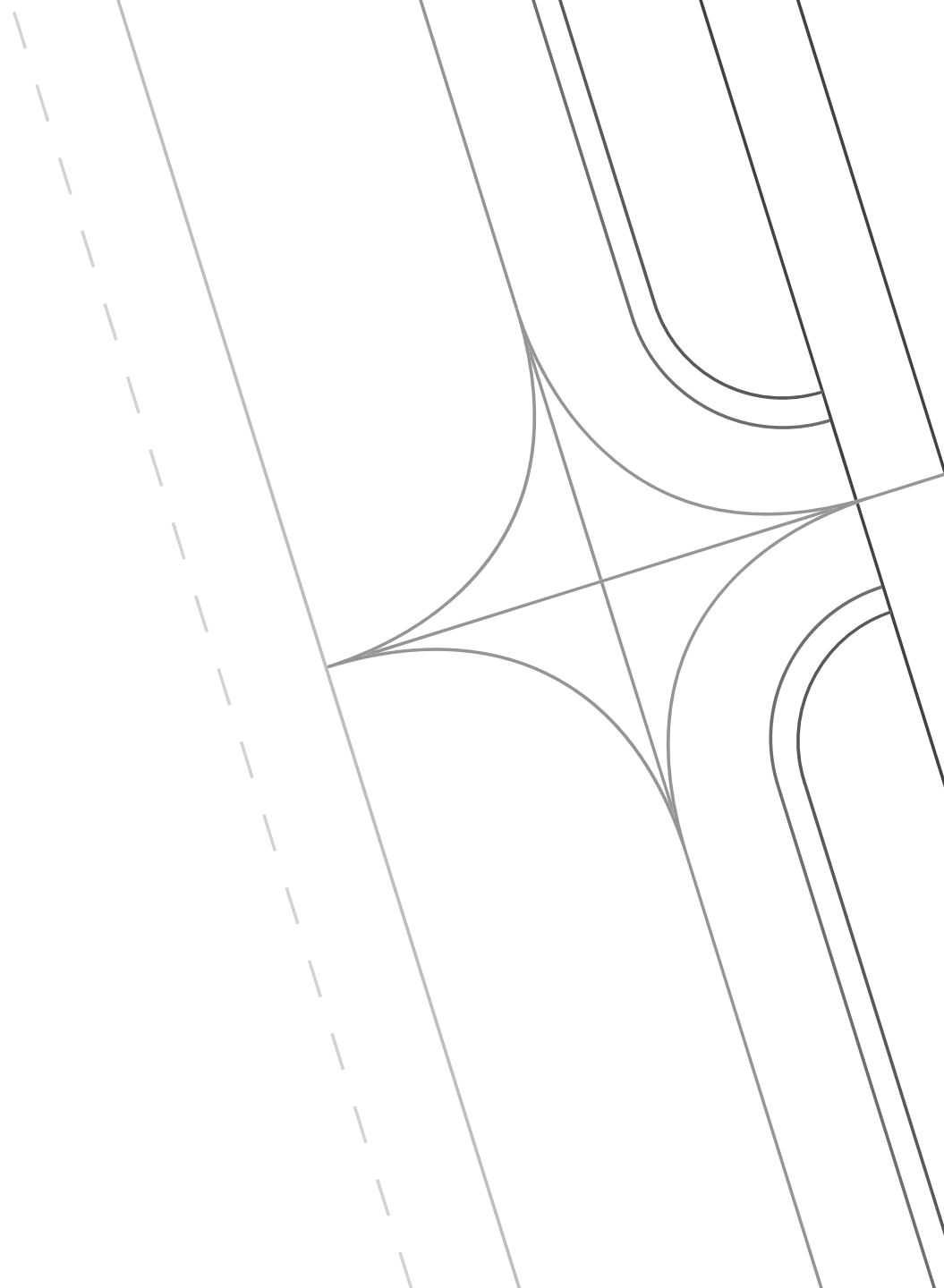


ARC

MIKE HERRITY

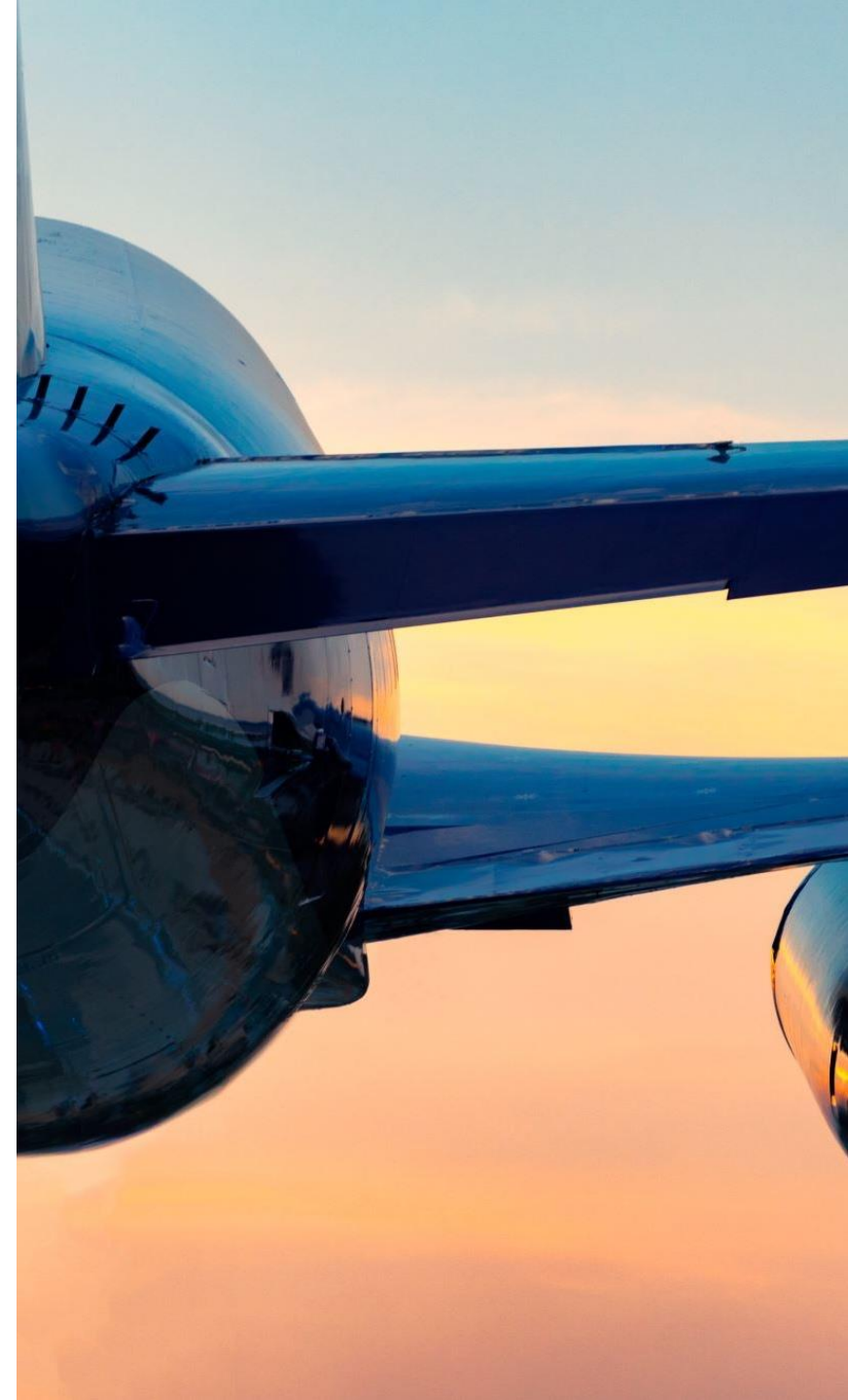
Director, Financial Operations

www.arccorp.com

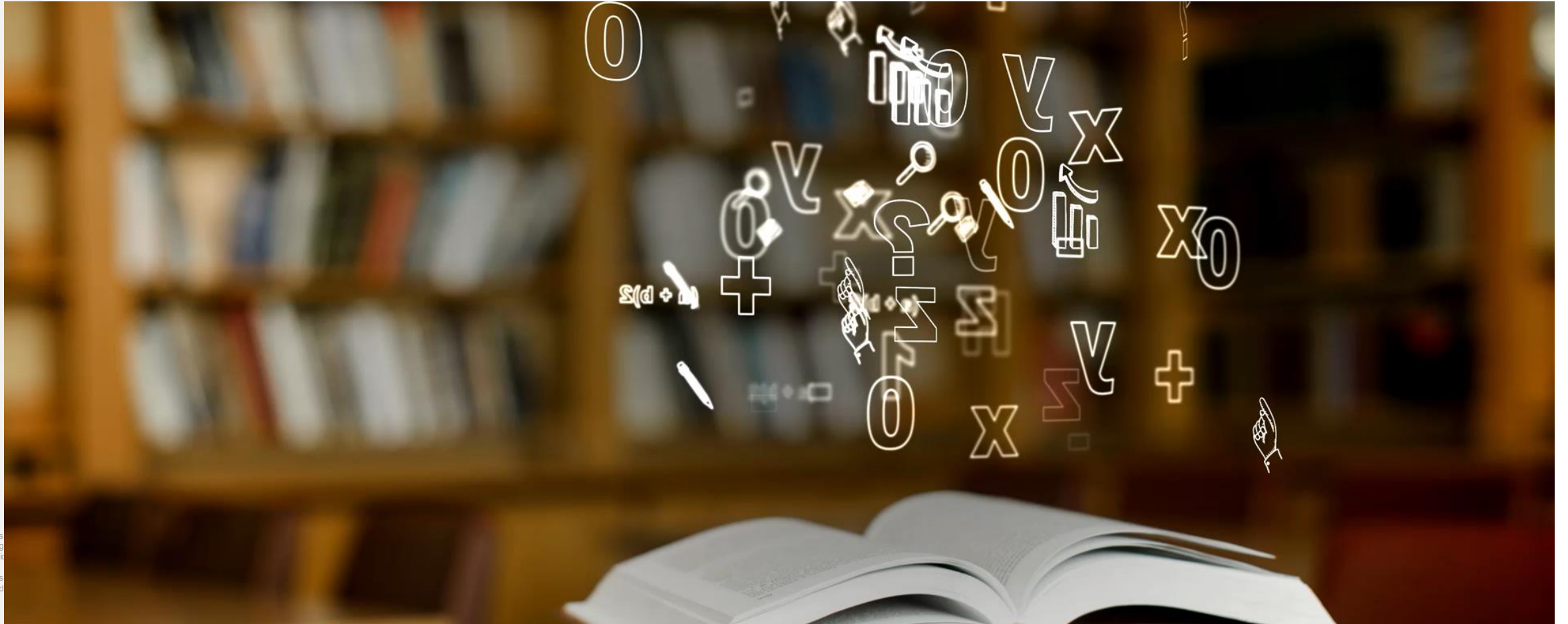


Agenda

- Test your knowledge
- 2025 in Review
- The future of Airline Distribution



Test Your ARC Knowledge



What was the highest number of Travel Agents in ARC?

A 28,933

B 33,715

C 35,652

What was the highest number of Transaction processed at ARC?

A 231M

B 225M

C 240M

How many airlines have joined ARC since 2006?

A 100

B 75

C 50

In 2026 ARC Ticket Sales hit this mark twice?

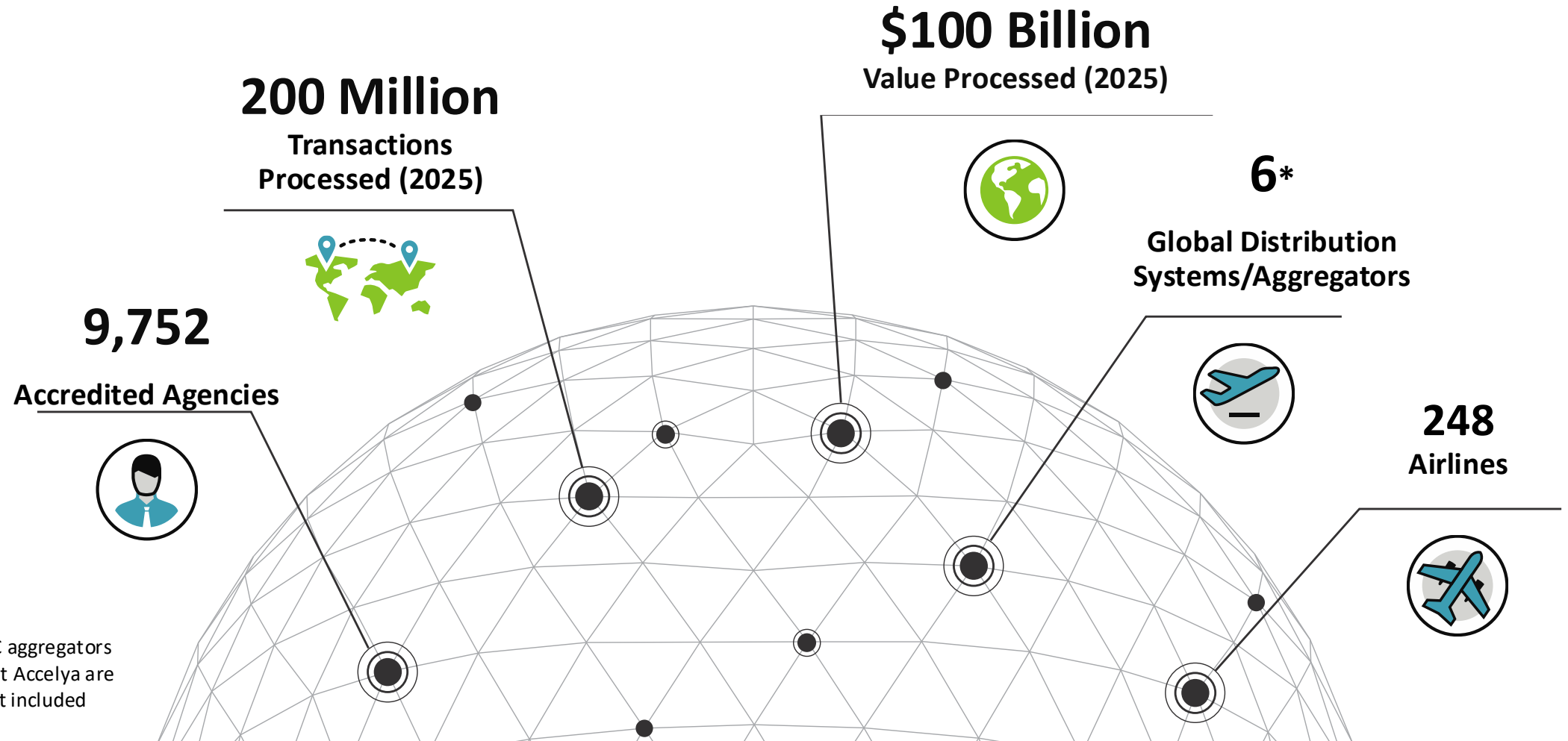
A \$9B

B \$8.5B

C \$10B

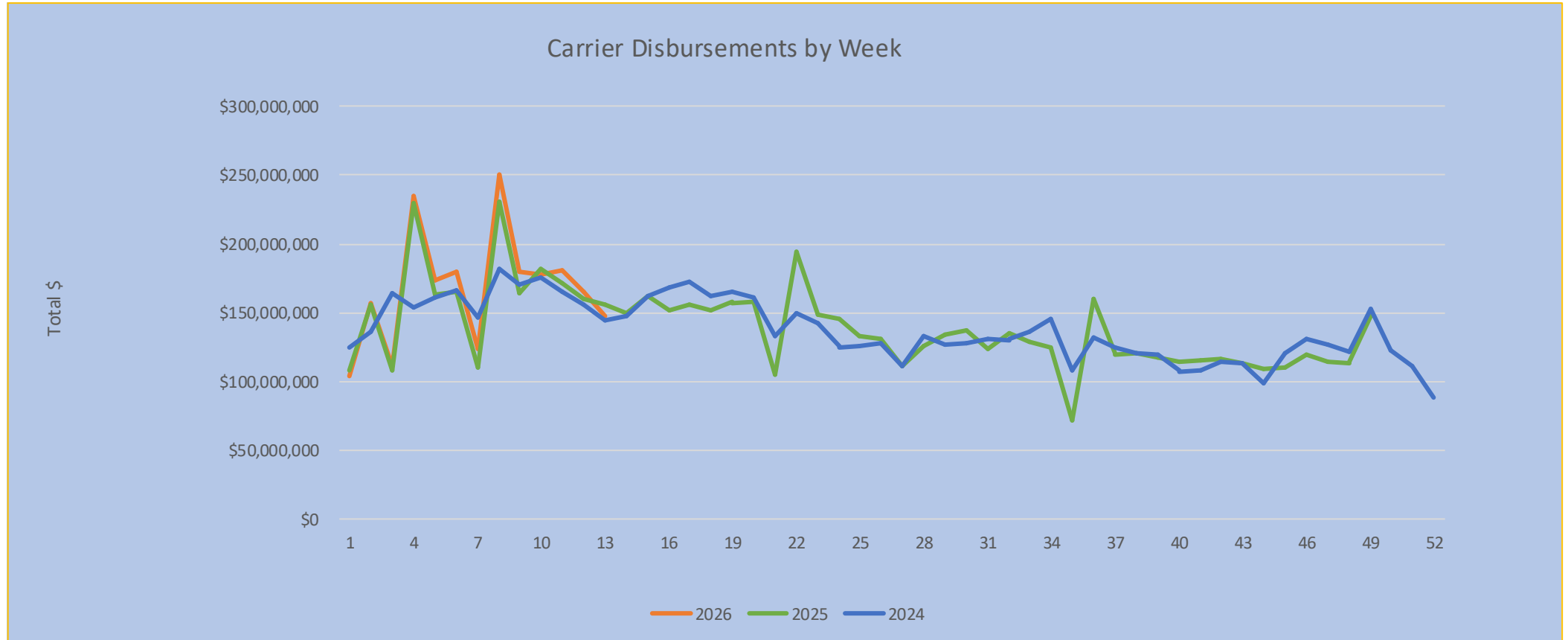
ARC's Customers and Stakeholders

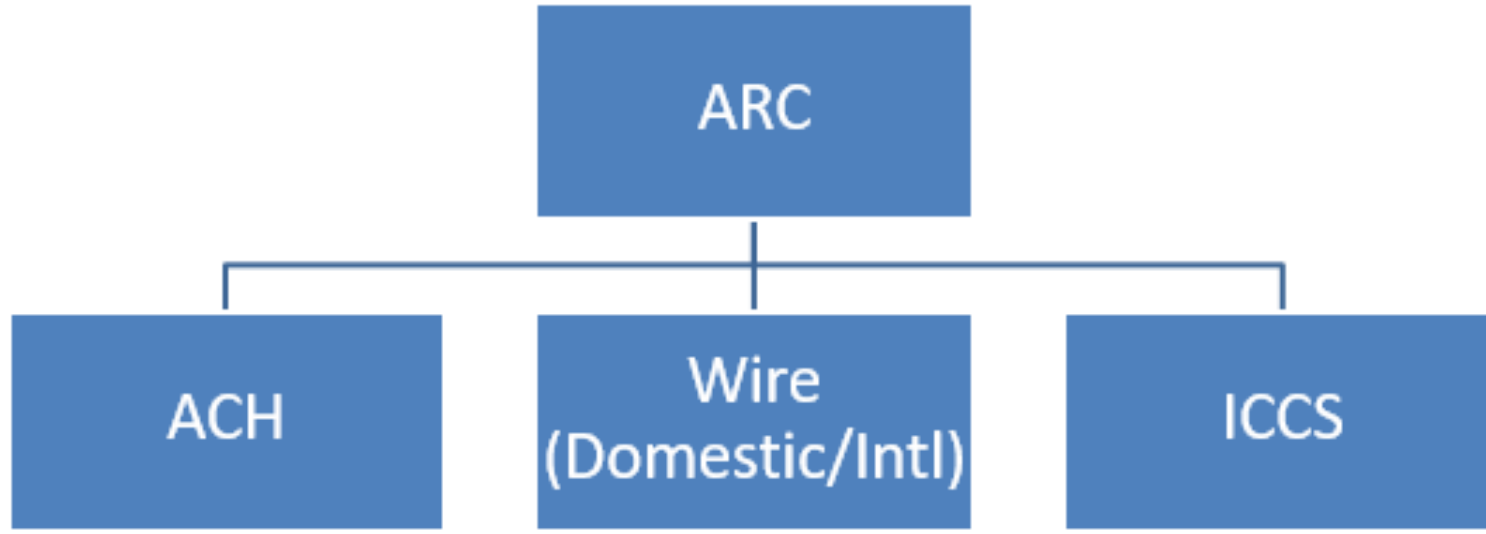
Area Settlement Plan (ASP)



*NDC aggregators
except Accelya are
not included

Carrier Cash Settlements





So How Do I Make The Switch?

Date

Michael Herrity
Senior Mgr, Settlement Operations
ARC
3000 Wilson Blvd, Suite 300
Arlington, VA 22201-3862

Dear Mr. Herrity,

This letter serves as notice that **Carrier Name** would like to receive their weekly ARC disbursement via the Airlines Clearing House.

Regards,

Signature
Name

From Paper Tickets to Orders

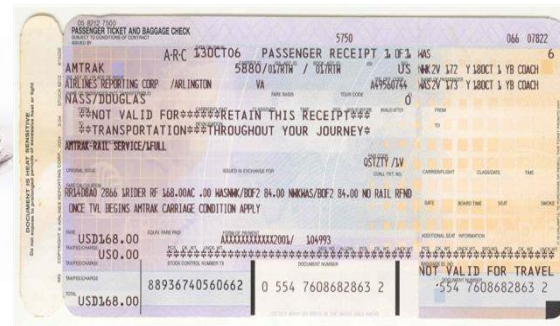
Modern Retailing Evolution

1960s and 1970s

1980s and 1990s

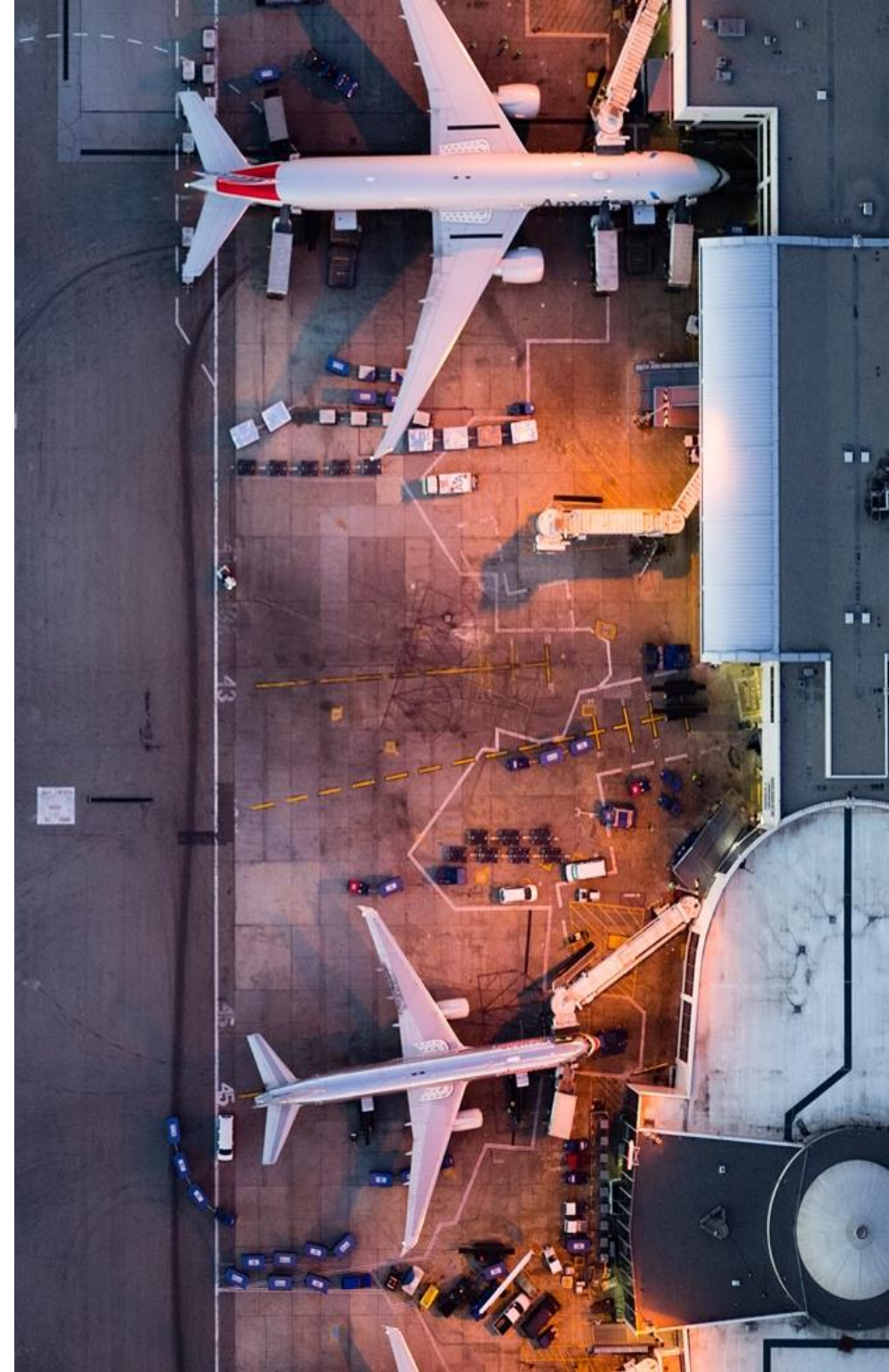
2000s to Today

Future Orders



ARC's Role Supporting the Future of Airline Retailing

- Enabling airlines to retail and distribute products in ways that work best for them and their partners
- **Providing efficient, cost-effective reporting and settlement services**
- Ensuring airlines and their partners continue to have access to trusted data that informs decisions, drives commercial strategies and improves the overall customer experience



2026 Omnichannel

Where are we now

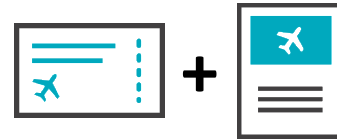
<p>Orders</p>	<ul style="list-style-type: none"> • Orders API with cash functionality went live at the end of January • Orders with Credit Cards is in the works and will be a major release once ready • NDC with tickets is likely late 2027 • ARC participating in major industry demo at IATA Geneva “Demo Days” in June
<p>Advance NDC</p>	<ul style="list-style-type: none"> • NDC representing 20-22% of our volume; 25% by yearend 2026 • Currently 40 airlines in NDC; +7 targeted in 2026
<p>Multiple Form of Payment</p>	<ul style="list-style-type: none"> • Scandinavian Airlines became the first airline to activate directly with ARC • Broader activation remains slow; barriers appear to be more technical (legacy servicing) • IATA BSP supports MFOP, but their infrastructure differs significantly from our CAT file structure • Leadership is considering activating all airlines with ARC by Q4 2027/Jan 2028

Navigating a Hybrid World



TODAY Ticket-Based

Airline retailing is built on Tickets, EMDs and PNRs — a proven but complex model that has served the industry for decades.



Hybrid World

Tickets and orders will coexist for a time. ARC's Direct Connect with Tickets and Orders enable customers to adopt new capabilities while maintaining stability.



FUTURE Orders-Based

The industry moves to a single-order record that manages the entire traveler journey — simplifying servicing, settlement and retailing across all channels.

What's next for orders?



Next release supporting credit card orders is in development now.



Strategy session is scheduled next week to start defining the longer term roadmap.



Continue working with Demo Day participants to get a client live in production.

ARC