

ANA HOLDINGS Updates Mid-Term Environmental Targets and Climate Transition Strategies to Achieve Carbon Neutrality

- ANA Group has updated its environmental targets for FY2030, as well as its climate transition strategies to achieve carbon neutrality by FY2050 to meet the revision of the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA) by the International Civil Aviation Organization (ICAO).
- As part of the update, the ANA Group plans to reduce CO₂ emissions by 10 percent or more in FY2030 (compared to FY2019 levels).
- The ANA Group's commitment to achieve carbon neutrality by FY2050 remains unchanged, and through a combination of strategic approaches and efficient business management, ANA Group will aim to contribute to the realization of a carbon-neutral society.

TOKYO, May 29, 2023 – ANA HOLDINGS INC. (hereinafter “ANA HD”) has updated its medium-term environmental targets for FY2030 and its climate transition strategies to achieve carbon neutrality by FY2050. The update comes as a response to the revision of CO₂ reduction targets for international aviation announced at the 41st ICAO General Assembly, in addition to new trends in environmental regulations in various countries and the development of advanced technologies.

ICAO's Newly Adjusted CORSIA Baseline:

ICAO has established a global CO₂ emissions standard for international aviation requiring airlines to offset emissions through credit trading and other methods if the sector's CO₂ emissions exceed the level mandated in the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA). At the 41st ICAO General Assembly held in October 2022, the group agreed upon a new CORSIA baseline of the scheme: 85% of the international aviation sector's CO₂ emissions in 2019.

| 2021-2023 | 2024-2035 |
|---|--|
| International aviation sector's CO ₂ emissions in 2019 | 85% of the international aviation sector's CO ₂ emissions in 2019 |

Response to the New CO₂ Reduction Target Levels

The ANA Group will continue to expand its network to meet the expected growth in demand for international operations with inbound travel to Japan expected to increase. While complying with the new target for CO₂ emissions reduction, the ANA Group will maintain its original commitments and support decarbonization efforts.

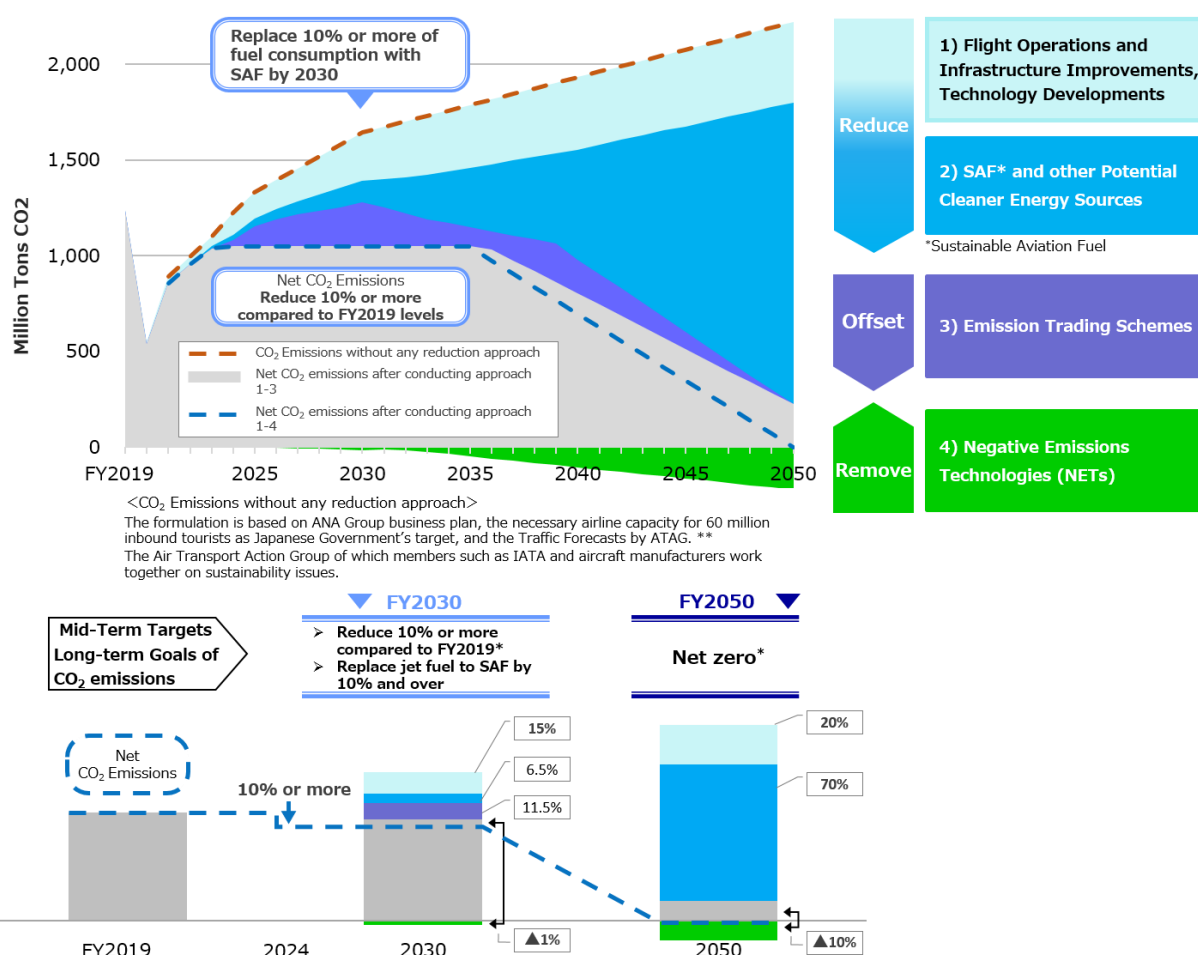
Update 1: Revision of Medium-term Environmental Targets

Previously, the ANA Group's medium-term environmental goal for FY2030 was to reduce total CO₂ emissions to below the FY2019 level, however, this goal has been revised to a reduction of 10 percent or more compared to FY2019.

In addition, the ANA Group's plan to replace at least 10 percent of its fuel consumption with sustainable aviation fuel (SAF) by FY2030 has now been added to the Group's medium-term environmental goal. This will further accelerate the resolution of the issues that are currently being addressed in cooperation with the public and private sectors to expand the production and stable supply of domestically produced SAF.

Update 2: Review of Climate Transition Strategies

The ANA Group has updated its strategy to reduce CO₂ emissions, and for both its domestic and international operations combined, will aim to reduce emissions by 10 percent or more compared to FY2019 levels from FY2024 onward. The target will be achieved through a combination of four strategic approaches, as well as the utilization of emissions trading to offset the remainder.



Key Approaches of the Transition Strategies:

1. Flight Operations and Infrastructure Improvements, Technology Developments

The ANA Group is working to reduce CO₂ emissions through operational improvements such as early acceleration and climb at takeoff, suppression of reverse thrust after landing, single-engine operation during ground travel, engine cleaning, and other efforts. The results are disclosed on the ANA Group website every month.

In addition, ANA is aiming to have a fleet of 100 or more Boeing 787 aircraft by FY2030, incorporating the most fuel-efficient technology. In addition, a riblet-processed material will be added to the surface of our aircraft to reduce air resistance during flight operations, thereby contributing to additional reduction of CO2 emissions.

2. Utilization of Sustainable Aviation Fuel (SAF) and Other Potentially Cleaner Energy Sources

The core of the ANA Group's strategy to realize a decarbonized society is the use of SAF, which is expected to reduce CO2 emissions by approximately 80% over its life cycle compared to conventional jet fuel. By FY2050, almost all fuel consumption will be based on low-carbon energy resources.

3. Use of Emission Trading Schemes

The ANA Group will utilize emissions trading only as a short- to medium-term measure, and offset CO2 emissions with credible emissions credits that meet the standards set by ICAO and disclose information appropriately.

4. Utilization of Negative Emissions Technologies (NETs)

The ANA Group will actively utilize negative emission technologies that capture, absorb, store and immobilize CO2 from the atmosphere. Specifically, CO2 that cannot be reduced through the use of SAF alone will be reduced from the atmosphere by Direct Air Capture (DAC) technology and permanently removed from the atmosphere to achieve carbon neutrality by 2050.

In cooperation with various stakeholders, the ANA Group has taken the initiative in decarbonizing its business, including being the first Japanese airline to use SAF in its regular scheduled flights. The ANA Group will continue to closely monitor global trends in climate change and actively pursue sustainability in the aviation industry to contribute to the realization of a carbon-neutral society.

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About ANA HOLDINGS

Founded in 1952 with just two helicopters, All Nippon Airways (ANA) has grown to become the largest airline in Japan. ANA HOLDINGS Inc. (ANA HD) was established in 2013 as the largest airline group holding company in Japan, comprising 69 companies including ANA and Peach Aviation, the leading LCC in Japan.

ANA is a launch customer and the largest operator of the Boeing 787 Dreamliner, making ANA HD the biggest Dreamliner owner in the world. A member of Star Alliance since 1999, ANA has joint venture agreements with United Airlines, Lufthansa German Airlines, Swiss International Airlines and Austrian Airlines - giving it a truly global presence.

The airline's legacy of superior service has helped it earn SKYTRAX's respected 5-Star rating every year since 2013, with ANA being the only Japanese airline to win this prestigious designation for 10 consecutive years. ANA also has been recognized by Air Transport World as "Airline of the Year" three times (2007, 2013 and 2018); it is one of only a select few airlines to win this prominent award multiple times.

In 2021, ANA was awarded the 5-star COVID-19 safety rating by SKYTRAX, recognizing the airline's initiatives to provide a safe, clean and hygienic environment at airports and aboard aircraft, embodied in the ANA Care Promise.

ANA is the only company in the aviation industry to receive the Gold Class distinction from the 2022 S&P Global Sustainability Awards and ANA HD has been selected as a member of the Dow Jones Sustainability World Index list for the sixth consecutive year and the Dow Jones Sustainability Asia Pacific Index list for the seventh consecutive year.

For more information, please refer to the following link:

<https://www.ana.co.jp/group/en/>