

Digital Transformation (DX) Strategy

AEON MALL pursues the creation of value through the use of digital technology under our policy to *achieve digital transformation (DX) centered on individual sensibilities*. We will create new services, new relationships, and new ways of conducting business by crossing DX with brick-and-mortar malls.

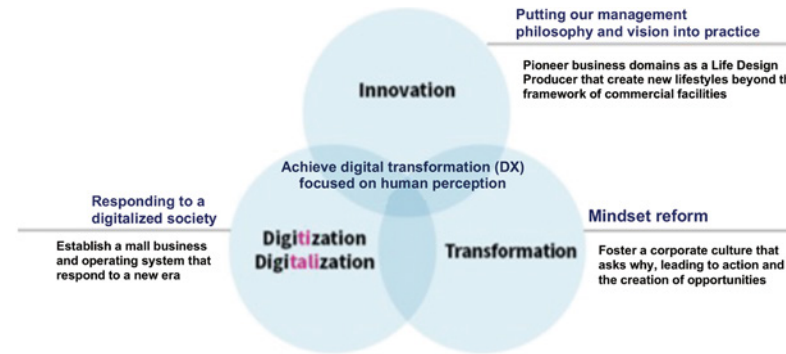
Direction of DX Promotion

Direction Toward Achieving DX

The AEON MALL DX policy to *achieve DX centered on individual sensibilities* prioritizes the ideas we want to fulfill and delivers solutions with technology.

Our DX Vision is to create value for AEON MALL communities, vendors, and customers.

As a foundation to pursue DX, we are reviewing our business processes through digitalization and hiring and training digital human resources to build an operational system compatible with the next generation.



DX Promotion Organizational Structure

Establishing a DX Promotion Structure

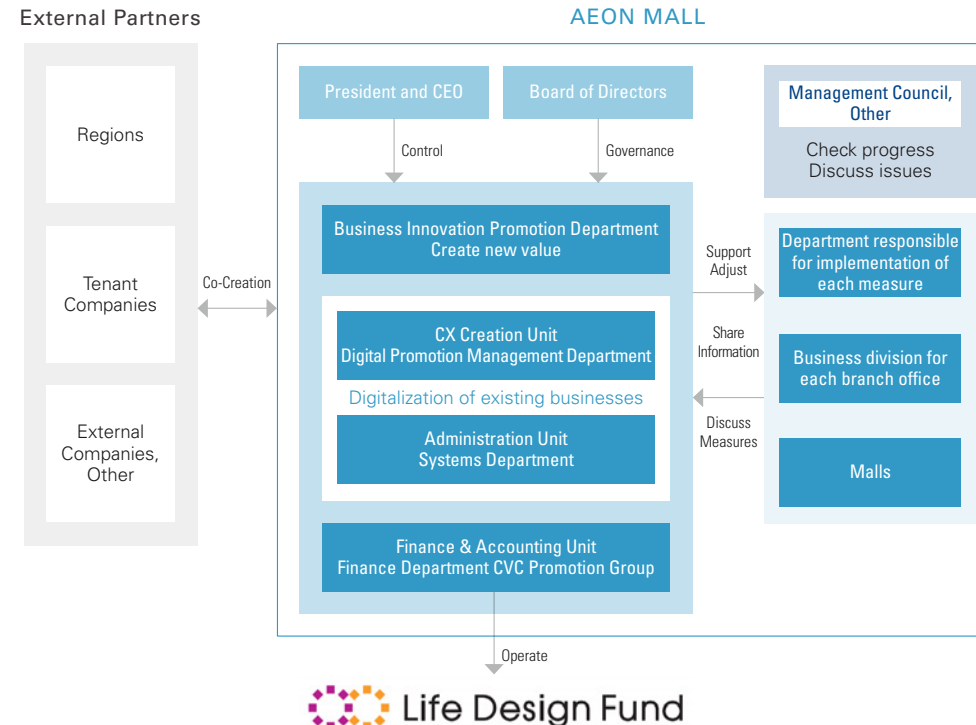
We established the DX Promotion Department in April 2021 as an organization under the direct control of the president and CEO and have pursued digital transformation initiatives. In April 2023, the Digital Promotion Department was upgraded to the Digital Promotion Management Department to further promote intensive digitalization of existing businesses.

We also renamed the DX Promotion Department as the Business Innovation Department. This department creates new value-creating business models from an even broader perspective than just the digital field.

Furthermore, we newly established the Life Design Fund as a corporate venture capital (CVC) with Ignition Point Venture Partners, Inc. in April 2023. This fund encourages growth strategy based on alliances with startup companies through shared aspirations and co-creation.

Developing and Securing Digital Human Resources

AEON Business School (ABS), the education system of the AEON Group, introduced a course on digital technologies. This course aims to train personnel to master the basics of IT and digital fields and lead the way in digitalization. Some of our employees that participated in this ABS course are now working in departments related to digital technologies. We will continue to create opportunities and establish an environment to develop digital human resources who will lead our transformation. We will also work to strengthen recruitment to secure digital human resources.



Value Creation Strategy

22 Three-Year Medium-Term Management Plan Overview and Progress

23 2023-2025 Three-Year Medium-Term Management Plan Policies and Strategies

33 Financial Strategy: Message From the Director in Charge of Finance and Accounting

Special Feature

40 Dialogue Between Outside Director and Securities Analyst

44 Digital Transformation (DX) Strategy

46 Sustainability Strategy

47 Human Resources Strategy

60 Environmental Strategy

68 Attention to Human Rights

Digital Transformation (DX) Strategy

Value Creation Strategy

DX Promotion Overview

■ Reaching Beyond the Commercial Facility Framework to Provide Lifestyle Solutions Through Digital Technologies

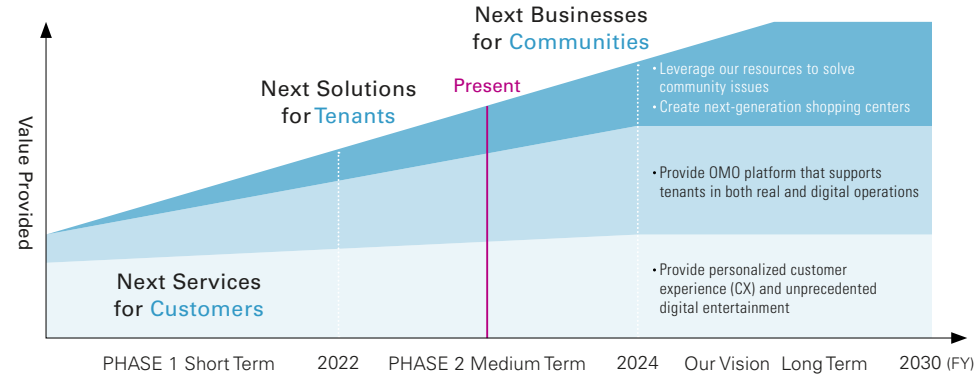
AEON MALL planned steps to promote digital transformation from a medium- to long-term perspective to achieve our vision.

In this plan, we depicted our vision for the Next Services for our customers, the Next Solutions for companies opening stores, and the Next Businesses for the community.

We work to go beyond selling products and services, aiming to provide new value to stakeholders with our co-creation partners by leveraging data and technology.

Develop the "NEXT VALUE"

Three Perspectives and Steps to DX promotion



Goals for Each Step

■ Become an Entity That Delivers New Value to Solve Community Issues

PHASE 1 Short Term -FY2022	<ul style="list-style-type: none"> Develop infrastructure for customer behavior data analysis Establish OMO platform Support tenants Develop new digital entertainment
PHASE 2 Medium Term -FY2024	<ul style="list-style-type: none"> Create personalized customer experience (CX) based on collected data Create new revenue models that leverage data resources
Our Vision Long Term	<ul style="list-style-type: none"> AEON MALL will go beyond selling products and services and become an entity that provides new value to solve local issues together with our co-creation partners by utilizing big data and technology.

DX Vision Achieve digital transformation (DX) centered on individual sensibilities		
Goals (KGIs)	Customer Interactions	Improve customer convenience and satisfaction through new personalized value tailored to customer life stages and tastes, combining the insights gained from real assets at approximately 200 facilities in Japan and overseas with digital technologies.
	Cooperation with Local Communities and External Entities	Create new businesses and establish a platform to provide solutions to local issues through data collaboration and co-creation, leveraging digital technology and relationships with local and external partners
	Support for Tenants	Provide management support and new business opportunities that contribute to specialty store company sales. At the same time, reduce the workload (work hours) related to store processes by adopting the latest digital equipment and by using big data.
	Corporate Strength Strengthen Our Own Company	Pursue operational efficiencies through digital technologies. Review IT infrastructure and create an environment for focusing on new added value through mindset reform and DX human resources development.
Action Indicators (Main KPIs)	Customer Interactions	<ul style="list-style-type: none"> AEON MALL app.....Number of downloads, active user rate, coupon usage Real time shopping.....Number of malls with live shopping, real time shopping sales Food delivery.....Number of participating specialty stores, food delivery sales
	Support for Tenants	<ul style="list-style-type: none"> AEON MALL WORKS.....Number of locations, tenant ES, reduction in paper-based applications

■ PHASE 1 Review

For Customers <ul style="list-style-type: none"> Expanded AEON MALL app functions (Kids Club, Sustainability Action, WAONPOINT linkage, etc.) Implemented in-person events using augmented reality (AR) Expanded food delivery companies 	For Tenants <ul style="list-style-type: none"> Introduced a new sales reporting system to improve the operational efficiency of tenants Conducted demonstration tests of in-facility robot delivery Distributed in-store product recommendations and coordination suggestions via digital signage 	Internal Infrastructure <ul style="list-style-type: none"> Transferred internal business infrastructure to the cloud Completed the infrastructure to utilize data Introduced customer relationship management (CRM) tools to provide personalized value to customers
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