

Restart NRT

FY2022-FY2024
NAA Group Mid-Term
Management Plan



Narita International Airport Corporation
May 27, 2022

Contents

0

Introduction

1

Summary review of our Previous Mid- to Long-term Management Plan (2018-2021)

2

Recognition of the Business Environment Surrounding Narita Airport

3

Overview and Projected Contributions of our New Mid-term Management Plan

4-1

New Management Plan "Restart NRT":
1) Action themes for reinforcing our business foundation

4-2

New Management Plan "Restart NRT":
2) Action themes for creating new values and transforming our business

5

Key Management Targets

Contents

0

Introduction

1

Summary review of our Previous Mid- to Long-term Management Plan (2018-2021)

2

Recognition of the Business Environment Surrounding Narita Airport

3

Overview and Projected Contributions of our New Mid-term Management Plan

4-1

New Management Plan "Restart NRT":
1) Action themes for reinforcing our business foundation

4-2

New Management Plan "Restart NRT":
2) Action themes for creating new values and transforming our business

5

Key Management Targets

Introduction

In Japan, an island nation surrounded by four seas, the airline and airport industry has greatly contributed to industrial development on the basis of global flows of people and goods.

Then, unexpectedly, the COVID-19 pandemic that broke out in 2020 closed doors to transnational interaction and caused significant changes to the state of society and economy.

While continuing to play an essential role within the social infrastructure for maintaining logistic networks, the airline and airport industry faced the unprecedented situation of the flow of people being impeded, and sustained tremendous damage.

However, we at NAA believe that because of such static circumstances, the value of inspiring our five senses through traveling across borders is being re-evaluated;

A new encounter at a travel destination, indulging your body and soul amidst the ambient smell of a foreign country, and savoring a dish that you have never tasted.

The feeling of trust deepened by visiting meeting venues abroad and building rapport through face-to-face interaction with a new business partner.

We believe in the values of such fundamental joy that can be experienced with the five senses, and are making preparations steadily toward the resumption of safe and comfortable flows of people and goods, together with further development of global flight service networks.

Meanwhile, as the business environment surrounding our company has been undergoing rapid changes, in addition to the situation of COVID-19, we take it as our responsibility to build a resilient organization and system that can identify and respond to the mid- to long-term challenges that emerge in the environment.

Being aware of these challenges, we have reviewed our group's airport management policy and formulated a new mid-term management plan titled "Restart NRT" with a view to maximizing the values we will create for our stakeholders.

Our corporate group members will stand united and strive to work together to achieve our new mid-term management plan.



Contents

0

Introduction

1

Summary review of our Previous Mid- to Long-term Management Plan (2018-2021)

2

Recognition of the Business Environment Surrounding Narita Airport

3

Overview and Projected Contributions of our New Mid-term Management Plan

4-1

New Management Plan "Restart NRT":
1) Action themes for reinforcing our business foundation

4-2

New Management Plan "Restart NRT":
2) Action themes for creating new values and transforming our business




5

Key Management Targets

Summary of our Previous Mid-to Long-term Management Plan (2018-2021) (1/2)

We implemented initiatives to achieve mid- to long-term growth while taking immediate counter measures thoroughly against the unprecedented impact and challenges of the COVID-19 pandemic.

The figures in parentheses indicate the percent changes from FY2018.

	FY2018	FY2021 (targets set under the previous management plan)
Number of aircraft movements	257,000 flights	275,000 flights (+7%)
Number of passengers	43.18 million persons	46.50 million persons (+8%)
Volume of international air cargo	2.13 million tonnes	2.15 million tonnes (+1%)
Consolidated operating income	JPY 55.8 billion	JPY 44.0 billion (-21%)
Strategy/ policy	<div>  <p>Tackling the intensifying competition among airports</p> </div> <div>  <p>Commitment to "Customer First"</p> </div> <div>  <p>Digital innovation</p> </div>	

Actual results in the COVID-19 pandemic

FY2021

138,000 flights
(-46%)

6.47 million persons
(-85%)

2.61 million tonnes
(+23%)

- JPY 49.5 billion
(—%)

- Failed to accomplish the targets except for the cargo volume due to the sharp drop in air service demand.
- Implemented thorough infection control measures and initiatives to minimize the impact of the demand decline through cost reduction (see the next page for details).
- Promoted growth initiatives from a mid-to long-term perspective (see the next page for details).

Summary of our Previous Mid-to Long-term Management Plan (2018-2021) (2/2)

We implemented various initiatives, from thorough infection control measures to promotion of growth initiatives from a mid- to long-term perspective.

1 Thorough infection control measures



Thorough infection control measures



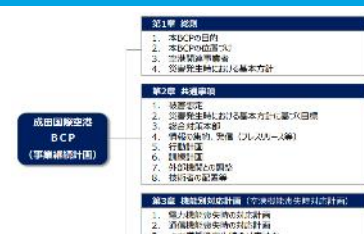
Open the NRT PCR Testing Center

2 Support to minimize the impact of demand decline



Maximize cost reduction and curb capital investment

3 Promotion of growth initiatives from a mid-to long-term perspective



Formulate Narita International Airport BCP



Change restrictions on night flights on Runway A



Obtain permission for alteration under the Civil Aeronautics Act to establish a new runway



Workplace vaccination



Acquire CEIV Pharma



Support airlines and tenants in continuing business through postponement of payment, reduction and waiver of charges and rents.



Expand Terminal 3 (7.5→9.0→15 million persons)



Formulate Sustainable NRT 2050



Launch the use of Face Express, a boarding system using facial recognition technology



Contribution to the success of Tokyo 2020



Open the Narita JOB Port, a support center for airport workers



Launch operation of the New Ulaanbaatar International Airport in Mongolia



Open the Narita Anime Deck



Introduce smart security

Contents

0

Introduction

1

Summary review of our Previous Mid- to Long-term Management Plan (2018-2021)

2

Recognition of the Business Environment Surrounding Narita Airport

3

Overview and Projected Contributions of our New Mid-term Management Plan

4-1

New Management Plan "Restart NRT":
1) Action themes for reinforcing our business foundation

4-2

New Management Plan "Restart NRT":
2) Action themes for creating new values and transforming our business

5

Key Management Targets

Recognition of Business Environment Surrounding Narita Airport

In order to respond to the drastic changes in the environment that are expected in the future other than COVID-19, fundamental management reform is necessary.

Important changes in the environment for the NAA Group

1 Changes in Asia's economic landscape



- Continuation of population decline in Japan
- Stable economic growth in Asian countries

2 Progress in digitalization



- Progress in digitalization of the whole society
- Acceleration of social implementation of AI and IoT

3 Changes in the airline and airport industry



- Intensifying competition among airports in Asia
- Diversifying airline business models

4 Rising momentum for sustainability



- Intensifying climate change due to global warming
- Further dissemination of SDGs in society
- Progress in the work-style reform and health and productivity management

5 Increase in global risks



- Increase in natural disaster and infectious disease risks
- Increasingly unstable international situation

Meaning to the NAA Group

Importance of making a **shift to Asia**, where continued growth is expected, and **enhancing airport functions** to capture demand

Possibility of obtaining **opportunities to create new values** through **the promotion of digitalization** in Narita Airport in whole

Necessity of **co-creation with diverse airlines** and possibility of **maximizing the value of passenger experience** through co-creation

Promotion of sustainability in the airport as a whole and the surrounding areas through cooperation and coordination with stakeholders as essential initiatives

Urgent need to **increase resilience of management** against growing fluctuation risks of demand of for airline services

Key future visions for 2030

Aim to achieve Creation, Sustainability, and Resilience as the key future visions for 2030

Meaning to the NAA Group

Importance of making a **shift to Asia**, where continued growth is expected, and **enhancing airport functions** to capture demand

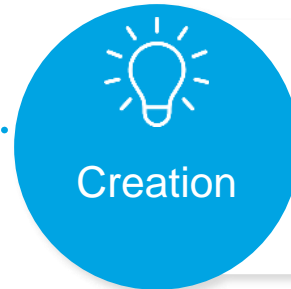
Possibility of obtaining **opportunities to create new values** through **the promotion of digitalization** in Narita Airport in whole

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Urgent need to **increase resilience of management** against growing fluctuation risks of demand of for airline services

What the NAA Group envisions to be like in 2030



Evolution from "demand-meeting airport" to "value-creating airport"

- World's highest standards in safety, security, and stability
- Proactive approach to capture demand by enhancing networks and airport functions
- Improvement of value through next-generation passenger experience



Sustainable airport building for the next generation

- Sustainable development of local communities through proactive contribution
- Sustainable employment creation by increasing employee satisfaction of airport workers
- Climate change response at the top level in Asia



Reform to become a flexible and resilient corporate group

- Constitutional improvement through fundamental cost structure reforms and operational reforms
- Diversification of income sources by developing overseas business and group business
- Creation of innovation through customer-oriented, open-innovation approach

Creation and delivery of new values for our stakeholders

Create and deliver new values for all of our stakeholders through pursuing the Key Future Visions for 2030.



- For our Society
Contribution to enhancement of Japan's presence on a **global** level
- For our Local communities
Growth engine for community development
- For our Passengers
Special experience responsive to changes and diversity
- For our Airlines
Partners for **value creation**
- For our Airport workers and airport service providers
Working and living environments where people can continue to work with peace of mind
- For NAA group employees
Support for individual employees in **taking on challenges and growing**
- For the Government and our investors
Acceleration of the contribution to the national interest that **only an airport can make**

Contents

0

Introduction

1

Summary review of our Previous Mid- to Long-term Management Plan (2018-2021)

2

Recognition of the Business Environment Surrounding Narita Airport

3

Overview and Projected Contributions of our New Mid-term Management Plan

4-1

New Management Plan "Restart NRT":
1) Action themes for reinforcing our business foundation

4-2

New Management Plan "Restart NRT":
2) Action themes for creating new values and transforming our business

5

Key Management Targets

Overview of the New Mid-term Management Plan

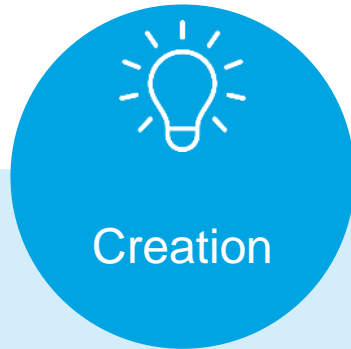
Under the New Management Plan, we will work on 12 themes, of which three are related to the reinforcement of our business foundation and nine are related to new value creation and business transformation.

Action themes for reinforcement of our business foundation:

Achieve results by FY2024, thereby accomplishing financial KPI (details presented later)

Action themes for value creation and business transformation:

Work on these themes from a mid-to long-term perspective, aiming to achieve results by FY2030



Creation

1. Quick response to capture the post-pandemic to demand

2. Pursue the world's highest standards in safety, security and stability
3. Strengthen networks (for passengers and cargo) through co-creation of new values with partners
4. Enhance airport functions to meet the growing demand
5. Create and deliver a next-generation passenger experience that only Narita Airport can provide



Sustainability

6. Sustainable development of local communities through our proactive contribution
7. Improve employee satisfaction in both their working and living environments
8. Be among the top runners in Asia for Climate change response



Resilience

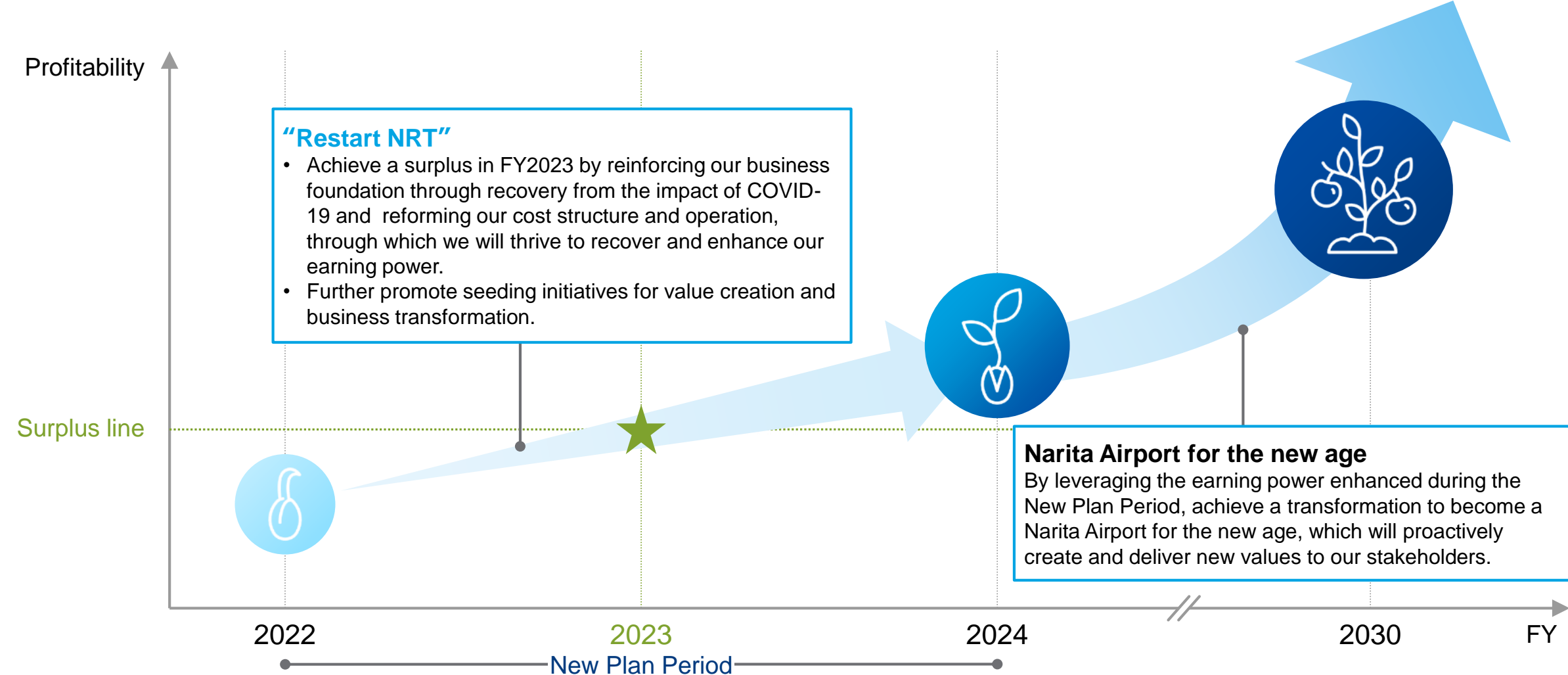
9. Cost structure reforms to improve efficiency and flexibility against market changes

10. Operational reforms to maximize value creation

11. Develop overseas business and group business for diversification of income
12. Promote innovation through a customer-oriented, open-innovation approach

Projected Contributions of our New Mid-term Management Plan

Reinforce the foundation during the New Plan Period and achieve a surplus in FY2023. Further promote seeding initiatives for new value creation and business transformation to boost our mid- to long-term growth.



Contents

0

Introduction

1

Summary review of our Previous Mid- to Long-term Management Plan (2018-2021)

2

Recognition of the Business Environment Surrounding Narita Airport

3

Overview and Projected Contributions of our New Mid-term Management Plan

4-1

New Management Plan "Restart NRT":
1) Action themes for reinforcing our business foundation

4-2

New Management Plan "Restart NRT":
2) Action themes for creating new values and transforming our business

5

Key Management Targets

1) Action themes for the reinforcement of our business foundation

Quick response to capture the post-pandemic demand recovery (1/2)

Creation					Sustainability			Resilience			
1	2	3	4	5	6	7	8	9	10	11	12



Normalize airport operations as early as possible by flexibly responding to changes in market demand and border control trends

Implementation policy

1

Thorough information sharing

Congestion forecast by centralized information management

Demand and border control trends

Passenger flight reservation trends (in busy seasons)

Demand forecast information

Secure the service provision system through sharing of information with stakeholders (e.g., airlines, CIQ, secondary transportation services, retail shops)

2

Flexible use of terminal facilities

Early recovery of the service provision system according to border control trends

Recovery of airport staffing

Request for recovery of secondary transportation services (trains and buses)

Achieve both border control and congestion mitigation efficiently

Make decisions on the use of facilities, handling of passengers, and staffing depending on the situation

Resume the normal use of the areas currently used for border control measures

Appropriately provide information from passengers' viewpoint

3

Promotion of the special operation taskforce

Cooperate with diverse stakeholders under NAA's leadership

Identify problems and take measures on an as-needed basis

Supply-demand balance of terminal facilities (conceptual diagram)

NAA NARITA INTERNATIONAL AIRPORT CORPORATION

16

1) Action themes for reinforcing our business foundation

Quick response to capture the post-pandemic demand recovery (1/2)

Creation					Sustainability			Resilience				
1	2	3	4	5	6	7	8	9	10	11	12	

Strengthen functions and systems of airline marketing toward resumption of regular flights

Selection and concentration in promoting resumption of regular flights

- Intensively resume regular flights to and from areas where COVID-19 has subsided and areas where border control has been relaxed

Financial support

- For airlines and tenants
 - Continued postponement of payment of charges and rents
 - Continued reduction and waiver of charges and rents

Strengthen functions and systems of
airline marketing
toward resumption of
regular flights

Operational support

- Provision of information to airlines
 - Infection status, vaccination status, medical care system
 - Demand recovery status, NRT operation system
 - NRT arrival/departure process
- (Method of provision)
 - Realtime/periodical distribution
 - Reports/online interviews

1) Action themes to reinforce our business foundation

Cost structure reforms to improve efficiency and flexibility against market changes

Establish an efficient and flexible cost structure in the age of VUCA¹⁾

Characteristics of NAA's cost structure

The percentage of **fixed costs** is high

- Depreciation cost (terminal buildings, runways)
- Taxes and public dues
- Personnel cost, etc.

The percentage of **semi-fixed costs** is also high.

- Outsourcing cost
- Repair, inspection and maintenance costs, etc.



Priority themes during the New Plan Period

1) Optimization of procurement costs

Diversification of order-units

- Pursue the merit of scale by bulk order
- Promote participation in competition by using different units of order

Optimization of order placement methods

- Maximize the cost efficiency by reviewing the rules for order placement (ex.: conducting work intensively or during day time by temporarily suspending the use of the terminals)
- Methods of order placement that will encourage contractors to promote work efficiency (ex.: outsourcing work on the basis of service level rather than man-hours)
- Improve added-value of the ordered goods or services by proactively adopting those proposed by the contractors

Manpower reduction (labor saving) in operations

- Reduce manpower (labor saving) in operations using digital technology (ex.: reducing manpower in maintenance operations using sensors)

2) Reduction of the percentages of fixed costs and semi-fixed costs

Operational system adjustable to air traffic demand

- Use the terminals in variable ways
- Make various facilities available for common use to achieve the above

Optimization of capital investment scheme

- Use external capital flexibly to maximize the creation of incremental value of our facilities (ex.: considering a scheme for collaboration with external entities in energy supply, etc.)

3) Operational reforms (see the next page for details)

1. "VUCA" is a term consisting of the first letters of "volatility," "uncertainty," "complexity" and "ambiguity" and referring to the situation where it is difficult to forecast the future.

1) Action themes to reinforce our business foundation

Operational reforms to maximize value creation

Creation					Sustainability			Resilience				
1	2	3	4	5	6	7	8	9	10	11	12	

Carry out a zero-based fundamental redesign of our existing operation and put efforts into the creation of new values within the Group and joint creation with external parties



Zero-based perspective

- Fundamentally redesign the existing operations with a zero-based approach in search for areas that we can "quit, stop, remove and outsource"
- Actively use external resources by outsourcing operations



Commitment of management

- Commitment of the management team to pushing through reforms, with the President acting as the project owner
- Improve efficiency in the NAA Group management through reform actions such as reconstructing headquarter – subsidiary relationship



Digital (AIR Narita¹⁾)

- System renovation for overall operations
- Promote digitalization of the entire airport operations (introduction of AODB²⁾) in the future through data base linkage with business systems

1. Project aimed at building an environment where employees' productivity and work efficiency will be increased, through renovation and integration of business systems

2. Airport Operational Database (AODB): A comprehensive database for centralized management of airport operation information

Contents

0

Introduction

1

Summary review of our Previous Mid- to Long-term Management Plan (2018-2021)

2

Recognition of the Business Environment Surrounding Narita Airport

3

Overview and Projected Contributions of our New Mid-term Management Plan

4-1

New Management Plan "Restart NRT":
1) Action themes for reinforcing our business foundation

4-2


New Management Plan "Restart NRT":
2) Action themes for creating new values and transforming our business

5

Key Management Targets

2) Action themes for creating new values and transforming our business

Pursue the world's highest standards in safety, security and stability

Creation					Sustainability			Resilience				
1	2	3	4	5	6	7	8	9	10	11	12	

Provide the world's highest standards in safety, security and stability as the mandatory prerequisites for our airport operation

Safety and security



Enhancement of risk preparedness

- Enhance preparedness for natural disasters
 - Natural disasters (typhoon, heavy rain, heavy snow) that are becoming increasingly severe and more frequent
 - Large-scale earthquake, ash fall caused by volcanic eruption
- Deepen initiatives to address cyber risks (response to and prevention of cyberattack)
- Maintenance, management and renewal of equipment to support consistent airport operations



Sophistication of security measures

- Utilize advanced technology
 - Security enhancement and manpower reduction using robot technology
 - Enhancement of remote monitoring systems using remote technology
- Improve smart security systems



Thorough infection control measures

- Maintain Airport Health Accreditation (AHA)¹⁾

1. A program of the Airport Council International (ACI) for accreditation of health measures at airports

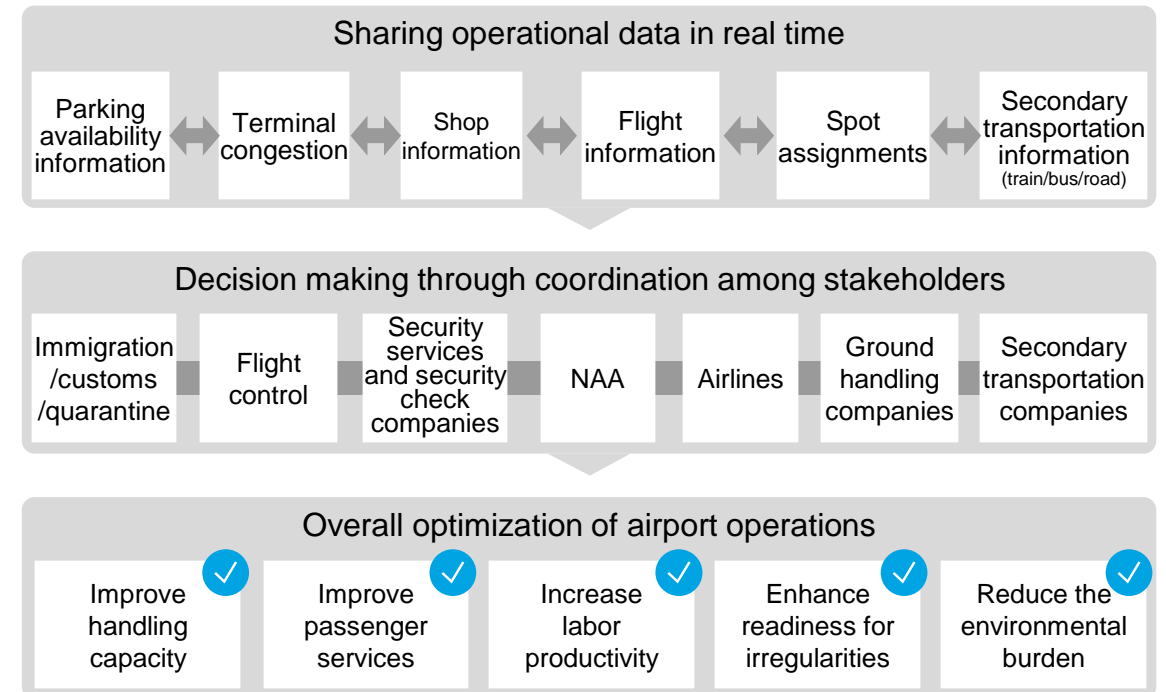
Stability



Overall optimization of airport operations

- Increase efficiency in airport operations through development and application of TAM

What is TAM (Total Airport Management)?



2) Action themes for creating new values and transforming our business

Strengthen networks (for passengers) through co-creation of new values with partners

Creation					Sustainability			Resilience				Narita Airport
1	2	3	4	5	6	7	8	9	10	11	12	

Further strengthen networks through partnerships with airlines and local companies

Priority policy

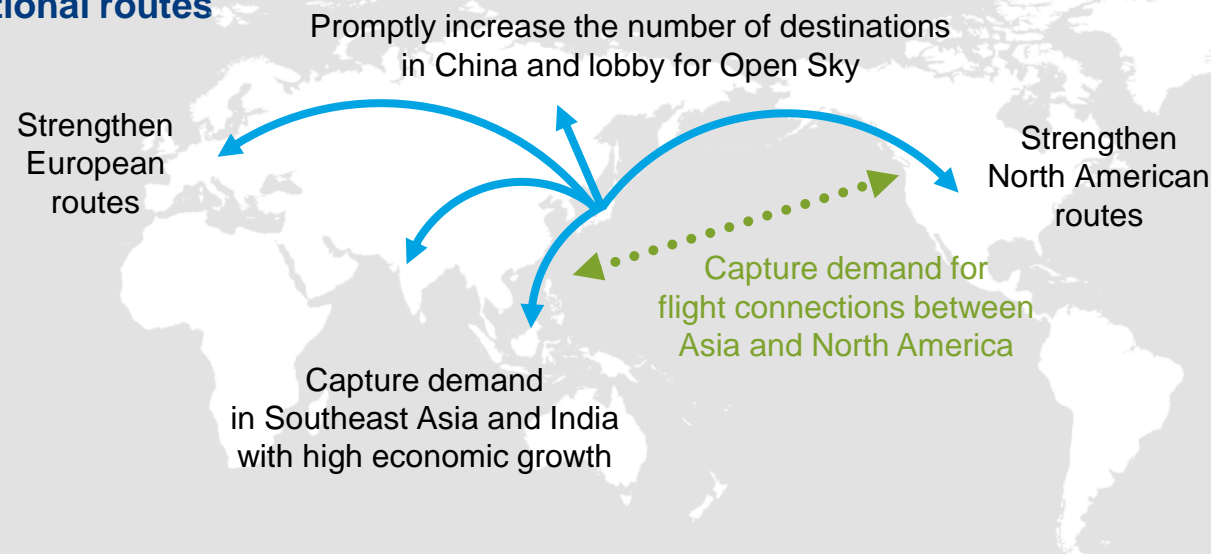
1 Further promote Narita Airport as the preferred hub airport

- Capture demand for flight connections between Asia and North America through the development of new networks of medium to long-haul LCCs in addition to the existing airlines
- Support medium to long-haul LCCs in establishing their brand awareness
- Provide effective incentives

2 Involve local companies

- Develop networks through joint marketing
 - Unserved secondary destinations in Asia (China, Southeast Asia, India)
- Strengthen marketing partnerships with local tourism bureaus and travel agencies that wish to have flights to and from Tokyo
- Provide effective incentives

International routes



Domestic routes



2) Action themes for creating new values and transforming our business

Strengthen networks (for cargo) through co-creation of new values with partners

Sophisticate the air logistics functions in the area surrounding the airport to become a leading air cargo hub in East Asia



Cargo facilities

Consolidate cargo facilities in the airport and improve the functions of sheds

- Develop a new cargo shed (8th cargo building)
 - Handle imports and exports collectively and improve the functions of sheds
 - Handle transit cargo
- Introduce a truck dock management system
 - Mitigate congestion in the airport and make effective use of labor resources
 - Optimize the logistic process through digitalization



Cooperation with local communities

Serve as a logistic center in cooperation with local communities

- Strengthen the logistics functions in the area surrounding the airport in light of accessibility



Logistic flow

Improve efficiency in the logistic flow in the airport through cooperation with cargo forwarders

- Improve efficiency in the whole area including the airport and surrounding area



EC demand

Become a hub for handling express and international mail packages

- Handle cold chain cargo, strengthen EC logistics networks, etc.



Become a leading cargo hub in East Asia

- Capture the global cargo demand mainly on routes between Asia and North America with continued growth potential
- Strengthen international cargo networks to contribute to increasing the competitiveness of Japanese industries and improving Japanese people's living standards

Note: The underlined initiatives are scheduled for the New Plan Period (FY2022-FY2024).

2) Action themes for creating new values and transforming our business

Enhance airport functions to meet the growing demand

Creation					Sustainability			Resilience			
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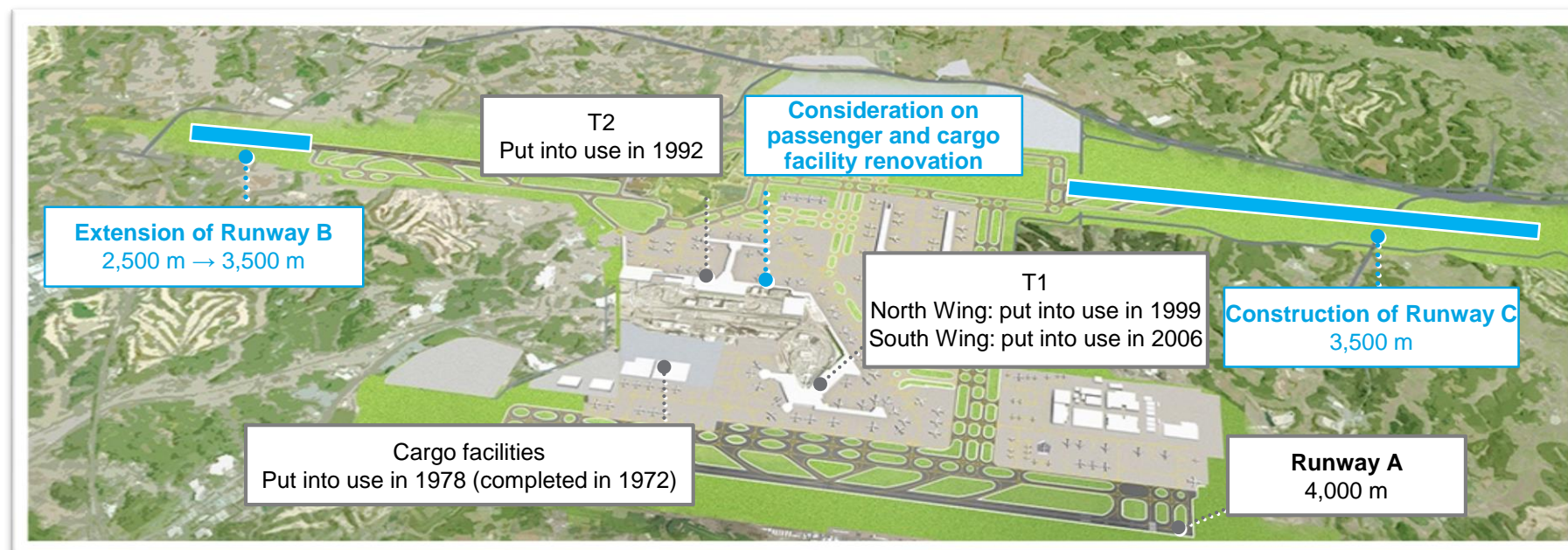
Respond to a mid-to long-term increase in air service demand in the metropolitan area, aiming to achieve integrated development with the neighboring communities

Extension of Runway B and construction of Runway C

- Implement construction work steadily to put them into use by the end of FY2028, aiming to achieve 500,000 aircraft movements per year
- Promote environmental countermeasures and measures for co-existence with local communities steadily based on the "Basic Ideas" on these measures agreed upon in the Four Party Council¹⁾

Passenger facilities, cargo facilities, accessibility

- Currently considering a "New Narita Airport" development plan that can respond to mid-to long-term challenges and environmental changes focusing on the renovation of our aging passenger and cargo facilities together with improvements for airport ground access
- Deepen the consideration results from diversified viewpoints, while gaining knowledge from experts and specialists



1. The four-party council is assigned for discussing development matters of Narita Airport (Composed of the government, prefecture, 9 municipal governments, and NAA)

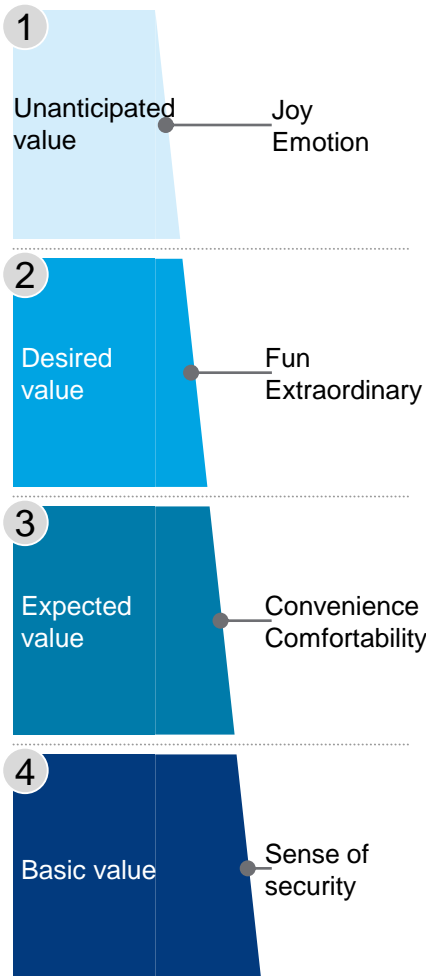
Note: The image is for illustration purposes; a specific development plan is to be considered.

2) Action themes for creating new values and transforming our business

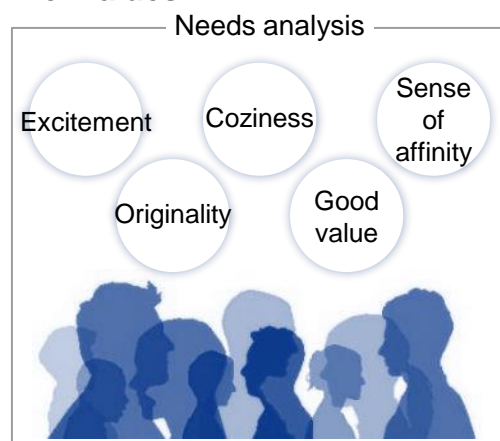
Create and deliver a next-generation passenger experience that only Narita Airport can provide

Creation					Sustainability			Resilience				Narita Airport
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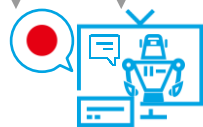
Provide a special experience that only Narita Airport can provide, in addition to a sense of security, convenience and fun, through the use of digital technology



1 Realize concepts in response to changes and diversification of values



Narita Airport's original concepts based on customer needs

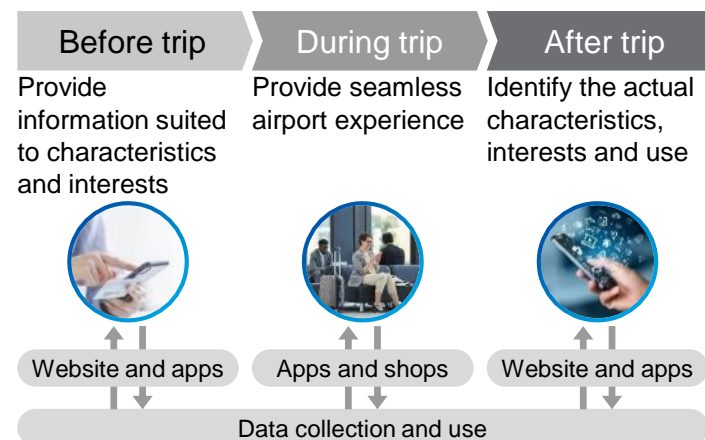


Utilize Japan's unique contents



Create a space where people can enjoy the natural environment around the airport

2 Promote E2E marketing before trip and after trip



2 Further enhance commercial facilities

- Improve the commercial environment in the airspace
 - New areas in the extensions of T2 and T3
- Invite shops that are attractive to visitors other than passengers
- Utilize digital technology in serving customers and emphasize Japan's attractiveness



3 Increase efficiency in passenger handling process

- Further promote Face Express
- Utilize robots in customer services
- Increase convenience during travel within the airport (introduction of self-driving mobilities)



Provided by WHILL

4 Promote universal design

- Promote continued initiatives for universal design through evaluation and improvement based on users' participation
- Create new services for customers who need help



Note: The underlined initiatives are scheduled for the New Plan Period (FY2022-FY2024).

2) Action themes for creating new values and transforming our business

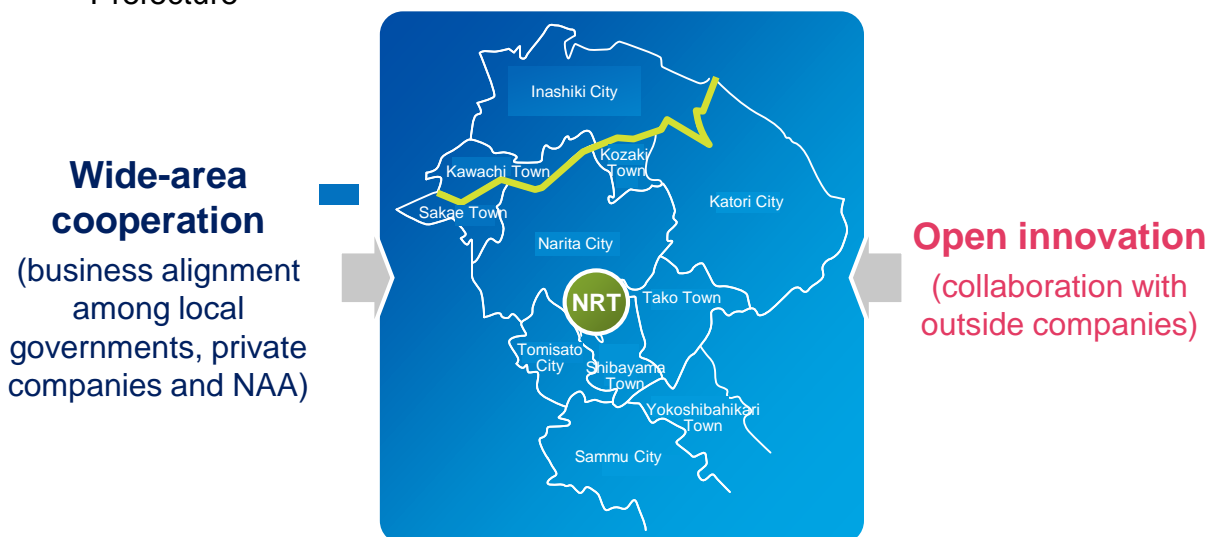
Sustainable development of local communities through our proactive contribution

Creation					Sustainability			Resilience			
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Implement community contribution initiatives and maximize the synergy effects of the attractiveness of local communities and the resources of Narita Airport

Community contribution initiatives

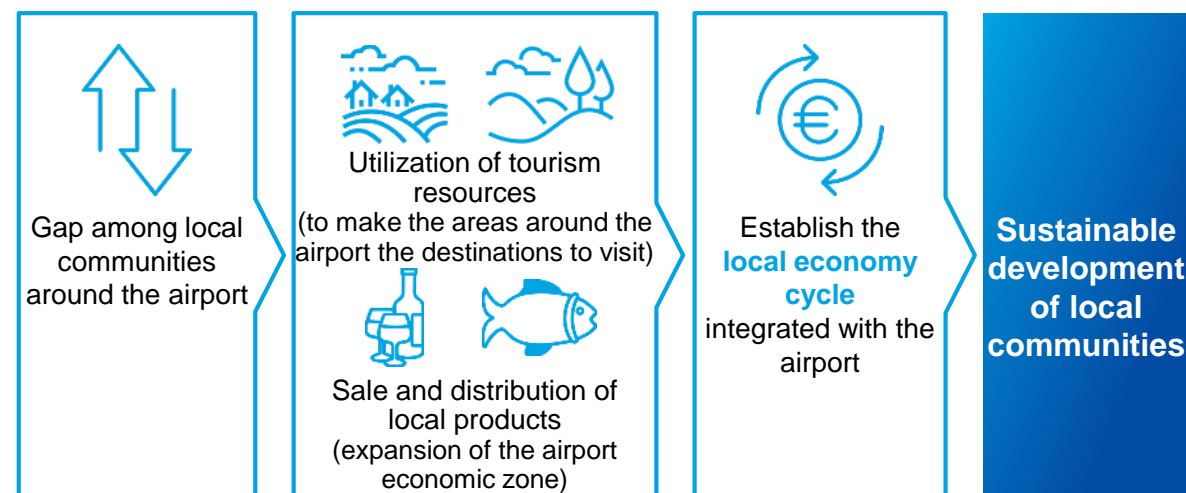
- Steadily implement environmental initiatives (noise reduction, soundproofing, relocation, prevention of falling objects, greening)
- Cooperate with community revitalization initiatives implemented by local governments (wide-area cooperation and promotion of open innovation)
- Cooperate with the Implementation Plan for Community Building around Narita Airport and the national strategic special zone project proposed by Chiba Prefecture



In order to achieve sustainable development of the airport zone, it is necessary to ensure participation by diversified stakeholders and business alignment through wide-area cooperation.

Tourism and industrial development

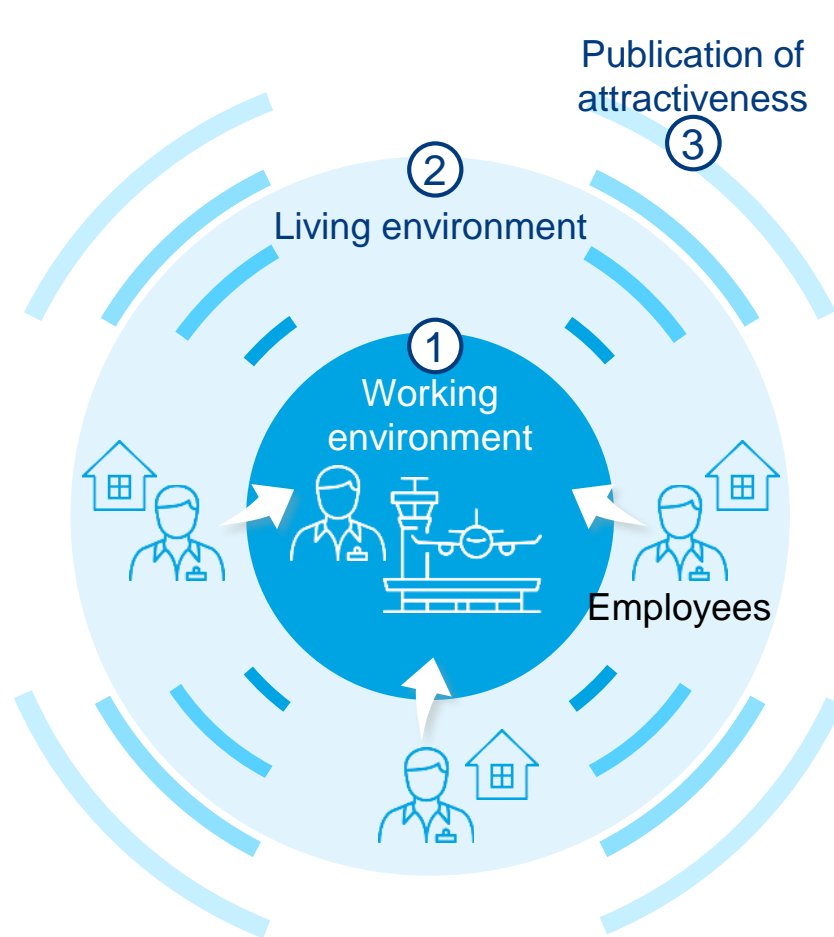
- Establish a new approach for airport-community business that enables both the local communities and the airport to develop
- Ensure economic circulation from Narita Airport to the whole area of Chiba Prefecture by finding and creating attractive resources in local communities
- Polish up the tourism zone starting from Narita Airport in anticipation of the recovery of tourism demand



Introduce business perspectives beyond the existing framework in the initiatives for co-existence with local communities that have been developed so far, aiming to achieve independent and sustainable solutions to challenges

2) Action themes for creating new values and transforming our business Improve employee satisfaction in both their working and living environments

Maximize employee satisfaction, including satisfaction with their living environment, thereby providing an environment where people can continue to work with peace of mind



1 Improvement of the workplace environment

A. Enhancement of workplace facilities

- Provide a comfortable working space
 - Sanitary break rooms and restrooms
- Improve the operational environment
 - Measures against the heat at the ramps and sorting areas
 - Improve the dining environment in the airside
- Childrearing support for employees
 - Increase the capacity of child care facilities

B. Institutionalization

- Establish a consultative body to reflect opinions of airport service providers in further improving employee satisfaction
- Introduce a system to encourage airport service providers to promote ES
- Improve labor productivity through the overall optimization of airport operations (TAM)

C. Promotion of digital transformation

- Reduction of workload
 - Labor saving using robotics
- Substitution of operations
 - Actively introduce self-driving mobilities, automated checkout, remote controlled avatar guides, etc.

2 Improvement of the living environment

Provide an environment where people can continue to work with peace of mind

- Enhance airport workers' access to the airport
- Consider a desirable dwelling environment in cooperation with local communities

3 Publication of attractiveness

Publicize Narita Airport's attractiveness as a workplace

- Public relations to enhance the recognition of Narita Airport
- Devices that make children want to work at Narita Airport
- Aim to win the SKYTRAX World's Best Airport Staff Service again (first time in 2019)

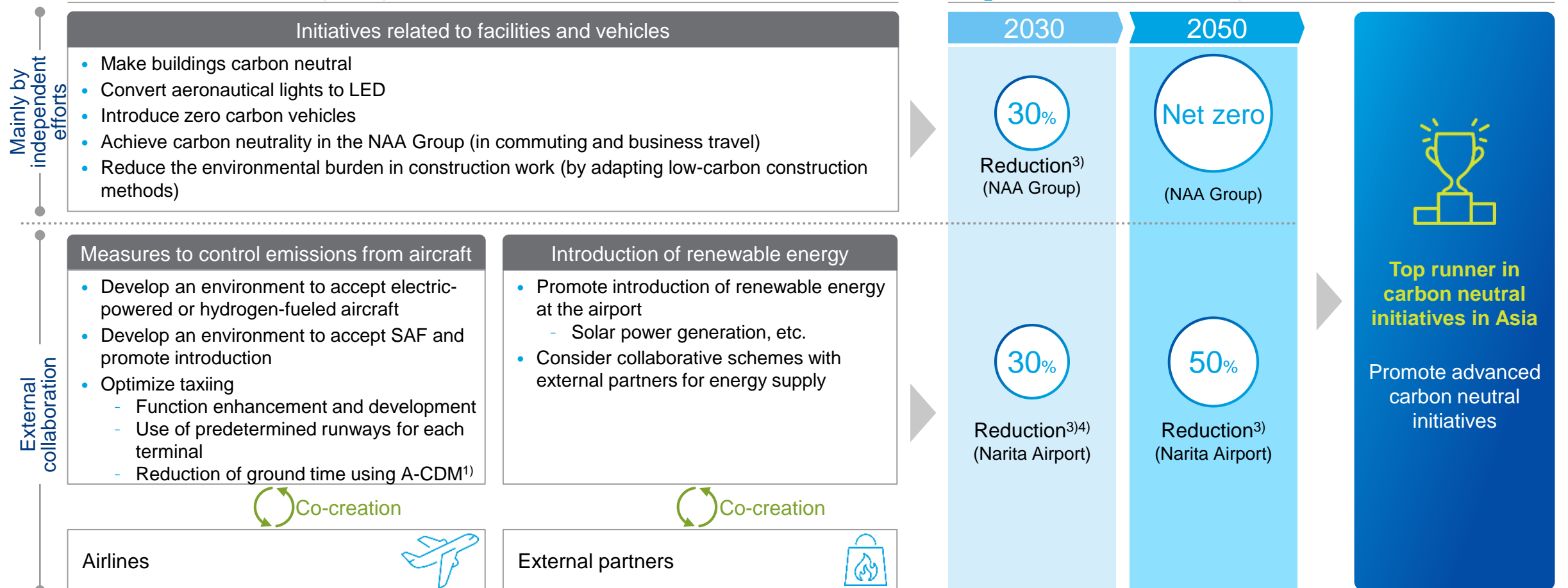
2) Action themes for creating new values and transforming our business

Be among the top runners in Asia for Climate change response

Creation					Sustainability			Resilience			
1	2	3	4	5	6	7	8	9	10	11	12

Actively take on challenges through co-creation with external partners and contribute to sustainable development of the airline industry

Actions toward achieving the goals

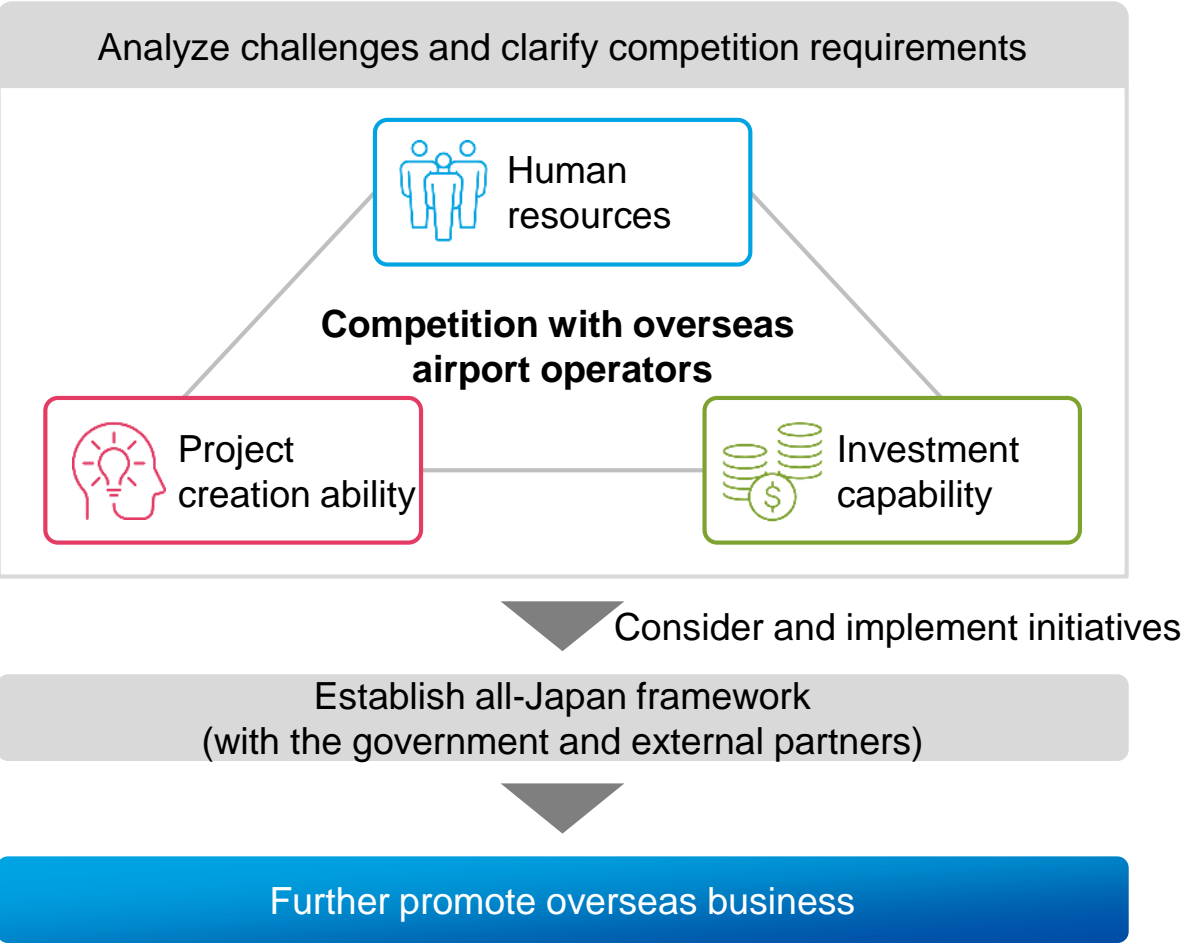


1. Airport Collaborative Decision Making: An initiative to share aircraft flight information and airport operational information among stakeholders to enhance the airport functions through their cooperation
 2. The targets may be subject to review depending on the government's CO₂ emission reduction targets. 3. Compared to FY2015 4. Per aircraft movement

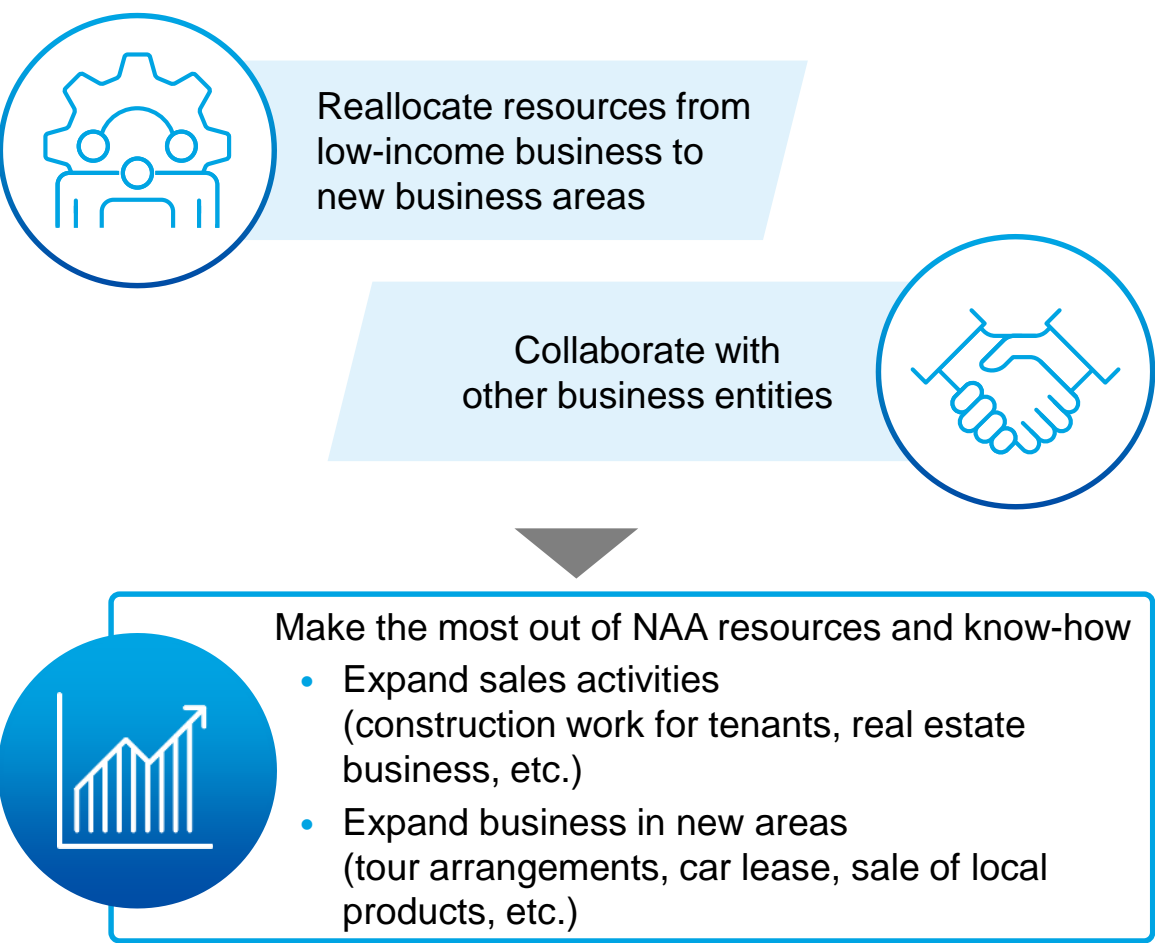
2) Action themes for creating new values and transforming our business
Develop overseas business and group business for diversification of income

Accelerate business development through co-creation with external entities to acquire new income sources

Overseas business



Group business

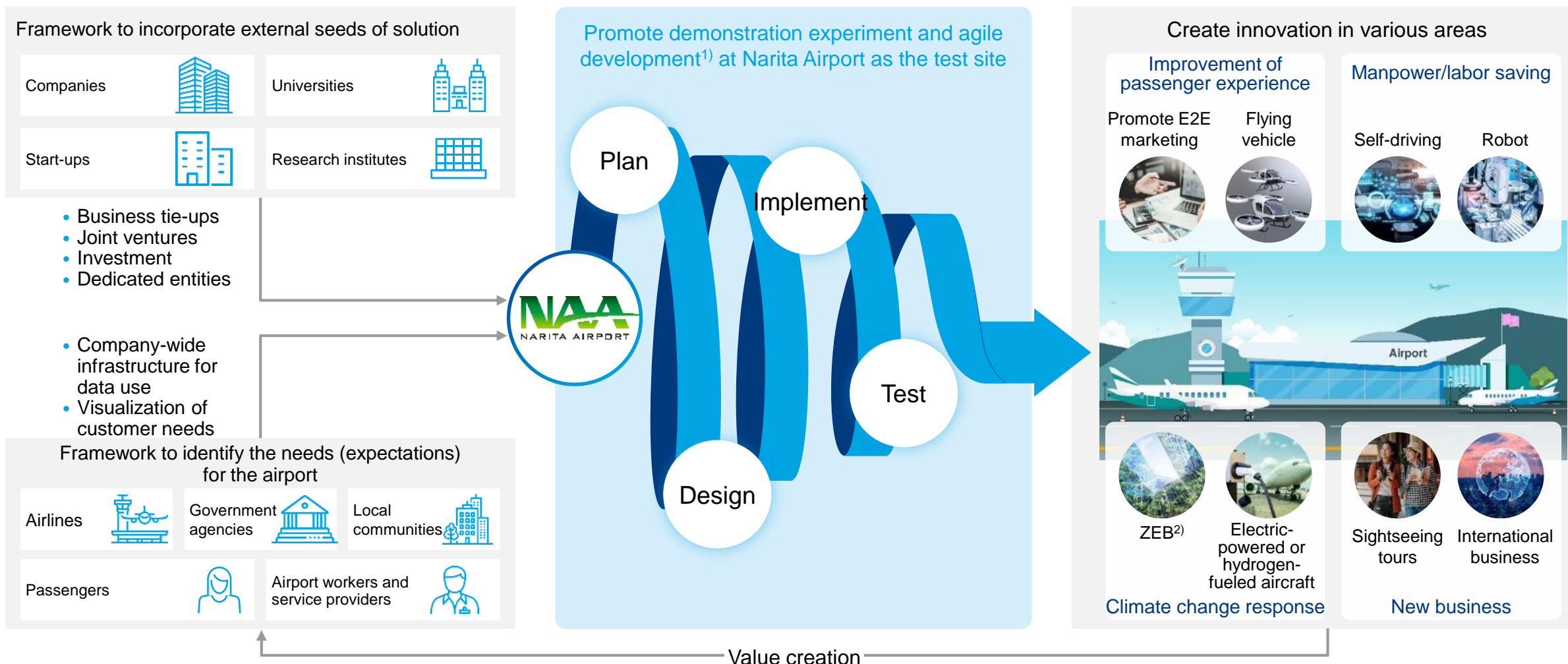


2) Action themes for creating new values and transforming our business

Promote innovation through a customer-oriented, open-innovation approach

Creation					Sustainability			Resilience			
1	2	3	4	5	6	7	8	9	10	11	12

Accelerate value creation based on technological innovation through the accumulation of trials at Narita Airport as the test site



1. A practice by which development is carried out by repeating a small cycle of the development processes, "plan, design, implement, and test," in units of function, while anticipating design changes in advance, in order to respond to rapidly changing business needs

2. Net Zero Energy Building

Contents

0

Introduction

1

Summary review of our Previous Mid- to Long-term Management Plan (2018-2021)

2

Recognition of the Business Environment Surrounding Narita Airport

3

Overview and Projected Contributions of our New Mid-term Management Plan

4-1

New Management Plan "Restart NRT":
1) Action themes for reinforcing our business foundation

4-2

New Management Plan "Restart NRT":
2) Action themes for creating new values and transforming our business

5

Key Management Targets

Management Targets (Airport Handling Volume)

Airport Handling Volume



Target Items	Level before COVID-19 (actual figures in FY2019)	Current level (actual figures in FY2021)	Strategic target (for FY2024)
Number of aircraft movements (10,000 movements)	25.8	13.8	27
International flights	20.3	10.4	21
Domestic flights	5.6	3.4	6
Number of passengers (10,000 passengers)	4,148	647	3,900
International flights	3,402	235	3,000
(including foreign transit passengers)	2,036	181	1,800
Domestic flights	746	413	900
Volume of international air cargo (10,000 metric tons)	205	261	240
LCC Ratio (LCC ratio of all passenger flights) (%)	33	43	40

Management Targets (Financial KPI and Capital Investment Plan)

Financial KPI



Target Items	Level before COVID-19 (actual figures in FY2019)	Current level (actual figures in FY2021)	Strategic target (for FY2024)
Consolidated operating income (JPY 100 million)	407	-495	At least JPY 20 billion
Consolidated ROA (%)	4.9%	—	At least 1.1%
Consolidated long-term debt balance ¹⁾ (JPY 100 million)	3,610	8,076	JPY 90 million or more
Ratio of consolidated long-term debt balance ¹⁾ to consolidated cash flow	5.9	—	Maximum 18
Revenue from airport duty-free shops, merchandise outlets and restaurants (JPY 100 million)	1,279	125	At least JPY 130 billion

1. Including FLIP funds

Capital Investment Plan (FY2022-FY2024)



Total amount	JPY 426 billion
Further enhancement of airport functions	JPY 270 billion
<ul style="list-style-type: none"> Investment for the extension of Runway B and construction of Runway C 	
Maintenance, management and renewal	JPY 91 billion
<ul style="list-style-type: none"> Investment for maintenance, management and renewal of existing facilities for safe and stable operations (e.g., renewal of communications networks, electrical equipment) 	
New projects	JPY 65 billion
<ul style="list-style-type: none"> Investment to meet cargo demand (e.g., construction of the 8th cargo building) Investment for climate change initiatives (e.g., conversion of aeronautical lights to LED) Investment for operational process reforms (e.g., operational system renovation) 	

Management Targets (Non-financial KPI)



Non-financial KPI

Target Items		Strategic target (for FY2024)	
		* Climate change response: targets for FY2030 and FY2050	
E Environment	Climate change response	Initiatives to reduce CO ₂ emissions based on Sustainable NRT 2050 ¹⁾ (1) Reduction of CO ₂ emissions from the NAA Group (Scope 1 and 2) (2) Reduction of CO ₂ emissions from NRT (Scope 3)	(1) Promote initiatives through introduction of advanced technology (e.g., ZEB, low-emission vehicles) [Target for FY2030] 30%-reduction of CO ₂ emissions (compared to FY2015) [Target for FY2050] Net zero CO ₂ emissions (2) Promote initiatives through cooperation with stakeholders (e.g., introduction of SAF) [Target for FY2030] 30%-reduction of CO ₂ emissions per flight (compared to FY2015) [Target for FY2050] 50%-reduction of CO ₂ emissions (compared to FY2015)
	Environmental conservation activities	Adopt eco-friendly materials for plastic products used at NAA-managed facilities	Rate of eco-friendly materials: 100%
	Coexistence and mutual prosperity with local communities	Promote soundproofing work along with further enhancement of airport functions (approx. 7,100 works) Develop products and polish up tourism resources in collaboration with the surrounding communities	Total number of soundproofing works conducted: 3,600 Implement initiatives with all local governments in the area around the airport
S Society	Enhancement of safety and security	Prevent serious accidents and incidents at the airport: Pursuit of Triple Zeros	(1) Number of aircraft accidents due to airport operations and facilities: Zero (2) Number of serious operational impacts of facility and system failure: Zero (3) Number of serious operational impacts due to inadequate security measures: Zero

Target Items		Strategic target (for FY2024)	
S Society	Enhancement of safety and security	Ensure resilience at the time of natural disasters (1) Ability to self-sustain airport operations (lifeline facilities, etc.) (2) Resumption of airport operations (flights, etc.) Thorough infection control measures	(1) 72 hours (2) Within 24 hours Maintain Airport Health Accreditation²⁾ granted by the Airport Council International (ACI)
	Make Narita Airport an airport chosen by customers	Pursue satisfaction of passengers (1) Provide a special experience that only Narita Airport can provide (2) Promote universal design	(1) UK SKYTRAX Acquire 5-Star rating in the World Airport Rating (2) UK SKYTRAX Acquire World's Best PRM / Accessible Facilities
	Make the airport as a whole a workplace where workers can gain job satisfaction	Improve the working environment at the airport as a whole (1) Overall renovation of restrooms for staff (2) Improvement of break rooms for staff Promote work-style reform and health and productivity management at NAA (1) Promote work-life balance (2) Mental healthcare Maintain and promote the health of employees	(1) Achievement rate: 100% (2) 1.5-fold increase in floor area (compared to FY2021) (1) Total working hours: Not more than 1,850 hours Rate of annual paid leave taken: 80% (2) Rate of workers under high-stress conditions: Not more than 4.5% Rate of health checkups received: 100%
G Governance	Thorough governance	Total compliance Eliminate misconduct by employees	(1) Recognition of whistle-blowing system: 100% (2) Compliance awareness raising programs: Held six times or more per year (3) Number of serious misconduct cases: Zero

Among the descriptions included in this material, those other than facts in the past are future forecasts and prepared based on various conditions assumed at the time of release.

The information in these descriptions does not guarantee our future business results and it involves risks and uncertainty.

Please understand that the actual results may be different from what is described herein due to various factors.

