

Three-Year Medium-Term Management Plan Overview and Progress

AEON MALL continues to execute business strategy toward our Vision for 2025, pursuing business model reform in Japan and overseas and engaging in ESG management.



Value Creation Strategy

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2014 Medium-Term Management Plan (FY2014-FY2016)

2017 Medium-Term Management Plan (FY2017 to FY2019)

2020 Medium-Term Management Plan (FY2020-FY2022)

FY2023-FY2025 Three-Year Medium-Term Management Plan

Growth Initiatives

Accelerate store openings in Japan and overseas to lift off for growth

- 1 Expand new business bases in Japan
- 2 Improve earnings
- 3 Establish a business base in China and ASEAN
- 4 Provide omnichannel support
- 5 Ensure financial discipline

Conduct a turnaround in overseas business and achieve a stable growth trajectory

- 1 Capture growth opportunities in Asia
- 2 Develop latent sources of domestic demand
- 3 Become the overwhelmingly dominant mall in each region
- 4 Capturing urban growth opportunities
- 5 Secure an optimal financing mix and form organizational structures to support growth

Strengthen our business portfolio based on overseas profit growth

- 1 Achieve high profit growth overseas
- 2 Achieve stable growth in Japan
- 3 Build a financing mix and governance structures supporting growth
- 4 Pursue ESG-based management

To achieve these growth initiatives, we identified five management issues and implemented measures to solve these issues:

1. Achieve profit Growth in overseas businesses and accelerate new mall openings
2. Maximize the appeal of brick-and-mortar malls through customer experience (CX)
3. Build next-generation malls and pursue the urban shopping center business
4. Pursue digital transformation (DX)
5. Pursue medium- and long-term strategies, accelerate reforms based on ESG perspectives

Pursue business model reform in Japan and overseas and engage in ESG management

Initiatives

- Pursue regional shift in Japan and overseas
- Create a platform for health and wellness

Growth Initiatives

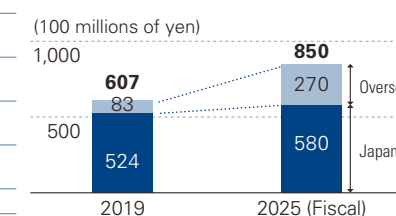
- Discover and commercialize business opportunities in overseas growth markets
- Pursue business model reform in Japan
- Create new business models that break from existing business frameworks

Foundation

- Build strong financial foundations and resilient organizations from the perspective of sustainability

Quantitative Goals

		2014-2016 Three-Year Medium-Term Plan Results			2017-2019 Three-Year Medium-Term Plan Results			2020-2022 Three-Year Medium-Term Plan Results			2023 (Plan)	2025 Quantitative Targets	
		2014	2015	2016	2017	2018	2019	2020	2021	2022		2023 (Plan)	2025 (Fiscal)
Consolidated Results	Operating revenue (100 millions of yen)	2,039	2,297	2,697	2,881	3,129	3,241	2,806	3,168	3,982*4	4,470	5,200	
	Operating income (100 millions of yen)	418	438	449	492	529	607	343	382	439	585	850	
Operating income by segment	Malls in Japan (100 millions of yen)	463	493	475	497	527	526	318	334	363	450	570	
	Urban Shopping Center Business (100 millions of yen)	—	—	12	3	△ 3	△ 2	△ 12	△ 15	△ 22	△ 15	10	
	Overseas Business (100 millions of yen)	△ 44	△ 54	△ 37	△ 8	5	83	37	62	98	150	270	
Target Performance Indicators	EPS Growth Rate (%)**2	—	—	—	—	—	—	—*3	△ 25.0	△ 27.6	△ 5.7	5.4	
	Net interest-bearing debt/EBITDA ratio (times)*1	—	—	—	—	—	—	6.2	6.6	6.0	5.9	6.1	
	ROIC (%)	4.9	4.5	4.4	4.6	4.4	4.3	2.2	2.4	2.5	3.1	3.7	



Vision for 2025

- ▶ Build a portfolio of multiple business models, rather than rely on domestic malls as a single source of profit generation.
- ▶ Make AEON MALL a leading global commercial developer with consolidated operating income of ¥85,000 million.
- ▶ Conduct floor space expansions and renovations in Japan to become the dominant mall in each area.
- ▶ Secure overseas growth markets, aiming for an overseas business mall network of 50 malls and operating income of ¥27,000 million (operating margin of 20%).

*1 Adopted as a target performance indicator in fiscal 2020.
 *2 Annualized growth rate beginning in fiscal 2019.
 *3 We did not calculate net income per share as we recorded net losses.
 *4 We adopted Accounting Standard for Revenue Recognition (ASBJ Statement No. 29), etc., in fiscal 2022.

Results

- We opened 31 new malls (15 in Japan, 16 overseas).
- In Japan, we opened malls based on new concepts (consumption of services; station-adjacent locations, etc.).
- Overseas, we accelerated new mall openings and conducted property searches in China and ASEAN as new growth drivers.

- We opened 21 new malls (10 in Japan, 11 overseas).
- The number of overseas mall openings exceeded that of Japan mall openings, and our shift to overseas operations began in earnest. AEON MALL achieved a turnaround overseas in fiscal 2018.
- In Japan, the company pursued renovations and expansions for existing malls to enhance profitability (eight malls). We put ourselves back on track for growth, with consolidated profit growth averaging 10.6% per year over the three-year period.

- We opened 12 new malls (seven in Japan, five overseas).
- In Japan, AEON MALL developed new mall formats that transcended the framework of traditional retail facilities, including the development of combined office/retail facilities.
- In Vietnam, a country experiencing remarkable economic growth, we secured a pipeline of mall openings by concluding mutual cooperation agreements with local governments.

Issues

- Increase in net losses due to acceleration of new mall openings overseas. (¥5.4 billion in FY2015)
- Declining investment efficiency of new malls due to soaring construction unit prices in Japan.
- These factors slowed profit growth to an average of 2.1% per year over the three-year period, while operating margin and asset efficiency declined.

- The Urban Business (OPA) was sluggish due to a lack of progress in business model reforms.
- The efficiency of overseas operations declined due to expansion.

- After the Tokyo Olympics, construction unit prices in Japan continued to soar, and investment efficiency for new malls declined.
- The spread of COVID-19 slowed business model reforms for OPA, our Urban Business. Certain malls experienced declining cash flow generation capacity.

2023-2025 Three-Year Medium-Term Management Plan Policies and Strategies

We engage in ESG management as a measure of growth. To evolve ESG management further, we (1) pursue a regional shift in Japan and overseas and (2) create a Health and Wellness platform, aiming for sustainable growth through truly integrated ESG management that creates economic, social, and environmental value for our stakeholders.

Truly Integrated ESG Management



Initiatives

Focus on local issues and take action to create new value together with stakeholders who support our efforts

Pursue a Regional Shift in Japan and Overseas



Support individual lifestyle design beyond physical health

Create a Platform for Health and Wellness



Accelerate the opening of new malls in areas with high growth potential, and search for and develop new business opportunities that respond to the challenges of each country and region

Discover and Commercialize Business Opportunities in Overseas Growth Markets



Leverage rapid change in the business environment as opportunities to reform existing business models to increase our capacity to attract customers and improve profitability

Pursue Business Model Innovation in Japan



Expand into new business domains by creating businesses that offer new value in an era of rapid and uncertain change

Create New Business Models That Break From Existing Business Frameworks



Strengthen our management foundation for sustainable growth toward truly integrated ESG management

Build Strong Financial Foundations and Resilient Organizations From the Perspective of Sustainability



Growth Initiatives (Priority Measures)



Foundation



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Value Creation Strategy

Quantitative Medium- and Long-Term Targets

Overseas, we aim to increase the number of new malls by capturing growth markets in ASEAN and other regions. In Japan, we aim to become the dominant mall in each region through aggressive expansion and renovation, achieving operating revenue and operating income levels on par with the top global commercial developers.

		FY2019 Actual	FY2023 Plan	FY2025 Plan
Earnings	Operating revenue	¥324,100 million	¥447,000 million	¥520,000 million
	Operating income	¥60,700 million (18.7% margin)	¥58,500 million (13.1% margin)	¥85,000 million (16.3% margin)

Financial Indicators

EPS Growth Rate

Based on the final year of the previous medium-term management plan (FY2022), we expect a high annual growth rate of +53.5% in FY2025.

Net interest-bearing debt/ EBITDA ratio

We experienced a decline in cash flow generation capacity resulting from COVID-19 and an increase in fundraising to secure new properties overseas in the future. We expect to close in on the target by FY2030, mainly by improving our ability to generate cash flows in our overseas properties.

ROIC

Excluding the impact of investments in properties identified as construction-in-progress, we expect ROIC to be 4.7% in FY2025, mainly the result of an increase in upfront investments to secure new overseas properties for future growth. We expect to achieve this target by FY2030 through improved cash flow in line with future profit growth.

Measure	Type	Target	FY2019	FY2020	FY2021	FY2022	FY2023 (Plan)	FY2025 (Projection)
EPS Growth Rate	Growth	7% average annual growth (indexed from 2019)	2.1% (YoY)	— *	▲25.0%	▲27.6%	▲5.7%	5.4%
Net interest-bearing debt/ EBITDA ratio	Safety	4.5 times or lower	4.7 times	6.2 times	6.6 times	6.0 times	5.9 times	6.1 times
ROIC	Efficiency	At least 5%	4.3%	2.2%	2.4%	2.5%	3.1%	3.7%

EPS: Net income attributable to owners of parent/average outstanding shares during the year

Net interest-bearing debt/EBITDA ratio: (interest-bearing debt - cash and cash equivalents) / (operating income + depreciation and amortization on the statement of cash flows)

ROIC: Operating income x (1-effective tax rate) / average equity for the fiscal year + average interest-bearing debt for the fiscal year

* We did not calculate EPS growth rate for FY2020 as we recorded a net loss per share in FY2020.

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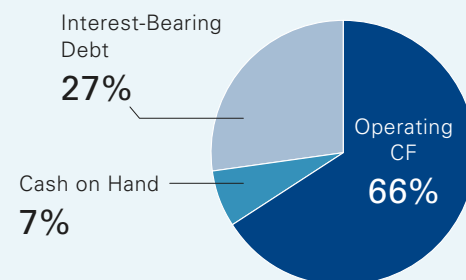
Funds Acquisition Plan

In addition to maximizing operating cash flow, we intend to secure the necessary funds for growth investments by diversifying funding sources through a global financing mix.

(100 millions of yen)

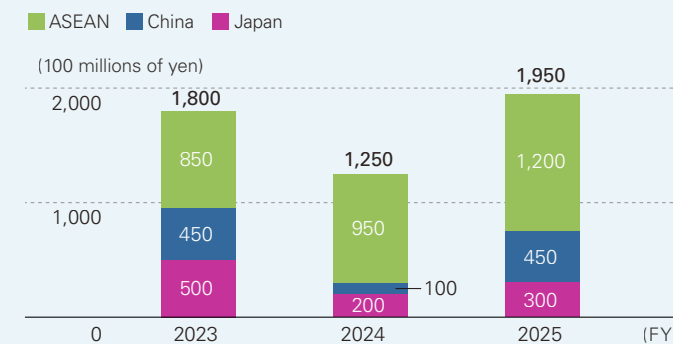
	2023	2024	2025	Three-Year Total
Capital investment	1,800	1,250	1,950	5,000
Other	500	350	350	1,200
Total expenditures	2,300	1,600	2,300	6,200
Operating CF	1,200	1,200	1,700	4,100
Cash on hand	250	50	100	400
Interest-Bearing Debt	850	350	500	1,700
Total procurement	2,300	1,600	2,300	6,200

Fund Sources Three-Year Breakdown



Capital Investment Plan

We plan to achieve further growth by shifting our investment focus to ASEAN, an area of expected high growth.



New Mall Opening Plan

We aim to increase malls through aggressive investments in growth, mainly in the growth-driving ASEAN region, as well as regions of China where we have yet to enter the market.

Japan Mall Opening Plan

Total No. of Malls in FY2022 (Cumulative)	FY2023	FY2024	FY2025	FY2023 to FY2025 to FY2025	Total No. of Malls by FY2025 (Cumulative)
94	4	0	4	8	101

* In addition to the above, we contract the management and operations of 49 commercial facilities of AEON Retail and AEON Tohoku.
* Shopping Mall Festa will cease operations temporarily on August 31, 2023, for renovation into a new commercial facility.

China Mall Opening Plan

Total No. of Malls in FY2022 (Cumulative)	FY2023	FY2024	FY2025	FY2023 to FY2025 to FY2025	Total No. of Malls by FY2025 (Cumulative)
22	1	2	4	7	28

* AEON MALL Beijing International Mall (China) will cease operations on June 24, 2023, when the lease agreement with the building owner expires.

ASEAN Mall Opening Plan

Total No. of Malls in FY2022 (Cumulative)	FY2023	FY2024	FY2025	FY2023 to FY2025 to FY2025	Total No. of Malls by FY2025 (Cumulative)
13	1	2	7	10	23

New Malls Under the 2023-2025 Three-Year Medium-Term Management Plan * Mall names are tentative

	2023	2024	2025
Japan	• Toyokawa • Yokohama Nishiguchi*	• THE OUTLETS SHONAN HIRATSUKA • JIYUGAOKA de aone	• Hachioji Interchange North* • Suzaka* 2 others
China	• Wuhan Jiangxia	• Hangzhou Qiantang New Area* • Changsha Xingsha	• Changsha Xiang Jiang Xinqu 3 others
ASEAN	• Sihanoukville FTZ Logistics Center (Cambodia)	• Hue (Vietnam) • Delta Mas* (Indonesia)	• 7 others (to be announced)

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Initiatives Pursue a Regional Shift in Japan and Overseas

 We focus on local issues and take action to create new value together with stakeholders who support our efforts

Co-Creation for Sustainable Region Translating Global Goals to Local Contexts

~ Co-Creating for Sustainable Communities ~

We create new value through dialogue with people and stakeholders from diverse backgrounds. To this end, we translate global goals to implement in local contexts.



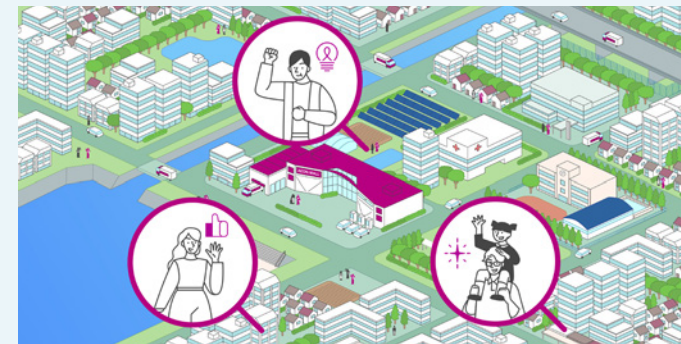
Co-creating sustainable communities is the act of translating global goals into the local contexts for each country and region, creating new value through dialogue with people and stakeholders from diverse backgrounds. We focus on local issues and take action to create new value together with people who support our efforts. In this way, we aspire to be a company that fosters empathy for the community while deepening and expanding human interconnections.

In a society where regional issues are becoming more diverse and complex, we cannot exceed the expectations of the communities we serve by doing business as usual. We intend to analyze the characteristics that make each community special, striving to engage in businesses beyond the framework of commercial shopping facilities and enhancing our corporate value.

Moving forward, we know we must co-create new solutions with others in countries and regions where we have malls, finding those who share an understanding of the issues and share our aspirations to work for solutions.

Co-creation is the idea of addressing global issues as local issues while creating new value together with people who share the same vision to solve each issue one by one.

Our business is to contribute to our communities, solving community issues through With-B-to-C initiatives as we work in solidarity with partner companies. The concept of regional shift is an action policy defined under our medium-term management plan. We intend to plan and execute initiatives for growth, continuing to develop as a sustainable company together with our local communities.



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Initiatives Create a Platform for Health and Wellness

Supporting Individual Lifestyle Design Beyond Physical Health

Serving as a Life Design Producer, Supporting the Creation of Well-Being Life Design

AEON MALL facilities create spaces offering abundant lifestyles leading to self-actualization based on physical health, mental health, environmental health, and social health. As a Life Design Producer, we create platforms through our businesses to support Well-Being Life Design.



We create community-based health and wellness platforms that support the physical and mental health of our customers, as well as the health of local communities and the environment. In this way, we continue supporting well-being lifestyles through our activities as a Life Design Producer.

To this end, we continue to foster well-being in our communities by deepening the value we provide to local residents through the discovery of wellness-related businesses based in comfortable and pleasant facilities, the formation of new curated zones, and initiatives to create new wellness-related businesses.

At the same time, maintaining a constant state of well-being is a challenge in the face of environmental change. We hope to create a cycle of pain point solutions, increasing gain points in solidarity with our co-creation partners.



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Growth Initiatives

Discover and Commercialize Business Opportunities in Overseas Growth Markets



Accelerate the opening of new malls in areas with high growth potential, and search for and develop new business opportunities that respond to the challenges of each country and region

Accelerate Mall Openings in Priority Areas

We continue to search for and secure properties in high-growth areas, accelerating new mall openings as we aim to achieve a 50-mall network by the end of fiscal 2025.

We intend to achieve further profit growth in our Overseas Business through steady mall openings in priority areas over the next three years.

- Search for and secure properties in areas of high future growth potential, such as Vietnam and inland China
- Strengthen area competitiveness by establishing dominance through new mall openings

New Business Development to Solve Local Issues

We intend to move away from a single mall format to a value creation model tailored to the characteristics of each region, exploring new business opportunities outside the framework of commercial facilities through deeper research into the issues facing each country and region.

- Develop multi-function logistics center business in Cambodia
- Produce new value creation models tailored to regional characteristics



E-commerce linked showroom
AEON MALL Meanchey (Cambodia)



Sihanoukville FTZ Logistics Center (Cambodia)

Vietnam Open New Malls in Central Vietnam

We signed cooperation agreements with local governments to secure our mall opening pipeline in central Vietnam, in addition to our agreements in place in the north and south of the country. We plan to open our first mall in this area in 2024.

Signed a cooperation Agreement with Da Nang City (June 2022)



Began construction on AEON MALL Hue (February 2023)



2024 Grand Opening (Plan)



China Accelerated Mall Openings in High-Growth Inland Regions

Changsha City, Hunan Province, is an urban hub that has continued to experience high economic growth in recent years. AEON MALL signed a comprehensive cooperation agreement with the Changsha City government, and we plan to continue opening new malls in the future.

Changsha City No.1
AEON MALL Changsha Xingsha



2024 Grand Opening (Plan)

Changsha City No.2
AEON MALL Changsha Xiang Jiang Xinqu



2025 Grand Opening (Plan)



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Growth Initiatives Pursue Business Model Innovation in Japan



Leverage rapid change in the business environment as opportunities to reform existing business models to increase our capacity to attract customers and improve profitability

Changes in the external environment in Japan can be characterized by a declining population, labor shortages due to falling birthrates and an aging population. In the internal environment, we see weakness in specialty store sales, particularly in the apparel industry, and high construction unit prices due to soaring materials costs. These factors represent significant issues that combine to reduce investment efficiencies.

Taking advantage of dramatic and seemingly daily changes in the business environment, we pursue business model reforms through diverse value offerings tailored to the markets, the effective utilization of existing assets, and the implementation of fundamental business structure reforms to strengthen our ability to attract customers and improve profitability in our domestic business to respond to changing local issues, customer values, and latent needs.

Diversify Value Offerings Tailored to the Market

- Open new malls in new business categories based on unconventional approaches
- Pursue development patterns tailored to the characteristics of each location
- Offer solutions for well-being

Improve Profitability Through the Effective Use of Existing Assets

- Diversify profit models based on the changing role of brick-and-mortar malls
- Create new business areas within each mall site
- Raise the attractiveness of malls to create incentives for mall visits

Improve Operational Efficiencies and Convenience Through Digital Technologies

- Improve the productivity of AEON MALL employees and the employees of tenants working in AEON MALL facilities
- Expand points of contact by improving usability and by providing better value propositions

Implement Fundamental Business Structure Reforms

- Improve competitiveness and operational efficiency within our market areas, including investments in revitalization
- Pursue structural reforms in real estate and finance

Diversify Value Offerings Tailored to the Market

In the wake of the COVID-19 pandemic, customer values and lifestyles have changed dramatically. Amid this change, people no longer look simply for a buying experience in commercial shopping facilities. Customers now search for the value of the experience as a motivation to leave their homes and visit malls.

The basis of this experience is *sensory value*, or the experiential value obtained through the five senses. Sensory value includes the atmosphere, cleanliness, background music, courteous customer service, and beautiful interior design. These values have a tremendous impact on the customer experience value. The key mission required of developers is how to create a comfortable experience value for customers to enjoy through their five senses.

We strive to improve customer experience value through new sensory value proposals. And we plan to incorporate this approach in both new and existing malls.

Provide Emotional Value Through Space Management



Incorporate mechanisms to appeal to the five senses for comfort and ease, striving to create facility environments that will become a place of relaxation for our customers



THE OUTLETS SHONAN HIRATSUKA (Kanagawa Prefecture) OKAMI VILLAGE Open space and terrace seating overflowing with greenery

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Pursue Business Model Innovation in Japan

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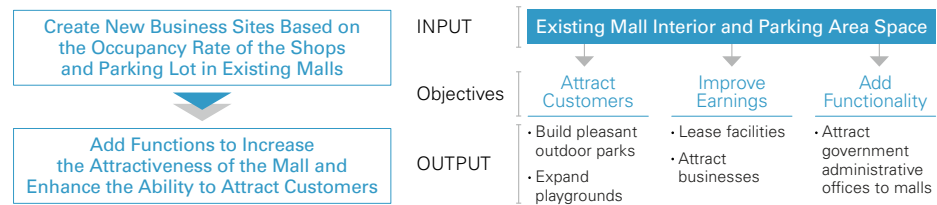
Improve Profitability Through the Effective Use of Existing Assets

Having revised our former business model built around existing malls, we plan to diversify our revenue models to take into account both traditional lease income and the changing role of brick-and-mortar malls.

To use existing assets more effectively, we plan to create new business areas based on the utilization rate of shops and parking lots in our malls, converting underutilized space into new value. We analyze issues related to each community and each property, clarifying the purpose and nature of the value we provide. Based on this analysis, we implement a proper approach. For example, we will create new value to motivate customers to visit our malls, enhance our ability to attract customers, and improve profitability. This value takes forms including comfortable outdoor parks, recruiting businesses to the area, and inviting governments to open offices in on-site facilities.

Develop New Uses for Business Sites for More Effective Use

AEON MALL creates new value using the land area of existing malls, mindful of tenant and parking lot capacity. We add functions to increase the attractiveness of the mall and enhance our ability to attract customers.



Secure Revenue Opportunities Through the Effective Use of Existing Assets

We are using the former AEON Kyobashi location temporarily until we begin development on a future project. This temporary usage serves as a preliminary project to build anticipation and publicize the site to promote future development.



Temporary Facility on the Former AEON Kyobashi Site
FULALI KYOBASHI
July 2023 Grand Opening

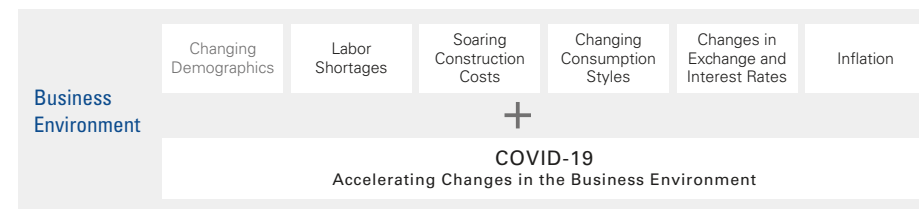
Implement Fundamental Business Structure Reforms

While we strive to deepen existing businesses amid accelerating changes in the external environment and in customer values, certain facilities have not responded to these changes sufficiently. The ability of these facilities to attract customers and generate cash flow has been in decline due to sluggish profitability.

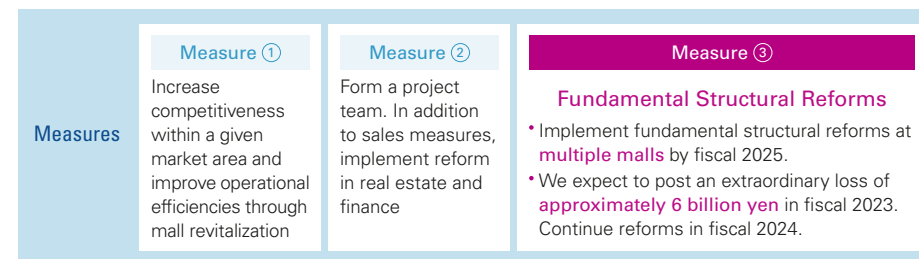
We are engaged in increasing competitiveness and improving operational efficiencies within the market area, including investments in revitalization. In addition, we are also moving forward with initiatives aimed at fundamental structural reforms from aspects of real estate and finances.

By fiscal 2025, we intend to implement fundamental structural reforms at several malls. In fiscal 2023, we will record structural reform losses as an extraordinary loss of approximately ¥6 billion.

Moving forward, we will implement fundamental business reforms designed to maximize future operating income.



Increasing Number of Malls Failing to Adapt to Changes in the Business Environment, Resulting in a Decline in Cash Flow Generation Capacity



Growth Initiatives

Create New Business Models That Break From Existing Business Frameworks

 Expand into new business domains by creating businesses that offer new value in an era of rapid and uncertain change

In an era of rapid and uncertain change, we not only develop existing businesses, but also focus on creating new businesses for new value and new initiatives, including broader complex development functions, to expand our business domains.

Expand Office Complex Development Functions

We aim for local co-creation through stronger collaborations with partner companies via M&A, equity investments, and business alliances. Our goal is to expand into social businesses designed to solve social issues.

We strive to address global issues as local issues, while creating new value together with people who share the same vision to solve each issue one by one. To this end, in March 2023, we entered into an equity and business alliance with Marimo Co., Ltd., a company focused on condominiums and income-producing real estate who shares our philosophy.

We believe we can contribute to sustainable urban reconstruction, which is the objective of the Japanese government's Location Optimization Plan. We also believe we can be part of building vibrant communities and compact and networked cities by guiding urban functions that include residential functions, medical care, welfare, commerce, and public transportation to urban centers. Driven by this belief, we pursue redevelopment and mixed-use office complex development projects in urban areas, creating the future of community living.



Purpose of the Partnership

~ Co-Create the Future of Living in Communities ~
Create Vibrant Communities and Compact and Networked Cities

Main Initiatives

- 1) Pursue large-scale, multi-function, mixed-use office complex development
- 2) Pursue urban redevelopment projects
- 3) Pursue mixed-use office complex development in urban areas
- 4) Engage in more advanced use of AEON MALL assets
- 5) Pursue investment in regions through the Marimo Regional Development REIT

CVC Life Design Fund

In April 2023, we established a new CVC (Corporate Venture Capital). This is not an initiative aimed at future capital gains through investment in startup companies, etc., but rather a growth strategy based on alliances through empathy and co-creation. In addition to bringing together cutting-edge technology and expertise from startup companies for new value through our in-house venture system, we take on the challenge of creating new business value through solutions for local issues and the advancement of mall operations.



Startup Companies



Life Design Fund
Investment Limited Partnership

Management Company: Ignition Point Venture Partners, Inc.

Established: April 2023
Investment period: 10 years
Funds: ¥3 billion

Investment Policy



Offer new experiential value through commercial facilities



Develop new business models utilizing AEON MALL assets



Support advancements in specialty store businesses



Offer new experiential value through commercial facilities



Create next-generation facilities that transcend existing frameworks

Develop Joint Delivery Services to Solve Logistics Issues

Growing logistics challenges include driver shortages, small-hot, high-frequency deliveries, and rising fuel costs. Amid these challenges, we are developing a joint delivery service to provide value to our partner companies, who are mall tenants.

This joint delivery service will handle deliveries from the logistics bases of tenant companies to AEON MALL, other commercial facilities, stand-alone stores, etc., as well as inter-store deliveries and returns. On-demand warehousing services will also be available for partners to use when and as much as necessary.

In the future, we hope to achieve economic and environmental value by standardizing packaging materials and hangers.



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Foundation

Build Strong Financial Foundations and Resilient Organizations From the Perspective of Sustainability

 Strengthen our management foundation for sustainable growth toward truly integrated ESG management

Amid a rapidly and dramatically changing business environment, build strong financial foundations and resilient organizations from the perspective of sustainability, supporting our pursuit of a regional shift in Japan and overseas and the creation of a Health and Wellness platform as we exercise truly integrated ESG management. In this way, we structure a strong management foundation capable of sustainable growth.

Pursue a finance mix and optimize our asset portfolio

- Diversify finance sources through a global finance mix
- Optimize our asset portfolio through development-type leases and by acquiring existing quality properties

Financial Strategy (▶ P.33)

Strengthen our management supervision function and establish a nimble business execution system

- Strengthen governance by separating management oversight and execution
- Accelerate management speed by adopting an executive officer system
- Cultivate the next generation of management personnel

Corporate Governance (▶ P.70)

Leverage human capital, the most important management resource

- Improve job satisfaction through human resources development, diversity, work-style reform, health management, etc., based on our vision for human resources and organizational structure
- Improve both employee performance and organizational productivity

Human Resources Strategy (▶ P.47)

Create Sustainable Towns Via Industry-Government-Academic Collaborations

We are actively involved in efforts to contribute to community development. At Koshigaya Laketown, AEON MALL is working with the local government to use of the adjacent waterfront area more effectively.

In collaboration with Koshigaya City, AEON MALL is revitalizing the land near AEON Lake Town, testing and proving a community collaboration system with the University of Tokyo. (▶ P.20)



Achieve Decarbonized Societies All malls in Japan to be operated with effectively CO₂-free electricity by fiscal 2025, reducing total domestic emissions to zero by the year 2040

AEON MALL formulated the AEON MALL Decarbonization Vision, setting a goal to reduce total CO₂ and other emissions in Japan to zero by the year 2040 and playing our part to create decarbonized societies. (▶ P.61)

Using Renewable Energy

Last year, AEON MALL launched the AEON MALL *Machi no Hatsudensho* (community power plant) based on low-voltage, distributed solar power generation systems via self-directed transmission. By fall 2023, we increased the number of solar power generation facilities in operation further, supplying renewable energy with low environmental impact generated from approximately 1,390 low-voltage solar power plants in each region to approximately 50 AEON Mall facilities nationwide. Electricity generated by solar power generation systems is equivalent to the electricity consumed by seven or eight mall facilities.



Adopt an executive officer system to separate management supervision from business execution

We introduced an executive officer system in May 2023 to clarify the roles and responsibilities of our organization, increasing the speed of business execution. At the same time, this system ensures the effective monitoring of growth measures and progress toward achieving the numerical targets of our business plans.

In addition to strengthening the supervisory function by separating management oversight and execution, clear definitions of responsibility for business execution and faster decision-making have been effective in advancing our organizational structure, including the training of the next generation of management personnel.



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