

AEON MALL has been identifying costs of environmental conservation and social community contribution activities and using them as indices for CSR management. Sum of investments and expenses for environmental conservation activities was 10,214 million yen, accounting for 99.4% compared to FY2016.

Investment in FY2017 was made to introduce the latest technologies to minimize environmental load. We realized drastic reduction in power consumption by introducing air-conditioning ventilation energy saving systems in our 11 malls.

Amount of investment in energy-saving & resource-saving decreased from FY2016 because we have started large-scale installations of electric vehicle charging facilities since FY2016, and we increased the number of electric vehicle chargers in a planned manner in FY2017.

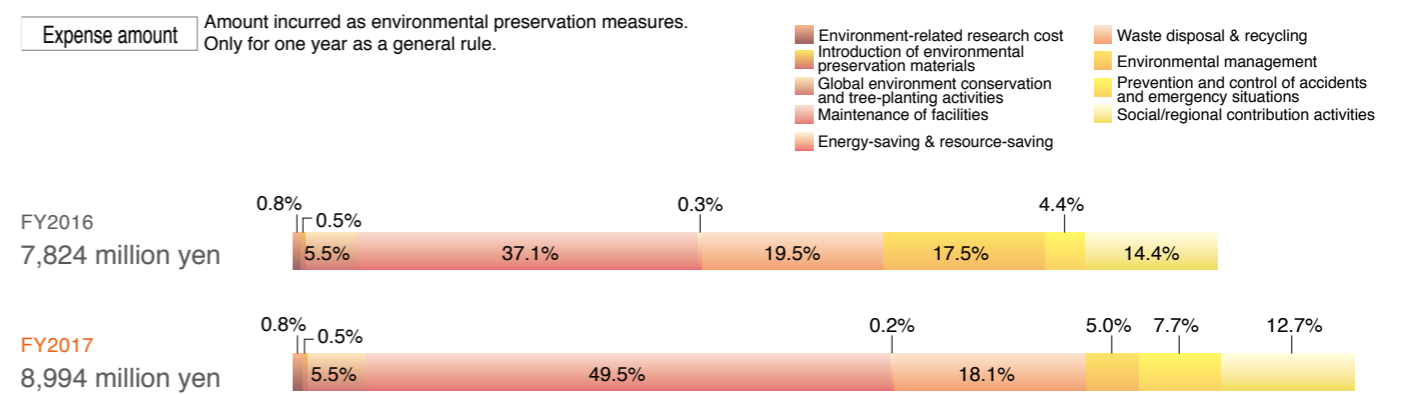
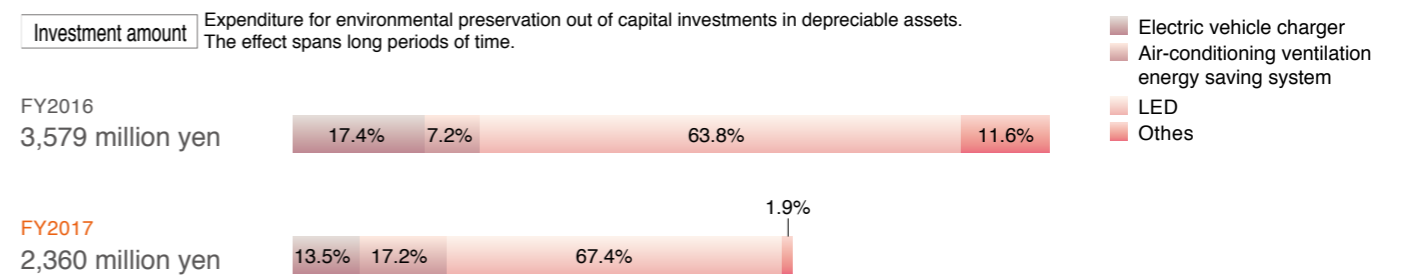
Sum of investments and expenses for social community contribution activities was 1,139 million yen, accounting for 101.1% compared to FY2016.

We implemented regional contribution activities throughout Japan followed by a subsidy project of Public Interest Incorporated Foundation AEON 1% Club. As a result, number of employer-provided facility "AEON Yume-mirai (Dreams for the Future) Nursery School" expanded to 20 schools as the result of the AEON group's expansion effort as of the end of previous fiscal year. We will continue to make efforts to support balancing work and child care for employees of our group companies and many other people, and work to eliminate children on waiting lists.

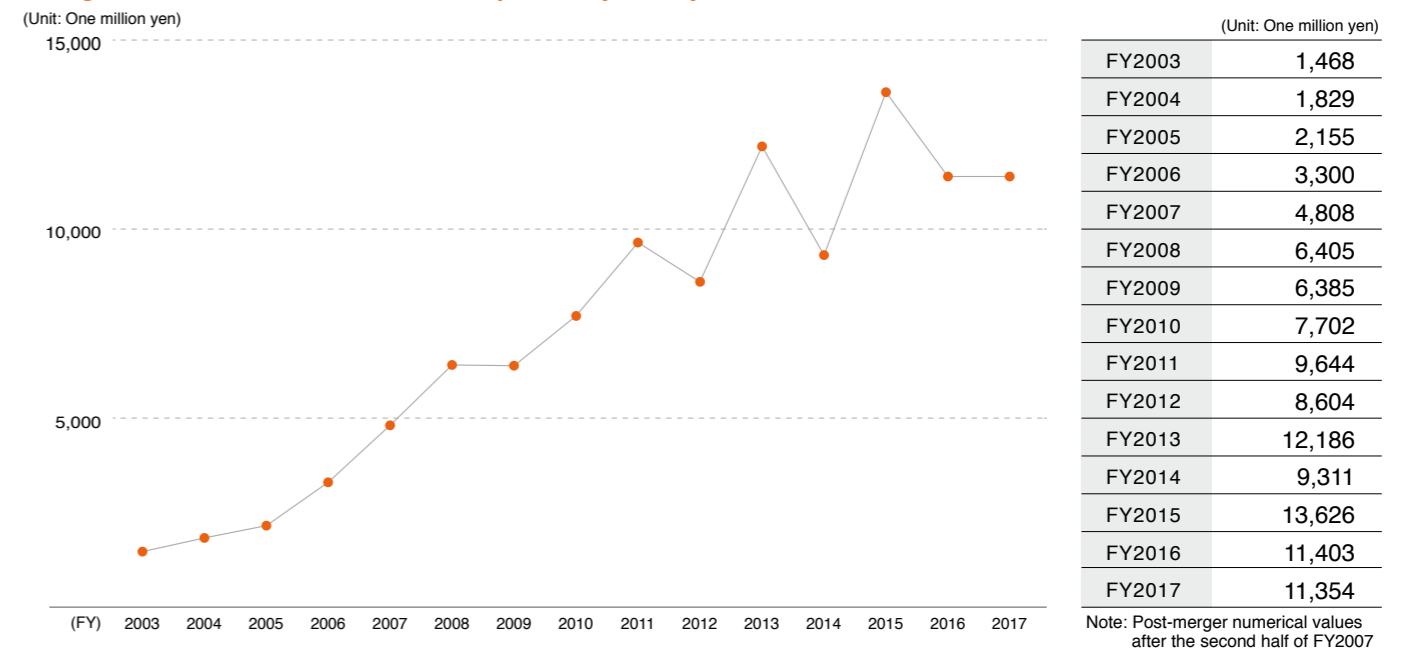
As a result, total expense of FY2017 was 99.6% of expense in FY2016.

Major breakdown of environmental conservation cost

	Investments			Costs			Total (Unit: One million yen)		
	FY2016	FY2017	Year-to-year comparison	FY2016	FY2017	Year-to-year comparison	FY2016	FY2017	Year-to-year comparison
Environment-related research cost	—	—	—	60	69	115.0%	60	69	115.0%
Introduction of environmental preservation materials	—	—	—	42	49	116.7%	42	49	116.7%
Global environment conservation and tree-planting activities	—	—	—	432	493	114.1%	432	493	114.1%
Maintenance of facilities	—	—	—	2,899	4,447	153.4%	2,899	4,447	153.4%
Energy-saving & resource-saving	3,579	2,360	65.9%	20	20	100.0%	3,598	2,381	66.2%
Charging stands for electric vehicles	622	319	51.3%	—	—	—	622	319	51.3%
Air-conditioning ventilation energy-saving system	259	405	156.4%	—	—	—	259	405	156.4%
LEDs	2,283	1,590	69.6%	—	—	—	2,283	1,590	69.6%
Other	415	45	10.8%	20	20	100.0%	435	65	14.9%
Waste disposal & recycling	—	—	—	1,531	1,629	106.4%	1,531	1,629	106.4%
Environmental management	—	—	—	1,366	452	33.1%	1,366	452	33.1%
Prevention and control of accidents and emergency situations	—	—	—	346	691	199.7%	346	691	199.7%
Total of environmental conservation activities	3,579	2,360	65.9%	6,697	7,854	117.3%	10,275	10,214	99.4%
Social/ regional contribution activities	—	—	—	1,127	1,139	101.1%	1,127	1,139	101.1%
Total	3,579	2,360	65.9%	7,824	8,994	115.0%	11,403	11,354	99.6%



Changes in total cost of investments & expenses by fiscal year



Period: March 1, 2017 to February 28, 2018 Scope: Within the applicable scope of ISO 14001 of AEON MALL Co., Ltd.
 (1) Joint costs: As a general rule, the full amount is appropriated even if the cost joins with costs other than the purpose of environmental objectives.
 (2) Personnel expenses: As a general rule, personnel expenses for AEON MALL employees are not appropriated. However, personnel expenses for "facility maintenance" and "waste disposal & recycling" are appropriated.
 (3) Investments: Appropriated as investment in equipment and facilities to the reduction of environmental load occurring during the period. (Appropriated as expenses for the leasing contract.) Appropriated as investment if the amount at the time of implementation is clear for those items which have changed or has been transferred after implementation. (Ice Thermal Storage System, etc.)
 (4) Depreciation and amortization: Depreciation and amortization are not recorded.