

Special Feature Digital Transformation (DX) Initiatives

By pursuing DX, we will provide new services, create new relationships, and introduce new ways of doing business with our customers and partners.

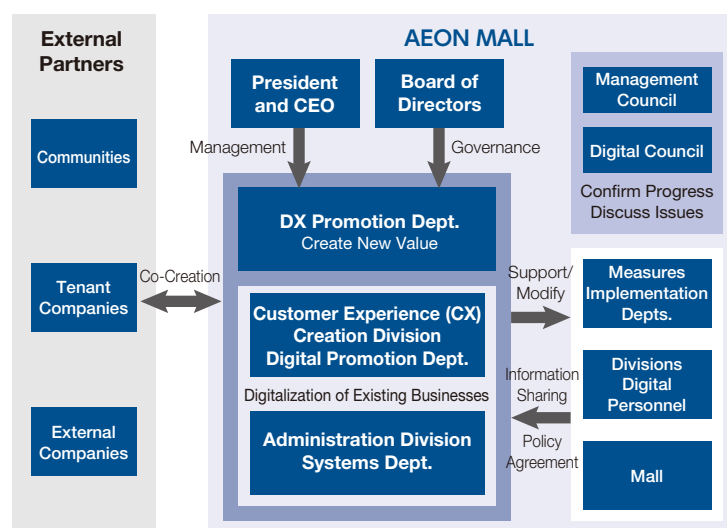
AEON MALL intends to leverage DX to develop new businesses tailored to the life stages of our customers, to create new digital technology and data-based business models together with our communities and partners, to establish operating systems for the next generation, and to improve employee satisfaction (ES).

Direction of DX Initiatives

Our DX Vision		
Achieve people-centered digital transformation (DX)		
Goals (KGI)		
Customer Interactions	●Improve customer convenience and satisfaction by combining the knowledge gained from real assets at approximately 200 facilities in Japan and overseas with digital technologies to propose new, personalized value attuned to customer life stages and interests.	
Cooperation With Local Communities and External Entities	●Create new business domains and serve as a platform for solutions to regional issues by co-creating with communities and external partners through data collaboration and the use of digital technologies.	
Support for Tenants	●Use the latest in digital equipment and big data to reduce the workload (work hours) in connection with store operations. Provide management support and create new business opportunities that contribute to the sales of tenant companies.	
Strengthen Our Own Company	●Pursue operational efficiencies through digital technologies and a review of IT infrastructure. Create an environment in which we can focus on creating new added value based on mindset reform and the development of DX-fluent human resources.	
Action Indicators (Major KPIs)		
Customer Interactions	●AEON MALL App ●Live Shopping ●Food Delivery	Number of downloads, active use rate, number of coupons used Number of malls offering live shopping, live shopping sales Number of participating specialty stores, food delivery sales
Support for Tenants	●AEON MALL WORKS	Number of locations, tenant ES, reduction in paper-based applications

An Environment to Encourage DX

In April 2021, we established the DX Promotion Department, an organization under the direct supervision of the president and CEO. The department pursues DX to create new value and to support and coordinate DX throughout the company. In addition, we have established a Digital Promotion Department for personnel within the existing business divisions to work with the DX Promotion Department in building systems to promote digitalization rapidly closer to the front lines of our businesses. We will establish a Digital Council to discuss the progress of digital initiatives and issues, etc., among divisions. In this way, we pursue a nimble DX optimized for the entire company, while also responding to changes. To realize our vision, we will continue to recruit and train personnel capable of planning and using DX. We will also improve our IT environment proactively to utilize data and achieve business efficiencies.



Creating Customer Interactions and Improving Convenience Through Real-World and Online Integration

AEON MALL App

In June 2020, we redesigned the AEON MALL app to enhance the customer purchasing experience through digitalization. We made major upgrades to the user interface and added new functions.

As a result, downloads more than tripled compared to the previous version, and we saw a large uptick in user activity. The app received recognition for essential growth, winning the App of the Year Award for Excellence in the App Ape Award 2020, one of the largest app awards in Japan.

We will continue to improve customer convenience and increase sales through digital marketing tailored to individual customers, rather than traditional mass-market approaches.



Live Shopping and Food Delivery



To provide customers with safe and secure purchasing environments, we developed a live commerce platform that

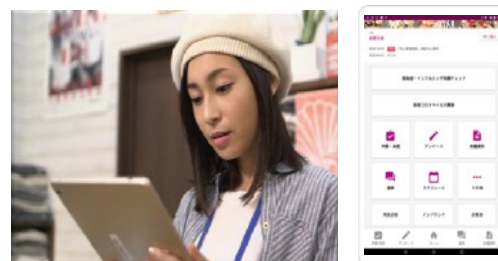
allows tenants to introduce and sell their products via live video. More than 20 malls nationwide now use this Live Shopping platform.

Working with Demaecon, we have expanded food delivery services with more than 300 tenants participating. AEON MALL will continue to improve customer convenience, while also creating interactions with customers who cannot visit our malls, aiming to increase traffic and sales.

Tenant Support Through Digital Technologies

AEON MALL Works

We developed a tablet-based app to promote work efficiency for our tenant employees. Digital application forms, etc., allow tenant employees and AEON MALL employees to work together with greater efficiency. We will extend the functionality of the app and strive for greater employee satisfaction, providing temperature checks, online training, virtual meetings, and other measures to reduce personal contact during the COVID-19 pandemic.



Co-Creation With External Partners

AEON MALL Co-Creation Program

AEON MALL leverages the open innovation program managed by Creww, Inc. with an eye toward major changes in local community issues and the consumer environment. We are recruiting start-up ventures to collaborate in businesses that create the new future of living by combining our management resources, outside technologies, and external networks.