of employees means the number of full-time employees, and the number of temporary employees is stated in brackets.
2. Number of employees includes employees of another company who are temporarily transferred to the Company.
3. The average service years (3.9 years) represents the average years in service from the effective date of the absorption-type company split (April 1, 2013) of the employees of the Company, who are primarily composed of employees seconded from ALL NIPPON AIRWAYS CO., LTD., a consolidated subsidiary of the Company.

**(10) Main loan lenders (as of March 31, 2021)**

(Millions of yen)

Name of Loan Lender	Amount of Loan
Sumitomo Mitsui Banking Corporation	94,301
Mizuho Bank, Ltd.	64,529
MUFG Bank, Ltd.	46,196
Sumitomo Mitsui Trust Bank, Limited	44,022
Development Bank of Japan Inc.	31,923

(Notes)

1. In addition to the above, 285,816 million yen is outstanding on the loan guaranteed by Japan Bank for International Cooperation.
2. In addition to the above, 350,000 million yen is outstanding on the loan for crisis response from Development Bank of Japan Inc.
3. In addition to the above, 400,000 million yen is outstanding on the subordinated syndicated loan in which case the arrangers are Sumitomo Mitsui Banking Corporation, Development Bank of Japan Inc., Mizuho Bank, Ltd., MUFG Bank, Ltd. and Sumitomo Mitsui Trust Bank, Limited.

**(11) Other important matters concerning the present state of the ANA Group**

On November 7, 2019, a flight crew of ALL NIPPON AIRWAYS CO., LTD. (ANA), a wholly-owned subsidiary of the Company, who was scheduled to pilot a flight from Fukuoka to Haneda switched to another flight crew due to detection of alcohol in a pre-flight alcohol breath test, causing a total delay of four flights. On May 1, 2020, ANA received a Business Improvement

Order concerning Air Transportation Safety from the Ministry of Land, Infrastructure, Transport and Tourism with respect to this incident.

In order to eradicate the alcohol-related issues of its flight crew as well as other employees involved in flight operations such as cabin attendants, maintenance crews, operation managers and operation crews, the ANA Group has made it a requirement for employees in all positions subject to the legally mandated alcohol-testing to conduct a pre-test for themselves to ensure that they are fit to come to work. The ANA Group has been further tightening its preventive measures by, for example, modifying its systems so that the flight crews, in particular, will not be able to undergo the legally mandated alcohol-testing unless they have completed the pre-test. Every employee of the ANA Group stands united to completely prevent a reoccurrence of these issues through, including, but not limited to, deepening of education regarding alcohol knowledge and an initiative to develop responsible drinking habits, and continues to strive further to regain the public trust.

## 2. Current Status of the Company

### (1) Status of shares (as of March 31, 2021)

(i) Authorized shares: 510,000,000 shares

(ii) Outstanding shares: 484,293,561 shares  
(Including 13,641,705 treasury shares)

(Note) Following the public offering dated December 14, 2020 and the third-party allotment dated January 13, 2021, the number of outstanding shares has increased by 135,795,200 shares.

(iii) Number of shareholders: 672,978  
(An increase of 153,661 from the previous fiscal year end)

(iv) Major shareholders (the top ten shareholders):

Name of shareholders	Number of shares held (thousand shares)	Shareholding ratio (%)
The Master Trust Bank of Japan, Ltd. (Trust account)	33,003	7.01
Custody Bank of Japan, Ltd. (Trust account)	18,675	3.97
Custody Bank of Japan, Ltd. (Trust account 5)	7,836	1.66
Nagoya Railroad Co., Ltd.	7,313	1.55
Custody Bank of Japan, Ltd. (Trust account 6)	6,947	1.48
Custody Bank of Japan, Ltd. (Trust account 1)	6,248	1.33
Custody Bank of Japan, Ltd. (Trust account 2)	4,968	1.06
Custody Bank of Japan, Ltd. (Trust account 7)	4,109	0.87
ANA Group Employee Stock Ownership Association	3,856	0.82
STATE STREET BANK WEST CLIENT - TREATY 505234	3,797	0.81

(Notes)

1. The shareholding ratio is calculated excluding the number of treasury stocks (13,641,705 shares).
2. Fractions of less than a thousand shares are rounded down.

Breakdown of shares by shareholder type (as of March 31, 2021)

Financial institutions	24.32 %
Securities companies	1.09 %
Other domestic corporations	10.45 %
Foreigners	11.46 %
Individuals and others	49.85 %
Shares held by the Company (treasury stocks)	2.82 %
Central and local governments	0.02 %
Total	484,293,561 shares

(v) Status of shares granted to the Company's officers as consideration for performance of their duties during the Fiscal Year

	Number of shares	Number of officers entitled to be granted shares
Directors (excluding Independent Outside Director)	9,412.5 shares	1

(Notes)

1. The details of the Company's share remuneration are as described in "2-(3)-(iv) Policies applicable to the determination of remuneration, etc." on page 61 of the Business Report.
2. The above table includes the shares granted to the retired officers.

## (2) Status of stock acquisition rights

Other important matters concerning stock acquisition rights:

The bonds with stock acquisition rights whose issuance had been resolved at the meeting of the Board of Directors held on August 31, 2017 were issued and paid for on September 19, 2017. The following table shows the status as of March 31, 2021.

Name of issue	Outstanding bonds with stock acquisition rights	Number of stock acquisition rights	Class of shares underlying stock acquisition rights	Period for exercise of stock acquisition rights	Exercise value of stock acquisition rights
Zero Coupon Convertible Bonds due 2022	JPY 70,000 million	7,000	Ordinary shares	From October 3, 2017 to September 2, 2022	JPY 5,088.3
Zero Coupon Convertible Bonds due 2024	JPY 70,000 million	7,000	Ordinary shares	From October 3, 2017 to September 5, 2024	JPY 5,009.7

(Notes)

1. At the 74th Ordinary General Meeting of Shareholders of the Company held on June 21, 2019, the proposed appropriation of surplus to set the amount of dividend for the fiscal year ended March 2019 at JPY 75 per share was approved. As a result, the conversion prices of the Zero Coupon Convertible Bonds due 2022 and the Zero Coupon Convertible Bonds due 2024 have been adjusted from JPY 5,180 to JPY 5,160.9 and from JPY 5,100 to JPY 5,081.2, respectively, subject to the provisions for adjustment of the conversion price.
2. In connection with the 126,310,000 ordinary shares of the Company issued with the payment date being December 14, 2020 and the 9,485,200 ordinary shares of the Company issued by way of third-party allotment with the payment date being January 13, 2021, the conversion prices of the Zero Coupon Convertible Bonds due 2022 and the Zero Coupon Convertible Bonds due 2024 have been adjusted from JPY 5,160.9 to JPY 5,088.3 and from JPY 5,081.2 to JPY 5,009.7, respectively, subject to the provisions for adjustment of the conversion price, as resolved at the meeting of the Board of Directors held on November 27, 2020.



### (3) Members of the Board of Directors and Audit & Supervisory Board Members

#### (i) Status of Directors and Audit & Supervisory Board Members (as of March 31, 2021)

Position in the Company	Name	Responsibility and material concurrent positions
Chairman of the Board	Shinichiro Ito	Chairman of the Board of Directors; Outside Director of Mitsui Fudosan Co., Ltd.
Representative Director, President & Chief Executive Officer	Shinya Katanozaka	Chairman of the ANA Group Management Committee; Committee Head of Group ESG Management Promotion Committee; In charge of the Internal Audit Division; Outside Director of Tokio Marine Holdings, Inc.; Vice Chairman of Japan Business Federation (Keidanren)
Representative Director, President & Chief Executive Officer	Yutaka Ito	Chairman of Group ESG Management Promotion Committee; In charge of Legal & Insurance, General Administration, Group Procurement and Corporate Sustainability
Director	Naoto Takada	In charge of Corporate Communications and Branding, Executive Secretariat, Human Resources Strategy
Director	Ichiro Fukuzawa	Chief Financial Officer
Director	Koji Shibata	In charge of Corporate Strategy, Group IT Management, Facilities Planning, Digital Design Lab, Group D&I Promotion, Okinawa Region; Outside Director of Japan Airport Terminal Co., Ltd.; Outside Director of Airport Facilities Co., Ltd.
Director	Yuji Hirako	Representative Director, President & Chief Executive Officer of ALL NIPPON AIRWAYS CO., LTD.; Chairman of All Japan Air Transport And Service Association Co., Ltd.
Independent Outside Director	Ado Yamamoto	Chairman and Representative Director, Nagoya Railroad Co., Ltd.; Outside Director, Yahagi Construction Co., Ltd.; Outside Director, Chubu-Nippon Broadcasting Co., Ltd.; Chairman of Nagoya Chamber of Commerce & Industry
Independent Outside Director	Izumi Kobayashi	Outside Director, Mitsui & Co., Ltd.; Outside Director, Mizuho Financial Group, Inc.; Outside Director, OMRON Corporation

Position in the Company	Name	Responsibility and material concurrent positions
Independent Outside Director	Eijiro Katsu	President and Representative Director and COO of Internet Initiative Japan Inc.
Outside Audit & Supervisory Board Member (Full-time Member)	Nozomu Kanou	-
Audit & Supervisory Board Member (Full-time Member)	Kiyoshi Tonomoto	-
Audit & Supervisory Board Member (Full-time Member)	Toyoyuki Nagamine	-
Outside Audit & Supervisory Board Member	Shingo Matsuo	Special Advisor of Kyushu Electric Power Co., Inc.; Honorary Chairman of Kyushu Economic Federation
Outside Audit & Supervisory Board Member	Eiji Ogawa	Professor, Faculty of Economics, Tokyo Keizai University; Acting Chairman of Council on Customs, Tariff, Foreign Exchange and Other Transactions for Ministry of Finance

(Notes)

1. Directors Ado Yamamoto, Izumi Kobayashi and Eijiro Katsu are Independent Outside Director.
2. Audit & Supervisory Board Members Nozomu Kanou, Shingo Matsuo and Eiji Ogawa are Outside Audit & Supervisory Board Members.
3. The Company has notified the Tokyo Stock Exchange that Independent Outside Director Ado Yamamoto, Izumi Kobayashi and Eijiro Katsu, and Outside Audit & Supervisory Board Members Nozomu Kanou, Shingo Matsuo and Eiji Ogawa are Independent Directors.
4. Audit & Supervisory Board Member Nozomu Kanou worked for a financial institution, and has an extensive knowledge of finance and accounting.
5. Audit & Supervisory Board Member Kiyoshi Tonomoto has been in charge of the finance, accounting, IR and legal operations of the Company for a long time, and has an extensive knowledge of finance, accounting and legal affairs.
6. Audit & Supervisory Board Member Eiji Ogawa has been in research of international finance as a university professor for a long time, and has an extensive knowledge of finance and accounting.
7. Director Shinya Katanozaka was appointed and took office as Outside Director of Tokio Marine Holdings, Inc. at its annual general meeting of shareholders held on June 29, 2020.
8. Director Yutaka Ito resigned and retired as Director of the Company as of March 31, 2021.
9. Director Ichiro Fukuzawa's title has been changed to Member of the Board of Directors, Executive Vice President as of April 1, 2021.
10. Director Koji Shibata was newly appointed and took office as Director of the Company at its 75th Ordinary General Meeting of Shareholders held on June 29, 2020.
11. Director Koji Shibata's title has been changed to Representative Director, Executive Vice President as of April 1, 2021.
12. Director Koji Shibata was appointed and took office as Outside Director of Japan Airport Terminal Co., Ltd. at its annual general meeting of shareholders held on June 25, 2020.
13. Director Koji Shibata was appointed and took office as Outside Director of Airport Facilities Co., Ltd. at its annual general meeting of shareholders held on June 26, 2020.
14. Director Yuji Hirako retired as Chairman of The Scheduled Airlines Association of Japan at the time of the closing of its annual general meeting held on May 20, 2020 due to expiry of term of office.

15. Director Yuji Hirako took office as Chairman of All Japan Air Transport and Service Association Co., Ltd. at its annual general meeting held on May 20, 2020.
16. Director Ado Yamamoto was appointed and took office as Outside Director of Chubu-Nippon Broadcasting Co., Ltd. at its annual general meeting of shareholders held on June 26, 2020.
17. Director Izumi Kobayashi was appointed and took office as Outside Director of OMRON Corporation at its annual general meeting of shareholders held on June 23, 2020.
18. Director Eijiro Katsu was newly appointed and took office as Outside Director of the Company at its 75th Ordinary General Meeting of Shareholders held on June 29, 2020.
19. Director Shosuke Mori retired as Outside Director of the Company at the time of the closing of its 75th Ordinary General Meeting of Shareholders held on June 29, 2020 due to expiry of term of office.
20. Audit & Supervisory Board Member Toyoyuki Nagamine was newly appointed and took office as Audit & Supervisory Board Member of the Company at its 75th Ordinary General Meeting of Shareholders held on June 29, 2020.
21. Audit & Supervisory Board Member Toyoyuki Nagamine retired as Outside Director of Japan Airport Terminal Co., Ltd. as of June 25, 2020 due to expiry of term of office.
22. Audit & Supervisory Board Member Toyoyuki Nagamine retired as Outside Director of Airport Facilities Co., Ltd. as of June 26, 2020 due to expiry of term of office.
23. Audit & Supervisory Board Member Eiji Ogawa retired as Professor of Hitotsubashi University Business School as of March 31, 2020 and took office as Professor of Faculty of Economics, Tokyo Keizai University as of April 1, 2020.
24. Audit & Supervisory Board Member Eiji Ogawa retired as Acting Chairman and member of Council on Customs, Tariff, Foreign Exchange and Other Transactions for Ministry of Finance as of March 31, 2021 due to expiry of term of office.
25. Audit & Supervisory Board Member Akihiko Hasegawa resigned and retired as Audit & Supervisory Member of the Company at the time of the closing of its 75th Ordinary General Meeting of Shareholders held on June 29, 2020.
26. Yutaka Ito, Naoto Takada, Ichiro Fukuzawa and Koji Shibata among Directors concurrently hold the office of Corporate Executive Officer.

(ii) Outline of contracts for limitation of liability

In accordance with Article 427, Paragraph 1 of the Companies Act and the Articles of Incorporation of the Company, the Company has entered into contracts for limitation of damage liability prescribed in Article 423, Paragraph 1 of the Companies Act with each of the Independent Outside Director and Audit & Supervisory Board Members setting forth the maximum extent of the damage liability payable thereunder shall be limited to the amount set forth in Article 425, Paragraph 1 of the Companies Act.

(iii) Payment of remuneration, etc. to members of the Board of Directors and Audit & Supervisory Board Members

Category	Number of persons entitled to payment	Total amount of remuneration (millions of yen)	Total amount by remuneration type (millions of yen)		
			Basic remuneration	Performance-linked remuneration	
				Bonus	Share remuneration (non-monetary remuneration)
Directors (Outside Directors)	11 (4)	317 (41)	233 (41)	- (-)	84 (-)
Audit & Supervisory Board Members (Outside Audit & Supervisory Board Members)	6 (3)	117 (58)	117 (58)	- (-)	- (-)
Total	17	434	350	-	84

(Notes)

1. The above table includes one Independent Outside Director and one Inside Audit & Supervisory Board Member who retired at the time of the closing of the 75th Ordinary General Meeting of Shareholders of the Company held on June 29, 2020.
2. It was resolved at the 66th Ordinary General Meeting of Shareholders of the Company held on June 20, 2011 that the maximum amount of remuneration of Directors per year would be 960 million yen. The number of Directors as at the time of the closing of that Ordinary General Meeting of Shareholders was 17 (including two Independent Outside Director). In addition, it was resolved at the 70th Ordinary General Meeting of Shareholders of the Company held on June 29, 2015 that the maximum amount of share remuneration per year would be 100 million yen. The number of Directors (excluding Independent Outside Director) as at the time of the closing of that Ordinary General Meeting of Shareholders was seven.
3. It was resolved at the 74th Ordinary General Meeting of Shareholders of the Company held on June 21, 2019 that the maximum amount of remuneration of Audit & Supervisory Board Members per year would be 180 million yen. The number of Audit & Supervisory Board Members as at the time of the closing of that Ordinary General Meeting of Shareholders was five (including three Outside Audit & Supervisory Board Members).
4. Figures in the table have been rounded down to the nearest million yen.

Given the deterioration in the Company's business results, the basic remuneration included in the remuneration for Directors and Audit & Supervisory Board Members for the Fiscal Year has been reduced for all Directors and Audit & Supervisory Board Members according to their positions. No performance-linked bonuses have been paid.

(iv) Policies applicable to the determination of remuneration, etc.

a. Directors' remuneration

i. Basic policies

- The Company's officer remuneration consists of a basic remuneration in a fixed amount, which is set at a level commensurate with the role and responsibility of each position, and a performance-linked remuneration, which clarifies the responsibility for the Company's business results and serves as an incentive for sustainable growth of the Company.
- The performance-linked remuneration consists of a bonus linked to business results for a single fiscal year, and a share remuneration to improve medium- to long-term corporate values and capital gain with shareholders. Outside Directors only receive the basic remuneration in light of their responsibility for supervising the Company's operations from an independent standpoint.

ii. Process

As for the process for determining Directors' remuneration, the Remuneration Advisory Committee, which is chaired by an Outside Director. The majority of members of the Committee is composed of Outside Directors and outside experts. The Committee first discusses policies in accordance with the basic policies described above, taking into account remuneration levels at other companies as researched by an external special agency retained by the Company, and reports to the Board of Directors. The Board of Directors then deliberates on the report received from the Committee and, after reviewing and discussing the results of the research provided by the external special agency and the content of the discussions by the Committee, concludes and resolves that the policies are in line with the basic policies on officer remuneration and appropriate.

- Shinya Katanozaka, President & Chief Executive Officer, has been delegated by the resolution of the Board of Directors to determine the specifics of the final amount to be paid to each Director. The reason for the delegation is that the President & Chief Executive Officer is considered best qualified, as he oversees the entire business operations of the Company and is familiar with the duties assigned to each Director. After examining the degree of contribution of each Director and individual interviews, the President & Chief Executive Officer makes evaluations and final decisions based on the amounts advised by the remuneration policies as resolved by the Board of Directors.
- In the event of unexpected drastic changes in the business environment, the President & Chief Executive Officer has been delegated to reduce the monthly remuneration, bonus and share remuneration within the expressly indicated amount and duration of the reduction.

### iii. Remuneration system

- Remuneration for Directors (excluding Outside Directors) consists of the basic remuneration, bonus and share remuneration. Remuneration for Outside Directors consists only of the basic remuneration.
- When calculating the performance-linked portion, the same factor is used for all positions.

		Fixed	Variable (performance-linked)		Remuneration limits
Ratio		1	0.67 <sup>*1</sup>		
Remuneration		(1) Basic remuneration	(2) Bonus (short-term performance-linked)	(3) Share remuneration (long-term incentive)	
Payment criteria	Internal Directors	Payment according to title, etc.	Measure for fiscal year results according to various criteria <div>Net Income</div> <div>Safety</div> <div>Customer Satisfaction</div> <div>Employee Satisfaction</div>	Evaluate contributions to corporate value over the medium to long term <div>Return on Equity (ROE)</div> <div>Operating Income Margin</div> <div>CO<sub>2</sub> Emissions</div> <div>ESG External Evaluation Index</div> <div>Productivity Improvement Indicator</div>	<b>Annual total for (1) and (2) is limited to a maximum of 960 million yen</b> Per resolution at the 66th Ordinary General Meeting of Shareholders, held June 20, 2011 <b>Annual amount of (3) is limited to a maximum of 100 million yen<sup>*2</sup></b> Per resolution at the 70th Ordinary General Meeting of Shareholders, held June 29, 2015
	Outside Directors	Uniform payment for all members	-	-	
Payment method		Monthly (cash)	Annually (cash)	Annually <sup>*3</sup>	

\*1 Range from 0 to 1.0 times according to the degree of achievement for annual performance targets.

\*2 It was resolved at the 70th Ordinary General Meeting of Shareholders held on June 29, 2015 that the maximum annual amount of 100 million yen (500 million yen per five fiscal years) would be contributed into a trust as the share remuneration.

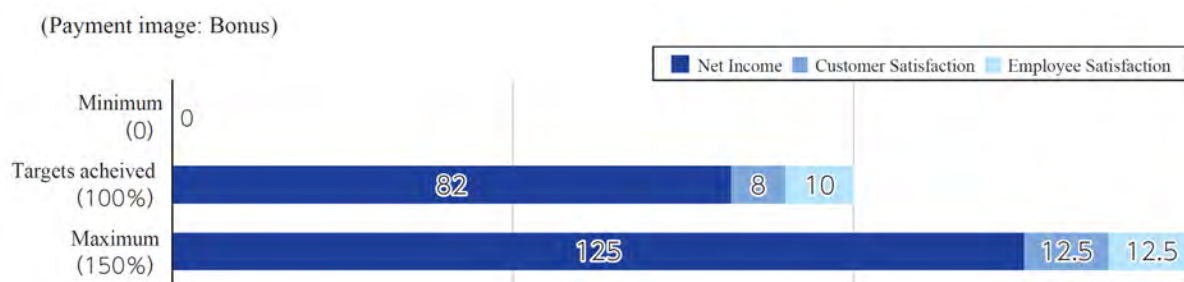
\*3 For the share remuneration granted during a Director's service on the Board, shares (a part of which will be paid in cash equivalent to the market value) will be delivered through a stock delivery trust at the time of his/her retirement.

### iv. Calculation method

The performance-linked remuneration for Directors (excluding Outside Directors) is calculated based on the following approach.

#### (i) Bonus

Payment factor is determined as the sum of the following four indices. The percentages on the bars in the chart represent the ratio of contribution of each measure to the total bonus payable upon achievement of the targets.  
(Minimum 0% Maximum 150%)



Net Income: Target value for net income attributable to owners of the parent in the annual business plan

Employee Satisfaction: Achieved value for points earned in the intra-Group survey, ANA's Way Survey

Safety: Measure of reduction in payment in case of security, safety or other incident that has material impact on the society (to be confirmed by the Remuneration Advisory Committee)

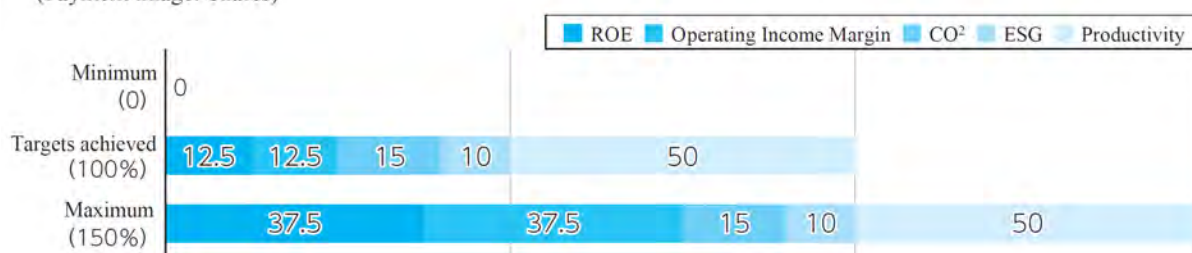
## (ii) Share Remuneration

Payment factor is determined as the sum of the following five indices.

The percentages on the bars in the chart represent the ratio of the contribution of each measure to the total share remuneration payable upon achievement of the targets.

(Minimum 0% Maximum 150%)

(Payment image: Shares)



ROE: Target value for ROE as at the end of FY2022 in the medium-term business plan

Operating Income Margin: Target value for operating income margin as at the end of FY2022 in the medium-term business plan

CO<sub>2</sub>: Target value for CO<sub>2</sub> emissions per RTK as at the end of FY2022 in the medium-term business plan

ESG: Results of the following four ESG external evaluation targets as at the end of FY2022:

- (i) selected as a component of DJSI World/Asia Index; (ii) selected as a component of FTSE 4Good Index; (iii) obtaining A- rating from CDP; and (iv) selected as a component of MSCI Index

\*These measures always reflect the latest global trends and requests from stakeholders, and can measure the level of ESG management promotion of the Group compared to the other companies.

Productivity: Achieved value for productivity improvement indicator as at the end of FY2022

## b. Audit & Supervisory Board Members' remuneration

- Remuneration for Audit & Supervisory Board Members is determined by reference to remuneration levels at other companies as researched by the external special agency retained by the Company, in light of their responsibility, and in order to attract and retain talents.
- Audit & Supervisory Board Members only receive the fixed remuneration (monthly remuneration) in light of their responsibility for supervising the Board of Directors from an independent standpoint. It was resolved at the 74th Ordinary General Meeting of Shareholders of the Company held on June 21, 2019 that the maximum amount of remuneration for Audit & Supervisory Board Members is 180 million yen per year.
- Audit & Supervisory Board Members discuss and determine how to allocate the remuneration to each member.

## (v) Matters concerning outside officers

To further strengthen proper and swift decision-making by, and supervising and monitoring functions of, the Board of Directors, the Company provides the following policies

concerning the structure and operations of the Board of Directors in its "Fundamental Policy on Corporate Governance." For the independence guidelines for Independent Outside Directors and Outside Audit & Supervisory Board Members, please refer to page 23 hereof.

<Structure>

The total number of Directors is to be no more than 20 as stipulated by the Articles of Incorporation. The Board of Directors is to be adequately composed of members that are diverse in various ways, including experience, knowledge, and expertise and gender, to facilitate ample discussion, swift and rational decision-making and the supervision and monitoring of business execution.

Several Outside Directors are selected from among candidates that are independent from the Company to further strengthen proper decision-making and supervising and monitoring functions of the Board of Directors.

<Operations>

As a general rule, the Board of Directors meets every month. Swift decisions are made on important agenda for the Group overall. In addition, advice is gleaned appropriately from the Outside Directors.

- a. Material concurrent positions as an executive officer at other corporations, etc. and relationship between that corporation, etc. and the Company

Name/Title	Material concurrent position	Relationship with the Company
Ado Yamamoto Independent Outside Director	Chairman and Representative Director of Nagoya Railroad Co., Ltd.	No special relationship
Eijiro Katsu Independent Outside Director	President and Representative Director and COO of Internet Initiative Japan Inc.	No special relationship
Shingo Matsuo Outside Audit & Supervisory Board Member	Special Advisor of Kyushu Electric Power Co., Inc.	No special relationship
Eiji Ogawa Outside Audit & Supervisory Board Member	Professor, Faculty of Economics, Tokyo Keizai University	No special relationship

- b. Material concurrent positions as an outside officer, etc. at other corporations, etc. and relationship between that corporation, etc. and the Company

Name/Title	Material concurrent position	Relationship with the Company
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Ado Yamamoto Outside Director	Director (Outside Director) of Yahagi Construction Co., Ltd.	No special relationship
	Director (Outside Director) of Chubu-Nippon Broadcasting Co., Ltd.	No special relationship
Izumi Kobayashi Outside Director	Director (Outside Director) of Mitsui & Co., Ltd.	No special relationship
	Director (Outside Director) of Mizuho Financial Group, Inc.	No special relationship
	Director (Outside Director) of OMRON Corporation	No special relationship

c. Principal activities during the Fiscal Year

Name/Title	Activities
Ado Yamamoto Outside Director	Ado Yamamoto attended all twelve (12) meetings of the Board of Directors that were held during the Fiscal Year, where he proactively provided opinions and suggestions on, among other subjects, the Group's management strategies, structural business reforms, new businesses and organizational operation, taking advantage of his considerable experience and broad knowledge developed principally as a corporate executive director in a transportation business. In addition, he exchanged opinions with Representative Directors outside of the board meetings as appropriate, and provided necessary advice. From the fiscal year 2016, he holds the office of a member of the Remuneration Advisory Committee and the Personnel Advisory Committee, and from the fiscal year 2020, he holds the office of the chairman of the Remuneration Advisory Committee and the Personnel Advisory Committee.
Izumi Kobayashi Outside Director	Izumi Kobayashi attended all twelve (12) meetings of the Board of Directors that were held during the Fiscal Year, where she proactively provided opinions and suggestions on, among other subjects, the Group's management strategies, structural business reforms, risk management, investment management and human resources strategies with a global perspective, taking advantage of her considerable experience and broad knowledge developed principally as a representative of a financial institution and multilateral development bank. In addition, she exchanged opinions with Representative Directors outside of the board meetings as appropriate, and provided necessary advice. From the fiscal year 2013 and the fiscal year 2016, she holds the office of a member of the Remuneration Advisory Committee and the Personnel Advisory Committee, respectively.
Eijiro Katsu Outside Director	Eijiro Katsu attended all ten (10) meetings of the Board of Directors that were held during the Fiscal Year since his taking office as Outside Director, where he proactively provided opinions and suggestions on, among other subjects, structural business reform and investment management, taking advantage of his considerable experience and broad knowledge developed principally as an administrative official and a corporate executive director in an ICT

	business. In addition, he exchanged opinions with Representative Directors outside of the board meetings as appropriate, and provided necessary advice. From the fiscal year 2020, he holds the office of a member of the Remuneration Advisory Committee and the Personnel Advisory Committee.
Nozomu Kanou Outside Audit & Supervisory Board Member	Nozomu Kanou attended all twelve (12) meetings of the Board of Directors and all thirteen (13) meetings of the Audit & Supervisory Board that were held during the Fiscal Year, where he proactively made statements on, among other subjects, investment projects and the Group's management strategies, taking advantage of his considerable experience and broad knowledge developed principally as an executive officer of a policy finance institution. In addition, he implemented visiting audits of each of the offices and divisions located in and outside Japan as well as attending the Management Committee of ANA Group and the other meetings as a Full-time Audit & Supervisory Board Member. From the fiscal year 2019, he holds the office of a member of the Remuneration Advisory Committee.
Shingo Matsuo Outside Audit & Supervisory Board Member	Shingo Matsuo attended all twelve (12) meetings of the Board of Directors and all thirteen (13) meetings of the Audit & Supervisory Board that were held during the Fiscal Year, where he proactively made statements on, among other subjects, business operations and human resources strategies of the Group, taking advantage of his considerable experience and broad knowledge developed principally as a corporate executive director in business of a highly public nature. Further, he exchanged opinions with Representative Directors as appropriate.
Eiji Ogawa Outside Audit & Supervisory Board Member	Eiji Ogawa attended all twelve (12) meetings of the Board of Directors and all thirteen (13) meetings of the Audit & Supervisory Board that were held during the Fiscal Year, where he proactively made statements on, among other subjects, financial strategies, risk management and investment management, taking advantage of his considerable experience and broad knowledge developed principally as an expert in international finance and other similar areas. Further, he exchanged opinions with Representative Directors as appropriate.

(Notes)

1. The Company has notified the Tokyo Stock Exchange that Directors Ado Yamamoto, Izumi Kobayashi and Eijiro Katsu, and Audit & Supervisory Board Members Nozomu Kanou, Shingo Matsuo and Eiji Ogawa are Independent Directors.
2. In May 2020, ALL NIPPON AIRWAYS CO., LTD., the Company's core subsidiary, received the Business Improvement Order concerning Air Transportation Safety from the Ministry of Land, Infrastructure, Transport and Tourism in connection with the alcohol-related issue caused by a flight crew member in November 2019. Directors Ado Yamamoto and Izumi Kobayashi, and Audit & Supervisory Board Members Nozomu Kanou, Shingo Matsuo and Eiji Ogawa have been making a range of suggestions as to compliance at meetings of the Board of Directors on a regular basis. After becoming aware of the issue, they called for enhanced internal control at the Company and its subsidiaries, and have been proactively making suggestions on how to prevent a reoccurrence of similar issues.

#### (4) Status of Independent Auditor

(i) Name: Deloitte Touche Tohmatsu LLC

(ii) Amount of remuneration:

(Millions of Yen)

	Payment
Amount of remuneration of Independent Auditor for the Fiscal Year	75
Total of amount and other financial profit payable by the Company and subsidiaries to the Independent Auditor	324

(Notes)

1. The audit agreement by and between the Company and the Independent Auditor does not distinguish the amount of the audit fee etc. for the auditing based on the Companies Act from that of the audit fee for the auditing based on the Financial Instruments and Exchange Act, and it is difficult in practical terms to classify them. Therefore, the total amount is described in the above chart.
2. The Audit & Supervisory Board of the Company reviewed the validity of performance of duties in the audit plan prepared by the Independent Auditor and the estimated amount of remuneration, using the “Practical Guidelines for Cooperation with Independent Auditors” released by Japan Corporate Auditors Association as a guide, and determined that the fees, etc. of the Independent Auditor was appropriate, and expressed consent as provided for in Article 399, Paragraphs 1 and 2 of the Companies Act.

(iii) Non-audit services

The Company consigns the Independent Auditor to prepare comfort letters in connection with issuances of shares as services other than those set forth in Article 2, Paragraph 1 of the Certified Public Accountants Act (non-audit services).

(iv) Policy on decision of removal and non-reappointment of Independent Auditor

The Independent Auditor will be removed by the Audit & Supervisory Board with the consent of all the Audit & Supervisory Board Members, if the Independent Auditor falls under any of the Items of Article 340, Paragraph 1 of the Companies Act. In this case, the fact of and reason for the removal will be reported at the first shareholders meeting convened after the removal.

In addition, the Audit & Supervisory Board may determine contents of a resolution concerning removal or non-reappointment of the Independent Auditor to be submitted to the General Meeting of Shareholders, if the Audit & Supervisory Board determines that the Independent Auditor has difficulties in properly performing its services or that it is appropriate to do so for further improving the reliability and appropriateness of audit.

**Consolidated Balance Sheet**  
(As of March 31, 2021)

Yen (Millions)

<b>Assets</b>		<b>Liabilities</b>	
<b><u>Current assets</u></b>	<b>1,226,302</b>	<b><u>Current liabilities</u></b>	<b>503,405</b>
Cash and deposits	464,739	Accounts payable	161,507
Notes and accounts receivable	103,939	Short-term loans	100,070
Lease receivables and investments in leases	19,112	Current portion of long-term debt	69,443
Marketable securities	500,980	Finance lease obligations	3,523
Inventories (Merchandise)	11,625	Income taxes payable	10,696
Inventories (Supplies)	27,230	Advance ticket sales	44,718
Other current assets	98,908	Accrued bonuses to employees	4,805
Allowance for doubtful accounts	(231)	Other provisions	12,738
		Other current liabilities	95,905
<b><u>Fixed assets</u></b>	<b>1,979,524</b>	<b><u>Long-term liabilities</u></b>	<b>1,692,158</b>
<b>Property and equipment</b>	<b>1,446,307</b>	Bonds	165,000
Buildings and structures	116,032	Convertible bonds with stock acquisition rights	140,000
Aircraft	1,026,210	Long-term debt	1,168,252
Machinery, equipment and vehicles	33,180	Finance lease obligations	9,164
Furniture and fixtures	18,957	Deferred tax liabilities	222
Land	48,748	Accrued corporate executive officers' retirement benefits	766
Lease assets	4,791	Net defined benefit liabilities	160,885
Construction in progress	198,389	Other provisions	15,319
<b>Intangible assets</b>	<b>110,185</b>	Asset retirement obligations	1,153
Goodwill	22,346	Other long-term liabilities	31,397
Other intangible assets	87,839		
<b>Investments and other assets</b>	<b>423,032</b>	<b>Total liabilities</b>	<b>2,195,563</b>
Investment securities	159,276		
Long-term receivables	6,080	<b>Net assets</b>	
Deferred tax assets	219,618	<b><u>Shareholders' equity</u></b>	<b>960,696</b>
Net defined benefit assets	769	Common stock	467,601
Other assets	39,526	Capital surplus	407,329
Allowance for doubtful accounts	(2,237)	Retained earnings	145,101
		Treasury stock	(59,335)
<b><u>Deferred assets</u></b>	<b>2,057</b>	<b><u>Accumulated other comprehensive income</u></b>	<b>46,537</b>
		Unrealized gain on securities	38,468
		Deferred gain on derivatives under hedge accounting	21,652
		Foreign currency translation adjustments	2,666
		Defined retirement benefit plans	(16,249)
		<b><u>Non-controlling interests</u></b>	<b>5,087</b>
		<b>Total net assets</b>	<b>1,012,320</b>
<b>TOTAL</b>	<b>3,207,883</b>	<b>TOTAL</b>	<b>3,207,883</b>

**Consolidated Statement of Operations**  
(From April 1, 2020 to March 31, 2021)

Yen (Millions)

<b><u>Operating revenues</u></b>	<b>728,683</b>
<b><u>Cost of sales</u></b>	<b>1,000,000</b>
Gross (loss)	(271,317)
<b><u>Selling, general and administrative expenses</u></b>	<b>193,457</b>
Operating (loss)	(464,774)
<b><u>Other income</u></b>	<b>60,700</b>
Interest income	663
Dividend income	1,446
Foreign exchange gain, net	4,143
Gain on sales of assets	3,422
Gain on donation of non-current assets	2,405
Subsidies for employment adjustment	43,470
Other	5,151
<b><u>Other expenses</u></b>	<b>47,281</b>
Interest expenses	16,689
Equity in losses of unconsolidated subsidiaries and affiliates	3,630
Loss on sales of assets	2,825
Loss on disposal of assets	5,609
Commission fee	7,742
Loss on valuation of derivatives	8,044
Other	2,742
<b>Ordinary (loss)</b>	<b>(451,355)</b>
<b><u>Special gain</u></b>	<b>5,220</b>
Gain on sales of investments in securities	328
Compensation payments received	1,770
Gain on sales of property and equipment	2,834
Other	288
<b><u>Special loss</u></b>	<b>99,237</b>
Loss on valuation of investments in securities	8,384
Impairment loss	4,231
Business restructuring expense	86,350
Other	272
<b>(Loss) before income taxes</b>	<b>(545,372)</b>
Current	3,990
Deferred	(141,672)
<b>Net (loss)</b>	<b>(407,690)</b>
Net (loss) attributable to non-controlling interests	(3,066)
<b>Net (loss) attributable to owners of the parent</b>	<b>(404,624)</b>

**Nonconsolidated Balance Sheet**  
(As of March 31, 2021)

Yen (Millions)

<b>Assets</b>		<b>Liabilities</b>	
<b><u>Current assets</u></b>	<b>989,050</b>	<b><u>Current liabilities</u></b>	<b>309,910</b>
Cash and deposits	401,028	Accounts payable	2,311
Accounts receivable	33,553	Short-term loans	190,391
Investments in leases	6,893	Current portion of long-term debt	69,288
Lease receivables	11,012	Finance lease obligations	1,833
Marketable securities	500,980	Accrued expenses	8,972
Prepaid expenses	4,339	Income taxes payable	6,988
Non-operating accounts receivable	7,813	Other current liabilities	30,124
Other current assets	23,429	<b><u>Long-term liabilities</u></b>	<b>1,506,438</b>
<b><u>Fixed assets</u></b>	<b>2,049,705</b>	Bonds	165,000
<b>Property and equipment</b>	<b>1,167,643</b>	Convertible bonds with stock acquisition rights	140,000
Buildings	71,435	Long-term debt	1,166,867
Structures	2,112	Finance lease obligations	4,213
Aircraft	894,443	Accrued corporate executive officers' retirement benefits	3
Machinery and equipment	673	Asset retirement obligations	1,053
Furniture and fixtures	378	Other long-term liabilities	29,300
Land	50,283	<b>Total liabilities</b>	<b>1,816,349</b>
Construction in progress	148,317	<b>Net assets</b>	
<b>Intangible assets</b>	<b>539</b>	<b><u>Shareholders' equity</u></b>	<b>1,176,965</b>
Software	535	Common stock	467,601
Other intangible assets	3	Capital surplus	416,771
<b>Investments and other assets</b>	<b>881,521</b>	Capital reserve	402,625
Investment securities	127,073	Other capital surplus	14,146
Investments in subsidiaries and affiliates	89,525	Retained earnings	350,919
Long-term receivables	597,895	Other retained earnings	350,919
Deferred tax assets	51,908	Retained earnings brought forward	350,919
Other assets	15,119	Treasury stock	(58,328)
<b><u>Deferred assets</u></b>	<b>2,057</b>	<b><u>Valuation and translation adjustments</u></b>	<b>47,499</b>
Share issuance cost	1,362	Unrealized gain on securities	35,343
Bond issuance cost	695	Deferred gain on derivatives under hedge accounting	12,155
<b>TOTAL</b>	<b>3,040,813</b>	<b>Total net assets</b>	<b>1,224,464</b>
		<b>TOTAL</b>	<b>3,040,813</b>

**Nonconsolidated statement of Operations**  
(From April 1, 2020 to March 31, 2021)

Yen (Millions)

<b><u>Operating revenues</u></b>	<b>233,665</b>
Rent income	227,718
Dividends from subsidiaries and affiliates	5,736
Other	210
<b><u>Operating cost</u></b>	<b>160,473</b>
<b>Operating gross profit</b>	<b>73,191</b>
<b><u>General and administrative expenses</u></b>	<b>11,931</b>
<b>Operating income</b>	<b>61,260</b>
<b><u>Other income</u></b>	<b>8,904</b>
Interest and dividend income	3,754
Gain on sales of assets	3,099
Other	2,050
<b><u>Other expenses</u></b>	<b>28,621</b>
Interest expenses	16,554
Commission fee	7,742
Loss on sales of assets	2,832
Loss on disposal of assets	132
Other	1,359
<b>Ordinary income</b>	<b>41,543</b>
<b><u>Special gain</u></b>	<b>5,197</b>
Gain on sales of property and equipment	3,379
Gain on sales of investment securities	20
Gain on sales of shares of investment securities	297
Compensation payments received	1,500
<b><u>Special loss</u></b>	<b>83,532</b>
Loss on valuation of investment securities	4,644
Loss on valuation of shares of subsidiaries and affiliates	3,728
Impairment loss	2,271
Business restructuring expense	71,809
Other	1,078
<b>(Loss) before income taxes</b>	<b>(36,791)</b>
Current	5,236
Deferred	(15,914)
<b>Net (loss)</b>	<b>(26,113)</b>

## INDEPENDENT AUDITOR'S REPORT

May 17, 2021

To the Board of Directors of  
ANA HOLDINGS INC.:

Deloitte Touche Tohmatsu LLC  
Tokyo office

Designated Engagement Partner,  
Certified Public Accountant:

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Yoshio Sato

Designated Engagement Partner,  
Certified Public Accountant:

\_\_\_\_\_  
Hirotsugu Mizuno

Designated Engagement Partner,  
Certified Public Accountant:

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Kenji Akiyama

### Opinion

Pursuant to the fourth paragraph of Article 444 of the Companies Act, we have audited the consolidated financial statements of ANA HOLDINGS INC. and its consolidated subsidiaries (the "Group"), namely, the consolidated balance sheet as of March 31, 2021, and the consolidated statement of operations and consolidated statement of changes in equity for the fiscal year from April 1, 2020 to March 31, 2021, and the related notes.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of March 31, 2021, and its consolidated financial performance for the year then ended in accordance with accounting principles generally accepted in Japan.

### Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the provisions of the Code of Professional Ethics in Japan, and we have fulfilled our other ethical responsibilities as auditors. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Responsibilities of Management and Audit & Supervisory Board Members and the Audit & Supervisory Board for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.



In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with accounting principles generally accepted in Japan.

Audit & Supervisory Board members and the Audit & Supervisory Board are responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the Group's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks. The procedures selected depend on the auditor's judgment. In addition, we obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Obtain, when performing risk assessment procedures, an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate whether the overall presentation and disclosures of the consolidated financial statements are in accordance with accounting principles generally accepted in Japan, as well as the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with Audit & Supervisory Board members and the Audit & Supervisory Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide Audit & Supervisory Board members and the Audit & Supervisory Board with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

**Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan**

Our firm and its designated engagement partners do not have any interest in the Group which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

## INDEPENDENT AUDITOR'S REPORT

May 17, 2021

To the Board of Directors of  
ANA HOLDINGS INC.:

Deloitte Touche Tohmatsu LLC  
Tokyo office

Designated Engagement Partner,  
Certified Public Accountant:

\_\_\_\_\_  
Yoshio Sato

Designated Engagement Partner,  
Certified Public Accountant:

\_\_\_\_\_  
Hirotsugu Mizuno

Designated Engagement Partner,  
Certified Public Accountant:

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Kenji Akiyama

### Opinion

Pursuant to the first item, second paragraph of Article 436 of the Companies Act, we have audited the nonconsolidated financial statements of ANA HOLDINGS INC. (the "Company"), namely, the nonconsolidated balance sheet as of March 31, 2021, and the nonconsolidated statement of operations and nonconsolidated statement of changes in equity for the 71st fiscal year from April 1, 2020 to March 31, 2021, and the related notes and the accompanying supplemental schedules.

In our opinion, the accompanying nonconsolidated financial statements present fairly, in all material respects, the financial position of the Company as of March 31, 2021, and its financial performance for the year then ended in accordance with accounting principles generally accepted in Japan.

### Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Nonconsolidated Financial Statements section of our report. We are independent of the Company in accordance with the provisions of the Code of Professional Ethics in Japan, and we have fulfilled our other ethical responsibilities as auditors. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Responsibilities of Management and Audit & Supervisory Board Members and the Audit & Supervisory Board for the Nonconsolidated Financial Statements

Management is responsible for the preparation and fair presentation of the nonconsolidated financial statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of nonconsolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the nonconsolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with accounting principles generally accepted in Japan.

Audit & Supervisory Board members and the Audit & Supervisory Board are responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Nonconsolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the nonconsolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these nonconsolidated financial statements.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the nonconsolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks. The procedures selected depend on the auditor's judgment. In addition, we obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Obtain, when performing risk assessment procedures, an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the nonconsolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate whether the overall presentation and disclosures of the nonconsolidated financial statements are in accordance with accounting principles generally accepted in Japan, as well as the overall presentation, structure and content of the nonconsolidated financial statements, including the disclosures, and whether the nonconsolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with Audit & Supervisory Board members and the Audit & Supervisory Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide Audit & Supervisory Board members and the Audit & Supervisory Board with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

**Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan**

Our firm and its designated engagement partners do not have any interest in the Company which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.