

AEON MALL Materialities Selection and Policies

AEON Mall analyzed materialities from the perspective of SDGs and social issues specific to Japan, categorizing them into 5 areas and 10 items. From these, we determined Company KGIs and KPIs. We will share issues throughout the Company and work together to solve them. In doing so, we will contribute to local customers and a sustainable society.

	Relevant SDGs	① Why is it Important?	② Perceived Risks and Opportunities	③ Our Approach
Communities and Infrastructure Development	 	As a Company that provides real estate services for distribution groups, important pillars of value creation include the development of sustainable and resilient infrastructure for our communities as well as the promotion of sustainable production and consumption.	Risks <ul style="list-style-type: none"> Natural disasters such as large-scale earthquakes and typhoons at mall locations Environmental destruction resulting from increased demand for resources influenced by population growth and higher living standards in developing nations Opportunities <ul style="list-style-type: none"> Improved reliability of malls as infrastructure in their regions More environmentally-conscious local residents 	We will work with local authorities to achieve a society in which local residents constantly feel safe and secure, as well as to further strengthen the functions of disaster relief facilities. We will incorporate the concept of a circular economy into operations for waste and resources, building systems that enable resource recycling in our local communities.
Local Community Ties	 	Cultural inheritance in each region and the achievement of a society that enables people to live comfortably both support important value creation in the company as we expand our business in Asia.	Risks <ul style="list-style-type: none"> Depopulation and disappearance of local culture in the regions where we operate Opportunities <ul style="list-style-type: none"> Increased population through regional revitalization 	We pursue the construction of platforms that support local cultural inheritance and local community development to achieve a society that enables people to live comfortably.
Environment (Climate Change and Global Warming)	    	Environmental problems, such as intensified natural disasters resulting from global warming, are impacting sustainability more than ever. The entire world must work together to address environmental measures, including businesses. To this end, we are committed to reducing the environmental impact of our business operations and taking environmental measures to achieve a sustainable society.	Risks <ul style="list-style-type: none"> Increased electricity procurement costs resulting from rising energy costs Damage to business due to increased occurrence of extreme weather events (droughts, floods, typhoons, hurricanes, etc.) Opportunities <ul style="list-style-type: none"> Lower carbon tax payments and reduced investment in energy-saving equipment through reduced carbon emissions Increased rental income, etc., through the enhancement of hardware and software in operating facilities 	Based on the AEON Decarbonization Vision, we will continue our efforts to reduce total CO ₂ emissions from our domestic operations to zero by 2040. We will also establish environmentally-friendly facilities that are full of greenery to create an abundant future in which various living things can coexist in harmony.
Diversity and Work-Style Reform	  	Human resources are the greatest management resource for sustainable growth. We focus on organizational and human resource development that leverages diversity and enables employees to be healthy, fulfill their potential, and continue to grow.	Risks <ul style="list-style-type: none"> Decreased labor productivity, loss of talented human resources, loss of business opportunities, increased health-related costs, and other risks if appropriate measures are not taken Opportunities <ul style="list-style-type: none"> Improved labor productivity, health, and motivation, recruitment of talented human resources, and enhanced responsiveness to changes and business opportunities through the creation of rewarding work environments 	Our business solves the issues of various stakeholders and communities. We formulated our human resources vision and organizational vision based on the recognition that the human resources, who can achieve these visions, are the most important capital for achieving sustainable growth.
Responsible Business Promotion	 	Based on the AEON Human Rights Policy, we respect human rights and aim to create an organization and supply chain in which all employees can participate in corporate development regardless of gender, nationality, etc.	Risks <ul style="list-style-type: none"> Risk of business delays and business continuity due to increasingly widespread human rights issues arising in the course of business operating Deteriorated trust due to inadequate social infrastructure services, etc. Opportunities <ul style="list-style-type: none"> Stabilized business and recruitment of talented human resources through coexisting with the local communities Establishment of a safe and stable product supply system that considers human rights and accompanies improvements in the supply chain labor environment, etc. 	We began human rights due diligence in 2021, aiming to establish a system to reduce human rights risks.

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Develop a Sustainable and Resilient Infrastructure	<ol style="list-style-type: none"> As an initiative to strengthen the BCP system, make all malls in Japan disaster relief facilities Improve ratio of malls that have signed disaster-response agreements with local governing bodies 	A society in which local residents constantly feel safe and secure	<ul style="list-style-type: none"> Disaster relief facilities: 43/158 malls No. of Disaster-Response Agreements signed: 137/158 malls
Production and Consumption Formats	<ol style="list-style-type: none"> Pursue ethical consumption and green purchasing rate Pursue plastic elimination initiatives 	A society with near-zero impact on the global environment based on appropriate production and consumption	<ul style="list-style-type: none"> Annual green purchasing rate: 42%
Cultural Preservation and Inheritance	Hold traditional and cultural events and expand events to other regions, including overseas	A society offering a platform for cultural inheritance	<ul style="list-style-type: none"> Aeon 1% Club contributes ¥303.7 million/year to shopping malls nationwide for traditional and cultural events Hold temporary events to convey the appeal of Japanese culture at overseas malls
Low Birthrate and Aging Population in Japan	<ol style="list-style-type: none"> Provide enriched services for children Increase number of nursing staff for people with dementia 	A society in which everyone, including children and seniors, lives a comfortable life	<ul style="list-style-type: none"> Number of nursing staff for people with dementia: 838
Climate Change, Global Warming	<ol style="list-style-type: none"> Expand EV charger installations and number of EV chargers installed Reduce total annual CO₂ emissions by 35% by creating renewable energy Strengthen environmental awareness programs for local residents and specialty stores 100% Certificate Test for Environmental Specialists acquisition rate 	<ol style="list-style-type: none"> Achieve a decarbonized society A society in which the entire community is environmentally conscious 	<ul style="list-style-type: none"> No. of installed EV charger stations: 2,043 (domestic and overseas) CO₂-free electricity procurement ratio: 18.9% (directly managed domestic malls) Acquisition rate of Certificate Test for Environmental Specialists: 82.2%
Protect Biodiversity and Resources	<ol style="list-style-type: none"> Improve the number of Association for Business Innovation in Harmony with Nature and Community (ABINC®) certified malls Achieve a 70% recycling rate <p>* Excluding thermal recycling</p>	A Society That Attaches Importance to Environmental Protection and Coexists in Harmony With the Nature	<ul style="list-style-type: none"> No. of Association for Business Innovation in Harmony with Nature and Community (ABINC®) certified malls: 15 Annual recycling rate: 56.9%
Health and Welfare	Support healthy lifestyles	A society in which all people enjoy good physical and mental health	<ul style="list-style-type: none"> Conducted a study in collaboration with Chiba University on mall walking in AEON malls and health in August 2022 Sponsored an event in March 2023 to propose healthy lifestyles in all malls in China
Diversity and Work-Styles	<ol style="list-style-type: none"> Improve the ratio of women in management positions Maintain 100% acquisition ratio of male employees taking childcare leave Cultivate human resources capable of global activity 	A society in which all people have equal opportunities regardless of race, nationality, age, gender, or location	<ul style="list-style-type: none"> Ratio of women in management positions: 20.4% Ratio of male employees taking childcare leave: 100%
Human Rights	<ol style="list-style-type: none"> Establish and implement a human rights due diligence process 100% (employee) participation in human rights education and training 	A society in which all people's human rights are respected	<ul style="list-style-type: none"> Harassment prevention training participation ratio: 99% Business and human rights training participation ratio: 88%
Bribery	<ol style="list-style-type: none"> Provide anti-bribery education and raise awareness to ensure compliance with Basic Rules for the Prevention of Bribery Ensure continued compliance with anti-bribery provisions in the rules of employment Ensure continued reviews of our compliance with the Basic Rules for the Prevention of Bribery thorough reporting of compliance with said rules to the resident and CEO at least once a year and relevant correction 	0 incidents	<ul style="list-style-type: none"> Conduct bribery prevention training (100% attendance ratio at all companies in Japan, China, and ASEAN countries). Report the status of compliance with the Basic Rules for the Prevention of Bribery to the Compliance Committee, which reports to the president and CEO at least once a year for continuous review and correction.

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