

Japan Airport Terminal Group's Respect for Human Rights Initiatives

(Detailed version)

Introduction

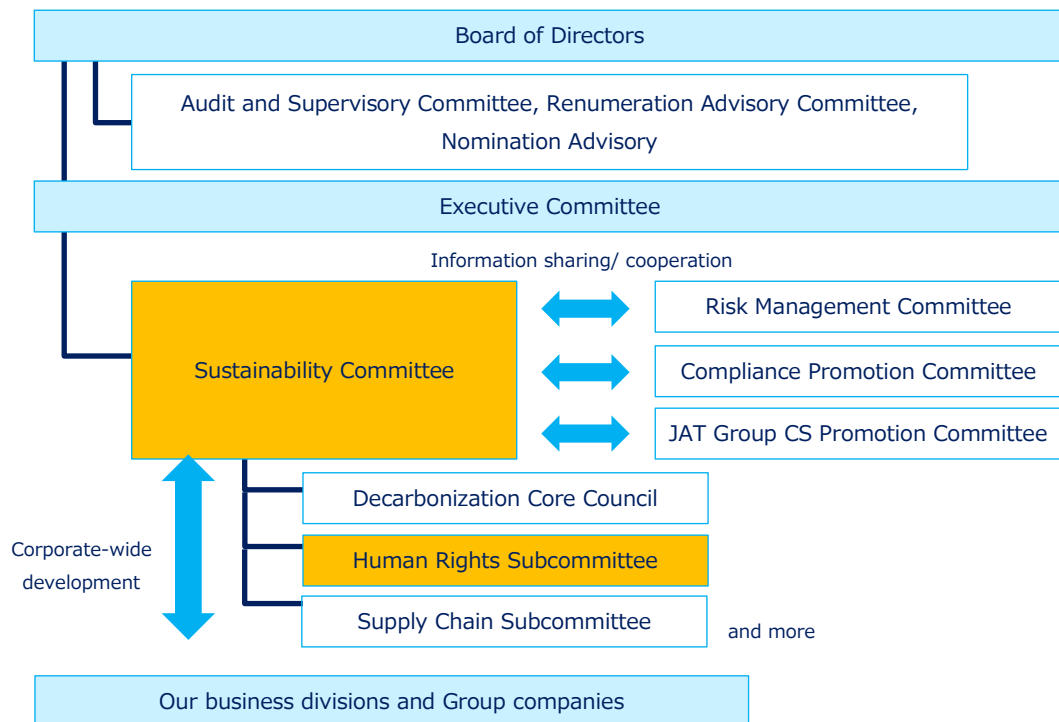
As a company engaged in the highly public business of constructing, managing, and operating airport passenger terminals, recognizes that respecting human rights is an important responsibility of the company when welcoming various customers from all over Japan and around the world. Therefore, our Sustainability Basic Policy, "We comply with domestic and overseas laws, regulations and rules, and carry out business honestly and fairly while taking human rights into consideration." We have also listed "Promotion of DEI and respect for human rights" as one of the eight materialities (important issues) in our "Medium-Term Sustainability Plan" formulated for fiscal 2023.

We have established the "Japan Airport Terminal Group Human Rights Policy" as our basic policy on respecting human rights, and are promoting human rights due diligence based on the "Japan Airport Terminal Group Regulations on Respecting Human Rights," which set out specific initiatives. In addition, in order to contribute to the creation of a healthy global society, we have been participating in the United Nations Global Compact (UNGC), the world's largest sustainability initiative, since fiscal 2024.

Promotion system

In order to steadily advance the Medium-Term Sustainability Plan, Japan Airport Terminal Group has established a "Sustainability Committee", chaired by the president and consisting of all executive officers as members. As a subordinate organization to the Sustainability Committee, the Group has also established the "Human Rights Subcommittee," which is made up of the Sustainability Promotion Office, the General Affairs and Human Resources Department, and executives in charge of each business division. This subcommittee works in cooperation with the closely related Supply Chain Subcommittee to promote human rights initiatives throughout the company. In addition, the "Risk Management Committee" (chaired by the president), which is responsible for company-wide risk management, including responses to priority risks, has designated "Insufficient respect for human rights" as a priority risk and is managing the status of initiatives to address it.

The progress of these initiatives is reported by both committees and deliberated at the Executive Committee, after which it is reported to and deliberated by the Board of Directors, which then oversees the efforts.



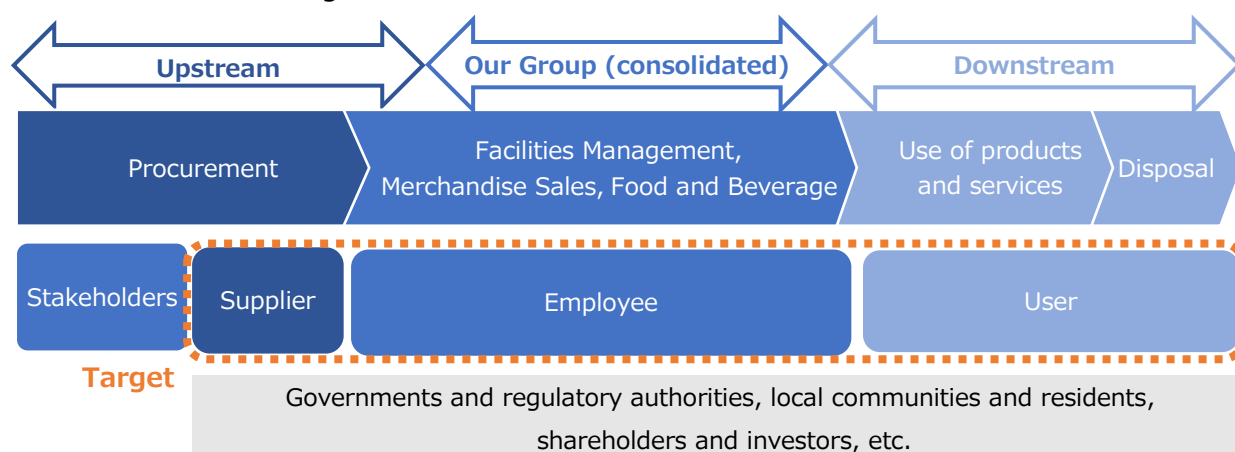
Implementing human rights due diligence

As part of our efforts to respect human rights, Japan Airport Terminal Group is working to establish and implement a human rights due diligence system and to continually improve it.

1. Scope

(1) Target Stakeholders

It provides an overview of the Japan Airport Terminal Group's overall business activities (value chain, supply chain), covering "suppliers and business partners," "our own group employees," and "customers and users." For our own group, it covers our main businesses of "facilities management," "merchandise sales," and "food and beverage."



(2) Geographical coverage of each business

The areas where Japan Airport Terminal Group has business bases include Haneda Airport, Narita International Airport, Kansai International Airport, and Chubu Centrair International Airport in Japan, as well as real estate management outside airports, Ginza, which operates duty-free stores in the city, and Tsukiji, which operates a food and beverage business, but since the geographical differences between similar businesses are small, the first human rights risk survey conducted in fiscal 2023 targeted Haneda. Overseas, Japan Airport Terminal Trading (Chengdu) Co., Ltd. is a tenant at Chengdu Airport in China, but has two employees and outsources its tenant business to another business company, and LANI KE AKUA PACIFIC, INC. (LKAP) is a food and beverage company in Hawaii, but has one employee and has not yet opened a restaurant business, so it is determined that the human rights risks related to users and suppliers for both

companies are small, and therefore a simplified survey was conducted by interviewing employees.

Business	Haneda Airport	Narita International Airport	Kansai International Airport/ Chubu Centrair International Airport	Outside the airport	Abroad
Facilities Management (Maintenance/ property management)	◎	●	-	● External rental, etc.	
Merchandise Sales	◎	●	● Tenant	● Ginza	○ JAT Trading (Chengdu) Co., Ltd.
Food and Beverage (Store management/ In-flight meals)	◎	● In-flight meals	-	● Tsukiji	○ LKAP

2. Overall implementation process

Based on the "Japan Airport Terminal Group Regulations on Respecting Human Rights", we will implement the following process and strive to continually improve it.

Item number	Human rights due diligence process
①	Confirmation and revision of human rights policy
②	Human rights risk survey
③	Human rights risk assessment and issue extraction
④	Dialogue with experts and identifying priority issues
⑤	Formulation of improvement plans for priority issues
⑥	Implementation of improvement plans for priority issues
⑦	Review of implementation of the improvement plans for priority issues
⑧	Reflecting review contents in next year's improvement plan
⑨	Reporting internally and externally



3. Human rights risk survey

(1) Identifying human rights risks to be investigated

Based on the "Japan's Guidelines on Respecting Human Rights in Responsible Supply Chains" (METI), we have targeted the following 10 items as the subject of our human rights risk survey, taking into account their relationship with our business fields, etc.

Employee: ①Inappropriate working conditions, including long working hours
②Discrimination and Harassment

- User: ③Surveillance and privacy violations
 ④Inappropriate management of personal information
 ⑤Inappropriate advertising
 ⑥Discriminatory treatment (based on religion, gender, disability, etc.)
 ⑦Human trafficking via air transport
- Supplier: ⑧Deterioration of working conditions and cash flow caused by our transactions
 ⑨Deterioration of local human rights environment due to bribery of foreign governments
 ⑩Forced labor, child labor and working conditions in the supply chain

(2) How to investigate risk items

For each of the risk items ① through ⑩ (excluding ⑦), we conducted a written survey using the methods below, and then conducted questionnaire surveys and interviews with the relevant departments and parties involved.

- Employee: ①Health and Safety Committee Minutes, Work Experience, Wage surveys, etc. ②Whistleblowing cases, etc.
- User: ③④⑤⑥Customer Feedback,
 Customer information management status, etc.
- Supplier: ⑧Contract terms, business partner reporting, etc.
 ⑩Transaction status of risky products, etc.

(3) Evaluation of survey results

As a result of discussions in the Human Rights Subcommittee on the survey results, the following summary assessment was made regarding the current status and future risks for each item.

* ○ indicates the target business

* Cause: When a company causes a negative impact through its activities

* Contribute: When a company contributes to a negative impact directly through its activities or through an external organization

* Directly linked: A company does not cause or contribute to an adverse impact, but business relationships result in its operations, products or services being directly linked to an adverse human rights impact.

Target Area	Negative Impacts	Risk Items	Facility	Merchandise Sales Food and Beverage	① Current status evaluation ② Consideration of future risks
Our Group	Cause	Inappropriate working conditions, including long working hours	○	○	① The scope and scale (number of cases) of the cases were limited, and no cases escalated. It was confirmed that the system for identifying and correcting issues before they became serious was functioning effectively and that appropriate measures were being taken. ② As there is a high possibility that worsening personnel shortages and other factors will have a negative impact on the working environment in the future, we will continue to utilize the system to quickly identify and respond to risks. * There were no problems with the working environment for employees of the two overseas companies.
		Harassment	○	○	
User	Cause	Surveillance and privacy violations	○		① The scope and scale of the risks were limited, and thanks to a system for early detection and appropriate responses, there were no cases that developed into serious human rights violations. ② As for personal information management, as the areas of collection and use expand, risks may become apparent in the future due to the sophistication and frequency of cyber-attacks, so it is necessary to
		Inappropriate management of personal information		○	
		Inappropriate advertising	○		
		Discriminatory treatment (based on	○	○	

		religion, gender, disability, etc.)			
	Directly linked	Human trafficking via air transport	○		<p>deal with this as a corporate risk related to human rights. In addition, proactive measures are required to prevent changes in social awareness due to the diversification of customers from leading to human rights-related risks.</p> <p>* Regarding "human trafficking," our company has no directly linked, contribute, or causes it, but we will consider engaging in dialogue with airlines to see if there are areas in which we, as the air gateway to Japan, can contribute to preventing it.</p>
Supplier	Contribute	Deterioration of working conditions and cash flow caused by our transactions	○		<p>① It was confirmed that there is no risk that transactions with our company will contribute to human rights issues, and that there is no risk of involvement in bribery due to the nature of our company's current involvement in overseas businesses. However, it has not been possible to confirm any human rights risks in the supply chain.</p> <p>② The company also handles products that are deemed to have a high human rights risk under the METI guidelines, such as coffee beans, private brand tea, and clothing. As its procurement responsibilities will increase in the future, including strengthening its own original products, it is necessary to position this as a human rights risk issue and promote responses, including identifying human rights risks.</p>
		Deterioration of local human rights environment due to bribery of foreign governments	○		
	Directly linked	Forced labor, child labor and working conditions in the supply chain		○	

(4) Evaluating the importance of human rights risks and identifying potential themes

Based on the results of the risk survey, we assessed the severity of the impact (scale, scope, and difficulty of remedy) and the likelihood of it occurring, and selected the following five items as potential themes to be addressed.

Employee: ①Inappropriate working conditions, including long working hours
②Harassment

User: ③Inappropriate management of personal information
④Discriminatory treatment (based on religion, gender, disability, etc.)

Supplier: ⑤Forced labor, child labor and working conditions in the supply chain

(5) Dialogue with external experts

The Human Rights Working Group and the Supply Chain Working Group were jointly held, and discussions were held with fellows and senior consultants from Human Resources Governance Leaders Co., Ltd. on such topics as "whether the process for identifying issues thus far has been appropriate" and "what points should be noted regarding future progress."

Main comments (excerpts)

<Point>

1. It is difficult to eliminate human rights risks, and **continuous efforts to reduce risks** are required.
2. As an airport operator, which is a part of social infrastructure, **it is necessary to identify risks not only in the supply chain of retail products, but also in the supply chain of partner companies that operate the facilities.** Added as a priority issue
3. Since it is difficult to respond to everything at once, it may be possible to **identify high-risk areas and begin to grasp the actual situation from wherever possible.**
4. **Publicizing the procurement guidelines** is one measure, but **in the future there may be demands to reflect them in contracts and to conduct investigations.**

< Overview>

1. Positioning of respect for human rights (general overview)
 - Many Japanese companies have only recently begun to address human rights issues, lagging behind other countries. The world has a critical eye on human rights, and recent developments have led to skepticism about Japan's human rights awareness.
 - It is difficult to reduce human rights risks to zero. Continuous efforts to reduce risks are required.
2. Boundaries of human rights risk surveys and our company's risk items

- When identifying potential human rights risks (human rights risk assessment), while internal information is carefully investigated, it is important to emphasize objectivity. It is necessary to identify human rights risks, including issues that have not yet been identified, based on external information.
- There may be differences in characteristics depending on the business, and in the types and impacts of risks depending on the company's group, partner companies, and business partners, so we should identify high-risk targets before starting efforts.
- Airport operation is social infrastructure. It is also necessary to identify human rights risks in the facility operation and management business, including partner companies.

3. Future Prospects

- It would be difficult to carry out an assessment of all businesses and value chains at once. It is desirable to prioritize field surveys in high-risk areas, but if this is difficult, it is realistic to start with what is possible. Considering the characteristics of the business, for example, if there is a high risk of outsourcing in a facility operation and management business, or of raw materials for private brand products in a retail business, it would be considered that understanding the actual situation of upstream processes from Tier 2 onwards and evaluating their human rights impacts would be a high priority.
- In Europe and the US, human rights issues in the supply chain are considered serious issues, and responses based on the laws and regulations of other countries and international norms are also required. One measure is to include respect for human rights in procurement guidelines and make them known, but in the future, more in-depth responses such as incorporating it into contracts with new and existing suppliers and business partners, signing memoranda of understanding, providing education for suppliers, and conducting audits and investigations may be required.

4. Identifying Priority Issues Concerning Human Rights

Based on the dialogue with external experts, the matter was discussed by the Sustainability Committee and the Executive Committee, and was reported to and confirmed by the Board of Directors, after which the following priority issues regarding human rights were identified.

(1) Priority human rights themes

To date, there have been no cases of human rights violations in the supply chain, but we have not been able to grasp or confirm the situation regarding respect for human rights at our business partners. Considering the social situation in which we are required to respond to human rights risks in all business activities and our group's efforts such as expanding our original products, it is important to grasp the human rights risks in the supply chain.

① Ascertaining working conditions at partner companies involved in facility management

Amid concerns about labor shortages, it is important that the working environment of partner companies involved in facility management and operation, which is the foundation of the business, is maintained appropriately, so we will understand the working environment through surveys, dialogue, etc.

② Identifying supply chain human rights risks in merchandise sales and the restaurant business

As the gateway to Japan's skies, it is important to reduce risks in the supply chain related to the products we provide, so we will understand human rights risks through surveys, dialogue, etc.

(2) Other human rights-related themes to be addressed on an ongoing basis

In the 2023 human rights risk survey, it was confirmed that the mechanisms for early risk identification and improvement were functioning, and human rights violations were prevented. However, to ensure that future changes in the social environment do not lead to negative impacts on human rights, the following three items were set as themes to continue to monitor and address.

① Creating a comfortable working environment for employees

We will strengthen cooperation between related departments and continuously monitor whether there is any impact on the working environment due to the concentration of work on individuals with specific qualifications and skills due to labor shortages, or the intensification of abnormal weather, and strive to maintain and improve a comfortable working environment by improving work efficiency through the use of digital

transformation. In addition, under the management of the Compliance Committee, we will continue to work to prevent harassment by thoroughly providing compliance education, and thoroughly identify cases through the internal reporting system and respond to identified cases as soon as possible.

② Management of users' personal information

In accordance with the [privacy policy](#) and personal information management regulations, we will thoroughly manage personal information, and to ensure that future more sophisticated and frequent cyber attacks do not lead to the leakage of users' personal information, the Risk Management Committee will set cybersecurity measures as a company-wide priority risk item and steadily promote PDCA management.

③ Response to diversifying users

We will strengthen cooperation between related departments, strengthen our understanding of "customer feedback" that leads to respect for human rights, such as improving accessibility and communication, and promote proactive responses to ensure that changes in society and user awareness and needs do not lead to human rights risks.

④ Other

Although we do not cause, encourage, or have direct involvement in human trafficking using air transportation, we will promote collaboration with business partners such as airlines that are working to prevent it, to see if there are any areas in which we can contribute as the gateway to Japan's skies.

5. Develop improvement plans for priority issues

(1) Ascertaining working conditions at partner companies involved in facility management

The following businesses will be prioritized for understanding the working environment of partner companies through surveys and interviews, and if negative impacts are confirmed, mitigation measures will be discussed.

<Priority businesses>

- ・ Security services
- ・ Cleaning services

<Criteria for determining priority>

- ・ Businesses that are highly integrated with our group as direct services at airport building facilities (security and cleaning)

- Businesses related to the safety of users that should be given top priority (security)
- Businesses that are expected to involve diverse employment forms (cleaning)

(2) Identifying supply chain human rights risks in merchandise sales and the restaurant business

The following products will be prioritized for understanding human rights risks through surveys and interviews, and if negative impacts are confirmed, mitigation measures will be discussed.

<Priority products>

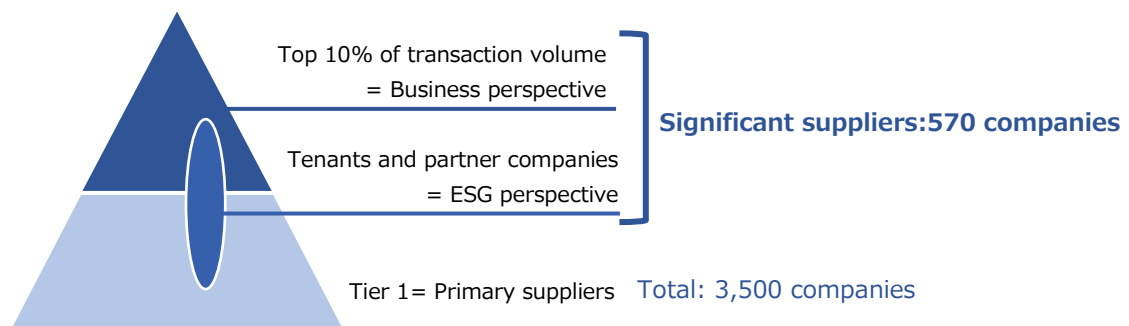
- Our original clothing products and tea products
- Coffee (coffee beans) we serve at our directly managed stores and cacao

<Priority criteria>

- Products that are considered risky products in the METI guidelines and are handled as final products by our group
- Featured in risk cases and risk reports from other companies
- Strong involvement by our company in original products, etc.

(3) Identifying significant suppliers and conducting surveys

In addition to the above initiatives, in order to grasp the state of respect for human rights among all of our suppliers, we worked with the Supply Chain Subcommittee to conduct a survey of approximately 570 companies in total regarding the [Japan Airport Terminal Group Sustainable Procurement Guidelines](#). We selected the top 10% of our approximately 3,500 Tier-1 suppliers, who account for 90% of our transaction value, from a business perspective, and also selected tenants and operating partner companies that work together with the Japan Airport Terminal Group to operate terminals from an ESG perspective, such as labor and environmental management, as major risks specific to the sector.



6. Implementation of improvement plans for priority issues, etc.

(1) Dialogue with partner companies related to facilities management and operation

Based on the improvement plan, in FY2024, we met with two cleaning partner companies and two security partner companies to have a wide-ranging dialogue about employment management, the state of the working environment, and awareness of issues and requests for improvement regarding respect for human rights.

We confirmed that labor management of employees and temporary workers is being carried out appropriately, and that ongoing efforts are being made to improve the working environment, including measures against extreme heat. However, we confirmed that some rest spaces, etc. have become narrower in areas with facility constraints due to the increase in staff at each company due to the rapid recovery of air passenger numbers. Therefore, we further investigated the local situation, considered mitigation measures with the relevant parties, and took improvement measures.



Interview with the members of the cleaning partner company

(2) Dialogue with companies handling risky products related to merchandise sales, food and beverage

① Black tea products

We held a dialogue with the tea leaf purchasing company regarding the black tea products sold as our original products. We have strengthened the management of harvest locations and traceability, and for the farms that produce the tea leaves, in addition to respecting human rights, they are working on soil protection and not using pesticides, and are taking measures to protect the environment of workers by donating a portion of their profits to education and cultural support. We have determined that human rights risks are being properly managed.

② Clothing products

We held an online dialogue with the sustainability department of the manufacturing company (Mongolia) regarding the cashmere clothing products sold as our original products. In 2022, our department in charge also visited and inspected the local factory, and in light of the content of that visit, it was confirmed that modern labor management is being carried out under a written policy. We have also engaged in dialogue and investigations with nomads who obtain raw wool, and have determined that human rights risks are being properly managed.

③ Coffee (coffee beans)

We visited two companies that handle coffee beans and held dialogue regarding the coffee we serve in our directly managed stores and lounges. Both companies confirmed that their own staff or contracted trading companies will directly visit local farms and handle products that meet or have been certified as meeting a checklist of quality, price, human rights, the environment, etc. Based on this policy, one company has already completed its response and the other will complete its response by 2030, so we determined that human rights risks are being properly managed.

④ Cacao

We held dialogue with two of our significant suppliers of cacao that we sell in our directly managed stores. We determined that human rights risks are being appropriately managed, based on the fact that both companies directly manage the entire supply chain from cacao producing areas to their own companies under clearly stated policies, and that they select farms that respect human rights based on their procurement policies.

(3) Survey on respect for human rights among suppliers in general

We conducted a survey on the Japan Airport Terminal Group Sustainable Procurement Guidelines for approximately 570 significant suppliers. The response rate was 39%, and the compliance rate for all items averaged 67%. In addition, seven companies answered that more than half of the survey items related to human rights were "insufficient."

7. Review of the implementation status of the improvement plan and reflection in the next fiscal year plan.

(1) Survey on respect for human rights among significant suppliers in general

For companies that answered that more than half of the items related to human rights were "insufficient," there is a possibility that mutual understanding of the survey items is insufficient, so we will conduct additional surveys of the target

companies and engage in dialogue as necessary. In addition, since the response rate to the survey was only about 40%, we will take measures to improve the response rate.

- (2) Dialogue with partner companies related to facilities management and operation
Through interviews regarding security and cleaning work, we were able to clarify the issues and the direction of response, so from next fiscal year onwards, we will continue to survey other security and cleaning partner companies and delivery partner companies as new target operations at the level of several companies per year, taking into account the results of the guideline compliance survey of business partners.

- (3) Dialogue with companies handling risky products related to merchandise sales, food and beverage

We confirmed that human rights risks are being managed for original brands of risky products based on the results of the survey. For coffee and cocoa that are sold directly, we will continue to have regular dialogue with business partners to check the progress of the transition to sustainable products.

8. Status of major initiatives on other themes

- (1) Comfortable working environment for employees

- ① Thanks to proactive recruitment activities and efforts to retain employees through improved working conditions, we have been steadily securing personnel throughout the group, and appropriate working hours are being maintained.
- ② There were 16 cases of whistleblowing in fiscal 2023. With regard to harassment, the content of the consultation was confirmed, measures were taken promptly, and there were no cases that developed into human rights violations. We continue to provide harassment prevention education, publicize the internal reporting hotline, and respond to cases promptly.
- ③ With the aim of maintaining stable service provision and creating an environment in which staff can work with peace of mind, we have formulated a "Policy on Customer Harassment" and announced it both internally and externally. We are holding training seminars to deepen understanding of the policy content and promoting staff education.

- (2) Management of individual user information

As part of our cybersecurity measures, we are continuously working on security education for executives and employees, IT governance for group companies, and launching a CSIRT, and in fiscal 2023, there were zero incidents that caused a significant impact.

(3) Responding to diversifying customer needs

- ① We work with the relevant departments and business partners to improve the opinions and requests received from users. In fiscal 2023, we made efforts to accommodate the diverse needs of users, such as setting up a booth for the universal service "telephone relay service," where operators interpret conversations between people with hearing or speech difficulties and people who can hear, and attracting a new vegan restaurant to accommodate the diversification of food.
- ② In fiscal 2024, Haneda Airport was ranked first in the world for the sixth consecutive year in terms of its response to the elderly and people with disabilities in a rating evaluation by SKYTRAX, a specialized research company for the airport and aviation industry.

(4) Dialogue with business partners regarding human trafficking

In February 2024, the Tokyo Legal Affairs Bureau explained the current situation of human trafficking in air transport and the efforts being made by airlines to prevent human trafficking. We then held a dialogue between business partners about Haneda Airport's unified efforts to prevent human trafficking in order to prevent the use of air transport for human trafficking.



Dialogue on human rights

9. Internal and external reporting

(1) Reporting to the Board of Directors

In the biannual progress report on the sustainability plan, we report on respect for human rights, such as the formulation of a human rights policy, and report on progress on human rights due diligence in November 2023 and June 2024.

(2) Disclosure through integrated reports and corporate websites

In the integrated reports issued in fiscal 2023 and 2024, we disclose progress on "implementation of human rights due diligence," which is an initiative toward "promoting DEI and respecting human rights," one of the materialities.

Since the information that can be disclosed in an integrated report is limited due to space constraints, we have decided to summarize the overall picture of the initiative in this document and disclose it on the corporate website.

Looking ahead

1. Continuous improvement of efforts to respect human rights

(1) Enhancement of supply chain management

- ① When entering into a contract with a new business partner and when renewing a contract with an existing business partner, we will inform the "Sustainable Procurement Guidelines" and request that they comply with them, and we will proceed with efforts to make the "Sustainable Procurement Guidelines" known to all business partners.
- ② We have set "Continuous improvements both in the response rate for surveys on compliance with the Sustainable Procurement Guidelines and in the conformance rate." as an external disclosure KPI, and will continue to work to improve compliance rates for human rights items among major business partners.

(2) Further fostering a corporate culture that respects human rights

- ① We believe that for a company or organization to respect human rights, it is important to foster a corporate culture that respects diversity, which is a prerequisite. As part of our internal environmental improvement policy for human capital management, we have set the goal of "fostering a corporate culture in which diverse human resources enhance each other," and we will

work to recruit and promote the active participation of diverse human resources and provide DEI education and training.

- ② We will further enhance the cycle in which a culture of respect for diversity in our organization and employees leads to respect for diversity in business operations, and leads to a corporate culture that respects human rights that goes beyond compliance with laws and regulations related to human rights.

(3) Expanding information disclosure

- ① We will disclose the outline of each fiscal year's progress in our efforts to respect human rights in our integrated report and on our corporate website, and will continue to expand the disclosure of specific details on our corporate website.

2. Establishment of a relief system

If it becomes clear that our business activities have caused or contributed to adverse human rights impacts, or if such an event is suspected, we will take appropriate corrective measures.

In addition, we will develop a grievance mechanism in line with international standards and take appropriate measures to provide relief to those whose human rights have been adversely affected.

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