

The cover features a photograph of an ANA aircraft on a runway. The tail fin is prominent in the foreground, displaying the ANA logo. The registration number JA521N is visible on the fuselage. In the background, another ANA aircraft is flying in a clear blue sky with scattered white clouds.

ANA Group

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# CSR Report 2009

Web Edition

**ANA**

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A STAR ALLIANCE MEMBER 

# Profile

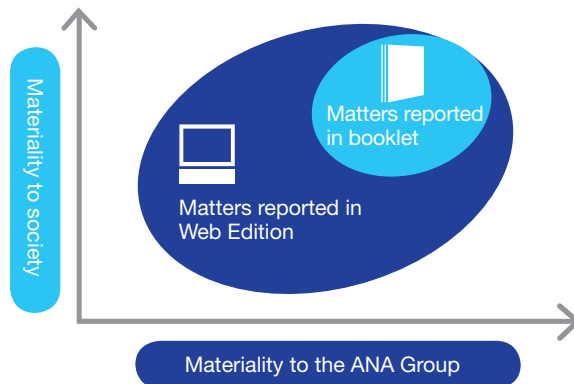
All Nippon Airways Co., Ltd. (ANA), founded in 1952, has been providing air transportation service for more than a half century with flight safety as its top priority. Thanks to your support, we have grown to be a major global airline, carrying 47.18 million passengers per year, proof of the high level of customer trust in the ANA Group.

The ANA Group will continue working toward its goal of becoming one of Asia's leading airline groups by raising customer satisfaction and by placing utmost priority on safety.

## About the Web Edition

We have decided to use two different reporting formats, namely the Web and booklet editions of the CSR Report, to convey clear information on CSR to a larger audience. In the booklet, we have chosen themes deemed to be particularly material to society and the ANA Group. The Web edition contains the content of the booklet as well as more detailed reporting on ANA's CSR activities.

In recognition of the importance of providing continuous reporting, we will continue to enhance the disclosure of information on our corporate website.



CSR and environmental activities website

<http://www.ana.co.jp/eng/aboutana/corporate/csr>

### Editorial Policy

The ANA Group aims to pursue business in a socially responsible manner; each year since 2005 we have produced a CSR Report to update stakeholders on our activities.

### Organizations Covered

In principle, the ANA Group as a whole.  
(Some activities are distinct to All Nippon Airways Co., Ltd. or its Group companies.)

### Period Covered

April 1, 2008 to March 31, 2009.  
(Includes some activities before or after this period.)

### Reference Guidelines

"Sustainability Reporting Guidelines Version 3.0"  
Global Reporting Initiative  
"Environmental Report Guidelines (2007)"  
Ministry of the Environment (Japan)

### Date of Publication

June 2009

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# Message From the CEO

I was appointed as Chief Executive Officer (CEO) of the ANA Group in April 2009. As CEO, I have ultimate responsibility for the Corporate Social Responsibility (CSR) of the ANA Group, including the air transportation business. I would like to take this opportunity to share a few words about CSR with you.

## Restoring Stakeholder Trust

The ANA Group is pressing ahead on CSR, with the primary goal of maintaining security and reliability in the eyes of stakeholders. Our corporate philosophy states that "Safety is our promise to the public and the foundation of our business." Based on this philosophy, we have sought to uphold common values that put top priority on safety and act in accordance with those values in the course of flight operations and all other ANA Group business activities.

However, in fiscal 2008, the year ended March 31, 2009, there were several incidents that significantly impaired stakeholder trust in the ANA Group. These incidents included a malfunction of the passenger check-in system for domestic flights, flight delays related to a pre-flight alcohol inspection of the flight crew and a conflict with the Act Against Unjustifiable Premiums and Misleading Representations. First and foremost, we would like to express our sincerest apologies to the customers affected by these incidents, as well as to all stakeholders of the ANA Group.

In response to these incidents, we promptly and rigorously analyzed their causes and implemented measures to prevent any recurrence. Moreover, top management directly conveyed to all ANA Group members its determination to end this negative series of events. Emergency inspections of all work sites for both compliance-related matters and business processes were promptly carried out.

Through these activities, we identified a number of issues behind these incidents that reflect certain deficiencies in ANA Group's organizational culture and corporate character: insufficient sharing of information and ability to address issues across organizational lines, as well as inadequate consideration of the perspectives of all stakeholders. The ANA Group's highly specialized operations tend to give rise to vertical organizational hierarchies; this, in turn, leads to insufficient cross-organizational coordination. We also became keenly aware that we have insufficient organizational capacity for precisely identifying and addressing the expectations and demands of stakeholders.

As CEO, I intend to work tirelessly to improve organizational capacities by changing the awareness of each and every ANA Group member to prevent any recurrence of incidents and thereby restore the trust of all stakeholders.



## For Public Trust in the ANA Group

The airline industry faces extremely challenging conditions due to the global economic slow-down, compounded by the effects of the outbreak of a new strain of influenza. Demand is gradually recovering, but the outlook remains uncertain. However, over its nearly 50-year history, the ANA Group has overcome many difficult challenges through the concerted efforts of all its members. And takeoff and landing slots are scheduled to increase at both Narita and Haneda airports in 2010, which will provide ANA with major business opportunities. Setting our sights on new growth after the current downturn, all 30,000 ANA Group members are working as one on a daily basis to make ANA one of Asia's leading airline groups.

In these tumultuous times, it goes without saying that consistent, accountable corporate management is needed now more than ever. As a member not only of Japanese society but also of the global community, I believe that the key to the ANA Group's sustained development lies in contributing to society through our activities, as we continue to grow in step with society.

In November 2008, the ANA Group received the "Eco-First" designation from the Ministry of the Environment of Japan. We intend to further promote environmental protection in recognition of the issues facing the airline industry, particularly fuel consumption and carbon dioxide emissions. We will also proactively engage in measures to combat global warming and do our part to help achieve a sustainable society.

CSR is the backbone of the ANA Group's business. No matter what the circumstances, we will never forget that safety is our promise to the public, and we will continue to forge ahead, together with society, in all of our business activities.

I look forward to your continued support and encouragement.

June 2009



**Shinichiro Ito**

President and Chief Executive Officer,  
All Nippon Airways Co., Ltd.  
Chief Executive Officer of the ANA Group  
Head of CSR Promotion Committee

# Review of Material Incidents

## 1) Receipt of a cease-and-desist order for advertisements

**Outline** On August 25, 2008, ANA received a cease-and-desist order from the Japan Fair Trade Commission for newspaper advertisements for its new "Premium Class" service on domestic flights. The advertisements were deemed to constitute a breach of the Act Against Unjustifiable Premiums and Misleading Representations (Premiums and Representations Act).

The advertisements were run to convey the brand image of the new "Premium Class" service, which features all-around quality, including new seats, as a new and improved version of the previous "Super Seat Premium." The new seats highlighted by the advertisement would not necessarily be available to all "Premium Class" passengers, depending on flight scheduling and aircraft type. However, the Japan Fair Trade Commission concluded that the newspaper advertisements that ran from February to March 2008 gave the misleading impression that the new seats featured in the advertisements would be available to "Premium Class" customers on all ANA flights.

**Preventive Measures** ANA is working to prevent any recurrence by implementing the following measures:

- Sharing of information on the incident throughout the ANA Group
- Company-wide compliance training
- Education on the Premiums and Representations Act for advertisement production personnel
- Development of a checking system for verifying legal compliance in departments responsible for advertising production and sales promotions

## 2) Malfunction of the passenger check-in system for domestic flights on September 14, 2008

**Outline** The passenger check-in system for domestic flights malfunctioned in the early morning hours of September 14, 2008, resulting in many delays and cancellations of ANA domestic flights, which significantly inconvenienced a large number of customers. It was determined that the malfunction was caused by the expiration of an encrypted authentication function on the terminal authentication server that controls check-in terminals.

ANA did not use the encrypted authentication function on the terminal authentication server installed in 2005; the expiration period was left at the initial setting of three years, ending on September 14, 2008 at 1:44 a.m. Thereafter, new check-in terminals installed in September 2007 operated under a new system that made use of the encrypted authentication function, but the expiration period on the server remained at the initial setting without being updated. As a result, from 1:44 a.m. on September 14, an authentication error came up on check-in terminals at airports across Japan, and this prevented terminals from being used for check-in procedures starting with the first flights of the day.

The fundamental cause of the incident was the omission of an internal check, namely the failure to check the expiration period of the encrypted authentication function during the terminal development process.

The above incident occurred just as ANA was revamping its network configuration, enhancing its monitoring system and taking other actions in response to a communications network issue on May 27, 2007 that also caused great inconvenience to many customers.

**Preventive Measures** The cause of the incident was an omission of functional requirement checks during the terminal development process. ANA is working to prevent any recurrence by taking the following measures.

- ANA is working to standardize the system development process by enhancing manuals and checklists so as not to rely solely on the skills of individual personnel (making processes visible). The system for internal double-checking processes made visible is also being strengthened.
- ANA is establishing a framework for independent third-party screening of information systems development processes.

# Expert Commentary on ANA's CSR



## Nobuo Gohara

Professor, Meijo University Research Institute  
Director, Meijo University Compliance Research Center

### Profile

Former Tokyo District public prosecutor, research director of the Ministry of Justice's Research and Training Institute and deputy prosecutor-general for the Nagasaki District Public Prosecutors Office. Appointed professor at Toin University of Yokohama Law School and director of the University's Compliance Research Center in 2005. Retired as a public prosecutor in 2006. Took up current Meijo University professorship in 2009.

Author of *The End of a Thinking Society: How Compliance is Ruining Japan, Legal Compliance Will Destroy Japan*, and many other publications.

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Operational issues at airlines can have a serious impact on numerous stakeholders, including passengers. Therefore, how airlines respond to and learn from these issues and how they reflect these lessons in future activities are extremely important. In fact, these actions are a test of the true value of airlines' CSR activities.

This report takes up two incidents. One incident concerns a breach of the Premiums and Representations Act, in connection with advertising for "Premium Class" service on domestic flights. On the surface, this issue is one of legal compliance, as shown by the Japan Fair Trade Commission's cease-and-desist order indicating a "legal violation." However, ANA did not treat the incident simply as such; rather, the incident was seen as calling into question the nature of airline advertising itself, which as the incident showed, can provide misleading descriptions of services to customers. The handling of the incident was not limited to the individuals and departments involved; ANA promptly shared information on the incident and conducted training throughout the ANA Group.

The other incident was a malfunction of the passenger check-in system in September 2008 that caused major flight delays and cancellations. This incident was not a legal violation as such, but because it relates directly to the trust placed in the company's core business of safely and reliably transporting passengers to their destinations, one could say it represents a larger problem for the ANA Group from a CSR perspective.

In this incident as well, the fundamental causes were identified in the system development process through emergency inspections and concrete steps were taken to prevent recurrences, which included upgrading manuals and checklists.

In both incidents, ANA analyzed each issue from a fundamental standpoint, and implemented far-reaching measures to address the fundamental causes of each incident. This approach is highly laudable. However, measures to prevent recurrences will be unable to achieve their original purpose unless the company constantly reconsiders, from a fundamental standpoint, what the measures were originally meant to achieve and what the public demands of an airline.

I have every hope that the sincere CSR initiatives of the ANA Group will instill further confidence and peace of mind in consumers and lead to further growth for ANA on the global stage.

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# The ANA Group's CSR

The ANA Group pursues CSR activities to impart a sense of security and earn the trust of all stakeholders, with each and every employee prioritizing safety in all of their activities, in line with the ANA Group Philosophy.

## ANA Group's Corporate Philosophy

### Our Commitments

On a foundation of security and reliability, the ANA Group will:

- Create attractive surroundings for customers
- Continue to be a familiar presence
- Offer dreams and experiences to people around the world

### Course of Action

- 1) Maintain top priority on safety
- 2) Customer oriented
- 3) Contribute to society
- 4) Embrace new challenges
- 5) Debate with active interest, decide with confidence, and execute with conviction
- 6) Build a powerful ANA Group by effectively using human resources and focusing on teamwork as a competitive strength

## ANA Group's Corporate Vision

### ANA Group's Corporate Vision

With passenger and cargo transportation in Japan, elsewhere in Asia, and around the world as its core field of business, the ANA Group aims to be one of the leading corporate groups in Asia.

Being the leader in Asia means that we will become:

Number one in quality

Number one in customer satisfaction

Number one in value creation

## Basic Perspective



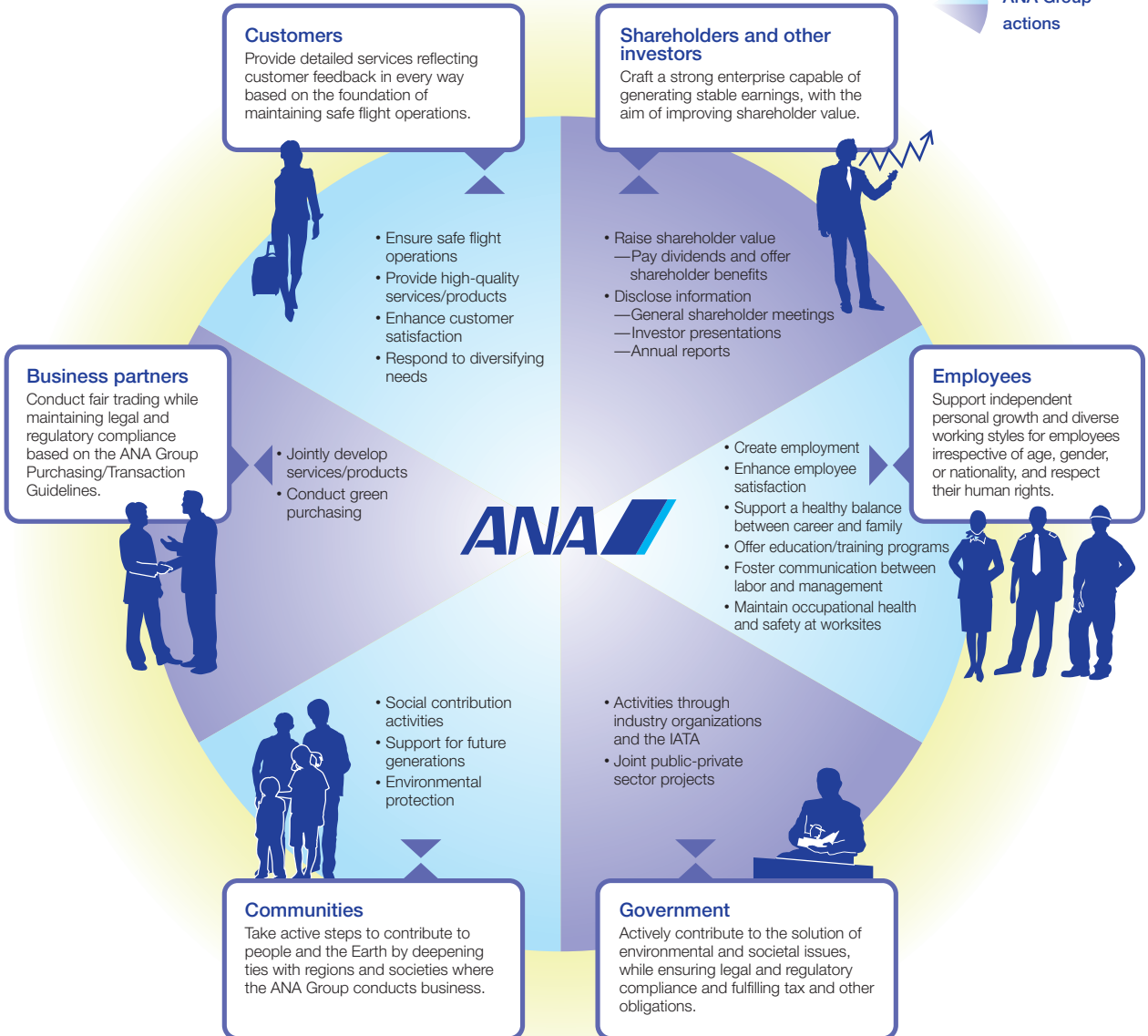
In addition to our underlying commitment to safety, we will fulfill our responsibilities to stakeholders by taking the following three steps:

1. We will fulfill our economic responsibility\* by ensuring safety and compliance (the base line).
2. To improve quality and employee motivation, we will fulfill our responsibility to customers by enhancing CS (Customer Satisfaction) and to employees by increasing ES (Employee Satisfaction).
3. We will help to solve social and environmental issues.

\* Economic responsibility entails implementing thorough risk management and operating the business effectively and efficiently. Together with compliance responsibility, this serves to reinforce the internal control system.



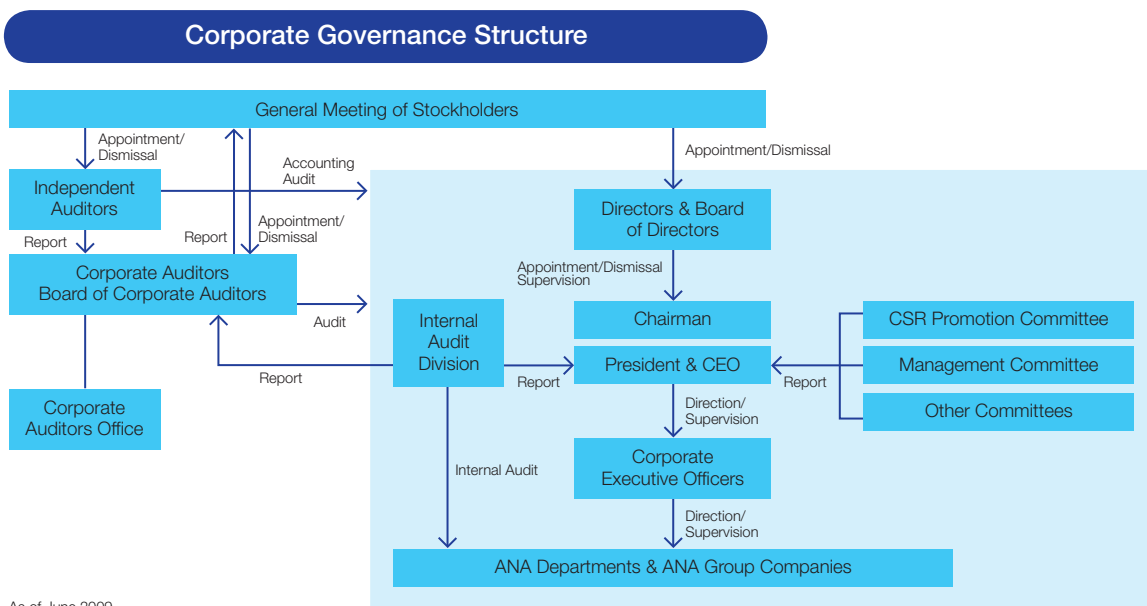
## Relationships with stakeholders



The ANA Group has many different stakeholders, including customers, shareholders and investors, business partners, employees, local communities, and public authorities. Our CSR is to work to ensure a sustainable co-existence with society through clear communication with all stakeholders, while fulfilling our responsibilities to them by continuously enhancing our corporate value.

# CSR Principles and Internal Control System

The ANA Group is working to develop management systems that will serve as a platform for CSR activities. In this section, we highlight the divisions responsible for core aspects of each system and the key points of each system.



## Corporate Governance

The ANA Group strives to establish a system of corporate governance that promotes business transparency and accountability to stakeholders in order to continuously enhance its corporate value.

## Structure for Business Decision-Making

The Management Committee deliberates and decides on fundamental Group-wide management issues. This committee is chaired by the president and comprises executive officers, auditors and other members. The Board of Directors ultimately decides on important issues that, under the Companies Act of Japan, must be taken up at Board of Directors meetings.

The Board of Directors is led by the chairman. In addition to the directors (two of whom are external), five auditors (three of whom are external) attend the meetings. The Board of Directors held 12 meetings in fiscal 2008.

## Internal Auditing

The Internal Audit Division, which reports directly to the president, implements operational and account auditing, and evaluations in accordance with the “Evaluation System for Internal Controls over Financial Reporting” under the Financial Instruments and Exchange Law of Japan, from an independent and impartial standpoint, for ANA and Group companies. The division conducts regularly scheduled audits according to the plan for the fiscal year based on risk analysis, and unscheduled audits mainly based on the intentions of senior management. Auditing results are reported to the president each month,

and important items are reported to the corporate auditors quarterly. In fiscal 2008, the division conducted regularly scheduled audits of the Head Office, maintenance divisions, overseas offices and other locations. The division also evaluated the effectiveness of the financial reporting of ANA and Group companies in fiscal 2008, the first year of the "Evaluation System for Internal Controls over Financial Reporting."

### **Corporate Executive Officer System**

Personnel appointed to the post of corporate executive officer are well-versed in business operations and are granted executive authority and responsibility. The system was introduced in 2001 to ensure that such personnel could concentrate on the sound management of the Company's business operations. Corporate executive officers are assigned responsibility for each field to enhance management efficiency.

### **Auditing System**

To strengthen our auditing capability and ensure effective external checks, we have appointed five auditors, including three from outside the Company, to the Board of Corporate Auditors. Also, one full-time auditor is from outside the Company. Each corporate auditor conducts audits of operations at each ANA office and audits of Group companies and reports the results to the Board of Corporate Auditors and to the representative directors. The auditors share information and opinions with the Internal Audit Division and the independent auditors on a quarterly basis and work to enhance auditing.

### **Accounting Audits**

Ernst & Young ShinNihon LLC performs accounting audits of ANA's work sites and Group companies in accordance with the Companies Act and the Financial Instruments and Exchange Law. Auditing results are reported to ANA's management and to the Board of Corporate Auditors.

### **Business Advisory Board**

In addition to those bodies stipulated by law, we have instituted an advisory board comprised of six experts in various fields. The board's frank opinions on the overall business of the Group are fully reflected in our management. Four meetings were held in fiscal 2008.

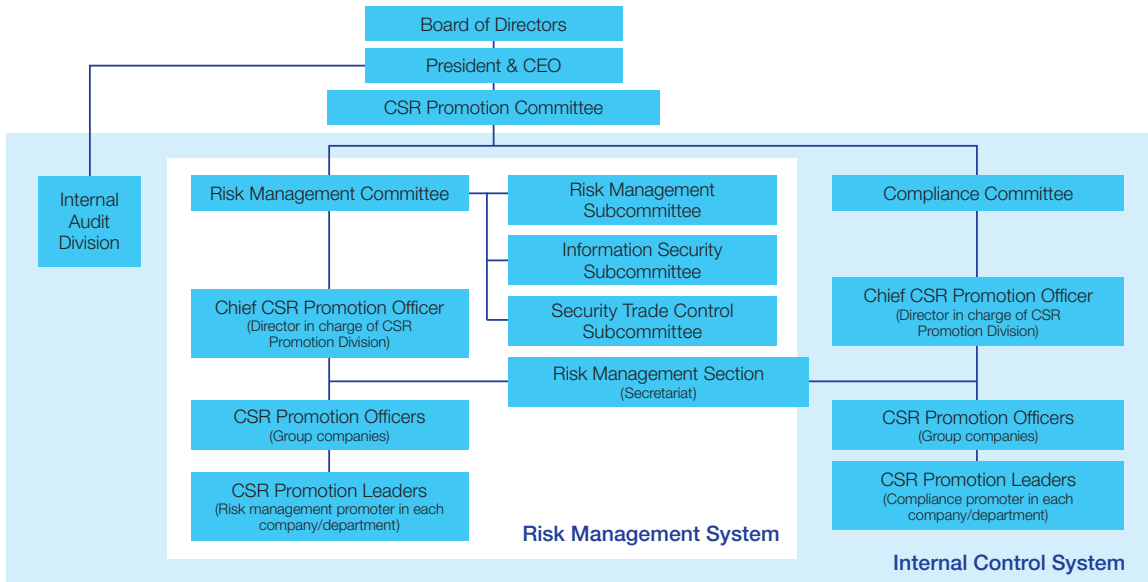
### **Internal Control System**

The ANA Group has been enhancing its internal control system with the four objectives of achieving "business effectiveness and efficiency," "reliability of financial reporting," "compliance with laws and regulations concerning business activities" and "conservation of assets." In July 2002 we established a Risk Management Committee, followed in April 2003 by a Compliance Committee. In April 2003, the Internal Audit Division in charge of internal auditing was also established to complete our system of internal control.

### **Measures to Establish a System for Internal Control Over Financial Reporting**

Proper disclosure of management information is a key corporate social responsibility, and appropriate financial reporting is constantly demanded of us. Under the Financial Instruments and Exchange Law, "a system for internal control over financial reporting" was introduced in fiscal 2008, as a means of ensuring the reliability of financial reporting. Recognizing that fulfilling our corporate social responsibilities is the foundation of business, the ANA Group seeks to develop an internal control system that functions effectively over a broad scope of operations, rather than passively implementing a system for internal control over financial reporting. In this manner, we are making a Group-wide effort to enhance the quality of daily operations in order to meet the expectations of the general public.

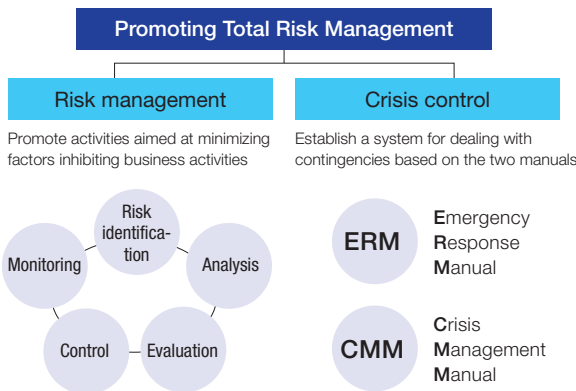
## Internal Control System and Risk Management System



### Promoting Total Risk Management

The ANA Group has structured a total risk management system based on two approaches. One is the risk management approach, which adopts a preventive perspective with the goal of ascertaining and controlling risks that could impact business operations. The other is the crisis control approach for promptly and appropriately addressing risks that actually materialize.

The basic elements of overall risk management at ANA are specified in the ANA Group Total Risk Management Regulation. To promote risk management, we have established the Risk Management Committee under our CSR Promotion Committee. The committee deliberates on important risk-related matters and devises significant risk management policies. Each ANA office and Group company also assigns a CSR Promotion Leader who is engaged in the promotion of risk management.



ERM: Stipulates responses to ANA Group aircraft accidents and hijackings  
CMM: Stipulates response to all other crises

### Information Security

From the standpoint of enhancing information security, the ANA Group has developed a system for raising employee awareness, and controlling and using information properly by revising rules concerning overall information security in fiscal 2008. This follows a review of rules and guidelines concerning the handling of personal information of customers.

## Business Continuity

In order to ensure business continuity through specific events like a major near-field earthquake in the Tokyo metropolitan area or a serious outbreak of new strains of influenza, we have prepared individual response manuals that reduce the decision-making burden amid the turmoil caused by such emergencies, ensure a prompt, appropriate response that puts top priority on the lives and well-being of customers and employees, and help with the resumption of normal business operations as quickly as possible.

## Strengthening the Export Security Control System

In conjunction with moves to tighten national export security control regulations in Japan, ANA's Compliance Program (CP) was submitted to and accepted by the Ministry of Economy, Trade and Industry in July 2006. To ensure conformity with the CP, ANA has continued to strengthen its export security control system. In response to a legal amendment (tightening of export security controls related to conventional arms) in fiscal 2008, we have also revised our export security control rules.

## Compliance Structure

We promote compliance under the leadership of the Compliance Committee. This committee is a sub-organization of the CSR Promotion Committee and consists of corporate executive officers and division directors. The Chief CSR Promotion Officer (the ANA director in charge of the CSR Promotion Division) is responsible for promoting compliance throughout the ANA Group. At individual Group companies, the respective CSR Promotion Officers exercise leadership as managers to rigorously enforce compliance. The CSR Promotion Leaders assigned to each ANA office and Group company play a key role in promoting compliance in actual business operations.

## Internal Reporting Contact Points: Help Line

We established the Help Line as a contact point for general consultations and internal reporting related to compliance both within the Group and at two external law firms. All ANA Group employees and contract staff members can engage in consultations or internal reporting at these locations. In response to the Whistleblower Protection Act, we also made our Help Line available for reporting from staff members of contractor companies to whom the ANA Group has entrusted operations. In these and other ways, the Help Line provides a “self-cleansing” function for the ANA Group.



Help Line poster

# Catering Quality Award from IATA

In February 2009 the Narita Division of ANA Catering Service (ANAC) was honored by the International Air Transport Association's Catering Quality Assurance program with its Worldwide Platinum Award for being the best catering facility worldwide in terms of food processing safety and quality. ANAC also received the Golden Standard Award for being the best catering facility in the Asia-Pacific region. ANA has put in place a catering system that provides safe, high-quality in-flight meals for the entire ANA Group.



Award certificate from the IATA

## ANAC Narita Division Catering Initiatives

ANAC is a catering company that produces and prepares in-flight meals and provides in-flight service accessories for departing and arriving flights at Narita and Haneda airports. ANAC has instituted the HACCP\* management system to ensure food safety and security. It also has an intensive food hygiene training program for all employees that further helps to maintain the trust of client airlines.

The ANAC Narita Division can provide an average of 15,000 in-flight meals a day for the ANA Group and foreign airlines operating from Narita Airport.

\* HACCP (Hazard Analysis and Critical Control Point) is a management method to ensure food safety by monitoring critical control points for factors that might adversely impact the food production process.

## Quality Control Process

### FOOD INGREDIENT DELIVERY AND STORAGE



### FOOD COOKING AND ARRANGEMENT



### INSPECTION AND STORAGE



7 Day Card



Card Colors



Food Arrangement



Kitchen Timer

Under strict temperature control, food expiration dates are managed in a simple and easy-to-understand manner by labeling each food ingredient with a "7 Day Card" that shows the delivery date. Delivery dates are differentiated by colored cards.

Kitchens are separated into a hot section for main dishes, a cold section for salads, fruit and other cold dishes, a Japanese cuisine section for Japanese dishes, and a bakery section for baking cakes and breads. These kitchens are completely separated from one another in the facility in order to prevent cross-contamination of ingredients.

Food cooking and arrangement are performed based on the menu for each route. Kitchens are equipped with timers that sound a buzzer every hour, at which time all employees wash their hands. They also check their uniform for any foreign substances.

 ANA Catering Service Co, Ltd.  
<http://www.anac.co.jp/eng/>





In-flight meals are placed in carts and temporarily stored in a refrigerated room.



LOADING

Carts are loaded onto a refrigerated truck approximately 2.5 to 3 hours before the scheduled departure of a flight. Temperatures are also checked when loading onto the truck.

MEAL SERVICE



Main dishes are reheated onboard the aircraft and served to customers.

UNLOADING

FOOD SAMPLES



Food samples are stored for two weeks in accordance with government guidelines.



Trays that have been checked by the detector

Prepared in-flight meals are set on trays. Trays are checked for any foreign substance contamination using a special contaminant detector.



**Cart washing:** Carts unloaded from aircraft that have completed flights are washed and disinfected with hot water of at least 71 degrees Celsius (159.8°F) using a special cart washing machine at the facility. A temperature-sensing label is used to ensure that the carts have been properly washed and disinfected with hot water.

**Plates and utensils check:** Washed plates and utensils are checked one at a time via visual and tactile inspection by employees to make sure there are no cracks or other defects.





# Safety Management System

The safety management system (SMS) is a framework for all members from top management to frontline employees, to work as one to achieve safety objectives in all areas of air transportation. In this section, we provide a comprehensive introduction to the basic concept of the SMS and its various functions.

## SMS Overview

Under the SMS, internal systems are created to maintain and enhance safety based on management policies prioritizing safety that are established by top management. The SMS requires that these systems be continually implemented and improved. The goal of the SMS is to achieve ever higher safety through compliance with related laws, operations that give top priority to safety and fostering of a culture of safety, all of which hinge on proper functioning of the PDCA cycle, as shown in the following diagram.



**1 ANA Group Safety Principles**  
Mission of the ANA Group in air transportation



## PDCA Cycle

Continually make safety improvements via the four stages of the cycle—Plan, Do, Check and Act

### Do

- Risk management **3**
- Reporting program **4**
- Education and training **5**
- Internal safety auditing program **6**
- External audits **7**

### Check

Prevention

Recurrence prevention

Realize ever higher levels of safety

Customer expectations, trust and reliability



Continual improvement

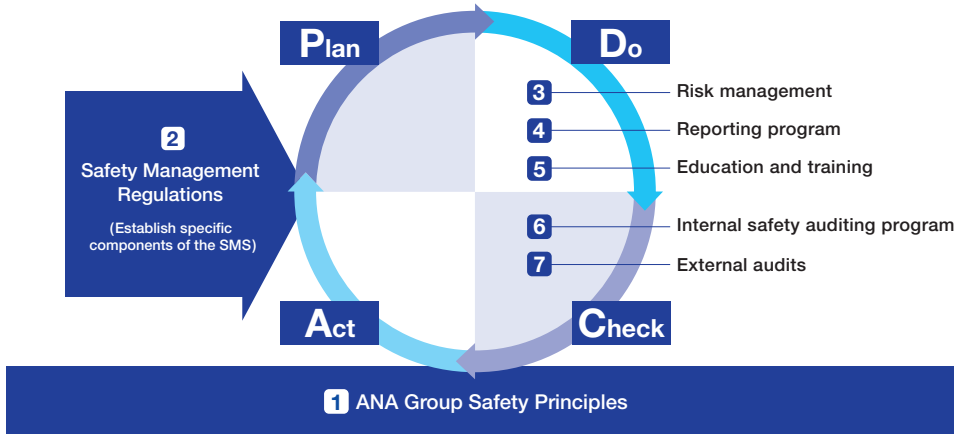
Foster a culture of safety at the ANA Group

The seven important aspects of the SMS (**1** - **7** above) are explained in detail on the following pages.



# Safety Management System

## PDCA Cycle for Safety Management



1

### ANA Group Safety Principles

Safety is the foundation of our business. We pledge to clearly define the roles and responsibilities of the company, organization and employees to maintain absolutely safe flight operations.

These principles are disseminated to all employees of the Group. By fostering a culture that prioritizes safety, we will continue to be an airline that never compromises the security and trust of customers.

### ANA Group Safety Principles

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

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

Safety is enhanced through individual performance and dedication.

2

### Safety Management Regulations

In accordance with amendments to the Aviation Acts of Japan effective from October 2006, all airlines are required to establish a safety management system (SMS). Our SMS is designed to achieve safety objectives throughout the organization based on the strong leadership of top management. It covers all areas related to safe air transportation, including flight operations, maintenance, ground handling and cargo. We will maintain and manage risks within tolerable limits by identifying hazards and performing risk management while continually implementing PDCA (Plan-Do-Check-Act) cycles. The Safety Management Regulations, which are the primary safety rules at ANA, stipulate specific rules in this regard.

3

### Risk Management

Risk management, a central component of the SMS, is an extremely important process that involves preventing incidents and accidents before they can take place. This is done by assessing risks based on safety reports and the significance and frequency of safety-related events that have occurred in the past, taking appropriate measures commensurate with risk levels and keeping risks within tolerable limits.

## 4

### Reporting Program and Addressing Human Error

Risk management systems do not function without accurate safety information. As a matter of course, there are systems in place for making reports that are required by the company and government. But we also have a Voluntary Safety Report Program for reporting safety information related to risks and potentially hazardous situations (situations that caused concern or surprise, but did not materialize into an incident). It is important to encourage the active use of this program. This is why the airlines of the ANA Group have a policy of ensuring that no informants are treated disadvantageously, such as through disciplinary actions, in connection with voluntary reporting or reported events caused by human error.



## 5

### Education and Training

The ANA Safety Education Center (ASEC) was established in 2007 to supplement specialized training programs at the division level. The center is a testament to our strong determination to never forget the lessons learned from past accidents and look directly at the facts of accidents. ASEC conducts training that is highly pertinent to day-to-day activities and rooted in considerations of what each and every ANA Group employee can do to ensure safe flight operations.



Inside the ANA Safety Education Center

## 6

### Internal Safety Auditing Program

SAFER is a safety evaluation and review program for checking the Safety Management Systems of ANA Group airlines to ensure they are functioning properly based on Group-wide safety audit standards. SAFER auditors, who have extensive experience and knowledge and have been trained in accordance with specific requirements, operate from an independent perspective outside the organization and identify areas that tend to be overlooked within the organization. Their activities, which are based on international safety standards, lead to appropriate measures and improvements.

## 7

### External Audits

External audits include transportation safety management assessments and on-site safety audit inspections conducted by the Japanese government (Ministry of Land, Infrastructure, Transport and Tourism) and audits performed by the International Air Transport Association (IATA). The government's transportation safety management assessments consist of direct interviews with airline presidents, chief safety officers and other people with important responsibilities in the area of safety management. The government assesses relative involvement in the Safety Management System and how the system is functioning, providing recommendations as appropriate. The government's safety audit inspections consist of specialized, systematic audits and unscheduled inspections by government auditors affiliated with a professional safety auditing organization. The IATA audits are conducted under the IATA Operational Safety Audit (IOSA) program, an international safety auditing initiative for flight operations. In 2004, ANA became the first Japanese airline registered by the program. Registration in the program is now a requirement for membership in the IATA. Five of the ANA Group's airline companies have already registered as of May 2009.

Information on safety issues and activities related to ANA Group airlines (including safety-related occurrences) is compiled each year into the Safety Report in accordance with Article 111.6 of the Civil Aeronautics Acts of Japan. The report in Japanese is available to the public on our website.

 <http://www.ana.co.jp/ana-info/ana/lounge>



## Toward a Leading Eco-Friendly Airline

The ANA Group will actively help solve global environmental problems so that we continue to be a company that “offers dreams and experiences to people around the world.”

The ANA Group’s Corporate Vision includes the goal of being a foremost corporate group in Asia in terms of quality, customer satisfaction and value creation. We also want to remain one of the world’s leading airlines in terms of the environment. **The ANA Group Ecology Plan 2008–2011** (“Ecology Plan”) announced in May 2008 is a reflection of this commitment. The heart of the plan consists of absolute reduction targets for CO<sub>2</sub> emissions—a first for the airline industry worldwide—and a commitment to active utilization of next-generation energy-efficient materials. It strongly promotes our stance as a company that prioritizes environmental initiatives and fulfills social responsibilities. We worked very hard throughout the year to achieve the plan’s objectives.




Eco-First is a program established by Japan’s Ministry of the Environment. In November 2008 the ANA Group made the “Eco-First Commitment” to the Minister of the Environment in connection with its environmental protection initiatives and **became the airline and transport industry’s first certified Eco-First company.** This

endorsement is indicative of our stance toward environmental initiatives and fulfilling social responsibilities detailed in the Ecology Plan, which is currently being implemented.

In December 2008, we made the decision to participate in the government’s domestic emissions trading scheme based on the Fukuda Vision. Through participating in the scheme, we will represent the airline industry, propose policies for cutting Japan’s CO<sub>2</sub> emissions post-Kyoto Protocol and actively help develop related systems, including a system for verifying the effectiveness of the emissions trading scheme.

Airplanes provide significantly higher value than other means of transport in terms of reducing travel time and are one of society’s most important forms of public transportation. Airplanes bring people together in ways that were impossible in the past. As a member of society, the ANA Group strives to be a company that continues to work for environmental sustainability through proactive efforts for the sake of people and the earth. **We continue to tackle challenges in order to sensitively respond to environmental changes and social needs, and fulfill our social responsibilities.**

The ANA Group's environmental data is provided on our website.

 CSR / Environmental Activities  
<http://www.ana.co.jp/eng/aboutana/corporate/csr>

## ANA Environmental Policy (ANA's Attitude Toward the Environment)

### Basic Policy

We will pursue:  
Protection of the environment  
Effective utilization of limited natural resources  
Awareness of the public good

### Course of Action

1. We will evaluate the impact of our commercial activities on the environment, and persevere in our efforts to protect the environment.
2. We will observe environmental laws and regulations, and furthermore, think and act independently to protect the environment.
3. We will do our utmost to minimize the environmental impact of our operations.
4. We will make every effort to save energy and resources, to recycle, and to reduce waste.
5. We will contribute to the communities in which we live and work, through participation in social activities for environmental protection.
6. We will educate employees so that each may pay much more attention to environmental protection.

## Environmental Management Promotion System





# Toward a Leading Eco-Friendly Airline

## **Web** Excerpts from the ANA Group Code of Conduct

### Environmental Protection

Protecting the environment is essential for the ANA Group. We play an active role in environmental protection activities and work to preserve natural resources in the course of our business activities.

We must recognize how our business impacts the environment. While minimizing the impact on the environment, we will maintain the sustainability of our business by following the ANA Environmental Policy.

## **Web** Timeline of Environmental Activities

Date	Committee Organization	Promoting Organization	Activities
Nov. 1973		Airport Division	Published the "Environmental Measures Handbook" in 1978
Feb. 1974	Committee for Environmental Measures		Special committees established for "total assessment," "flight noise measures," "ground noise and air pollution measures," and "factory environment measures"
July 1990		Environmental Conservation Promotion Office	Became the first Japanese airline to publish an Environmental Report in 1993; announced ANA Environmental Policy in 1998
May 1999	Environment Committee		Signed the Star Alliance Environmental Declaration
		Global Environmental Conservation Promotion Department	Formulated the ANA Group Ecology Plan (2003–2007) in 2003 Launched the International Environmental Picture Book Competition and forestation project in 2003
Apr. 2004		Environment and Social Affairs Department	Formed Team Tyura Sango in 2004 as part of environmental conservation activities and developed a coral planting project
Apr. 2007		CSR Promotion Division, Environment and Social Affairs Department	Carried out organizational reforms to promote CSR activities
May 2008		CSR Promotion Division, Environment and Social Affairs Department	Released the ANA Group Ecology Plan 2008–2011
Nov. 2008		CSR Promotion Division, Environment and Social Affairs Department	Certified as an "Eco-First" company by Japan's Ministry of the Environment (Became the first certified Eco-First company in Japan's airline and transport industry)
Dec. 2008		CSR Promotion Division, Environment and Social Affairs Department	Participated in the government's domestic emissions trading scheme on a trial basis



- Excerpts from the ANA Group Code of Conduct
- Timeline of Environmental Activities
- Targets and Results of ANA Group Ecology Plan 2008–2011
- Initiatives to Prevent Climate Change

## Targets and Results of ANA Group Ecology Plan 2008–2011

Item		Target	Fiscal 2008 review
Climate Change Countermeasures	Aircraft fuel (CO <sub>2</sub> )	For fiscal 2011, achieve a 10% reduction in CO <sub>2</sub> emissions per revenue ton-kilometer (RTK) on domestic and international routes compared with fiscal 2006.	0.6% reduction compared with fiscal 2006.
		For the period from fiscal 2008 through fiscal 2011, keep average annual CO <sub>2</sub> emissions on domestic routes below 4.7 million tons.	Emissions on domestic routes were 4.55 million tons.
	Ground energy	Reduce energy use at all work sites by 1% each year.	See page 27.
Air pollution countermeasures	Aircraft	All aircraft including leased aircraft to conform with ICAO emission standards.	All aircraft conformed to this standard.
	Ground vehicles	Actively introduce hybrid, electric and other low-pollution vehicles.	See page 41.
Noise countermeasures		All aircraft including leased aircraft to conform with ICAO noise standards chapter 4.	All aircraft conformed to this standard.
Saving resources		Reduce waste and paper used in sales by 5%.	See pages 30–31.
		Conduct closed recycling* at all work sites.	See page 32.
Environmental contributions		Nationwide forestation activities near 50 airports	See page 33.
		International Environmental Picture Book Competition	See page 34.
		Coral Restoration Project	See page 34.
		Support for environmental training of next-generation personnel	See page 34.

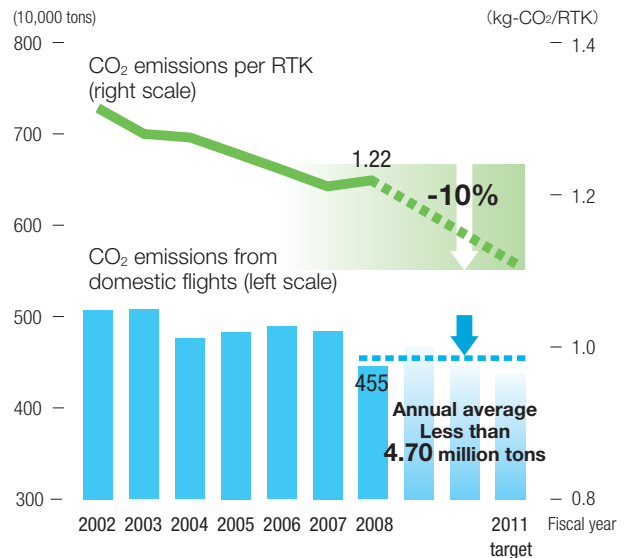
\* Closed recycling: A recycling system in which waste generated in aircraft, airports and Group business offices is reused in aircraft, airports and Group companies.

## Initiatives to Prevent Climate Change

### ● Reducing Aircraft CO<sub>2</sub> Emissions

As of fiscal 2007 carbon dioxide accounted for 94.9% of Japan's total greenhouse gas emissions. The transport sector's share was 18.5% of the overall industrial sector, while domestic air transportation accounted for 4.5%.

The graph at right shows total emissions for domestic flights and CO<sub>2</sub> emissions per revenue ton-kilometer for domestic and international flights targeted by the Ecology Plan. In fiscal 2008, CO<sub>2</sub> emissions per RTK were 1.22 kilograms, an increase from the previous fiscal year that was caused by lower capacity utilization associated with the global economic downturn. Our efforts to save energy however kept the increase minimal. Also, as a result of these efforts, adjustments in materials used and other measures, total emissions from domestic flights were 4.55 million tons, less than the previous year. Combined with international flights, total emissions came to 8.06 million tons, also down from the previous year's total of 8.35 million tons.





# Toward a Leading Eco-Friendly Airline

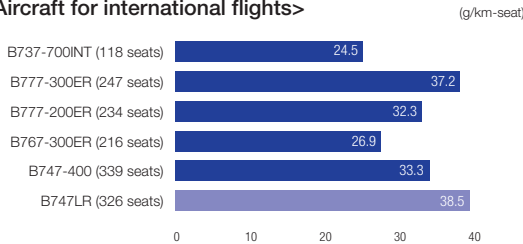
## Web Initiatives to Prevent Climate Change

### Fuel-Efficient Aircraft

Reducing CO<sub>2</sub> emissions boils down to reducing fuel consumption. The most effective methods are: 1) introducing fuel-efficient engines with the latest technologies, 2) reducing air resistance through improved wing designs, and 3) reducing fuselage weight through the use of composite materials. The ANA Group is implementing these methods to reap the benefits.

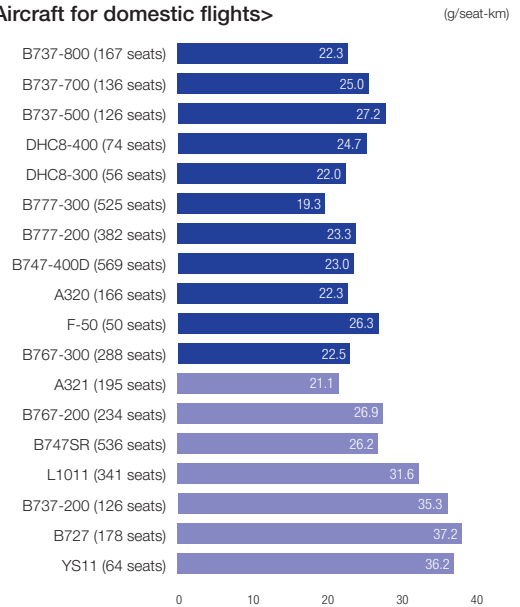
### Fuel Efficiency by Aircraft Type

#### <Aircraft for international flights>



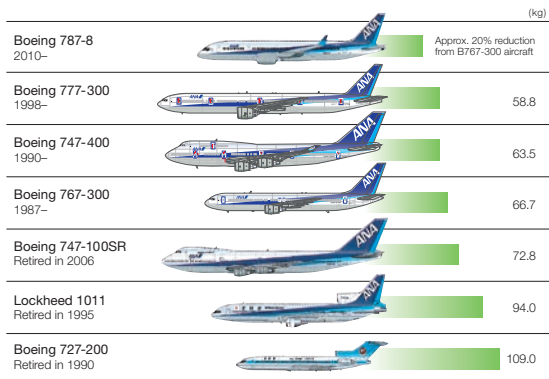
Calculated for international flights (assuming flight distances of 5,556 km for the B737-700INT and 9,260 km for all other aircraft, with full seating) ■ Retired aircraft

#### <Aircraft for domestic flights>



Calculated for domestic flights (assuming flight distances of 926 km and full seating) ■ Retired aircraft

### CO<sub>2</sub> Emissions per Seat for Flights Between Tokyo and Sapporo (Fiscal 2008 Data)



### Fleet

Boeing 747-400 (15 aircraft)	Boeing 737-800 (4 aircraft)
Boeing 777-300 (20 aircraft)	Boeing 737-700 (16 aircraft)
Boeing 777-200 (23 aircraft)	Boeing 737-700ER (2 aircraft)
Boeing 767-300 (54 aircraft)	Boeing 737-500 (21 aircraft)
Boeing 767-300F&-300 (6 aircraft) <small>*Cargo aircraft</small>	Bombardier DHC-8-400 (14 aircraft)
Airbus A320-200 (30 aircraft)	Bombardier DHC-8-300 (5 aircraft)
<b>Total: 210 aircraft</b> <span style="color: green;">■</span> New-generation aircraft <small>(as of March 31, 2009)</small> <span style="float: right;"><small>* In addition to these aircraft, five aircraft are leased outside the ANA Group.</small></span>	

Reducing fuel consumed by aircraft is directly connected to reducing environmental impact.

The ANA Group has actively worked for some time to reduce fuel consumption through innovations in flight operations and various initiatives on the ground. We are currently stepping up these initiatives and have promoted the “Eco-First Project” across divisions since spring 2008. The following introduces some examples of our initiatives in this area.

### Eco-First Project

The ANA Group conducted an IATA Fuel Efficiency Gap Analysis (FEGA) in January 2008, and based on the results, we launched an inter-divisional fuel efficiency project in April 2008. In addition to the areas indicated by the analysis, we took inventory on a company-wide basis of fuel efficiency initiatives that had been conducted separately up to that point and launched a project involving the coordinated efforts of each division. The project is intended to bring visibility to initiatives being conducted and their outcomes.

The project, named the “Eco-First Project,” is being run under the leadership of the head of the CSR Promotion Division. It is comprised of the overall project and three working groups—Flight, Operations and In-Flight Services.

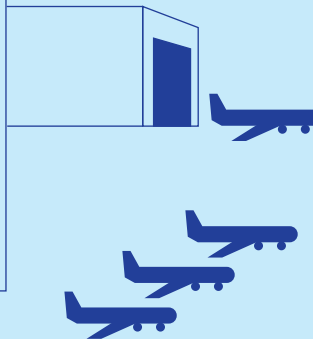
### REDUCING WEIGHT IN THE CABIN

#### • Lighter, Fewer In-Flight Magazines

The ANA Group is taking a number of steps to reduce cabin weight. We are reviewing the number of pages and paper used for in-flight magazines (WINGSPAN, SKY SHOP, SKY CHANNEL, etc.) and reducing the number of extra copies in an effort to reduce cabin weight. For one magazine in particular, SKY CHANNEL, our in-flight entertainment guide, we have reduced its weight by nine grams, even though the number of programs offered has doubled.

#### • Reducing Potable Water

On international flights, potable water loaded on the aircraft is carefully managed for each route. For flights from Los Angeles and San Francisco, efforts are being made to reduce the volume by a total of around 200 liters per day.





# Toward a Leading Eco-Friendly Airline

## WHEN PREPARING FOR DEPARTURE

### • Proactive Use of Ground Power Units

Parked aircraft normally consume electric power by running APUs\* for such uses as air conditioning and lighting inside the aircraft. However, since 1990 the ANA Group has actively used ground power units (GPUs), which are much more energy efficient, instead of APUs. As a result, in fiscal 2008 we saved 43,200 kiloliters of fuel compared to not using GPUs. These savings are enough for a Boeing 777-200 to make approximately 2,900 round trips between Tokyo and Osaka (Itami).

\* APU: Auxiliary Power Unit, a small on-board gas turbine that provides electricity as well as compressed air for the aircraft. APUs are less energy efficient than GPUs as they burn jet fuel.



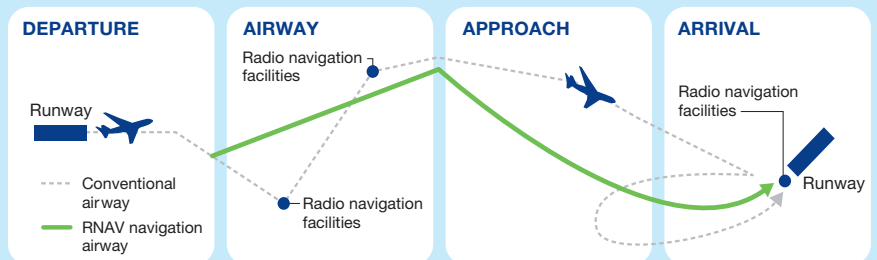
## WHEN CRUISING

### • Using RNAV Navigation

RNAV navigation is a procedure that navigates aircraft and assures the scheduled flight path by radio-navigation facilities as well as by satellite and on-board equipment. Not only does RNAV achieve faster and shorter flights while reducing fuel consumption and CO<sub>2</sub> emissions, it also reduces noise around airports.

The ANA Group aims to expand the use of RNAV in Japan and overseas.

### Concept of RNAV Navigation





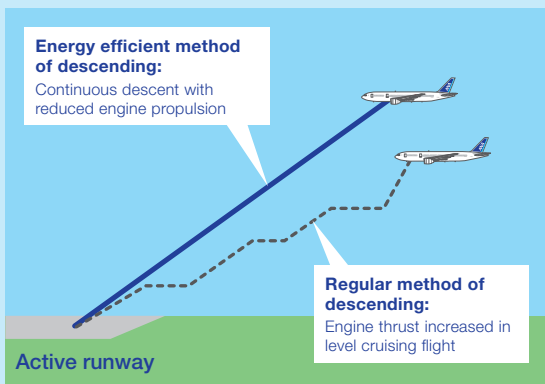
### WHEN DESCENDING

#### • Promoting Energy Efficient Descent Method

When an aircraft descends continuously from the start to the end of its descent without leveling off, it saves fuel, cuts carbon dioxide emissions and reduces noise. Aircraft landing in late night time slots at Kansai International Airport have been using this method since May 2009.



#### Energy Efficient Descending



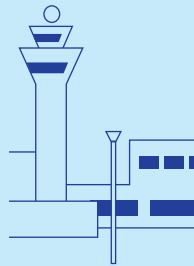
### WHEN ARRIVING AT AIRPORTS

#### • Reducing the Power of Thrust Reversers for Landing

Normally, in order to reduce an aircraft's landing length, thrust reversers are employed, engine thrust is increased (which emits CO<sub>2</sub>) and the exhaust is sent forward. By landing with the engines in idle to the extent possible when it is safe to do so based on an assessment of the landing length and other factors, CO<sub>2</sub> emissions are reduced and noise pollution is mitigated, which makes this method of landing more environmentally friendly.

#### • Taxiing After Landing With Engine(s) Partially Shut Down

At airports where aircraft must taxi a long way to the parking spot after landing, to conserve fuel the ANA Group stops some engines when taxiing after confirming there is no impairment of safety. This decision is made after taking into account the conditions of the taxiway and other aircraft, weather and instructions from the control tower.





# Toward a Leading Eco-Friendly Airline

## INITIATIVES IN AREAS OTHER THAN FLIGHT OPERATIONS

### • Reducing Airframe Weight with Lightweight Tires

ANA has adopted lightweight tires for Boeing 777-300ER aircraft since October 2008. These aircraft tires feature state-of-the-art radial construction and when used to replace the 12 main conventional tires, aircraft weight is reduced by approximately 80 kilograms. We plan to



mount the tires on all 13 of our Boeing 777-300ER aircraft in fiscal 2009.

### • Engine Replacement

Engines lose fuel efficiency as they are used over the long term. We are replacing the engines on Boeing 767, 747-400 and 777 aircraft with new engines to reduce fuel consumption.

### • Restoring Engine Performance By Washing the Compressor

The more an engine is used, the more minute dust particles stick to the compressor and degrade performance. Since fiscal 2003 the ANA Group has been regularly washing compressors to improve the fuel efficiency of the engine.

As a result of washing, some 24,000 kiloliters of fuel were saved in fiscal 2008— equivalent to approximately 1,600 round trips between Tokyo and Osaka (Itami) on a Boeing 777-200.



### • Saving Fuel Through Simulators

The ANA Group mainly uses flight simulators to train and evaluate flight crew, thereby reducing fuel consumption and noise, and helping us make the most of limited air space.

In fiscal 2008, total simulator use amounted to 54,000 hours. If these hours had been actual flight time, they would have required 287,000 kiloliters of fuel. This equals 8.8% of all aircraft fuel used at the ANA Group in fiscal 2008, or approximately 19,000 round trips between Tokyo and Osaka (Itami) on a Boeing 777-200.



**Web** Other Activities

Since 2003, the ANA Group has continuously reviewed the nature of in-flight supplies and equipment, such as by making these supplies and equipment more compact and lightweight, and by fine-tuning the amount of items loaded on aircraft. This process has been strictly premised on avoiding any possible reduction in the quality of in-flight services. In fiscal 2008, in terms of seat-pocket articles, we reduced the weight of our SKY CHANNEL in-flight entertainment magazine by 9 grams and the SKY SHOP in-flight magazine by 15 grams, and also reduced the amount of in-flight tableware loaded on international flights.

Cabin attendants have also become increasingly conscious of the importance of lowering the weight of in-flight supplies and equipment, such as by reducing their own carry-on luggage.

**• Introduction of Lightweight Cargo Containers**

The ANA Group introduced lightweight containers for international routes in October 2006 and had 1,030 of these containers in operation as of April 2009. These containers, composed mainly of Kevlar®\* (excluding the base and frame) and canvas (opening), are some 28 kilograms lighter than conventional types.

On European and American routes where the Boeing 777-300 is used, up to 1,232 kilograms is saved per Boeing 777-300. This represents a reduction of approximately 495 liters of fuel, or 1,220 kilograms of CO<sub>2</sub>, each way on the Tokyo/Narita—San Francisco route.



\* Kevlar® is a registered trademark of DuPont U.S.A.

**• Initiatives to Reduce Weight of In-Flight Tableware**

Since 2003, the ANA Group has been continuously reviewing and developing new in-flight tableware and other items as regards compactness, lightness, number required and design.

In particular, we have been introducing special lightweight tableware since 2005 for first class and business class passengers on international routes. The tableware

is both lightweight and also excellent at preserving food at given temperatures due to a combination of special ingredients and the use of clay plates designed with minute pores on the surface. Each plate is up to 30% lighter (170 grams) than those used hitherto, resulting in a saving of approximately 40 kilograms for a Boeing 747-400 typically used on international routes.

Furthermore, we introduced new specially designed lightweight tableware for business class on the Mumbai route inaugurated in September 2007. Suitable for serving any type of in-flight food, each plate is up to 15% lighter (70 grams) than a plate made from standard materials.

**• Reduction of Ground Energy Consumption (Excluding Aircraft)**

The ANA Group's energy consumption can be broken down into aircraft (98%) and ground requirements (2%). In crude-oil equivalence, our consumption of ground energy in fiscal 2007 was approximately 54,000 kiloliters, about the same level as in fiscal 2004.

In line with the ANA Group Ecology Plan 2008–2011, we aim to reduce energy consumption by 1% per year (per basic unit) as a total of all work sites. To this end, we formulated a 10-year construction plan for energy-saving facilities in fiscal 2007 and are steadily implementing it this fiscal year.





# Toward a Leading Eco-Friendly Airline

## Introduction of Next-Generation Aircraft

### ● Boeing 787

ANA is the launch customer for the Boeing 787. We have ordered 50 Boeing 787 aircraft ahead of the competition and have been involved with the Boeing 787 from its design and development stages. The Boeing 787 is

scheduled to become operational from 2010 as the successor to the Boeing 767, our main fleet, with an eye on the next expansion of Haneda Airport.

#### Main Characteristics of Boeing 787

(image)

##### Engine

The engines of the Boeing 787 are Rolls-Royce Trent 1000 engines. The 787 is roughly 40% quieter on takeoff and the engines produce approximately 20% less CO<sub>2</sub> and 15% less NOx.\* As regards aerodynamic characteristics, the airframe air resistance is minimized.

##### Airframe

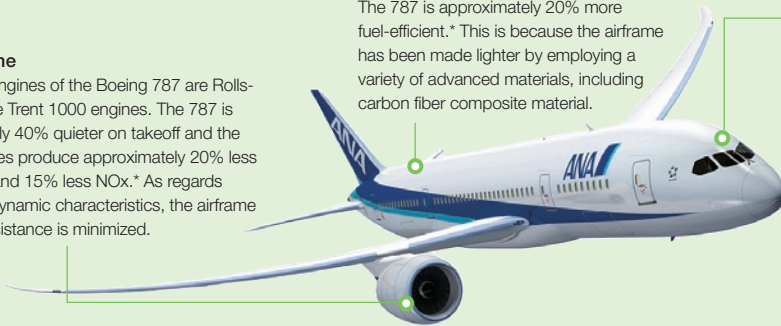
The 787 is approximately 20% more fuel-efficient.\* This is because the airframe has been made lighter by employing a variety of advanced materials, including carbon fiber composite material.

##### Paints

Highly durable paints that can be used on composite materials mean that the aircraft will not need to be repainted as frequently.

##### Maintenance Costs

The thrust control method, optimized for short-haul, frequent operations, was developed to lengthen the service life of engine parts. Lower engine maintenance costs are expected from these developments.



\* Compared with existing similar-class aircraft

### ● Next-Generation Mitsubishi Regional Jet (MRJ)

ANA has decided to introduce the next-generation Mitsubishi Regional Jet (MRJ), to be developed by Mitsubishi Aircraft Corporation. ANA has placed orders for 25 MRJ aircraft as the launch customer. The MRJ will be the first regional jet to use composite material for the

wings and vertical stabilizer. The new engine driven by the latest technology will significantly reduce the environmental impact of the aircraft. State-of-the-art aerodynamics should bring about an approximate 40% savings in fuel compared with current aircraft in the same class.

#### Main Characteristics of the MRJ

(image)

##### Cockpit

Safety has been improved by installing four large LCDs in the cockpit enabling the pilot to easily grasp operational information.

##### Engine

Compared with similar sized small jets from other manufacturers, the engine consumes 20% less fuel at lower noise levels.

##### Airframe materials

A lighter airframe has been achieved by using carbon fiber composite materials for about 30% of the entire airframe.

##### Airframe design

Research into the design of the main wings and flaps has enabled less noise, including a reduction in wind noise.

##### Comfortable seats

Seats have been newly designed to provide comfort and ample leg room.



## Noise

The ANA Group's entire fleet conforms to Chapter 4, the strictest of the ICAO noise standards. ANA has been examining various flight procedures to decrease the noise reaching the ground.



### Primary Noise Abatement Procedures Implemented by ANA

	Procedure	Description
<b>Takeoff</b>	Steepest climb procedure	Execute a steeper takeoff climb to a higher altitude than usual (to 3,000 feet), so as to keep noise contained within the airport as much as possible, while controlling noise by attaining high altitudes in residential areas.
<b>Landing</b>	Delayed flap-down approach	Delay flap-down and landing-gear-down operations to reduce air resistance to the airframe, so as to decrease the required engine thrust, thereby reducing noise.
	Low flap angle landing	Set smaller flap angle for use during final approach to reduce air resistance to the airframe, so as to decrease the required engine thrust, thereby reducing noise.
<b>Landing and takeoff</b>	Preferential runway	If one side of the runway does not have a residential area, aircraft will take off and land in the preferred direction, wind direction and velocity permitting.
	Preferential flight path	In the airport vicinity (at lower altitude), select flight paths that pass over rivers or that circumvent residential areas as much as possible.
	V-NAV approach continuous descent	During descent, maintain higher altitude until reaching the vicinity of the airport, then continuously descend to reduce change in engine thrust, thereby abating noise. This procedure can save fuel as well.
	FMS flight	Use FMS <sup>*1</sup> /LLZ-RNAV <sup>*2</sup> in the airport vicinity and fly while avoiding residential areas and shortening flight path. In the case of late-night flights arriving at Haneda, avoid passing over Kisarazu (land area) and approach for landing via shortcut over the water.

\*1 FMS: Flight Management System

Avionics that calculate optimal speed and flight path in accordance with flight conditions and automatically manages flight parameters such as engine setting and flight controls

\*2 LLZ: Localizer

A system that indicates the horizontal deviation of landing aircraft from the runway centerline using electromagnetic waves



# Toward a Leading Eco-Friendly Airline

## Compliance With Environmental Laws and Regulations

### ● Business Facilities Subject to Environmental Laws and Regulations

Each ANA business facility is subject to an average of seven environmental laws and regulations, and the entire ANA Group is subject to 384 legally binding items.

During fiscal 2008 we incurred no penalties and caused no environmental mishaps.

#### ISO 14001 certification



ANAC acquired in 2007



Acquired in 2002 for Narita maintenance district

### **Web** Applicable Laws/Regulations

	Applicable Laws/Regulations	Applicable Facilities
1	Law of the re-manufacture of specific home appliances (Home Appliance Recycling Law)	56
2	Waste Management and Public Cleaning Law	56
3	Act on Recycling, etc. of End-of-Life Vehicles	21
4	Law concerning the protection of the ozone layer through the control of specified substances and other measures (Ozone Layer Protection Law)	45
5	Law for ensuring the implementation of recovery and destruction of fluorocarbons related to specified products (Fluorocarbons Recovery and Destruction Law)	47
6	Law concerning special measures for promoting appropriate treatment of polychlorobiphenyl waste	2
7	Act on Confirmation, etc. of Release Amounts of Specific Chemical Substances into the Environment and Promotion of Improvements to the Management Thereof (PRTR Law)	18
8	Act on the Rational Use of Energy (Energy Saving Law)	13
9	Air Pollution Control Law	14
10	Law concerning special measures for total emission reduction of nitrogen oxides and small particles from automobiles in specified areas (Automobile NOx-PM Law)	21
11	Water Pollution Control Law	17
12	Sewage Control Law	7
13	Septic Tank Control Law	6
14	Noise Regulation Law	8
15	Vibration Regulation Law	7
16	Offensive Odor Control Law	6
17	Factory Allocation Law	1
18	Law for developing pollution prevention organizations at specified factories (Pollution Prevention System Development Law)	1
19	Toxic and Hazardous Substances Regulation Law	20
20	Act on the Promotion of Sorted Collection and Recycling of Containers and Packaging	8
21	Building Material Recycling Law	2
22	Law to ensure sanitary environments in buildings	7
23	Food Recycling Law	1
	Total	384

### **Web** ● Disposal of Used Vehicles

The ANA Group owns roughly 3,000 vehicles in Japan. Many of these are specialized vehicles whose disposal entails various problems such as logistics.

To properly dispose of these used vehicles, we

established a Japan-wide network that meets applicable laws and regulations, both the Waste Management Law and the April 2005 Vehicle Recycling Law.

The system locates reliable operators in the Hokkaido, Tohoku, Kanto, Hokuriku, Kansai, Chubu, Chugoku,

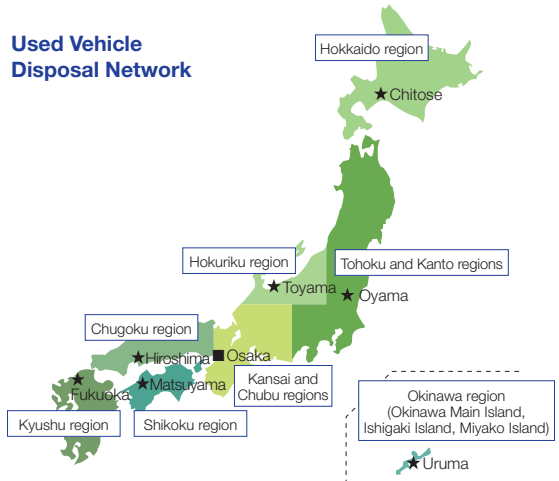
- Compliance With Environmental Laws and Regulations
- Promoting Resource Efficiency
- Conserving Resources

Shikoku, Kyushu and Okinawa regions to properly and efficiently dispose of such vehicles used at airports in each region.

In fiscal 2008, through this network we properly disposed of 56 used vehicles and other items at airports nationwide in accordance with the Waste Management Law and the Vehicle Recycling Law. In addition, we properly disposed of 150 non-automotive vehicles in accordance with the Waste Management Law. These vehicles provided a total of 560 tons\* of metal.

\* All vehicles, including used special vehicles and non-automotive vehicles.

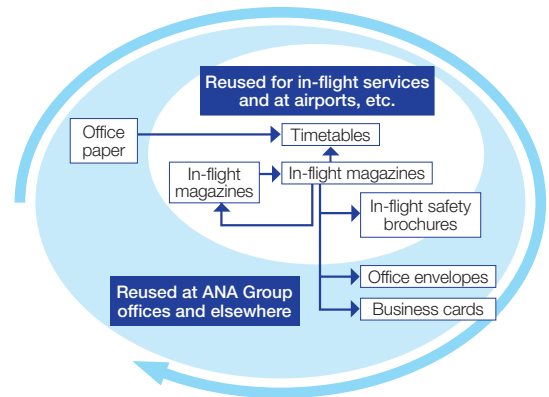
### Used Vehicle Disposal Network



## Promoting Resource Efficiency

The ANA Group is engaged in a project to reuse waste generated by aircraft, airports and business offices within the Group in a closed loop. With regard to waste paper in particular, a certain portion of used copies of our in-flight magazine WINGSPAN is collected from Narita, Haneda, Kansai and New Chitose airports and turned into recycled paper. Some of the magazines collected at Haneda and New Chitose airports are reused as in-flight magazines, timetables or business envelopes.

### Promoting a “Closed Recycling” System for Paper for In-Flight, Airport and Group Operations (including planned initiatives)



## Web Conserving Resources

### • Reducing Paper Consumption Through the SKiP Service

In October 2006, ANA launched its SKiP service, a system that allows customers who have completed the SKiP reservation process (reservations, purchasing, and pre-boarding seat reservations) to proceed directly to airport security checkpoints and board planes without a paper ticket. This significantly reduces the disposal volume of airline tickets and ticket stubs.

In fiscal 2008, we reduced the annual volume of paper used for



airline tickets from approximately 180 tons before the new services to around 120 tons.

### • In-Flight Service Supplies

ANA has switched economy class menu cards to reusable photo panels of meals that can be passed around the cabin in an effort to reduce paper.





# Toward a Leading Eco-Friendly Airline

## Promoting Recycling

### ● Promoting a “Closed Recycling” System for In-Flight, Airport and Group Operations

The ANA Group is working to implement a “Closed Recycling” system where it reuses waste generated by in-flight, airport and group office operations as resources in these and other operations throughout the ANA Group. This system ensures the reliable and effective reuse of old copies of in-flight magazines, time-tables, unused supplies that have reached their expiry dates and other resources.



Company envelopes made partly from recycled ingredients from old copies of the in-flight magazine WINGSPAN (*Tsubasa no Okoku*)

### ● Recycling Uniforms

Used uniforms of cabin attendants and ground staff are processed and returned to their original form of fiber, and reused as automotive sound-proofing materials.



### Other Initiatives

<b>Aircraft maintenance</b>	Revision of method for measuring the aircraft’s center of gravity (measurement without discarding fuel on board)
	Purification of paint thinner and other solvents used in aircraft painting work by contracted company for reuse
	Reduction of detergents for cleaning engine parts by using ultra-high-pressure water spray
	Reuse of activated carbon used in cabin air conditioning systems and treatment of wastewater from aircraft hangars
	Recycling of aircraft engine parts and aluminum scraps from repairs into metal materials
<b>Aircraft cabins</b>	Presorted collection of cabin refuse (empty bottles and cans) from international flights
<b>Air cargo divisions</b>	Recycle vinyl sheets for protection of cargo from rain and dust into solid fuel and garbage bags
<b>Ground facilities and equipment</b>	Use of rainwater and treated kitchen wastewater (intermediate water)
	Recycling of ground vehicles and other equipment used at airports into metal materials

## e-flight: Providing a Forum for Environmental Issues on ANA Flights

The e-flight program provides an opportunity for ANA customers to “think over our precious earth, up in the skies.” In the third year of this program in 2008, ANA implemented e-flights on all domestic flights from June 1 to July 10, which were timed to coincide with the G8 Hokkaido Toyako Summit in July 2008. The program featured “e-flight” logos on 20 Boeing 777 aircraft on domestic routes. Aboard the flights, customers were treated to a video presentation hosted by C.W. Nicol. ANA also provided customers (Premium Class only)

with chopsticks made from domestic lumber from thinned trees and paper cups printed with a special e-flight message.



## Environmental Contributions and Communication

Based on the slogan of “For People and the Planet,” the ANA Group is engaged in a program called the *Aozora* (“Blue Sky”) Project to expand public awareness of the need to safeguard the environment.

### ● Forestation Project

Since 2004 we have been involved in a 10-year forestation project in areas surrounding the 50 domestic airports served by the ANA Group. In fiscal 2008, we joined with local volunteers to plant and tend trees in six new areas of Kumamoto, Okayama, Narita, Miyakejima, Yonago, and Chubu, and eight other conventional areas.

On Miyakejima, 1,000 trees of native species like *Camellia japonica* and *Eurya japonica* were planted out of a desire to revitalize the island’s forests and vegetation for the sake of the *Izu thrush*, a protected species. This initiative at the Miyakejima Airport Akakokko Forest commemorated the reopening of our flight service from Haneda to Miyakejima, which had been suspended due to a volcanic eruption on the island in 2000. Volunteers were also recruited from ANA’s Tabidachi member travel club, so the project provided an opportunity for visitors to directly experience life on the island, which is still in the process of recovery.

The Yonago project was sponsored jointly with Asiana Airlines, marking the first joint tree-planting initiative we

have run with another airline. Members of Asiana Airlines traveled from Korea to participate, giving the forestation project an international flavor.

The Rankoshi Forest and Yugashima Forest are ANA-owned forestland near the Chitose Airport and Haneda Airport. Statistics compiled by the Forestry Agency indicate that the Rankoshi Forest absorbs carbon dioxide equivalent to the volume emitted by 40 people over the course of a year, while the Yugashima Forest absorbs the volume emitted by 35 people.

In March 2009 we announced our participation in the Beautiful Forest Promotion Council, a national campaign being promoted by the Forestry Agency. The ANA Group is committed to remaining engaged in forestation and forest management activities based on an ongoing commitment to sustainable environmental activities that can be passed on to future generations.

### History of Forestation Activities in Fiscal 2008

	Name	Nearest Airport	Frequency	Details
May 18	Forest of Aso Kumamoto Airport	Kumamoto	First	Afforestation
May 31	Forest of Kaheita Okazaki	Okayama	First	Afforestation
June 8	Shirakami Forest	Odate-Noshiro	Second	Afforestation
June 14	Rankoshi Forest	New Chitose	Fourth	Undergrowth cutting
June 14	Itobaru Kaigan Forest	Oita	Third	Undergrowth cutting
July 12	Shinshu Forest	Haneda	Fourth	Thinning
August 2	Asahi Forest	Hiroshima	Fourth	Afforestation
September 21	Shirakami Forest	Odate-Noshiro	Third	Afforestation
October 18	Yaotsu Forest	Chubu	Third	Thinning
October 18	Chiba Wakaba Forest	Narita	First	Afforestation
October 25	Akakokko Forest	Miyakejima	First	Afforestation
November 9	Hamahirugao Forest	Yonago	First	Afforestation
March 14	Souri Forest	Chubu	First	Afforestation
March 29	Hakuto Forest	Tottori	Second	Afforestation



Hakuto Forest (Tottori Airport)



Chiba Wakaba Forest (Narita Airport)



Akakokko Forest (Miyakejima Airport)





# Toward a Leading Eco-Friendly Airline

## ● Aozora (“Blue Sky”) Environmental Picture Book Competition

The Aozora (“Blue Sky”) Environmental Picture Book Competition, begun in fiscal 2003, aims to teach and inspire future generations about the value of nature and provide an opportunity to discuss the environment with family and friends. The competition is open to anyone.

In fiscal 2008, the 6th Aozora (“Blue Sky”) Environmental Picture Book Competition was held. As with previous contests, 475 submissions were received from a broad range of ages (6 to 67) and locations (10 overseas countries, plus 24 prefectures and regions in Japan). After careful consideration, the reviewing committee, led by writer C.W. Nicol, selected Honolulu resident Jessica Hibler’s work, entitled *WHAT COLOUR IS THIS?*, as the first-prize winner.

The winning story was published as a bilingual book with editions in Japanese and English. A total of 100,000 copies of the book were printed and distributed onboard ANA Group flights, and at nursery schools, kindergartens, elementary schools and other locations in Japan and overseas from spring 2009.



## ● Team Tyura Sango

“Team Tyura Sango” was formed in 2004 as a partnership among government, academia and business to restore and protect the coral community near Onnason, Okinawa, in a bid to support the restoration of coral reef ecosystems. In accordance with guidelines set by the Japanese Coral Reef Society, volunteer divers hand plant coral in waters just off the Onnason coast, after the coral has been grown at onshore facilities. The coral is originally collected from the seabed near Onnason. In 2008, coral planting was carried out two times in spring and fall with 232 participants.

In addition, as part of the International Year of the Reef 2008 program, ANA held a forum on coral reefs together with the Save the Coral project, which is working to raise awareness of the need to protect coral reefs.



“Team Tyura Sango” website (in Japanese only)

<http://tyurasango.com>

## ● Supporting Environmental Training for the Next Generation

As a new initiative in 2008, a hands-on environmental program called “My Blue Sky” was held jointly with Takeo High School in Saga Prefecture.

“My Blue Sky” is a research-based program that requires students to think and act for themselves. It provides them an opportunity to rediscover the natural world and think about community involvement as well as interact with company employees and other adults.

On September 28, as a part of Saga Airport’s “Sky Day” event, 20 second-year students in five teams held presentations in which they made proposals to companies on environmental issues facing the city of Takeo, the splendid local natural environment and cultural heritage of the city and other topics.





## Web Air Pollution Countermeasures

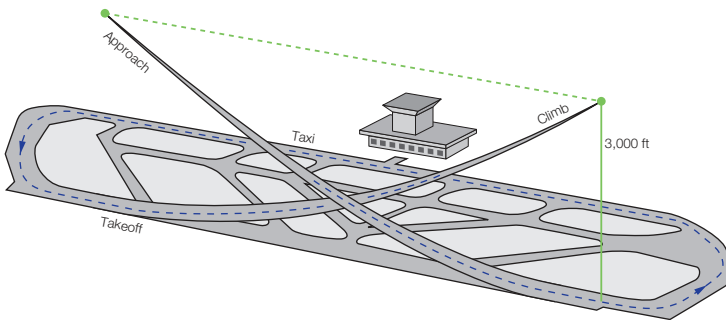
### ● The Relationship Between Air Pollution and the Air Transportation Business

The main cause of air pollution generated in the course of ANA Group operations is exhaust emissions from aircraft and ground vehicles.

In its Annex 16, the International Civil Aviation Organization (ICAO) has established emission standards

for NOx (nitrogen oxides), HC (hydrocarbons), CO (carbon monoxide) and SN (smoke number, or density) in terms of mass of emissions per unit of engine thrust for the ICAO Landing/Takeoff (LTO) cycle. Appendix III of the Enforcement Regulation of Japan's Civil Aeronautics Act also contains the same standards, entitled "Emission Standards for Aircraft Operations."

### ICAO Landing/Takeoff Cycle



Emission levels are measured during the LTO cycle, which is defined as a descent from 3,000 ft to the ground and an ascent to 3,000 ft after takeoff. Engine tests are subject to the thrust settings and times in the chart below.

	Thrust setting (%)	Time in mode (min)
Takeoff	100	0.7
Climb	85	2.2
Approach	30	4.0
Taxi/Idle	7	26.0

### ● Low-Emission Aircraft

The ANA Group's most effective measure to reduce hazardous exhaust emissions from aircraft has been to deploy the latest, most advanced aircraft equipped with state-of-the-art engines. Emissions of aircraft currently in use at the ANA Group are all within ICAO emission standards stipulated in Annex 16.

### Engine Exhaust Emissions (Fiscal Year 2008) (1,000 tons)

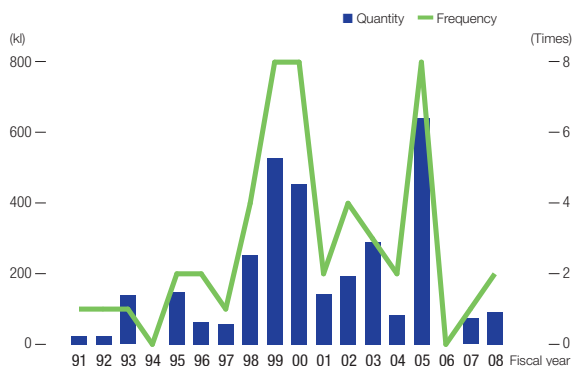
	ANA Group	ANA
NOx (nitrogen oxides)	6.47	5.45
HC (hydrocarbons)	0.78	0.69
CO (carbon monoxide)	5.05	4.06

### ● Fuel Dumping for Unscheduled Landings

In fiscal 2008, fuel dumping operations were performed twice by ANA Group aircraft (prompted by a passenger requiring immediate medical care, and by engine malfunction after takeoff due to a bird strike).

Mechanical malfunctions or passengers requiring immediate medical care often necessitate unscheduled landings. In such circumstances, if the aircraft's weight exceeds its maximum landing weight, the aircraft must dump fuel to reduce its weight and ensure a safe landing. For this reason, fuel dumping is performed only when necessary. Different airports designate specific dumping locations and altitudes. For example, fuel dumping operations are performed over oceans, to avoid urban areas. When dumped at high altitude, fuel turns into a diffuse mist that has minimal impact on the ground.

### Frequency and Quantity of Fuel Dumping





# Toward a Leading Eco-Friendly Airline

## **Web** Reducing Hazardous Chemicals

### ● Compliance With the Pollutant Release and Transfer Register (PRTR) Law

To manage and conduct the required registration of PRTR substances, the ANA Group has created a unified inter-company database that groups these substances according to type, quantity, composition, and usage status. ANA has also worked to strengthen links across the organization in order to centralize all related information at Group companies. In fiscal 2008, the ANA Group used 42 PRTR substances and total consumption\* was 19,600 kg, roughly 61% lower than in the previous fiscal

year. The lower total consumption mainly reflected decreased usage of paint remover when painting ANA Group company aircraft and reduced usage of cleaning solutions during plating work on these aircraft.

Going forward, the ANA Group will continue to make improvements by conducting operations that give due consideration to any potentially negative environmental impact, and continue to study alternative materials and methods that do not use any designated hazardous substances.

\* Total of discharge and disposal

### Major Type 1 Designated Chemical Substances Used by the ANA Group (Fiscal 2008)

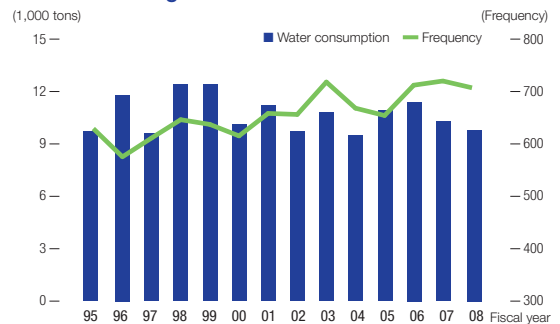
Volume rank	Item	Purpose of usage	CAS No.*	Improvements, etc.
1	Trichloroethylene	Steam washing before plating	79-01-6	Reduced by preventing steam diffusion and collecting liquid solution
2	Dichloromethane	Paint removal	75-09-2	Replaced most parts with non-chlorine-based agent alternatives (E-1092T)
3	Chromium anhydride (chromium trioxide)	Plating material (chromium)	1333-82-0	Considering the introduction of a plating method using a chromium-free thermal spraying process
4	Tributyl phosphate	Hydraulic aircraft fluid	126-73-8	
5	Toluene	Solvent used for paint	108-88-3	Chose paints with few volatile ingredients
6	Xylene	Solvent used for paint	1330-20-7	Less than 1 ton
7	Sodium fluoroborate	Plating material	13755-29-8	As above
8	Phenol	Paint removal	108-95-2	As above

\* An internationally standardized number that uniquely identifies a specific chemical substance.

### ● Aircraft Washing and Discharged Water Processing

At Haneda and Narita airports, ANA washes its aircraft at night. In fiscal 2008, ANA Group water usage and the frequency of aircraft washing both decreased, reflecting a lower frequency of de-icing and anti-freezing. Improvement in washing procedures also helped to reduce ANA Group water usage. After each washing, water is treated at the airport's treatment facility and then discharged into the public sewage system.

### ANA Group Water Usage and Frequency of Aircraft Washing

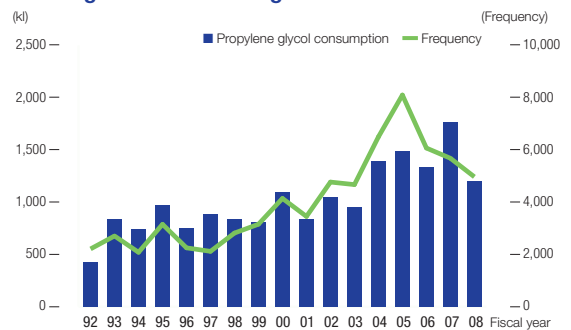


### ● Reducing Consumption of Anti-Freezing and De-Icing Agents

For safety reasons, aircraft are not permitted to take off with snow or ice on the wings, control surfaces, or fuselage. Before departure, snow is removed using hot water or compressed air, followed by the application of an anti-freezing agent. The ANA Group fully switched from previous anti-freezing agents to propylene glycol (not subject to PRTR Law) in 1996, and has made efforts to develop better equipment and work procedures to reduce the amount of anti-freezing agent required.

In fiscal 2008, the frequency of de-icing and anti-freezing, and the consumption of propylene glycol, both decreased in line with less snowfall due to a mild winter.

### Propylene Glycol Consumption and Frequency of De-Icing and Anti-Freezing



### ● Reducing PRTR Substances and Volatile Gas Emissions During Aircraft Exterior Paint Work

As a groundwater and soil pollution countermeasure, the ANA Group has adopted a neutral non-methylene chloride paint remover (made from eco-friendly substances not subject to the PRTR Law) as a paint removing agent. Additionally, from fiscal 2002, the ANA Group has introduced low-VOC (volatile organic compound) exterior

paint, which emits very little volatile gases. Thereafter, we have worked to expand the use of low-VOC exterior paint to all ANA Group aircraft. From fiscal 2007, ANA has accelerated the switch to eco-friendly materials with the introduction of methyl propyl ketone (MPK), a new washing agent that contains no hazardous chemical substances, as a replacement of the previously used methyl ethyl ketone (MEK).



# Toward a Leading Eco-Friendly Airline

## Web ANA Group Environmental Data

The ANA Group's impact on the environment and society is reported in quantitative terms using tables, graphs and charts, based on data compiled for fiscal 2008.

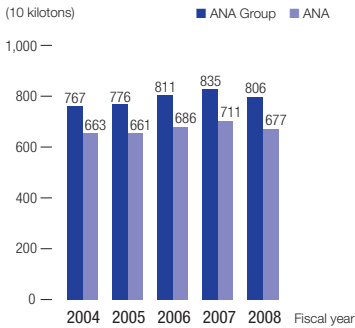
### ANA Group Environmental Data (Fiscal 2008)

				Units	ANA Internal	ANA Group	
Ozone depletion		Halon and fluorocarbon (aircraft)	Amount of discharge	kg	0.00	0.0	
Water resources		Total water usage (buildings)		10,000 tons	30.5	58.2	
Ecosystem-related environmental issues	Water pollution	Total waste treatment (buildings)		10,000 tons	4.2	12.8	
		Aircraft anti-ice agent usage		kl	Included in figure on right	1,202.0	
	Toxic substances	Amount of PCB (polychlorinated biphenyl) storage		ton	4.0	11.1	
Global warming	Deforestation	Total paper consumption		ton	4,483.0	8,880.0	
		Energy	Total energy consumption (crude oil equivalent)	Total	crude oil 10,000 kl	264.1	315.2
	Aircraft energy consumption (crude oil equivalent)			crude oil 10,000 kl	260.0	309.6	
	Ground energy consumption (crude oil equivalent) (Power supplied to parked aircraft from ground included)			crude oil 10,000 kl	4.1	5.6	
	Total aircraft fuel consumption			10,000 kl	274.6	327.0	
	Consumption per seat-kilometer			L/100ASK	3.62	3.66	
	Air pollution	Total number of vehicles/aircraft	Aircraft	aircraft	Included in figure on right	210	
			Motor vehicles	cars	Included in figure on right	3,429	
			Ratio of low-emission vehicles	%	17.0	20.0	
		Carbon dioxide (CO <sub>2</sub> ) emissions	Total	Total	10,000 ton-CO <sub>2</sub>	683.3	815.3
				Aircraft (total carbon emissions)	10,000 ton-CO <sub>2</sub>	676.6	805.6
				Aircraft (emissions per seat-kilometer)	g-CO <sub>2</sub> /ASK	88.2	89.8
				Ground equipment and vehicles (total emissions)	10,000 ton-CO <sub>2</sub>	6.7	9.6
		Nitrogen oxide (NOx)	(Aircraft – amount of emissions in LTO cycle*)	10,000 ton-NOx	0.55	0.65	
		Hydrocarbon (HC)	(Aircraft – amount of emissions in LTO cycle*)	10,000 ton-HC	0.07	0.08	
		Carbon monoxide (CO)	(Aircraft – amount of emissions in LTO cycle*)	10,000 ton-CO	0.41	0.51	
	Fuel dumped for emergency landing (aircraft)	Amount of fuel dumped	kl	91.0	91.0		
Times		times	2	2			
Waste	Waste Produced	Total	10,000 tons	2.07	2.36		
		In-flight operations–Total cabin waste and sewage	10,000 tons	1.72	1.72		
		Ground operations–Total ground waste	10,000 tons	0.35	0.64		

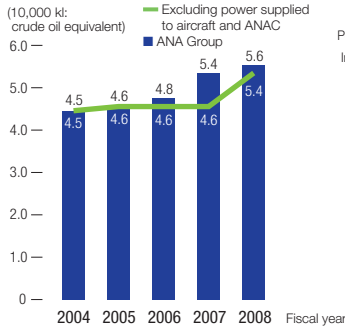
The above data was compiled from the environmental activities of ANA and a limited number of ANA Group companies (Air transportation, Maintenance, Ground handling, Catering, Vehicle maintenance, Building maintenance, etc.) in fiscal 2008. Figures do not include data for all ANA Group companies.

\* Landing/Take off Cycle: Standard model for landing/take offs stipulated by the ICAO

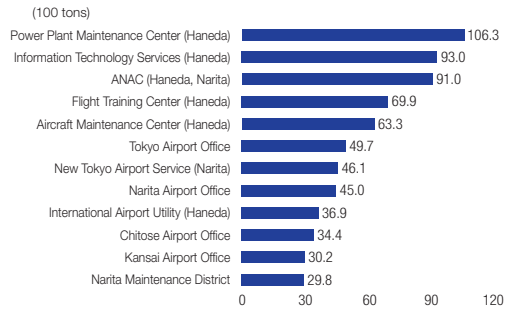
### CO<sub>2</sub> Emissions From Aircraft



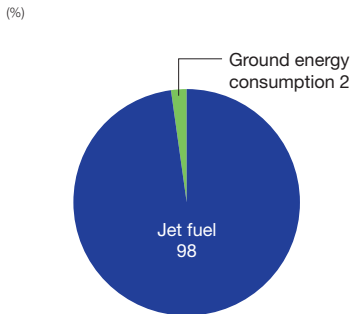
### Ground Energy Consumption (Crude Oil Equivalent)



### Breakdown of CO<sub>2</sub> Emissions by Office

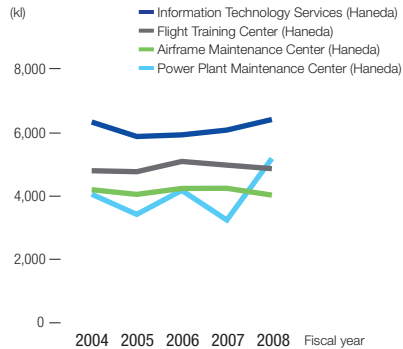


### Annual Energy Consumption (crude oil equivalent) (Including electric power supplied to aircraft)

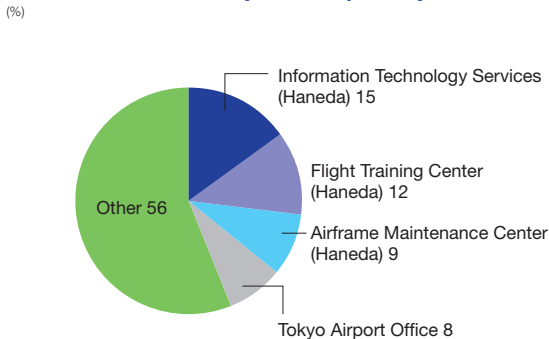


The ANA group's total energy consumption is 3,150,000 kl (crude oil equivalent).

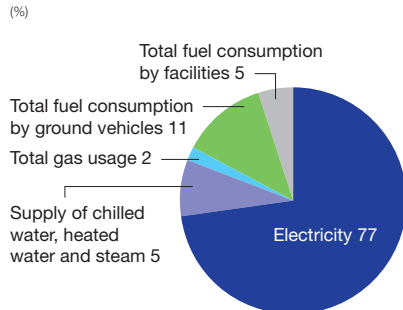
### Energy Consumption by Major Offices (kl of crude oil equivalent)



### Breakdown of Electricity Consumption by Office (%)



### Breakdown of Ground Energy Consumption (Total = 56,000 kl crude oil equivalent) (%)





# Toward a Leading Eco-Friendly Airline

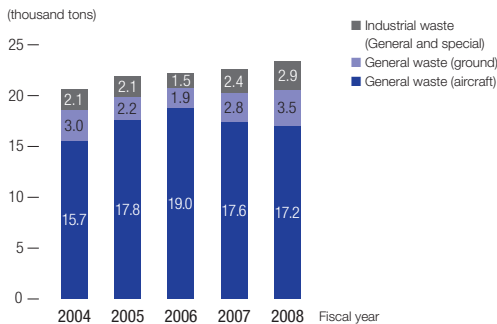
## Web ANA Group Environmental Data

### Waste Produced

#### Summary

In fiscal 2008, the ANA Group as a whole produced 23,500 tons of waste. Of the total, general waste from aircraft (toilet sewage and cabin refuse) accounted for roughly 70%, while the remainder was produced by ground operations. Waste plastic accounted for a large share of industrial waste, at approximately 30% of the total. Reducing cabin refuse and waste plastic is therefore crucial to lowering the amount of waste.

#### Waste Produced



### Paper Consumption

#### Summary

In fiscal 2008, the ANA Group as a whole consumed 8,900 tons of paper. Of the total, almost all paper (95%) was used for the Group's marketing activities, such as publishing timetables, pamphlets, posters and in-flight magazines. On the other hand, the ANA Group consumed approximately 400 tons of copy paper and other office paper, mostly the same amount as in fiscal 2007, with copy paper usage accounting for 4% of total paper consumption.

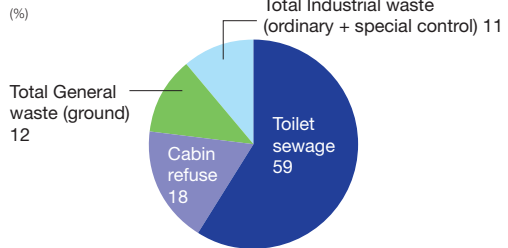
#### Year-on-Year Comparisons

Paper consumption as a whole decreased 11% year on year, mainly reflecting a drop in the volume of in-flight magazines, timetables and travel pamphlets published from fiscal 2007.

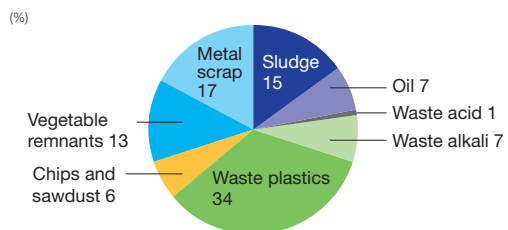
### Year-on-Year Comparisons

In fiscal 2008, the ANA Group produced 3% (770 tons) more waste than in the previous fiscal year. This increase was mainly due to office relocations, including the transfer of operations to a new maintenance center in the Maintenance District.

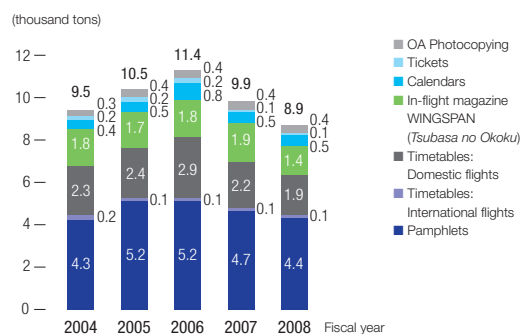
#### Breakdown of Waste



#### Breakdown of Industrial Waste



### ANA Group Paper Consumption



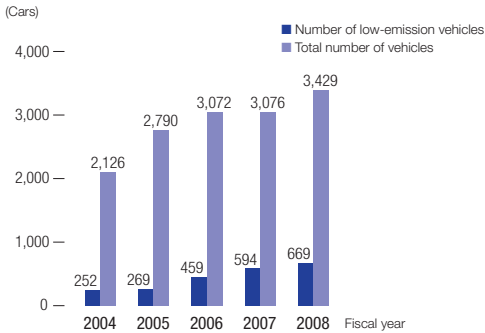
## ● Ground Vehicles

### Summary

The ANA Group has a total of 3,429 ground vehicles in use, including vehicles under lease. With total fuel consumption by ground vehicles accounting for 12% of the Group's ground energy consumption, these vehicles have a non-negligible impact on the environment.

More than 80% of the ANA Group's ground vehicles are non-registered and used in restricted areas of airports, mainly for ground handling.

### Total Number of Vehicles



## ● Green Procurement

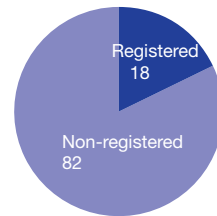
ANA has been promoting the electronic purchase of goods including office supplies, and using on-line purchasing to monitor the results of and promote green procurement. In fiscal 2008, the green procurement ratio for office supplies was 76%, while the green procurement ratio for paper was 40%.

## Year-on-year Comparisons

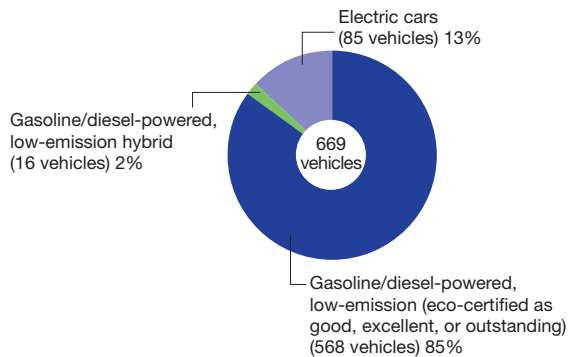
In fiscal 2008, the number of low-emission vehicles increased by 75 from the previous fiscal year. Consequently, low-emission vehicles accounted for 20% of the total number of vehicles, 1 percentage point higher than in fiscal 2007.

### Breakdown of Vehicles in Service

(%)

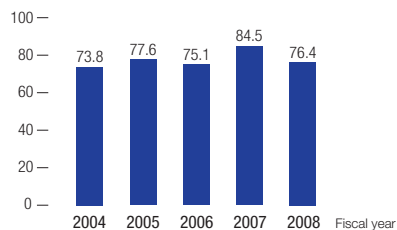


### Breakdown of Low-Emission Vehicles



### Green Procurement Ratio for Office Supplies

(%)

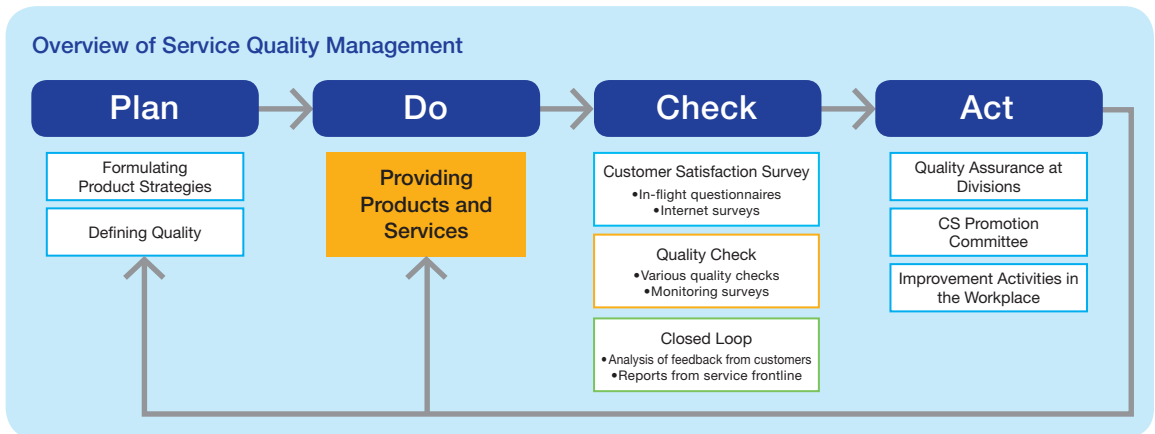




# Making Every Effort to Be Customer-

Guided by a commitment to being customer-oriented, the ANA Group is working to improve service by actively identifying issues based on frank customer feedback. In this section, we take a look at the ANA Group's approach and concrete activities toward CS (Customer Satisfaction).

## Creating Services Based on Customer Feedback



The ANA Group has established a special management system to improve the quality of its products and services.

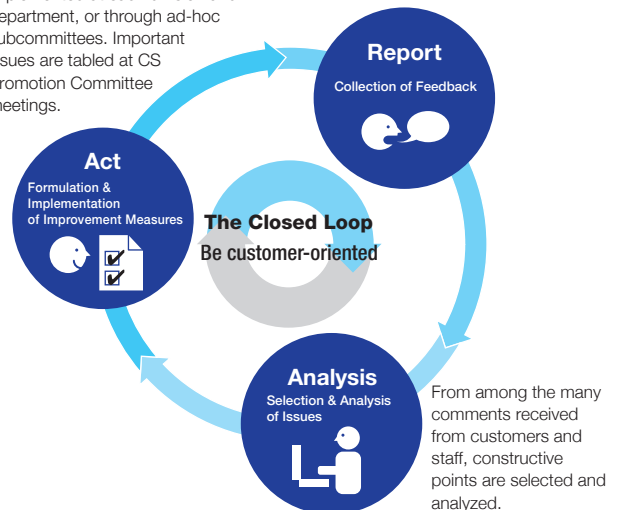
The CS Promotion Division compiles feedback received from customers by our Customer Desk and suggestions from frontline staff members into reports in order to identify unresolved issues.

In fiscal 2008, we prepared 58,874 reports on a Group-wide basis. Issues are identified and analyzed based on these reports, improvement measures are formulated and implemented, and customer feedback is again collected. This "closed loop" cycle is designed to resolve issues in a way that fully recognizes the customer's point of view. Utilization of this cycle allows us to flexibly accommodate customer viewpoints, which are constantly changing. This closed loop process is an important mechanism for raising customer satisfaction.

### The Closed Loop

Solutions are formulated and implemented at each division and department, or through ad-hoc subcommittees. Important issues are tabled at CS Promotion Committee meetings.

Comments received directly from customers and problems noted by frontline staff are systematically reported.



A scheme to systematically collect and analyze customer and staff comments and make use of them in improving and planning products and services.

We aim to be a group of companies that responds dynamically to ever-changing customer needs and makes continuous improvements.



## Aspirations Enshrined in the ANA Group Brand Vision

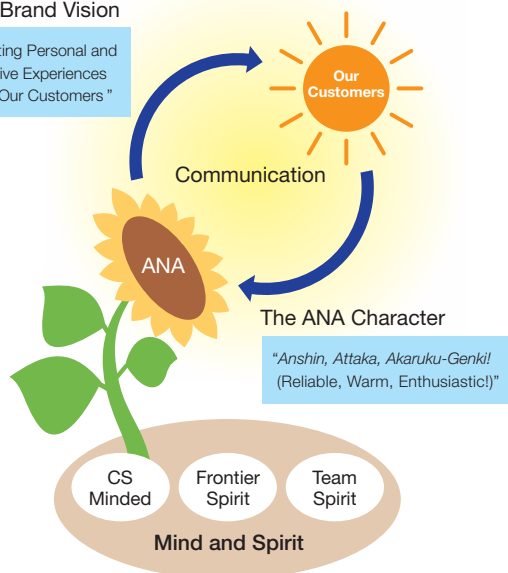
There is nothing like a simple “thank you” from a satisfied customer to make an employee’s day. Earning our customers’ appreciation is deeply satisfying and makes our work worthwhile. The ANA Group brand vision is to make the ANA Group known for “Creating Personal and Positive Experiences With Our Customers.”

We believe that each employee who embraces this view increases our CS level, helping us to build a stronger brand and enhance brand value.

CS activities are therefore focused on raising employee awareness and assuring the quality of our products and services based on customer feedback.

### ANA Brand Vision

“Creating Personal and Positive Experiences with Our Customers”



## Overseas Initiatives: CS Promotion Project in China

The China *Himawari* (“Sunflower”) Project was launched in fiscal 2006 to promote customer satisfaction in China. It is carried out by ANA’s nine branches in the country. When the initiative was first launched, project members were recruited from among local staff to promote local understanding and practice of the ANA character, which embodies ANA’s corporate values.

Drawing on past experience and know-how, project members played a leading role in a number of activities in fiscal 2008. An announcement contest was held to improve the ability of local employees to make announcements in Japanese, commemorative gifts were presented to customers flying with ANA on the day of the Beijing Olympics opening ceremonies in August, and greeting cards hand-written by staff members were presented during the Chinese New Year to express our appreciation to passengers.





# Making Every Effort to Be Customer-Oriented

## The ANA Sky Assist Desk

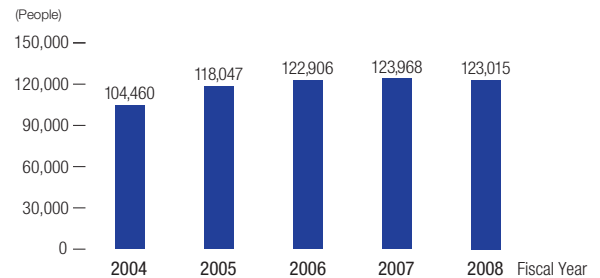


The ANA Sky Assist Desk helps customers who need special assistance when traveling by air. We discuss their needs ahead of time and provide individualized assistance for each customer. For exam-

ple, for customers who have difficulty sitting down on their own, we suggest aids that can be used for that purpose. We have been receiving an increasing number of requests related to customers who need to take a flight lying down due to an illness. In such cases we confirm with relevant departments whether it would be possible to use a stretcher, prepare necessary paperwork, check whether medical equipment needs to be brought on board, and provide other forms of assistance

while discussing the matter with the customer, relevant departments, and medical professionals when necessary.

### Customers with Physical Disabilities Using ANA



## Enhancing Universal Tourism

### • Tour Assist Desk Established

ANA Sales is working to enhance “Universal Tourism” initiatives, which are aimed at ensuring that elderly customers and customers with disabilities are able to enjoy safe and pleasant travels. To this end, we have established the Tour Assist Desk, a new customer service desk dedicated to Universal Tourism. The desk’s four-person staff has a wealth of specialized knowledge and experience it draws on to promptly and conscientiously address questions from customers using ANA Hallo Tours for international travel or ANA Sky Holiday for domestic trips.



Tour Assist Desk staff members

### • Seamless Assistance From Reservation to Destination

Given its position as a travel agent affiliated with a major airline group, ANA Sales is able to provide seamless assistance for customers, from reservations to airport procedures, in-flight services and assistance at destinations—all of which helps to ensure peace of mind for customers.

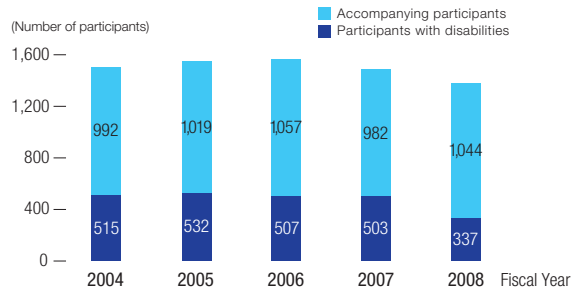
As an actual example, the Tour Assist Desk provided the following assistance to a passenger who had difficulty walking and required the use of a portable oxygen bottle.

- A wheelchair was provided from the check-in counter to the boarding gate
- Information was provided on procedures for bringing the portable oxygen bottle on board, documents were explained, assistance was provided for preparations, and the oxygen bottle supply company was contacted
- The airline (ANA Sky Assist Desk) was contacted and requests made

Our goal is to help all customers participate in the same process and enjoy their travels in the same basic way, regardless of age or disability, except when it is physically impossible to do so due to insufficient facilities and so forth.

We intend to continue improving services provided to customers. The Tour Assist Desk will serve as a source of information on Universal Tourism as we strive to share its expertise with the entire ANA Group.

### Number of ANA Hallo Tour Participants With Disabilities



#### EXPERT COMMENTARY

### ANA Group Services for Passengers with Disabilities

#### —The Challenge of Providing Services that Respect the Diversity of All Customers

**Sanae Uchiyama** Representative Director, UD Japan Co., Ltd.

Author of many publications, including co-author of *Why "Universal Events" Are Important Now* (Japan Event Produce Association edition, 2000)

**"I want to sit in a window seat, not an aisle seat, because I really enjoy looking at the ground from up in the air."** On a recent business trip I gave up my window seat to a colleague in a wheelchair who had this wish. It had been difficult to voice such seating preferences when traveling together with colleagues in wheelchairs. However, these days I am put at ease by the ANA Sky Assist Desk and have no problem stating such preferences.

**"There will be a lot of people who are hard of hearing on this trip."** When traveling with people who are hard of hearing, I let the airline know about it ahead of time. Many cabin attendants know sign language, which makes it easy for everyone to enjoy their flight.

I indicated to ANA that **many elderly people feel uncomfortable when they are treated differently**, and this resulted in ANA starting a study group to take a new look at services for senior citizens. I feel that ANA is truly flexible in providing services that satisfy customers. All companies think about the type of services that would be helpful to people with disabilities and senior citizens. However, in reality different people enjoy different kinds of services. I sense that ANA has added more services that offer this level of personalized, detailed attention. The challenge is to provide services that respect the diversity of all customers, without just going by the book. Services that people truly enjoy: This is where I would like to see even further improvement.



# Making Every Effort to Be Customer-Oriented

## Improvement Measures Based on Customer Feedback (General)

Feedback received from customers by our Customer Desk and suggestions from frontline staff members are compiled into reports, shared internally and put to good use. In this section, we provide an overview of reports prepared in fiscal 2008.

## Overview—Number of Customer Feedback Reports

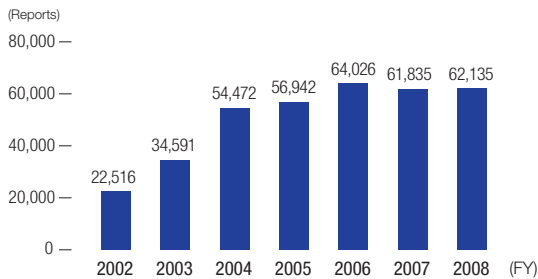


- In fiscal 2008, we prepared 62,135\* customer feedback reports, and this overall figure is about the same number as in the previous year.

\* Differs from the corresponding figure in the CSR Report (Booklet issued in June 2009) due to a change in the compiling method for customer feedback reports.

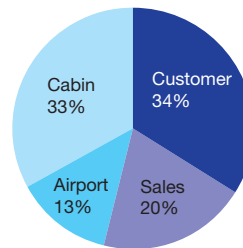
### Change in the Number of Customer Feedback Reports

(Total of Customer, cabin, airport, and sales reports)



### Breakdown of Fiscal 2008 Reports

(%)



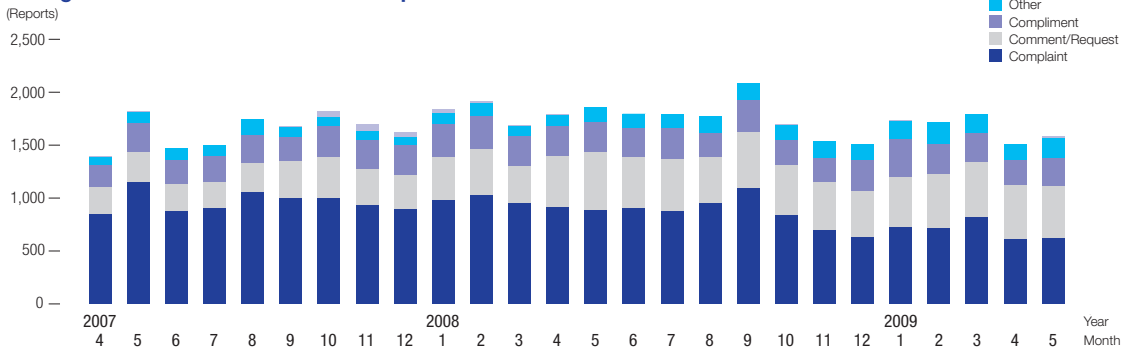
# Trends in Customer Reports

## Overview



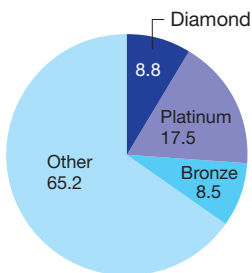
- The number of Customer Reports received by the Customer Desk was 21,074, an increase of 4% year on year.
- On a monthly basis, the first half of fiscal 2008 saw a higher number of reports than in the same period of the previous year, with a particularly large increase in reports in September, due to the inconvenience caused to customers by the malfunction of the passenger check-in system for domestic flights. On the other hand, the number of reports declined sharply from October to the end of 2008 partly due to a drop in the number of passengers.
- By type of feedback, complaints accounted for roughly half of the total, while comments/requests, and compliments accounted for 27.7% and 15.8%, respectively.

### Change in the Number of Customer Reports



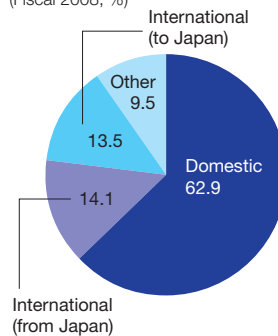
### Composition of Membership Type

(Fiscal 2008, %)



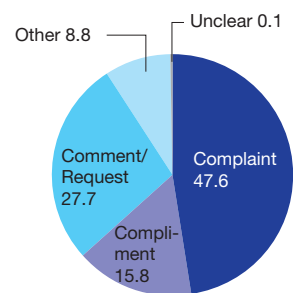
### Composition of Domestic/International Flights

(Fiscal 2008, %)



### Composition of Feedback Type

(Fiscal 2008, %)





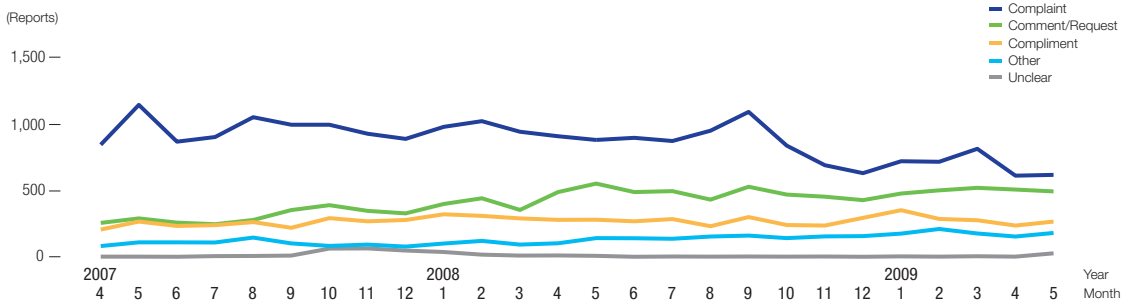
# Making Every Effort to Be Customer-Oriented

## Trends in Feedback Type

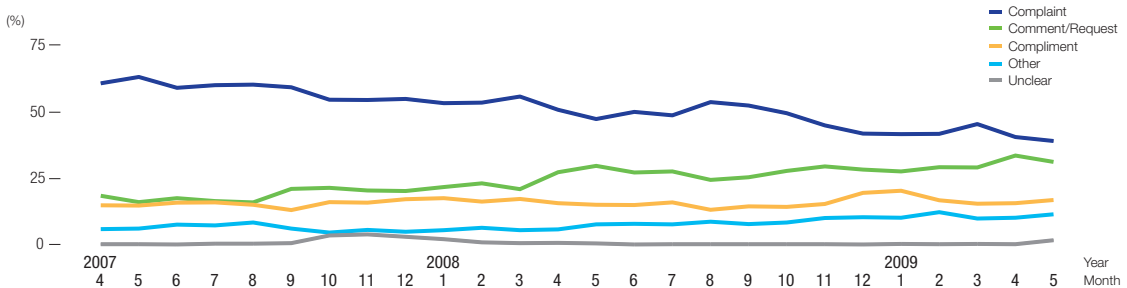


- There was a large increase in complaints due to the September 2008 malfunction of the passenger check-in system for domestic flights.
- In fiscal 2008, comment/request accounted for a large share of the total. This primarily reflected a large number of comments and requests accompanying the introduction of Premium Class in April 2008, and an increase in comments and requests related to fares such as fuel surcharges.

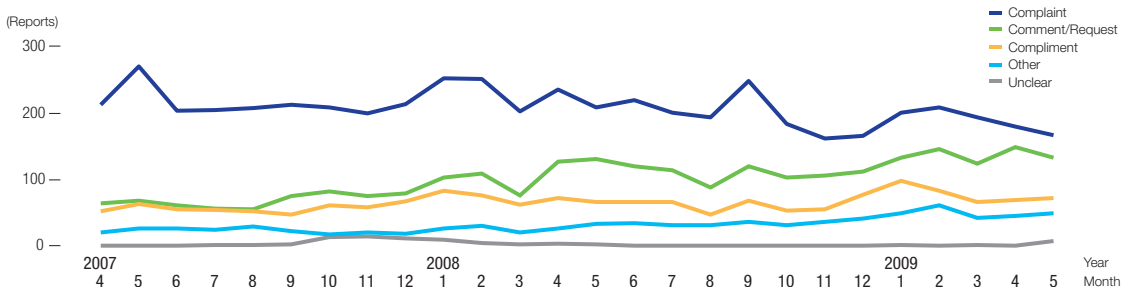
### Change in the Number of Reports by Feedback Type



### Change in Composition of Feedback Type



### Change in the Number of Reports per One Million Passengers (By Feedback Type)



## Trends in Report Topics

### Monthly Changes

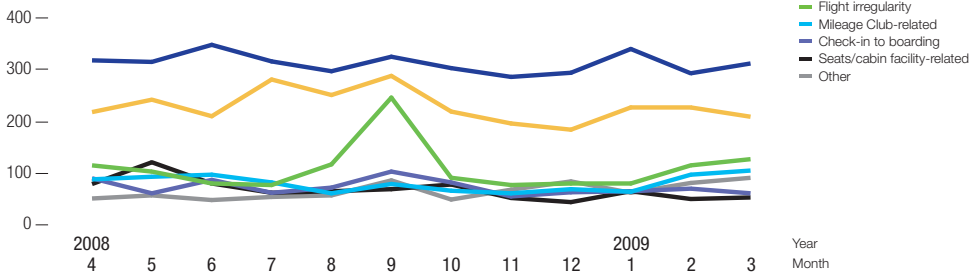


- In terms of report topic, cabin attendants and ticketing/check-in constantly accounted for some of the largest percentages of the total.
- In September 2008, there was a sharp increase in the number of reports related to flight irregularities due to the malfunction of the passenger check-in system for domestic flights.

### Change in the Number of Reports by Topic

(Top 7 Topics)

(Reports)



### Top 15 Topics

		Total for fiscal year (reports)
1	Cabin attendants	3,747
2	Ticketing/check-in	2,752
3	Flight irregularity	1,308
4	Mileage Club-related	962
5	Check-in to boarding	871
6	Seats/cabin facility-related	818
7	Other	788
8	In-flight meals & drinks	759

		Total for fiscal year (reports)
9	Checked luggage accident, loss	743
10	Cabin entertainment & equipment, in-flight sales	706
11	Fares/tickets	701
12	Lounge	575
13	Reservations center	573
14	Flight schedule	560
15	Sales promotions and advertising, etc.	557



# Making Every Effort to Be Customer-Oriented

## Examples of Improvements Based on Past Customer Feedback

### Customer Feedback: Domestic Route

#### “I want to fly at ease with my children.”

“I usually fly ANA when returning to my parent’s home. Because air travel shortens travel time, it is helpful especially on trips with my two-year-old toddler and infant. However, sometimes traveling with small children can be quite a challenge. Sometimes I’ve had to ask airline staff for help. What kinds of special services do you offer to customers with small children?” (Female, 35 years old)

### Improvements

#### We have prepared easy-to-understand guidebooks to ensure a comfortable flight for customers with small children.

We have prepared two guidebooks: “Flying With Infants Is Easy,” a guidebook on air travel with infants, and “Your Journey in the Sky Starts Here,” a guidebook for children. In “Flying With Infants Is Easy,” we share useful information for customers traveling with infants and provide details on airport and in-flight services. “Your Journey in the Sky Starts Here” is an entertaining educational guidebook for unaccompanied children. It explains the main points of air travel, from boarding preparations to arrival. We hope that customers find these guidebooks helpful on their next flight. We would also like to reassure customers that ANA provides a full range of assistance for small children traveling alone.

\* The guidebooks can be downloaded from the ANA Family *Rakunori* Service (ANA Easy Travel for Families) and ANA Kids *Rakunori* Service (ANA Easy Travel for Kids) sections of the ANA website (guidebooks in Japanese only). Copies of guidebooks (“Flying With Infants Is Easy” only) are also available by request at airports and during flights.

\* These guidebooks were prepared based on customer feedback and ANA Group employees who have experience traveling with infants.



Flying With Infants Is Easy  
(Baby To Sui Sui Sora No Tabi)



Your Journey in the Sky Starts Here  
(Oozora No Tabi Ga Hajjimaruyo)



ANA Easy Travel for Families  
ANA Easy Travel for Kids

<http://www.ana.co.jp/eng/dms/svc/airport/family/index.html>  
<http://www.ana.co.jp/eng/dms/svc/airport/kids/index.html>



Customer Feedback: Domestic Route

**“Please provide information about the scheduled arrival terminal at Fukuoka Airport on the flight status page of the ANA website.”**

“I fly into Fukuoka Airport quite often. However, no information on the scheduled arrival terminal at the airport is provided on the flight status page of the ANA website. If the car that picks me up is parked far away from my arrival terminal, I need to carry heavy luggage over a long distance. However, if I know the scheduled arrival terminal in advance, I can request that the parking lot closest to that terminal be used, making my trip much easier.” (Male, age unknown)

Improvements

**Information on scheduled arrival terminals at Fukuoka Airport is now available on the flight status page for domestic routes on the ANA website.**

We apologize for the inconvenience. From mid-October 2008, we have provided information on scheduled arrival terminals\* at Fukuoka Airport on the flight status page for domestic routes on the ANA website and on our mobile phone website. You can now verify your scheduled terminal of arrival in advance, in addition to your expected arrival time on the day of your flight. We hope this information may be useful when making arrangements to be picked up by clients or family members.

\* The scheduled arrival terminal is subject to change depending on flight status.

Customer Feedback

**“Please extend the business hours for the contact desk for Reservations for International Flights and ANA Mileage Club (AMC) Service Center.”**

“I called Reservations for International Flights shortly after 17:00 on a Saturday to change a reservation for a flight on the following day. However, an automated voice message told me that business hours had already ended. Could you please keep the contact desk open a little longer?” (Female, 45 years old)

Improvements

**“From October 2008, we have extended business hours for contact desks for Reservations for International Flights and ANA Mileage Club (AMC) Service Center.”**

We apologize for the inconvenience. Business hours for contact desks for Reservations for International Flights and AMC Service Center have been extended as shown to the right:

Center	Date	Previous business hours	Current business hours
Reservations and Inquiries for International Flights	Weekdays	8:00–19:00	8:00–19:00 (no change)
	Weekends and holidays	9:00–17:00	8:00–19:00
Inquiries Concerning AMC Services	Weekdays	9:30–17:00	9:00–19:00
	Saturdays	9:30–17:00	9:00–17:00



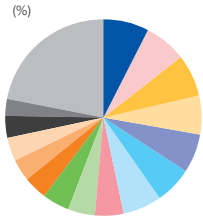
# Making Every Effort to Be Customer-Oriented

## Composition of Feedback Type (Fiscal 2008)



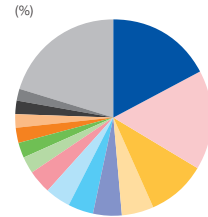
- Looking at the breakdown of each type of feedback, ticketing/check-in, cabin attendants and flight irregularities together accounted for more than 40% of all complaints.
- Comments/requests were relatively spread out over a range of topics.
- In terms of compliments, cabin attendants accounted for the majority, followed in order of highest share by ticketing/check-in and flight crew-related topics.

**Breakdown of Comments/Requests by Topic (Fiscal 2008)**

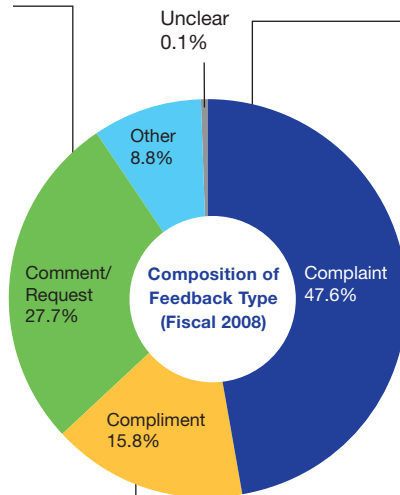


Flight schedule	7.6%
Ticketing/check-in	7.0%
Mileage Club-related	6.8%
Cabin entertainment & equipment, in-flight sales	6.6%
In-flight meals & drinks	6.3%
Seats/cabin facility-related	6.2%
Fares/tickets	6.2%
Cabin attendants	4.9%
Lounge	4.5%
Check-in to boarding	4.2%
Sales promotions and advertising, etc.	3.9%
Reservation methods other than telephone	3.8%
Other	3.8%
Flight irregularity	3.6%
Aircraft-related	2.7%
Other total	21.9%

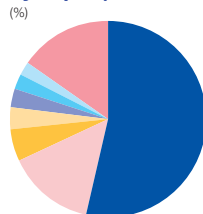
**Breakdown of Complaints by Topic (Fiscal 2008)**



Ticketing/check-in	17.5%
Cabin attendants	16.3%
Flight irregularity	9.8%
Check-in to boarding	5.1%
Mileage Club-related	4.8%
Reservations center	4.3%
Checked luggage accident, loss	4.2%
Seats/cabin facility-related	3.7%
Fares/tickets	2.8%
In-flight meals & drinks	2.6%
Airport security inspections	2.4%
Sales promotions and advertising, etc.	2.2%
Lounge	2.2%
Arrival area	2.0%
Other total	20.2%



**Breakdown of Compliments by Topic (Fiscal 2008)**



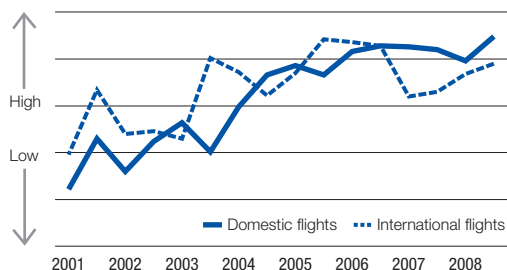
Cabin attendants	53.7%
Ticketing/check-in	14.3%
Flight crew-related	5.5%
Arrival area	3.5%
Check-in to boarding	3.0%
Reservations center	2.6%
In-flight meals & drinks	2.1%
Other total	15.2%

## Customer Satisfaction Index

The ANA Group conducts customer satisfaction surveys four times a year and monitors its customer satisfaction index (CSI) regularly. The results are thoroughly analyzed by the CS Promotion Division as well as by each division and department to improve various services. CSI has steadily improved since surveys were initiated.

The ANA Group remains committed to winning customers' hearts through continuing efforts to improve quality and achieve the highest possible customer satisfaction.

### CSI



## Enhancing CS Awareness

### ● Pay Slips: Delivering Customer Feedback to Employees

ANA has been printing customer compliments on the cover sheets of monthly pay slips since October 2004.

This practice, proposed by an employee, was initiated to raise everyday awareness of CS on the part of

employees. It is just one more step towards our brand vision of “offering dreams and experiences.”



ANA pay slip

## Customer Feedback

“In January 2009, I filed a complaint about the reservation system and verified that the issue had been resolved in the latter half of February. On a flight the other day, I came across something surprising as I was browsing through the inflight magazine. At first I thought I was reading about someone else who had been in the same situation as myself and had filed a similar complaint. However, in the “Making Every Effort to Be Customer-Oriented” section, one of the complaints ended by identifying the customer as a “37-year old male,” and judging by the content, I knew the complaint had to be mine.

What astonished me was the speed with which my complaint had been addressed, from the filing of the complaint in January to its publication in the March edition of *Tsubasa no Okoku* (ANA’s Japanese-language inflight magazine). I was over the moon, and was so ecstatic that I felt like showing the article off to everyone around me. Way to go ANA! There and then, I was glad to be a loyal ANA customer. Ever since, I try to show this inflight magazine article to everyone I meet, telling them that it is this speedy response to customers that makes ANA truly special.”

4

Employee Satisfaction



# Creating Energetic and Productive Work

Healthy and productive workplaces that value the skills and abilities of all employees are a powerful engine behind the growth of the ANA Group. In this section, we highlight how the ANA Group is working to promote a better work-life balance and develop human resources.

## Promoting a Better Work-Life Balance

### • Reconsidering How We Work

The environment faced by corporations, and people's values, are constantly changing in line with societal developments. Japan faces major issues stemming from not only the prevailing challenging business conditions, but also a shrinking workforce due to the country's aging population and declining birthrate. In this context, corporations are being called upon to enhance their competitiveness as they accept a more diverse range of working styles for employees irrespective of gender, age, or nationality. Each and every employee must take a new look at their own working style, while management must create conditions that inspire employees to pursue longer careers with the Company. The ANA Group believes that this approach will help to breathe new life into society, companies and individuals.



## Fiscal 2008 Initiatives and Results



Overtime hours reduced by approximately 6% year-on-year in all relevant divisions by streamlining work processes and rigorously managing working hours



Momentum for work-life balance created by holding a "Mom and Dad's Workplace Visit" day  
Seminars for employees on childcare leave held as a part of support for balancing job and childcare responsibilities

## • Three Priorities

In the ANA Group Mid-Term Corporate Strategy (April 2008 to March 2012), "human assets" are identified as the driving force behind the strategy. The ANA Group is proactively developing workplace conditions and corporate cultural practices that help all employees balance work and private life and allow them to focus on the kind of highly creative work that gives rise to innovation. We established and implemented three priorities for fiscal 2008: initiatives to address working hours, promotion of diverse working styles, and awareness-raising to promote a better work-life balance.

### Producing Better Results in Less Time

#### Initiatives to address working hours

- Bold overhaul and streamlining of work processes
- Rigorous management of working hours
- Employee review of their own working hours  
Awareness-raising to change working styles

### "Anshin, Attaka, Akaruku-Genki!" at Work and Home (in Private Life)

#### Promotion of diverse working styles

- Embrace both work and childcare/nursing care responsibilities with energy and enthusiasm  
Development and enhancement of childcare/nursing care programs
- Flexible working hours and locations  
Consideration of telecommuting

### Recommendations for Personnel With Energy and Enthusiasm

#### Awareness-raising to promote a better work-life balance

- Work-life balance seminars
- Creation of pamphlets



Started telecommuting trials in February 2009



Participated in the Work-Life Balance Promotion Project run by the Ministry of Health, Labour and Welfare of Japan, and promoted a better understanding of work-life balance by holding company seminars with outside instructors and creating and distributing pamphlets



# Creating Energetic and Productive Workplaces

## Human Resources Development Initiatives

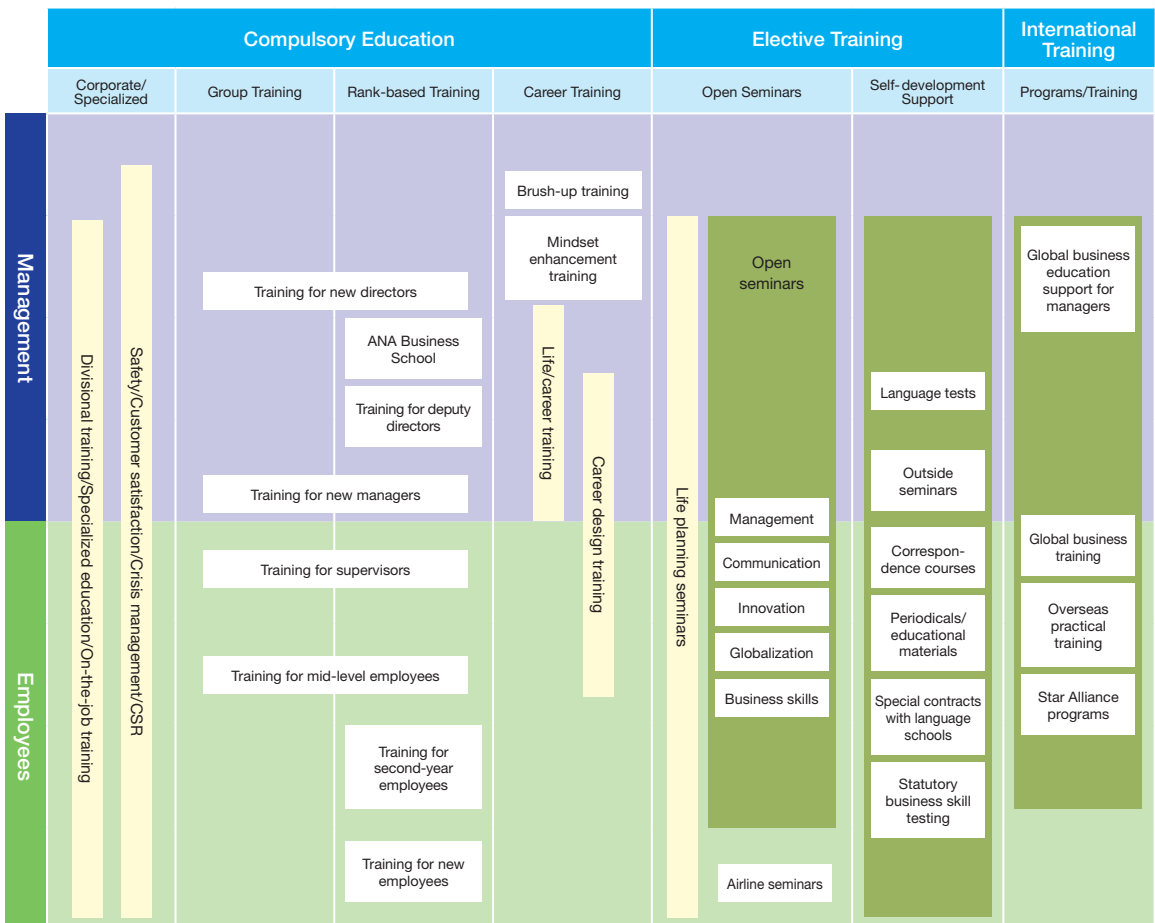
### • Human Assets Investment Strategy

In order to take full advantage of opportunities for business expansion and Group growth, including opportunities associated with increased flight slots at airports in the Tokyo metropolitan area, we have formulated the “Group Human Assets Investment Strategy for 30,000 Motivated Personnel Fiscal 2008–2011.” Under this strategy we will actively invest in the human assets who are the driving force behind growth. We will focus on safety, the Group, innovation and globalization and create programs for motivating employees, our human assets, and enabling them to fully demonstrate their abilities.

### Investing in Human Assets: (Because Our People are the Source of Our Value)

- Develop and reward people who can deliver safety and operational performance
- Unleash the combined strength of the Group
- Create innovation by establishing a diverse workforce and diverse ways of working
- Nurture the people we need to support the globalization of our business and contribute to international society

## ANA Human Resources Development System



### • Diverse Human Resources Development Programs

When each and every employee of the ANA Group grows and develops in an autonomous, positive way, it leads to major innovation. ANA JINZAI (Human Assets) University provides a diverse array of programs to further motivate employees and facilitate their individual growth, in coordination with existing education and training departments.

In fiscal 2008 at ANA JINZAI University, the Career Assistance Department held rank-based training, open seminars for self-improvement, correspondence courses and age-based career training; the Team Education Department held leadership and management training for mid-level employees and supervisors in the ANA Group; and the “*Iki Iki*”<sup>\*</sup> Human Assets Department offered Zen meditation training and adventure courses to help employees cultivate empathy and other people skills. Many ANA Group employees participated in these course offerings.

ANA JINZAI University will continue providing equal opportunities for growth to all employees based on the

notion that qualitatively strengthening human resources through individual growth improves work quality and reinforces the values of the ANA Group.

<sup>\*</sup> “*Iki Iki*” is a Japanese word that connotes energy, motivation and well-being.

### • Career Support for Women

ANA introduces motivated female employees to role models within the ANA Group and provides the kind of support that helps women thrive on the job. The ANA Group is committed to offering training courses and forums to assist female employees in their careers and an environment that enables women to make the most of their individual skills and attributes.



Women's Career Advancement Seminar



#### EXPERT COMMENTARY

### Individuals must balance work and life in their own way

**Hiroki Sato**

Professor, Institute of Social Science, The University of Tokyo  
Chairman, Work-Life Balance Promotion Committee, Ministry of Health, Labour and Welfare

Looking at support for work-life balance at various companies, quite a few initiatives tend to be based on a misunderstanding. Companies tend to think that they are supporting work-life balance for employees when they target specific classes of employees, such as married women, or institute programs like childcare leave. However, the ANA Group's initiatives are appropriate. I applaud the Group for putting top priority on initiatives to lay a strong foundation for supporting a better work-life balance for all employees. These initiatives includes the Group's efforts to foster a workplace culture that is accepting of diverse working styles and the overhaul of job and time management practices to boost hourly productivity.

Looking ahead, I think it will be important to supplement corporate support for work-life balance with initiatives for helping each person realize his or her own desired work-life balance. Everyone needs to think about what kind of life they would like to lead, which includes both work and life outside of work, and take the necessary actions to realize that life. This involves seeking the work-life balance you want by trying to work energetically, for example, in order to spend more time with your family or have time for your own pursuits. Developing conditions that help employees to attain a better work-life balance may be the role of companies and their management, but realizing a desirable work-life balance is the responsibility of each and every employee.





# Creating Energetic and Productive Workplaces

## Detailed Reporting

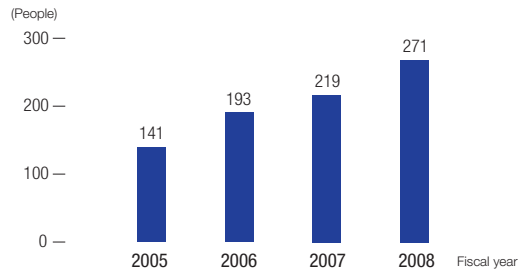
### ● Helping Employees to Balance Work and Home Life

At ANA, employees can take childcare leave immediately after becoming pregnant, and in April 2008 we expanded our reduced working hours program and childcare leave (three days per month) to include employees with children up to the third grade in elementary school. Additionally, we have been fostering a corporate culture that makes it easy for employees to utilize these programs. To this end, we have been fostering a corporate culture that makes it easy for employees to utilize these programs. To this end, we have been offering a Childcare Leave Seminar for employees on pregnancy or childcare leave and providing information on work-life balance on an internal website, among other measures. A program to help cabin attendants called “Kagayaki (Shining) Support” was also introduced. The program allows cabin attendants to relocate if their spouse is transferred to a different region of the country. Also, in order to meet diversifying needs with regard to working styles, we introduced a program that

allows cabin attendants the option of partial employment, in which they may freely select their own working hours.

We are also striving to enhance our nursing care programs. In April 2008, we expanded the number of special leave days that can be accumulated and used for nursing care and other purposes to 120 days. Nine employees took advantage of the nursing care leave program in fiscal 2008.

### Number of Employees on Pregnancy or Child Care Leave



## “Mom and Dad’s Workplace Visit” Day (ANA Kids’ Day)

The ANA Shiodome Headquarters holds the “Mom and Dad’s Workplace Visit” day (ANA Kids’ day) every year as part of its cooperation with the Family Day and Family Week initiatives of the Japanese government and Nippon Keidanren (Japan Business Federation), as well as a concrete measure to promote a better work-life balance. Children of ANA Group employees are invited to the ANA Shiodome Headquarters to observe the workplaces of their mother or father, and actually experience what their parents’ work is like. The goal is to broaden the scope of parent-child conversations at home, and for participants to meet the families of their colleagues at work, in order to foster a culture of respect for one another’s work-life balance and to raise awareness of this issue.



Exchanging business cards at “Mom and Dad’s Workplace Visit” day



### Next-Generation Development Support Certification Mark (“Kurumin”)

In August 2009, ANA was certified by the Japanese Ministry of Health, Labour and Welfare as “a company that actively provides support for the development of the next generation” based on the Law Concerning the Promotion of Measures for Supporting Next-Generation Development.

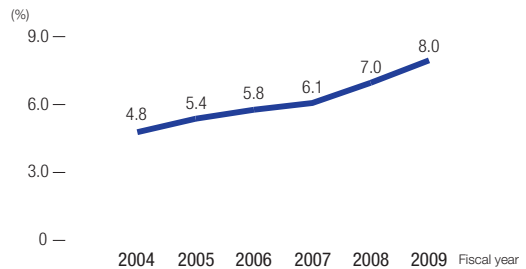
### ● Support for Women to Succeed at ANA

The ANA Group has a large female workforce, including cabin attendants and airport passenger service staff as well as other positions. Female employees make up approximately 45% of the ANA Group and over 50% of ANA itself. We are actively hiring women for career-track administrative and maintenance positions and flight crews. Out of all the new graduates who accepted offers in fiscal 2008 for career-track administrative positions at ANA, over 40% were women. ANA is also working to further increase the percentage of women in management positions. In fact, ANA was the first company in Japan's airline industry to appoint a woman to an executive position.

We are also striving to further enhance women's career assistance and performance promotion initiatives. In fiscal

2008 we started a service that introduces female employees to role models on our internal website in order to further enhance their enthusiasm for work at ANA. A career discovery seminar was also held to help female employees discover the type of career that would suit them best.

### Female Managers at ANA



### ● Support for Elderly Employees

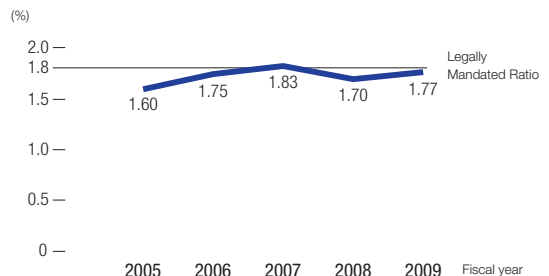
An employment extension system has been implemented to further raise the quality of the ANA Group by leveraging the high level of skill and extensive knowledge of elderly employees. The system also addresses progressive

increases in the age when public pension payments begin. We have established mechanisms that allow employees to work until they are 65. After turning 60, employees can either work full time or on a part-time basis (fewer days or shorter hours).

### ● Greater Employment of People With Disabilities

ANA Wing Fellows was established in 1993, the first special subsidiary of its kind in the airline industry. The Company promotes work opportunities for people with disabilities and strives to create conditions that enable them to do their jobs comfortably. For example, it has established barrier-free office space in Haneda Airport. People with disabilities made up 1.77% of our workforce in 2009 (166 people). We intend to take steps to ensure that even more people are able to perform to their full potential at the Company and to restore the level of employment of people with disabilities to the legally mandated ratio of 1.8%.

### Employment of People With Disabilities at ANA



\* Total of ANA and ANA Wing Fellows



# Creating Energetic and Productive Workplaces

## ● Fostering a Supportive Corporate Culture Through Recognition of Achievements

In fiscal 2007, the ANA Group established the ANA Group President's Award in order to give concrete form to the ANA character and foster a corporate culture brimming with originality and creativity. Furthermore, in fiscal 2008, the "Wow!" Award was created to recognize employees and worksites that inspire their colleagues through original ideas that are not bound by existing systems and values.

## ● Internship Program

ANA's internship program provides opportunities for students to understand what it feels like to work through actual experience working in airport services. We intend to enhance such opportunities in the future.

## ● Respect for Human Rights

ANA has a basic policy of endeavoring to help solve human rights issues that exist in society together with the public. The Human Rights Awareness Room in ANA's Personnel Department has dedicated staff who develop plans for raising human rights awareness. At the same time, ANA provides ongoing support for CSR Promotion Leaders in each business office.



Staff members of International Airport Utility Co., Ltd. were recognized for planning and organizing "Family Workplace Visit" Day



Members of the Education & Training Department of the Engineering & Maintenance Division were recognized for developing an innovative education and training system.

## ● Communication With Employees to Raise Employee Satisfaction

The employee satisfaction survey for fiscal 2008 had a response rate of 92%, with the participation of some 26,000 employees from 54 Group companies. ANA will continue to create working environments in which employees can find satisfaction in their work, enabling their warm and enthusiastic spirit to increase corporate growth and customer satisfaction.

## ● ANA Virtual Hollywood

ANA Virtual Hollywood is a program in which employees propose and execute projects that capture the hearts of customers, just as film directors produce Hollywood movies that have the power to enthrall the masses.

All ANA Group employees are welcome to freely propose a project irrespective of their line of work. Volunteers who are willing to help with the project are then assembled into a project team. The project team then begins the planning and preparations needed to execute the project independently.

So far, a wide range of proposals have already evolved into projects. Examples include the ANA Group Safety Education Center, Marathon on a Runway, SNS\* for Retired Female Employees and a Volunteer Group.

ANA Virtual Hollywood has provided additional benefits besides the projects themselves. The program has not only nurtured and identified human resources, but has also raised group cohesiveness, encouraged open communication, and fostered a corporate culture determined to realize the Group's corporate vision for driving innovation to become Asia's number one airline.

By fiscal 2008, a total of approximately 500 employees had participated in ANA Virtual Hollywood since the program began in fiscal 2004.

\* Social Networking Service

## Direct Dialogue With Top Management

The ANA Group proactively creates opportunities for frontline employees to directly discuss issues with top management. The Group's executives talk directly with employees in their own words about business conditions and the ANA Group's objectives, while employees directly convey to top management the status of their worksites and any unresolved issues. This initiative seeks to bridge the gap between management and frontline employees through dialogue.



Hagi-Iwami Airport National Marathon Race



ANA Virtual Hollywood's Fiscal 2008 "Directors"



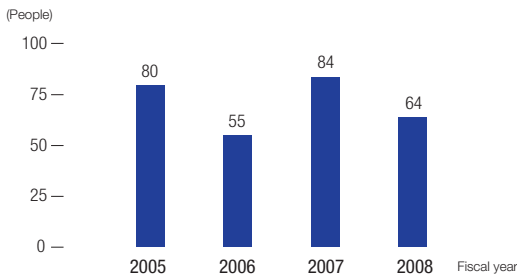
# Creating Energetic and Productive Workplaces

## ● Safety and Health Initiatives

Recognizing that employee safety and health and pleasant working conditions constitute the foundation of corporate activities, our business offices independently carry out initiatives through their health and safety committees, which have been established at offices nationwide. The ANA Group believes it is important to raise the awareness of employees, and for employees to correspondingly

modify their behavior, in order to help prevent lifestyle-related diseases and maintain good mental health. We diligently work to these ends by developing programs for improving employee health, including seminars, walk-athons and lectures on health held around the country.

### Work-Related Accidents at ANA



### ANA Group Occupational Safety and Health Policies

The ANA Group enhances employee value by improving and maintaining occupational safety and health. This is accomplished through:

1. Accident prevention programs and those encouraging employees' mental and physical health;
2. Various measures and management systems (PDCA cycle) aimed at improving safety and health;
3. The observance of laws and regulations and implementation of activities raising employee awareness of occupational safety and health.

## ● ANA Welfare Plan—A Program for Motivation and Fulfillment

The ANA Welfare Plan has been established to help provide motivation and a sense of fulfillment to every employee at each stage of their careers, from recruitment to post-retirement. The program offers employees

the choice of a scheme best suited to their particular lifestyle covering six different categories: health, finances, insurance, lifestyle support, leisure support and post-retirement.

## ● Labor Relations

The ANA Group's business depends on collaboration by many people in diverse positions. Communication among employees and worksites, and between labor and management, is of critical importance to the proper functioning of our business.

It is also essential that working conditions at ANA bring out the best in employees, because a highly motivated, skilled workforce constitutes the foundation of business operations. Mindful of these factors, we strive to maintain mutual trust and cooperation through extensive discussion and dialogue between labor and management. At the same time, we strive to contribute widely to society by fulfilling the ANA Group's mission of ensuring safety while improving customer service and overall quality.





### ● The Okazaki Kaheita International Scholarship Foundation—Building Up People in Asian Countries

The Okazaki Kaheita International Scholarship Foundation was established in 1990 for the purpose of building up people in Asian countries, in line with the will of Kaheita Okazaki, ANA's second president. Every year the Foundation awards scholarships for international students from China, the Philippines, Vietnam, Malaysia, Indonesia, Thailand and Myanmar to study abroad in Japan, and offers support for graduate studies.

The Foundation has helped a total of 85 international students further their education. Many graduates of the scholarship program are pursuing careers in their home countries as teachers, civil servants or private-sector employees, while some are continuing their studies in Japan. In these ways, the Foundation is helping to build up people who are contributing to the development of their home countries while strengthening ties with Japan.



International students from Asian countries plant a commemorative tree.

### ● Maintenance Facility Tours at the Airframe Maintenance Center

ANA offers free maintenance facility tours for the general public at its Airframe Maintenance Center. The tours attract a wide range of participants, from students on school trips to families. With nearly 50,000 visitors participating every year, the total number of visitors had topped 500,000 as of April 2009.

[Web](http://www.ana.co.jp/cp/kengaku) <http://www.ana.co.jp/cp/kengaku>  
(Website currently available in Japanese only)



# Communication With Shareholders and Investors

As of March 31, 2009, ANA has issued approximately 2 billion shares, which are held by approximately 290,000 shareholders.

Providing returns to these shareholders is an important task of management. We distribute earnings properly based on our operating environment and performance, and aim to raise shareholder value by building a business structure capable of steady profits in any business environment.

## Communication With Individual Shareholders and Investors

We actively communicate with individual shareholders and investors, who account for over 40% of all our shareholders.

### ● General Shareholders Meeting

Our ordinary general meeting of shareholders is an important opportunity for direct communication with shareholders and other investors, and we use this opportunity to listen carefully to the views of even more shareholders. There were 3,230 shareholders in attendance at the meeting in 2009, where we received many comments and questions.

### ● Briefings for Individual Investors

We held briefings for individual investors where we outlined our businesses and explained in detail our corporate plans. We also answered many questions from individual shareholders and investors in attendance.

### ● Shareholder Benefits

We provide various shareholder benefits from Group companies, including special discounts on domestic flights, to encourage shareholders to make use of services offered by the ANA Group.

## Communication With Institutional Investors

### ● IR Activities in Japan and Overseas

In Japan, after announcing each quarter's financial results, we hold meetings and conference calls with research analysts and institutional investors.

In addition, ANA supplements earnings presentations in various ways. For example, the director in charge of investor relations and members of the IR Promotion Office visit various domestic institutional investors and actively take part in domestic IR conferences.

Overseas, we visit major investors in Europe, the United States and Asia to help increase their understanding of ANA's businesses. In addition, we actively participate in overseas conferences hosted by securities companies.

## Prompt and Accurate Disclosure of Management Information

### ● Website

ANA posts important management information on its corporate website as soon as it is released. We are also working to further speed up disclosure of financial information. Our corporate website also provides materials used at earnings presentations, a Q&A section, and video footage of presentations given by senior management.

 <http://www.ana.co.jp/eng/aboutana/corporate/ir>

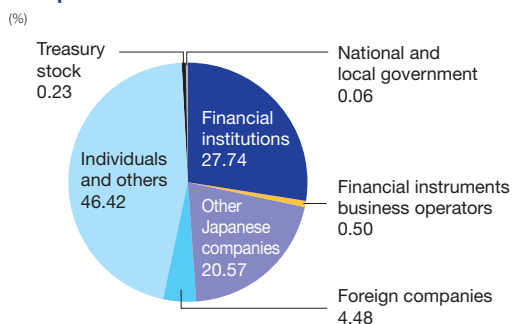
### ● Publications

ANA publishes a booklet called ANA VISION for its individual shareholders on a quarterly basis. Our annual report and fact book are published every year in English and Japanese in order to clearly explain our financial results, businesses and management strategies to investors around the world.

### ● ANA Ranked No. 2 in Fiscal 2008 Awards for Excellence in Corporate Disclosure

ANA was ranked No. 2 in the transportation sector of the Fiscal 2008 Awards for Excellence in Corporate Disclosure organized by the Securities Analysts Association of Japan.

### Composition of Shareholders



Annual Report 2009

# Relationships With Business Partners

Based on the ANA Group Code of Conduct, the ANA Group practices fair trade in full compliance with related legislation. We also work to create new value in cooperation with our business partners.

## ANA Group Purchasing/Transaction Guidelines

Many of our air transportation services and products depend on services, and equipment, materials and supplies—from aircraft and jet fuel to office equipment and cabin supplies—provided by business partners. Our

relationship with these partners fulfills our corporate social responsibility based on guidelines set forth under the ANA Group Purchasing/Transaction Guidelines.

### ANA Group Purchasing/Transaction Guidelines

#### Basic Policies for Purchasing/Transactions

1. In terms of purchase transactions, we shall fairly select and purchase the best goods and services based on economic rationality.
2. Our purchase transactions shall be open to suppliers worldwide, shall be fair and transparent, and shall be conducted according to procedures that are simple and easy to understand.
3. For all purchase transactions we shall observe the Group Code of Conduct, follow corporate ethics, fully comply with relevant laws and regulations, show consideration for resource conservation, environmental preservation and human rights, and ensure that our business partners understand these guidelines.

# Corporate Outline

## Company name

All Nippon Airways Co., Ltd.

## President & CEO

Shinichiro Ito

## Date of establishment

December 27, 1952

## Address

Shiodome City Center, 1-5-2  
Higashi-Shimbashi, Minato-ku  
Tokyo 105-7133, Japan

## Website URL

<http://www.anaskyweb.com>

## Paid-in capital

¥160.001 billion

## Number of employees

(as of March 31, 2009)

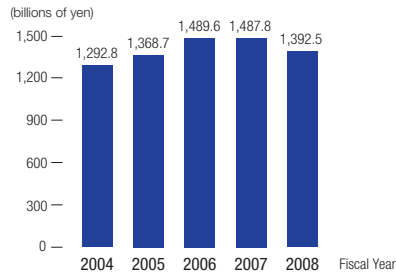
33,045 (ANA Group)

## Fleet

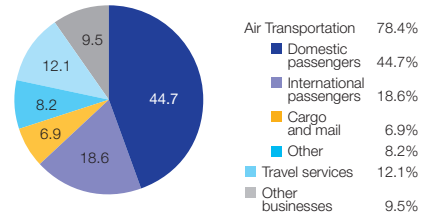
(as of April 30, 2009)

Boeing 747-400	14
Boeing 777-300	20
Boeing 777-200	23
Boeing 767-300	62
Boeing 737-800	4
Boeing 737-700	18
Boeing 737-500	21
Airbus A320-200	29
Bombardier DHC-8-400	14
Bombardier DHC-8-300	5
Total	210

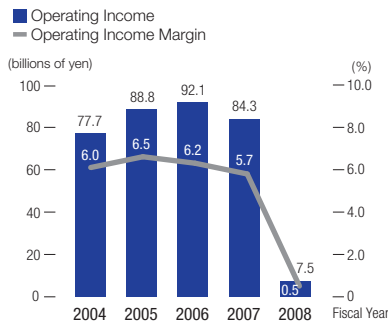
## Operating Revenues



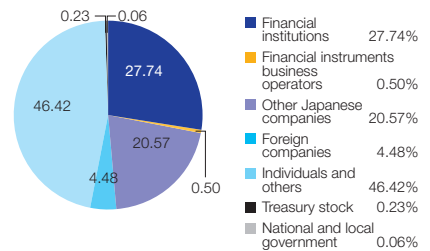
## Segment Revenues/Percentage of Total Operating Revenue



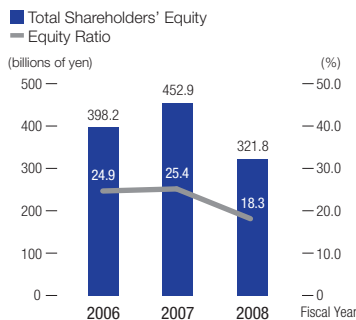
## Operating Income/ Operating Income Margin



## Composition of Shareholders



## Total Shareholders' Equity/Equity Ratio



## Domestic Network (As of May 2009)

Number of cities served:	51
Number of routes:	114
Number of flights:	754 per day

## International Network (As of May 2009)

Number of cities served:	26
Number of routes:	45
Number of flights:	688 per week

\*Number of flights is calculated assuming one single-trip to be one flight. Code-sharing flights are excluded.

# External Reviews

## Inclusion in Socially Responsible Investment (SRI) Indexes

ANA continues to be selected for inclusion in the FTSE4Good Index, an internationally recognized SRI index. For inclusion, companies must meet evaluation criteria in the following areas: environmental conservation activities, support of human rights, positive relationships with stakeholders, and prevention of corrupt practices such as bribery. In addition, ANA is included in other major indexes such as Storebrand's "Best in Class" status, Morningstar's SRI Index "MS-SRI" and the Dow Jones Sustainability Asia Pacific Index.

### Participation in the UN Global Compact

In May 2008, the ANA Group signed the United Nations Global Compact, which calls for companies to observe 10 principles in the areas of human rights, labor, the environment and anticorruption. Going forward, the ANA Group will make the most of its participation in the United Nations Global Compact by taking the initiative to conduct business activities as a good corporate citizen.



FTSE4Good

**BEST IN CLASS**  
environmental and  
social performance  
STOREBRAND SRI



**Dow Jones  
Sustainability Indexes**  
Member 2008/09



<http://www.anaskyweb.com>

**ALL NIPPON AIRWAYS CO., LTD.**

Shiodome City Center, 1-5-2 Higashi-Shimbashi, Minato-ku,  
Tokyo 105-7133, Japan

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**Contact for CSR issues**

Risk Management & Compliance, CSR Promotion  
E-mail: [csr@ana.co.jp](mailto:csr@ana.co.jp)

**Contact for environmental issues**

Environmental & Social Affairs, CSR Promotion  
E-mail: [kankyou@ana.co.jp](mailto:kankyou@ana.co.jp)

