

Corporate Governance

For the long-term stable enhancement of corporate value, we are implementing measures to reinforce our corporate governance functions and to create management structures that allow for fast decision making.

Basic Stance

Based on the principle of putting “customers first,” our management philosophy is to be a “Life Design Developer” that creates “future lifestyles” along with local communities. Specifically, we define “life design” as the offering of new services that go beyond the scope of traditional commercial facilities to suit the life stage of local customers. We aim to design future lifestyles by going beyond simple shopping and emphasizing people interaction and cultural development. It is our principle to work for the betterment of people’s lifestyles and the economic and cultural development of local communities. We aim to do this by further leveraging our strength as a developer rooted in retail, maintaining a localization perspective, and building malls unique to respective to regions (both domestic and abroad).

In recognition of the fact that corporate governance is one of the most important aspects of management to achieve this, we look to continuously upgrade our corporate governance functions.

1. Working with our shareholders, we shall provide and maintain an equitable environment for shareholder rights and the execution thereof for sustainable growth.

2. The Board of Directors & senior management shall demonstrate leadership to secure proactive ESG & CSR initiatives and a fostering of a corporate culture conducive to ethics and respect with regard to both business practice and customer/ stakeholder rights.
3. To secure transparency and fairness, we shall make financial and non-financial disclosure in a judicious and easy to understand manner in accordance with our “Disclosure Policy” and “Information Disclosure & Management Rules.”
4. The Board of Directors, which is comprised primarily of directors with expert knowledge of retail, shall implement measures to further leverage the company’s strength as a developer rooted in retail, realize highly transparent management via the appointment of independent outside directors to bolster supervisory functions, and establish and advance key business strategies such as our long-term vision and medium-term business plans.
5. The opinions and assessments garnered from constructive dialogue with shareholders shall be reflected in the management of the company and used to enhance corporate value.

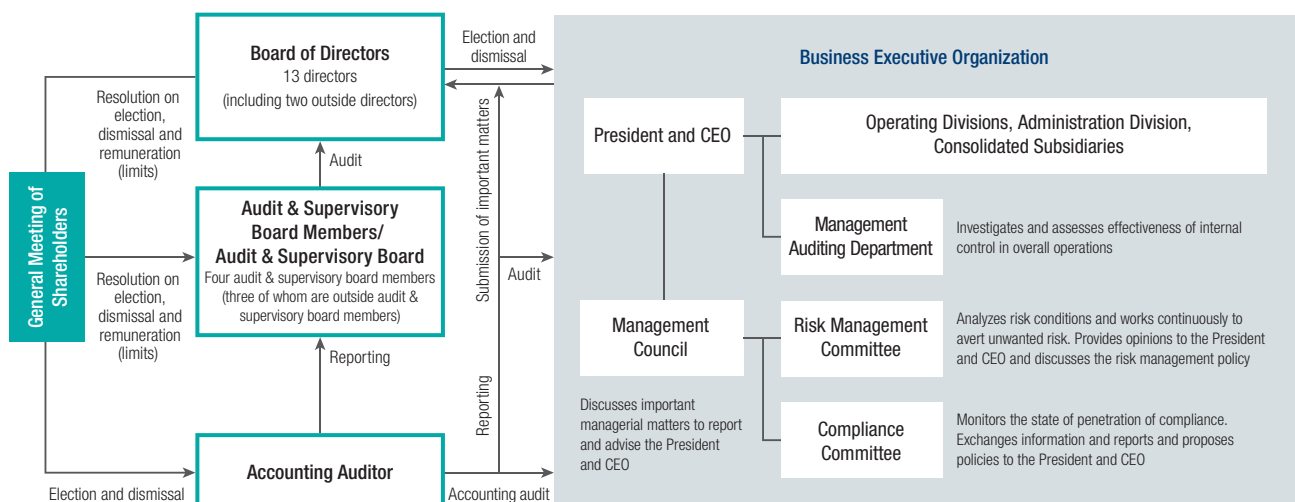
Corporate Governance System

The Management Council is the President’s inquiry arm with core members constituted by directors above the rank of Managing Director, full-time Audit & Supervisory Board members and individuals appointed by the President. It has been established to act as an advisory body on matters pertaining to the bolstering of strategic management functions and the streamlining of decision-making processes. To bolster supervisory functions, Board Meetings chaired by the President and CEO are convened at least once a month.

In addition to the above, AEON MALL implements meetings/ sessions attended by executives below the rank of

Representative Director (heads of divisions, business departments and administrative functions) to ensure business efficiency and information sharing. The Company employs an Audit and Supervisory Board system comprised mainly by outside auditors, and has established a framework allowing members of the Audit and Supervisory Board to fully perform their auditing functions in cooperation with accounting auditors and the Management Audit Department. All members of the Audit and Supervisory Board attend meetings of the Board of Directors, and full-time Audit & Supervisory Board members attend the Management Council.

Corporate Governance Organization Chart (as of February 28, 2018)



Corporate Governance Code

At AEON MALL we are proactively bolstering corporate governance to improve management efficiency/ soundness and to achieve continuous enhancement of corporate value. Specifically, we seek to improve the efficacy of corporate

governance by combining initiatives aimed at structural and systemic issues as well as initiatives directed at individual officers. We enforce each of the principles in our corporate governance code and aim to further refine said code going forward.

Administering Board of Director Meetings

The Board of Directors holds meetings at least once a month and/or when deemed necessary. For issues deemed to pose significant risk to Aeon Mall and its group and requiring the approval of the President and/or the board, deliberations at the Management Council are conducted before final decision is made by the President and/or the Board of Directors. As regards to execution of business operations, executive authority is granted and management responsibility clarified based on the "Rules for Job Position Management," "Rules for the Division of Duties," "Rules for Authority," and "Rules for Approval Request," and "Rules for the Management of Affiliates."

Status of Appointment of Outside Directors

Outside directors have a role of ensuring transparency of the Board of Directors by supervising inside directors and providing advice to management. Audit & supervisory board members participate in meetings of the Board of Directors whilst maintaining arms-length distance from management. As needed, they request detailed explanations regarding business operations so as to improve the efficacy of managerial supervision.

We have no specific stipulated independence criteria for the selection of outside auditors. The essential thinking, however, is that they must have knowledge and experience regarding audits of regulatory compliance of directors and overall management administration. They must also have no risk of conflicts of interest with general shareholders.

Holding of Concurrent Position of Outside Directors and Audit & Supervisory Board Members, Reasons for Election, etc. (as of end-May, 2018)

	Name	Organization	Concurrent Position	Relationship with AEON MALL	Reasons for Election
Outside Directors	Mami Taira	Taira Tax & Accounting Consulting Group	Partner	No transactional relations	Owing to skills cultivated in her years as a certified public accountant and tax accountant, Mami Taira was asked to continue her services at our company as an accounting expert. Having previous experience as a director and auditor for other firms, she provides advice and supervisory functions, as well as practical advice on the promotion of diversity management. Ms. Taira has no past relations with a major shareholder of Aeon Mall, nor an entity with which Aeon Mall conducts major business. She is therefore deemed to have no particular conflicts of interest with the Company, and we consider that she is appropriately qualified to be an independent director.
		Suzuden Corporation	Outside Director		
		Iseki & Co., Ltd.	Outside Audit & Supervisory Board Member		
Masao Kawabata	Masao Kawabata	Brainwoods Corporation, Ltd.	Advisor	No transactional relations	Masao Kawabata was asked to continue his services at Aeon Mall and to contribute his views developed from extensive overseas experience managing foreign subsidiaries of Japanese companies across a multitude of countries. He also has experience in public relations, investor relations, and risk management. Mr. Kawabata has no past relations with a major shareholder of Aeon Mall, nor an entity with which Aeon Mall conducts major business. He is therefore deemed to have no particular conflicts of interest with the Company, and we consider that he is appropriately qualified to be an independent director.
		English-Speaking Union of Japan	Director		
Outside Audit & Supervisory Board Members	Maki Watanabe	AEON TOWN Co., Ltd. OPA Co., Ltd.	Outside Audit & Supervisory Board Member	No transactional relations	Maki Watanabe has been put forward as a new member of the Audit and Supervisory Board on the conviction that the wealth of accounting experience she has amassed at AEON Co., Ltd. and her experience as an auditor of many AEON Group companies can be put to beneficial use at Aeon Mall.
	Yumiko Ichige	Nozomi Sogo Attorneys at Law	Partner	No transactional relations	Yumiko Ichige has experience and expertise as an attorney for corporate legal affairs as well as experience serving as a director and auditor at other firms. She is able to draw on her expertise to present opinions and perform supervisory roles from both a legal and governance perspective. She was asked to continue to contribute to the management of the Company. Ms. Ichige has no past relations with a major shareholder of Aeon Mall, nor an entity with which Aeon Mall conducts major business. She is therefore deemed to have no particular conflicts of interest with the Company, and we consider that she is appropriately qualified to be an independent director.
		NEC Networks & System Integration Corporation Sushiro Global Holdings Ltd.	Outside Director		
Takao Muramatsu	Takao Muramatsu	Muramatsu Tax Accountant Office	Head	No transactional relations	Takao Muramatsu supervises and provides pertinent suggestions based on both the robust expertise in tax affairs he developed in his many years of service at the Regional Taxation Bureau, as well as his experience as a director and auditor at other firms. He was selected in the anticipation that he will continue to provide his expertise the management of the Company. Mr. Muramatsu has no past relations with a major shareholder of Aeon Mall, nor an entity with which Aeon Mall conducts major business. He is therefore deemed to have no particular conflicts of interest with the Company, and we consider that he is appropriately qualified to be an independent director.
		Besterra Co., Ltd. Serendip Consulting Co., Ltd.	Outside Audit & Supervisory Board Member		
		Globeride, Inc.	Outside Director		

Activities of Outside Directors and Outside Auditors (FY2017)

Title	Name	No. of sessions attended		Activity Descriptions
		Board of Directors	Audit & Supervisory Board	
Outside Director	Mami Taira	17/17	—	Leveraging her background as an accounting specialist and her experience as a director and auditor at other firms, Ms. Taira makes discerning remarks as appropriate and from the standpoint of fairness and transparency, points out issues relating to policy implementation both at home and abroad.
	Masao Kawabata	17/17	—	Making use of the wealth of experience he has as a business manager in Japan and overseas, Mr. Kawabata makes for more dynamic board meetings with his cross-checks on corporate growth from long-term vantage points and his review of factual accuracy in the decision making process.
Outside Audit & Supervisory Board Members	Yumiko Ichige	17/17	16/16	Ms. Ichige makes use of her expertise as a lawyer and her experience as a director and auditor at other firms to make necessary remarks as appropriate. She provides comment, for example, on the drafting of medium-term strategy from the perspective of minority shareholders and/or the corporate governance code.
	Takao Muramatsu	17/17	16/16	Mr. Muramatsu makes use of the wealth of his expertise in tax affairs and his experience as a director and auditor at other firms to provide critical input as appropriate. He provides opinion on such issues as the appropriateness of investment profitability planning and enhancement of the soundness of corporate governance.

Board Member Training Policy

Via seminars for newly appointed directors and/or seminars hosted by the President, AEON MALL affords members of the Board of Directors/ Audit and Supervisory Board opportunities to further improve their leadership skills, nurture skills for corporate strategy, and elevate their understanding of compliance and governance among other things.

Newly appointed outside members of the Board of Directors/ Audit and Supervisory Board are provided with a training program to advance understanding the Company. The program includes visits to our malls, industry information, AEON MALL Group and/or AEON Group histories, and business, strategy, finances, and organizational outlines.

Subsequently, at least once a year, we have our outside directors and auditors visit our overseas malls to deepen their understanding of one of the key pillars to AEON MALL's business – the overseas business.

Outside Director Support System

As a support system for outside directors and auditors, the General Affairs Division provides two staff members to assist members of the Audit and Supervisory Board including outside auditors. In the interests of time efficient discussion, the staff provide board meeting materials and briefings in advance, and at any time, will provide such necessary information accurately and on a timely basis.

Initiatives to Assess Board of Director Efficacy

Since FY2016, we have been implementing a program to assess the efficacy of our Board of Directors. That first year, the assessment took the form of a questionnaire answered by all members of the Board of Directors and the Audit & Supervisory Board. The focus then was on accurately identifying the status quo from a variety of angles vis-a-vis

each principle of the corporate governance code.

An external organization was used to collate and analyze the data. Views were exchanged with outside directors and a review meeting was held by internal Board members. Subsequently, deliberations for improvement were conducted at the July Board Meeting. A summary of the deliberations follow.

Result of FY2/2017 Assessment

Assessment

- A characteristic of the Board, and a strength, is that PDCAs are in place to improve the way in which the Board functions vis-à-vis corporate governance code and other such regulations.
- Each officer displays accurate awareness of the issues in need of improvement and are highly motivated to make improvements.

Outstanding Issues

- Discussion needed on what would constitute an ideal AEON MALL Board of Directors.
- Further bolstering of the supervisory function of the Board required.
- Deeper discussion from a medium to long-term as well as a management philosophy perspective required.

Remuneration for Executives

Remuneration for members of the Board of Directors is comprised of a basic component and a performance-linked component. Upper limits are fixed at the general meeting of shareholders. Remuneration is determined within the upper

limit based such factors as position/title and business performance. Remuneration of Audit & Supervisory Board members is decided within the limits resolved at the general meeting of shareholders by the Audit & Supervisory Board members.

Remuneration for Directors and Audit & Supervisory Board Members (FY 2017)

Category	Total amount incl. remuneration (million yen)	Total amount for each type of compensation (in million yen)			Number of officers in the category
		Basic remuneration	Stock options	Expected amount of executive bonuses	
Directors (excl. outside directors)	255	163	34	57	10
Audit & Supervisory Board Members (excl. outside audit & supervisory board members)	-	-	-	-	-
Outside officers	35	35	-	-	5

(Note)

*1 Data (on the left) does not include one director and two members of the Audit and Supervisory Board (of whom one retired following the end of the 17 May 2017 AGM) who received no remuneration.

*2 Based on the resolution of the General Meeting of Shareholders, the maximum monetary remuneration of a director is 600,000,000 yen per year (resolution of the General Meeting of Shareholders held on May 17, 2007); The maximum remuneration based on-stock options is 100,000,000 yen per year (resolution of the General Meeting of Shareholders held on May 17, 2007); The maximum remuneration of an auditor is 50,000,000 yen per year (resolution of the General Meeting of Shareholders held on May 8, 2002).

*3 The total amounts of remuneration shown on the left include the following:

- Expected executive bonuses of 57.3 million yen (for nine directors employed by the company as of February 28, 2018. Does not include two directors and two outside directors receiving no remuneration).
- Remuneration based on stock options of 34.742 million yen (for nine directors employed by the company as of 10 May 2017. Does not include one (1) director and two (2) outside directors receiving no remuneration).

Communications with Shareholders and Investors

Preparation & announcement of disclosure policy

We have prepared a disclosure policy where basic policies, standards for information disclosure, method of disclosure, and IR blackout periods are articulated.

Regular information meetings for individual investors

We hold company briefings for individual investors.

Regular information meetings for analysts and institutional investors

We hold quarterly briefings by company representatives and IR officers

Regular information meetings for foreign investors

We prepare English versions of the company's annual reports, IR website, and other reference materials and publish them at the same time as the Japanese versions. Additionally, we hold

quarterly telephone conferences for foreign investors and regularly participate in conferences held in Japan for foreign investors.

Posting of IR information on the company website

In addition to financial results information, timely disclosure materials other than financial results, official unabridged financial statements and/or quarterly financial reports, and shareholder communications, we post audio recordings of financial results briefings on our website.

Establishment of IR department (contact persons)

Tasked with information disclosure, we have established an IR Group within the Corporate Planning Department. (Phone: 043-212-6733)

Other

We hold individual meetings for domestic and foreign investors and securities analysts. In addition, we provide AEON MALL tours and other events as demand requires.

Compliance Promotion System

To build better relationships with local communities and fulfill the Company's corporate social responsibilities, Aeon Mall focuses on compliance management and adheres to the AEON Code of Conduct which is the AEON Group's guide to conduct. A "Compliance Committee" headed by the Director of the Administration Division has been created to enforce compliance with and/or identify or deliberate problem areas as regards to laws and regulations, the Articles of Incorporation, and internal rules. The proceedings of the Compliance Committee are reported to the Management Council, and important issues are reported to the Board of

Directors. To protect any individual reporting internal problems, the Company has introduced the Helpline AEON MALL "HR 110 hotline" (the Company's labor union has separately launched "Union 110 hotline"). We aim to introduce a similar helpline at all subsidiaries. In the event something is reported via the above hotline(s), the Company will investigate the reported activity. Where unacceptable behavior is shown to have taken place, disciplinary action will be implemented based on internal rules and measures to prevent recurrence will be drafted and/or be implemented across the Company. The Compliance Committee will be notified of such events.

Risk Management Promotion Structure

AEON MALL designates its President and CEO as the executive director and business divisional heads as directors in charge of risk management. It is tasked with developing a system and environment to ensure business continuity and the safety of human lives. The Company Group has established "Risk Management Rules" with the aim of preventing danger and/or minimizing damage from any occurrence of danger. It has also designated a management unit for each risk category to enable management of risk faced by the entire Group and thereby prevent damage to the brand and/or allow enhancement of corporate value. In the event of urgent and substantial potential loss to the Aeon Mall and/or the Group, the Company will, based on the Risk Management Rules, implement appropriate communications

and decision-making to minimize loss.

The Risk Management Committee, headed by the Director of the Administration Division, has been established as an entity to be responsible for the overall Group's risk management. The entity discusses solutions and challenges pertaining to risk management and reports proceedings to the Management Council, which is an advisory body to the President and CEO and consists of managing directors or above, full-time Audit & Supervisory Board members, and persons appointed by the President. Important issues are reported to the Board of Directors. The department responsible for internal auditing helps in enhancing the effectiveness of risk management and conducts internal audits based on the "Internal Auditing Rules."

Directors and Audit & Supervisory Board Members (as of May 30, 2018)

Directors



Akio Yoshida
President and CEO

April 1983: Joined JUSCO Co., Ltd. (now AEON Co., Ltd.)
September 2005: General Manager, Tohoku Development Department, AEON Co., Ltd.
September 2009: General Manager, Kanto Development Department, AEON Retail Co., Ltd.
February 2011: General Manager, Management Department, International Planning Department, AEON MALL Co., Ltd.
March 2011: Director, AEON (CHINA) CO., LTD.
March 2011: General Manager, China Development Management Department, China Division, AEON MALL Co., Ltd.
March 2012: General Manager, China Division, AEON MALL Co., Ltd.
April 2014: General Manager, Sales Division and Chief China Business Officer, AEON MALL Co., Ltd.
May 2014: Managing Director, General Manager, Sales Division and Chief China Business Officer, AEON MALL Co., Ltd.
February 2015: President and CEO, AEON MALL Co., Ltd. and Chief China Business Officer, AEON MALL Co., Ltd.
April 2015: President and CEO, AEON MALL Co., Ltd. (to present)
March 2016: Vice President, Developer Operations, AEON Co., Ltd. (to present)



Mitsuhiro Fujiki
Managing Director

April 1985: Joined AEON MALL Co., Ltd.
April 2011: General Manager, AEON MALL Niihama, AEON MALL Co., Ltd.
November 2012: General Manager, AEON MALL Miyazaki, AEON MALL Co., Ltd.
April 2013: General Manager, West Japan Business Department, Sales Division, AEON MALL Co., Ltd.
September 2014: General Manager, Chugoku & Shikoku Business Department, Sales Division, AEON MALL Co., Ltd.
February 2015: Deputy General Manager, Sales Division, AEON MALL Co., Ltd.
April 2015: General Manager, Sales Division, AEON MALL Co., Ltd.
May 2015: Director, General Manager, Sales Division, AEON MALL Co., Ltd.
April 2017: Director, General Manager, Leasing Division, AEON MALL Co., Ltd.
May 2018: Managing Director, General Manager, Leasing Division, AEON MALL Co., Ltd. (to present)



Kaoru Iwamoto
Senior Managing Director

April 1977: Joined JUSCO Co., Ltd. (now AEON Co., Ltd.)
April 2001: General Manager, Kinki Development Department, SC Development Division, JUSCO Co., Ltd.
March 2005: General Manager, West Japan Development Department, Development Division, AEON Co., Ltd.
April 2008: Supervisor, Development Division, AEON MALL Co., Ltd.
May 2008: Director, Deputy General Manager, Development Division, AEON MALL Co., Ltd.
May 2009: Director, General Manager, Development Division, AEON MALL Co., Ltd.
May 2010: Managing Director, General Manager, Development Division, AEON MALL Co., Ltd.
May 2012: Senior Managing Director, General Manager, Development Division, AEON MALL Co., Ltd. (to present)



Motoya Okada
Director and Advisor

March 1979: Joined JUSCO Co., Ltd. (now AEON Co., Ltd.)
May 1990: Director, JUSCO Co., Ltd.
February 1992: Managing Director, JUSCO Co., Ltd.
May 1995: Senior Managing Director, JUSCO Co., Ltd.
June 1997: President, JUSCO Co., Ltd.
May 1998: Director, AEON MALL Co., Ltd.
May 2002: Director and Advisor, AEON MALL Co., Ltd. (to present)
May 2003: Director and President and Representative Executive Officer, AEON Co., Ltd.
March 2012: Director and President and Representative Executive Officer, Group CEO, AEON Co., Ltd. (to present)
February 2015: Director and Advisor, AEON Retail Co., Ltd. (to present)



Seichi Chiba
Senior Managing Director

April 1978: Joined The Dai-ichi Kangyo Bank, Ltd. (now Mizuho Bank, Ltd.)
September 1993: Assistant Manager, New York Branch, The Dai-ichi Kangyo Bank, Ltd.
April 2002: Deputy Manager, Credit Department No. 3, Mizuho Corporate Bank, Ltd. (now Mizuho Bank, Ltd.)
October 2002: General Manager, Corporate Department No. 4, Mizuho Corporate Bank, Ltd.
May 2003: General Manager, Global Corporate Department No. 2, Mizuho Corporate Bank, Ltd.
April 2005: Executive Officer, General Manager, Corporate Restructuring Division No. 1, Mizuho Corporate Bank, Ltd.
April 2007: Managing Executive Officer, Mizuho Corporate Bank, Ltd.
May 2010: Vice President, AEON Co., Ltd.
May 2010: Vice President Chief Financial Officer, AEON Group, Manager in Charge of Finance, AEON Group
May 2010: Audit & Supervisory Board Member, AEON MALL Co., Ltd.
March 2011: Vice President CFO, AEON Group
May 2013: Senior Managing Director, General Manager, Finance & Accounting Division/Chief Financial Officer, AEON MALL Co., Ltd.
April 2015: Senior Managing Director, General Manager, Finance & Accounting Division/Chief Financial Officer, and Chief ASEAN Business Officer (to present)



Mitsugu Tamai
Director

July 1999: Joined AEON Credit Service Co., Ltd.
May 2006: Director, General Manager, Finance & Accounting Management Department, AEON Credit Service Co., Ltd.
April 2007: Director, General Manager, Finance & Accounting Division, AEON Credit Service Co., Ltd.
March 2010: Director, General Manager, Affiliate Management Division, AEON Credit Service Co., Ltd.
May 2011: Executive Officer, General Manager, Administration Department, Affiliate Management Division, AEON Credit Service Co., Ltd.
March 2012: Aide to the Group Control and Accounting Officer, AEON Co., Ltd.
May 2012: Audit & Supervisory Board Member, AEON Kyushu Co., Ltd.
May 2012: Audit & Supervisory Board Member, AEON Delight Co., Ltd.
August 2012: General Manager, Administration Division, AEON MALL Co., Ltd.
April 2013: General Manager, ASEAN Division, AEON MALL Co., Ltd.
May 2013: Director, General Manager, ASEAN Division, AEON MALL Co., Ltd. (to present)



Akio Mishima
Managing Director

April 2000: Joined AEON MALL Co., Ltd.
July 2006: General Manager, Existing Store Management Department, Leasing Division, AEON MALL Co., Ltd.
July 2007: General Manager, AEON MALL Kisogawa, AEON MALL Co., Ltd.
May 2009: General Manager, Kanto & Tohoku Leasing Department, Leasing Management Department, Sales Division, AEON MALL Co., Ltd.
April 2011: General Manager, Leasing Management Department, Sales Division, AEON MALL Co., Ltd.
May 2012: Director, General Manager, Leasing Division, AEON MALL Co., Ltd.
April 2013: Director, Manager, Leasing Management Department, Sales Division, AEON MALL Co., Ltd.
April 2015: Director, General Manager, Leasing Division, AEON MALL Co., Ltd.
May 2016: Managing Director, General Manager, Leasing Division, AEON MALL Co., Ltd.
April 2017: Managing Director, General Manager, Sales Division, AEON MALL Co., Ltd. (to present)



Hisayuki Sato
Director

March 1981: Joined JUSCO Co., Ltd. (now AEON Co., Ltd.)
March 1990: Tohoku Development Department, JUSCO Co., Ltd.
October 2008: General Manager, Development Division, AEON (China) Co., Ltd.
March 2011: General Manager, AEON MALL Beijing Tianjin Development Division, China Division, AEON MALL Co., Ltd.
September 2012: General Manager, China Development Management Department, China Division, AEON MALL Co., Ltd.
April 2014: Chief Executive Officer, AEON MALL (GUANGDONG) BUSINESS MANAGEMENT CO., LTD.
March 2016: General Manager, Development Management Division, AEON MALL (CHINA) CO., LTD. (to present)
April 2016: General Manager, China Division, AEON MALL Co., Ltd.
April 2016: Chief Executive Officer, AEON MALL (CHINA) CO., LTD. (to present)
May 2016: Director, General Manager, China Division, AEON MALL Co., Ltd. (to present)

Corporate Auditors



Masahiko Okamoto
Director

March 1981: Joined JUSCO Co., Ltd. (now AEON Co., Ltd.)
 March 1997: General Manager, Human Resources and General Affairs Department, MEGA MART Business Division, JUSCO Co., Ltd.
 March 2000: General Manager, Human Resources Training Department, Kinki Business Division, JUSCO Co., Ltd.
 March 2001: Chief, HQ Administration Center JUSCO Co., Ltd.
 April 2006: General Manager, Business Support Office, JUSCO Co., Ltd.
 September 2008: General Manager, Human Resources Training Department, Kanto Company, JUSCO Co., Ltd.
 February 2015: General Manager, General Affairs Department, Administration Division, AEON MALL Co., Ltd.
 April 2018: General Manager, Administration Division, AEON MALL Co., Ltd.
 May 2018: Director, General Manager, Administration Division, AEON MALL Co., Ltd. (to present)



Hiroshi Yokoyama
Director

April 1987: Joined The Chuo Trust and Banking Company, Limited (currently Sumitomo Mitsui Trust Bank, Limited)
 October 2000: Manager, Real Estate Investment and Development Department, The Chuo Mitsui Trust and Banking Company, Limited (currently Sumitomo Mitsui Trust Bank, Limited)
 April 2004: Joined AEON MALL Co., Ltd.
 April 2004: Finance Group Manager, Finance and Accounting Group, Administrative Division, AEON MALL Co., Ltd.
 August 2007: General Manager, Finance and Accounting Department, Administrative Division, AEON MALL Co., Ltd.
 May 2013: General Manager, Finance and Accounting Management Department, Finance and Accounting Division, AEON MALL Co., Ltd.
 April 2017: General Manager, Planning Management Department, Development Division, AEON MALL Co., Ltd.
 May 2017: Director and General Manager, Planning Management Department, Development Division, AEON MALL Co., Ltd. (to present)



Akiko Nakarai
Director

December 2003: Joined DIAMOND CITY Co., Ltd. (now AEON MALL Co., Ltd.)
 April 2011: General Manager, AEON MALL Miyakonjoekimae, AEON MALL Co., Ltd.
 April 2013: General Manager, AEON MALL Fukutsu, AEON MALL Co., Ltd.
 July 2016: Representative Business Director, AEON MALL KIDS'DREAM Limited Liability Company (to present)
 March 2018: General Manager, Digital Promotion Management Department, Sales Division, AEON MALL Co., Ltd.
 May 2018: Director and General Manager, Digital Promotion Management Department, Sales Division, AEON MALL Co., Ltd. (to present)



Mami Taira
Outside Director / Independent Officer*

October 1987: Joined Tohmatsu Awoki & Sanwa (now Deloitte Touche Tohmatsu LLC)
 October 1990: Joined Yoshio Hayakawa Tax Accountant Office
 September 1991: Registered as a certified public accountant
 April 1992: Registered as a certified tax accountant
 October 2002: Partner, Taira Tax & Accounting Consulting Group (to present)
 May 2011: Outside Audit & Supervisory Board Member, AEON MALL Co., Ltd.
 May 2014: Outside Director, AEON MALL Co., Ltd. (to present)
 June 2014: Outside Audit & Supervisory Board Member, Suzuden Corporation
 March 2016: Outside Audit & Supervisory Board Member, Iseki & Co., Ltd. (to present)
 June 2016: Outside Director, Suzuden Corporation (to present)



Masao Kawabata
Outside Director / Independent Officer*

April 1971: Joined Pioneer Corporation
 November 1996: President, Pioneer GB Ltd.
 June 2004: Senior Executive Officer in charge of PR/IR and risk management, Pioneer Corporation
 April 2008: Chairman and CEO, Pioneer North America, Inc.
 June 2009: Advisor, Pioneer Corporation
 July 2010: Secretary-General, Foundation for the Advancement of Music Appreciation
 July 2012: Advisor, Eiken Foundation of Japan
 September 2014: Advisor, Brainwoods Corporation, Ltd. (to present)
 May 2015: Outside Director, AEON MALL Co., Ltd. (to present)
 June 2015: Director, the English-Speaking Union of Japan (to present)



Maki Watanabe
Full-time Audit & Supervisory Board Member (Outside)

April 1988: Joined JUSCO Co., Ltd. (now AEON Co., Ltd.)
 July 1992: Hyogo Accounting Department, JUSCO Co., Ltd.
 November 1993: Main Accounts Department, Accounting Division, JUSCO Co., Ltd.
 March 2010: General Manager, Accounting Division, JUSCO Co., Ltd.
 May 2013: Outside Audit & Supervisory Board Member, AEON HOKKAIDO Corp.
 August 2013: General Manager, Group Accounting Division, AEON Co., Ltd.
 May 2017: Audit & Supervisory Board Member, AEON MALL Co., Ltd.
 May 2018: Full-time Audit & Supervisory Board Member, AEON MALL Co., Ltd. (to present)



Yumiko Ichige
Outside Audit & Supervisory Board Member/Independent Officer*

April 1989: Registered as an attorney
 April 1989: Joined IBM Japan, Ltd.
 December 2007: Partner, NOZOMI SOGO Attorneys at Law (to present)
 April 2009: Deputy Chairman, Daini Tokyo Bar Association
 September 2010: Deputy Secretary General, Japan Federation of Bar Associations
 June 2012: Outside Director, NEC Networks & System Integration Corporation (to present)
 May 2014: Outside Audit & Supervisory Board Member, AEON MALL Co., Ltd. (to present)
 December 2014: Outside Audit & Supervisory Board Member, Sanyo Trading Co., Ltd.
 December 2015: Outside Director, Sanyo Trading Co., Ltd.
 December 2016: Outside Director, Sushiro Global Holdings Ltd. (to present)



Takao Muramatsu
Outside Audit & Supervisory Board Member/Independent Officer*

April 1979: Joined the Tokyo Regional Taxation Bureau
 April 1988: Chief Investigator, Special Investigation Division, Tokyo District Public Prosecutors Office
 July 1991: Investigator, Large Enterprise Examination and Criminal Investigation Department, National Tax Agency
 July 1998: Assistant Director, Large Enterprise Examination and Criminal Investigation Department, National Tax Agency
 July 2003: Deputy District Director, Shibuya Tax Office
 July 2005: Chief Investigator, Criminal Investigation Department, Tokyo Regional Taxation Bureau
 July 2009: Chief Inspector, Osaka Regional Taxation Bureau
 July 2010: Chief Internal Inspector, National Tax Agency
 July 2012: Assistant Regional Commissioner, Nagoya Regional Taxation Bureau
 June 2013: Regional Commissioner, Takamatsu Regional Taxation Bureau
 October 2014: Registered as a certified tax accountant, Muramatsu Tax Accountant Office
 April 2015: Outside Audit & Supervisory Board Member, Besterra Co., Ltd. (to present)
 April 2016: Outside Audit & Supervisory Board Member, Serendip Consulting Co., Ltd. (to present)
 May 2016: Outside Audit & Supervisory Board Member, AEON MALL Co., Ltd. (to present)
 June 2016: Outside Director, Globberide, Inc. (to present)



Hideki Hayami
Audit & Supervisory Board Member

April 1996: Joined JUSCO Co., Ltd. (now AEON Co., Ltd.)
 September 1997: Control Department, JUSCO Co., Ltd.
 May 2008: Group Control Department, JUSCO Co., Ltd.
 April 2009: Corporate Management Division, JUSCO Co., Ltd.
 May 2010: Audit & Supervisory Board Member, Pet City Co., Ltd. (now AEONPET Inc.)
 May 2012: Director and General Manager, Business Management Division, COX Co., Ltd.
 February 2016: Director and Head of Accounting, COX Co., Ltd.
 February 2017: General Manager, Administration Division and Business Promotion Division, COX Co., Ltd.
 March 2017: General Manager, Business Management Division, AEON Co., Ltd. (to present)
 May 2018: Audit & Supervisory Board Member, AEON MALL Co., Ltd. (to present)

* Outside directors and outside Audit & Supervisory Board members that pose no risk of a conflict of interest with minority shareholders in accordance with the Securities Listing Regulations of the Tokyo Stock Exchange.

Creating Malls that are Safe and Secure

While increasing the number of stores that can act as temporary shelters (disaster prevention bases), we strive to improve the safety and security of our malls from a variety of perspectives including disasters, usability and crime prevention.

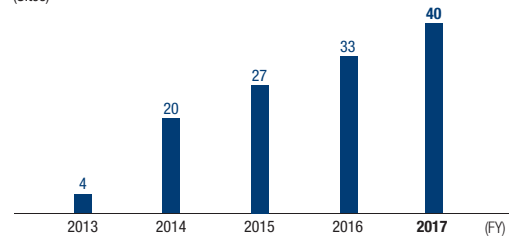
Initiatives

Indicator Trends

As part of the "Aeon ECO Project" that the AEON Group started in 2012, we are actively pursuing "Protection Project" to increase the number of stores that can act as temporary evacuation sites in times of emergency, and disaster prevention bases for rescue and disaster relief operations.

In accordance with a consolidated 2020 target of 100 facilities nationwide that can act as disaster prevention bases, AEON Group had established disaster prevention bases in 40 sites by the end of FY2017. Of these, 28 are malls owned and managed by AEON MALL.

"Protection Project" Results (No. of AEON Group sites) (Sites)



Collaboration with Third-Parties

146 malls have concluded an agreement on disaster prevention with local government authorities

Our efforts to enhance the ability of malls to function as natural disaster reconstruction bases has been recognized and to date, many of our domestic malls have entered into such agreements.

(Please see page 50 for details regarding disaster prevention agreements with local government authorities)

Agreement concluded with

146 malls (as at end of FY2017)

Examples of major initiatives ①

Pursuit of Both Tangible and Intangible Safety and Security

Enhancing earthquake-proofing and flood prevention measures

At each AEON MALL facility, we are taking measures to improve safety in anticipation of possible earthquakes, floods, and/or other such events.

In malls that have opened in recent years, we have been introducing ceiling-collapse prevention measures that comply with the Ministry of Land, Infrastructure, Transport and Tourism's (MLIT) "Notice of Technical Standards Relating to Ceiling Collapse Countermeasures." We have also been reviewing materials used in smoke barriers to minimize secondary injury resulting from ruptures and scattering of broken fragments. And as a countermeasure to flooding, we



Hanging smoke barrier featuring hard to scatter fire-resistant sheets (AEON MALL Tokushima)

have been building our malls in positions higher than the anticipated flood levels shown on local authorities' hazard maps.

Securing safety from the perspective of usability (ease of use)

Signage that is easy to see and wide aisles and corridors play a role in not just improving customer convenience, as they play a role in preventing collisions and falls and thusly help in securing safety. We introduced full-fledged universal design in 2005, and continue to make continuous improvements, both tangible and intangible. Introduced in September 2017, "AEON MALL Matsumoto (Nagano Prefecture)" became the first large-scale commercial facility in Japan to feature an artificial intelligence (AI) dialogue-based interactive mall information system. We have been implementing similar systems in all our new and renewed malls.



Interactive AI Information System



In-mall Kobans and crime prevention

To afford our customers security, much effort goes into crime prevention.

One example is the placement of kobans (small police stations) in the mall. Another is the carrying out of large-scale crime prevention drills in coordination with local authorities including police and/or fire departments. In FY2017 we carried out large-scale training drills at “AEON MALL Imabari Shintoshi (Aichi Prefecture)” and three other malls based on scenarios that included criminals barricading themselves in stores and discovery of suspicious-looking objects.



Police Box on premises of AEON MALL Tokushima

Toward business continuity even in times of disaster

To the extent we are a part of regional infrastructure in supplying food and daily necessities, we are making effort to enable facility operations even in times of emergency or disaster. Much effort has gone into securing electric power and/or drinking water in the event of a widespread power outage or water outage. To this end, in some malls we have begun installing emergency faucets to access water stored in water tanks and on-premise electric generators.



Faucet for emergency water access

Examples of major initiatives ② Pursuit of Safety with the Local Community

Disaster prevention agreements with local authorities

The majority of AEON MALL's domestic malls have entered into agreements pertaining to disaster prevention with local authorities.

As an example, “AEON MALL Tokushima (Tokushima Prefecture),” which opened in April 2017, has entered into an agreement designating the mall as a temporary shelter in the event of a large-scale disaster. Washrooms and other such facilities are made available in such an event.

Implementation of a nationwide disaster prevention caravan

From March to December 2017, in partnership with the Boy Scout Association of Japan and AEON Co., Ltd., we sponsored a “Nationwide Disaster Prevention Caravan”. On the premises of approximately 70 AEON Group commercial facilities



Making and carrying an individual on a simple stretcher

across Japan, under the motto “Be Prepared,” we implemented a practical program that included making a simple stretcher, actually carrying an individual on the stretcher, and making disaster prevention goods out of newspaper.

Implementation of a joint disaster prevention program in partnership with various entities

Specialty store employees participate in disaster prevention training exercises that we periodically carry out in all of our malls. In May 2017 we hosted a large-scale joint disaster prevention event at “AEON MALL Hiroshima Gion (Hiroshima Prefecture)”. Over a six-day period it was possible to experience



Disaster prevention event at AEON MALL Hiroshima Gion

disaster simulations, erect “balloon shelters,” and see an exhibition of self-defense force, fire service, police and MLIT special vehicles.

Creation of Environmentally Friendly Malls

We are promoting the creation of malls that are environmentally friendly in a variety of ways. Initiatives to support the spread of EVs (electric vehicles) and reduce mall energy consumption are ways we try to lighten the burden on the environment.

Initiatives

Environmental Policies

Whilst elevating the quality of its services, AEON MALL endeavors to realize a sustainable society by creating malls that minimize the impact on the environment and make efficient use of energy resources. As such, AEON MALL has prescribed an environmental policy as follows. In addition, the Company will work to promote communications with its many customers and contribute to local communities.

1. AEON MALL shall contribute to the mitigation of climate change and adaptation to climate change.
2. AEON MALL shall realize zero-emission malls to conserve the earth's resources and to build a recycling-oriented society.
3. AEON MALL shall promote the protection of biodiversity and ecosystems.
4. AEON MALL shall contribute to improving the living environments of its partners, including its customers, as well as to the development and environmental protection of local communities.
5. AEON MALL shall comply with environmental laws and regulations as well as with the required matters the Company has decided to accept.
6. AEON MALL shall build an Environmental Management System, formulate targets and build a system for preventing contamination in each department as well as promote continuous improvements to raise environmental performance.
7. AEON MALL shall raise environmental awareness among all employees and widen its circle of initiatives with customers and partners.
8. These policies shall be made known to the Company's employees as well as partners, while publicly disclosing the Company's environmental information.

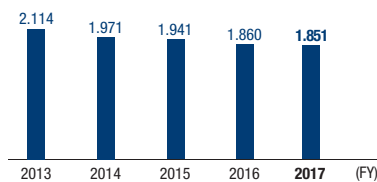
Indicator Trends

As part of the "Aeon ECO Project" that the AEON Group started in 2012, we are promoting two initiatives: "Protection Project" to make more efficient use of energy and further reduce the amount we consume, and "Generation Project" to proactively introduce

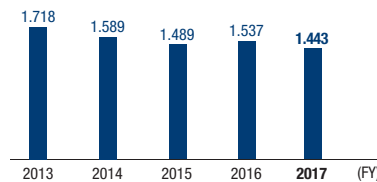
renewable energy.

In addition to which we are also working to reduce the amount of water used and the amount of waste generated in our malls.

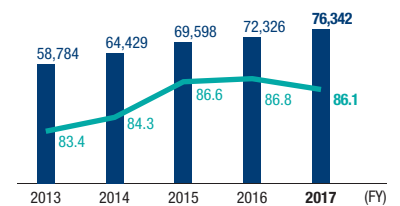
Energy Consumption Rate (GJ/m²)



Water Consumption Rate (m³/m²)



Mass of Waste Output & Recycling Rate



External Recognition

GRESB Real Estate Assessment: "Green Star" Awarded

AEON MALL initiatives relating to environment consideration and sustainability were given the highest GRESB "Green Star" rating in the categories of "Management & Policy" and "Implementation Measurement". For information regarding GRESB, please see page 37.



Two malls acquired "DBJ Green Building Certification"

In January 2018 two malls, "AEON MALL Kyoto (Kyoto Prefecture)" and "AEON MALL Mito Uchihara (Ibaraki Prefecture)" acquired the "DBJ Green Building Certification," a program from the Development Bank of Japan to accredit real estate projects that demonstrate consideration toward the environmental and society. Both malls were awarded a "Five Star" rating, amongst the highest domestically.



Examples of major initiatives ①

Promote Involvement with the Local Community Both Within and Outside Japan

Expand “Smart AEON” initiative

AEON Group has five guiding standards with regard to mall development. They include such items as cooperation with the local community and construction that minimizes environmental impact. The Company is working to expand malls meeting all five standards which are designated as “Smart AEON” malls. Nine of the malls under AEON MALL management have been recognized as Smart AEON malls.



Installation of charging facilities for electric vehicles (EV) both within and outside Japan

EVs are attracting attention as a technology that promises to contribute to a low carbon society. At AEON MALL, we have been pressing ahead with the installation of EV



EV charger

charging facilities and as of FY2017-end, installation in all 142 domestic malls was completed. In China, where the penetration of EVs is rapid, we have installed a total of 461 EV chargers across ten malls. In November 2017 we became the first Japanese company to join “EV100,” the international business initiative advocating EVs and their infrastructure.

Continuation of “AEON Hometown Forestry Program”

With new mall openings, we have made it a practice to plant indigenous trees/ flora along with the local community in a program called “AEON Hometown Forestry Program.” We have continued with such efforts and as of FY2017-end, the Aeon Group has planted a cumulative total of approximately 11.6 million plants.



Planting out

Examples of major initiatives ②

Reducing the Environmental Burden in the Supply Chain

Working with specialty stores and other partners to reduce environmental burdens

We have been requesting the cooperation of specialty stores to help reduce environment burdens.

For example, we have sought from specialty stores, shop designs that take into consideration construction methods that minimize waste generation, the use of LED lighting, the use of recycled and recyclable building materials, and the adoption of environmentally friendly products.

Continuation of employee/ supplier eco education

AEON MALL's environmental policy and eco planning are ISO14001 Environmental Management Systems (EMS) accredited. As such, under regular training programs, International Standard EMS requirements are communicated to our employees/ suppliers in the hopes such efforts will further understanding of our environmental efforts.



Developing People and the Management Structures to Support Business

With a focus on personnel development and the promotion of diversity management, we support our employees' diverse working styles. In recent years, we have also expanded our initiatives to include specialty store staff.

Initiatives

Indicator Trends

Employee numbers have tended to rise in accordance with growth in the scale of our business. There is also increasing activity around the recruitment of local staff overseas and the exchange of personnel between AEON Group companies. In light of which we have been equipping the workplace environment so that they are easy for employees with a variety of backgrounds to work in.

For some time now, diversity management has been

an important theme for us. As an example, we have focused our efforts on providing support to workers having child care and/or nursing care responsibilities. We have also worked to address excessively long working hours that has come to society's attention in recent years. Owing to such efforts, we have seen an increase in the number of female managers/officers and a rise in the number of persons taking maternity/paternity leave to enable furthering of their careers upon return.

Number of Employees (As of Feb 2018)

Indicator	FY2013	FY2014	FY2015	FY2016	FY2017
No. employees consolidated	1,689	2,024	2,313	2,871	3,091
No. employees parent (of which, women)	1,249 (304)	1,369 (345)	1,458 (384)	1,596 (498)	1,682 (551)

Number of Female Managers & Officers/ Those Returning from Maternity Leave (As of August 2017)

Indicator	FY2013	FY2014	FY2015	FY2016	FY2017
No. female managers (%)	99 (12.5%)	112 (13.1%)	115 (13.2%)	121 (13.7%)	136 (14.2%)
No. female officers (%)	—	2 (12.5%)	2 (13.3%)	2 (13.3%)	3 (17.6%)
No. those returning from child-care leave (of which, men)	16 (1)	18 (1)	34 (0)	49 (1)	55 (0)

Note) In FY2015 we changed the tabulation parameters for the number of female managers. Data in this chart from FY2014 and before has been adjusted to reflect the new tabulation framework.

External Recognition

“Eruboshi” certification: Awarded level 3 (highest rank)

In April 2016, we were recognized for our efforts in the promotion of women in the workforce and awarded the highest possible rank of Level 3 under “Eruboshi” certification.



Designated a “Nadeshiko Brand” for the active roles women play in the workplace

In March 2018, AEON MALL was selected as one of the composite stocks of the “Nadeshiko Brand 2018.”

The index consists of companies deemed superior in encouraging women to play active roles in the workplace.



Examples of major initiatives ① Diversity Management Promotion

Promoting the creation of worker-friendly workplaces from a variety of angles

AEON MALL began in 2007 an initiative to promote diversity. The aim was to create a worker-friendly atmosphere where employees with differing backgrounds and varying values could all easily work, regardless of sex, nationality, career point, or AEON Group affiliations. We have worked to proactively support work balance for those with child and/or nursing care responsibilities. We have made more robust our holiday leave program. And importantly, we have worked to ensure the creation of a corporate culture that encourages the use of such programs. It is from a variety of angles that we support the worker and diversity.

Thorough commitment to reduction of overtime

Initiatives toward reducing long working hours have been fully

implemented since 2014. Better work timekeeping systems have contributed to the visibility of actual overtime, and by promoting management of individual schedules on internal systems, we have been able to create an environment conducive to individual and workplace initiated operational efficiency.

Since 2016, we have also added work efficiency and productivity improvement as a factor in employee appraisals. The aim here has been to raise awareness that “avoiding excessive overtime results, in fact, to better appraisals.”

Expansion of in-mall child day-care facilities

AEON MALL, with the aim of enhancing the balance between work and childcare for mall workers, has been building an in-mall nursery school called. “AEON Yume Mirai Nursery School.” As of February 2018-end, there were 20* of them located across Japan. In recent years, new mall plans have



without fail included childcare facilities. Indeed, the 8 childcare facilities that have opened since 2016 have all qualified for the government Cabinet Office's "Assistance for Business-driven Childcare" program.

AEON MALL is now in the process of opening these facilities for use by specialty store staff as well as members of the local community.

One specialty store commented that our efforts here were "a real plus for recruiting."



AEON Yume Mirai Nursery School

* Includes six AEON Yume Mirai Nursery School facilities situated on other AEON Group premises and two facilities run in a tie-up arrangement with a third-party childcare service provider.

Toward an easy to work workplace for our partners too

The "Diversity Promotion Group" fulfills requests for improvements

The AEON Group established a "Diversity Promotion Group" within the Aeon Store Association (Doyu-tenkai, composed of specialty stores) in June 2016, to realize malls that are conducive to work for specialty store employees. With roughly

equal numbers of participants from the specialty stores and AEON MALL, the group engages in a candid exchange of views on improvements to the workplace.

Directors from AEON MALL and outside AEON MALL attend the group meeting. Ideas are deliberated by management then and there allowing for expeditious execution.

Diversity Promotion Group Characteristics

- Attended by both specialty store representatives and developers.
- Suggestions voiced are deliberated on the spot, making for expeditious execution where applicable.

Start of recruitment support service for partners

Not only are we improving workplace environments at our malls, we are also starting an initiative to directly support specialty stores in their recruitment activities.

At AEON MALL Iwakionahama (Fukushima Prefecture) which opened in June 2018, a new industry-first service matching individuals wanting to work at AEON MALL with specialty store worker needs was created. In conjunction with third party specialists, we sought out in advance, people expressing interest in working at AEON MALL. These individuals were then introduced to specialty stores planning a store launch. Going forward, we plan to offer similar support services at other new malls.

Examples of major initiatives ② Personnel Development

Enhancement of personnel development programs

We offer a variety of training courses to suit employees' degrees of growth and their role. Two examples are "AEON Basic Training", which teaches AEON's management philosophy and value set, and "Commercial Developer On the Job Training" to acquire the requisite knowledge and skills for that line of work. There are also programs for core personnel training, such as the "ABS (AEON Business School) Program". The opportunity to learn is provided to those who want it.

Exchange of personnel between Japan and other countries

In the interests of cultivating human resources responsible for the future of our growing overseas business, we have in recent years been bolstering exchange of personnel between domestic and overseas businesses. In instances where an individual is sent from Japan to China or ASEAN, the employee will be expected to spend a year participating in a training program where he or she will experience first-hand, local cultures and historical context. Focused primarily on younger employees, the aim is to promote enhancement of skillsets and development of leadership.