



Medium-Term Management Plan (FY2023-2025)

April 11, 2023



Life Design Developer

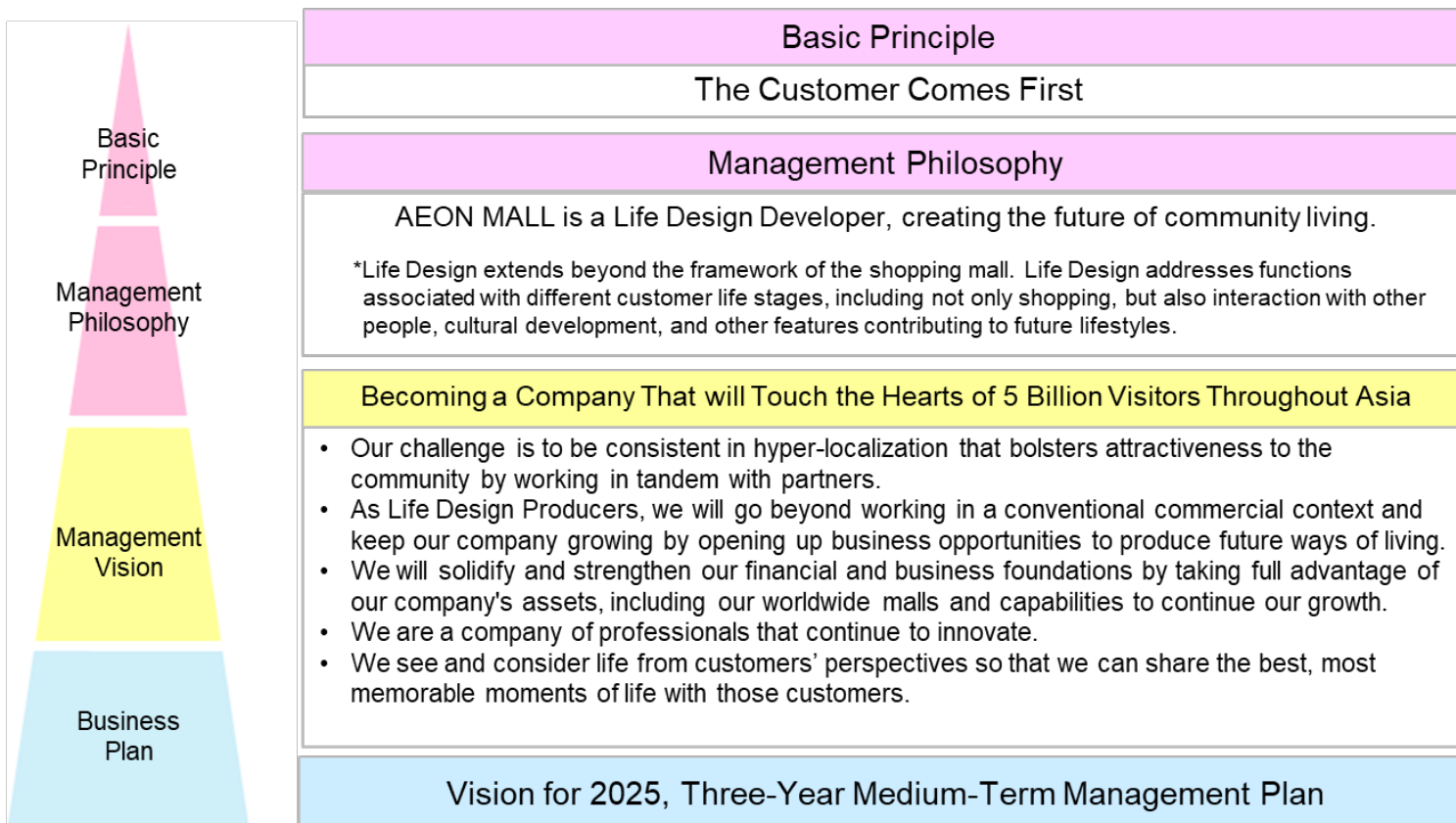


イオンモール株式会社

Management Policy / Materiality

Management Policies and Long-Term Vision

Management Policies







In pursuit of our management philosophy of being a Life Design Developer, we use the phrase "Heartful Sustainable" to describe our efforts to contribute to and revitalize communities and societies toward the creation of sustainable societies.

We aim for better societies not only through our own efforts, but also in partnership with customers, local communities, partner corporations, shareholders, and investors.

Management Policies and Long-Term Vision

Engaging With Materiality

	Material Issues (Materiality)	Vision for 2030 (KPIs)	Vision for 2050 (KGIs)
Develop community and social infrastructure  	Develop sustainable and resilient infrastructures	(1) Establish disaster prevention centers in all Japanese malls as a measure to strengthen BCP systems (2) Sign disaster prevention agreements with local governments	A society in which all community members feel safe and secure
	Production and consumption formats	(1) Pursue ethical consumption Ratio of Green purchasing (2) Pursue plastic-elimination initiatives	A society in which appropriate production and consumption leads to as close to zero impact on the global environment as possible
Build community relationships  	Cultural preservation and inheritance	Sponsor traditional and cultural events initiatives; expand to other communities overseas	Societies with existing cultural heritage platforms
	Low birth rates, aging society	(1) Enhance services for children (2) Number of dementia patient supporters	A society in which all live comfortably, including children and seniors
Environment     	Climate change, global warming	(1) Expand EV charger installations; number of EV chargers installed (2) Create renewable energy to reduce total annual CO ₂ emissions by 35% (3) Strengthen environmental awareness initiatives for community residents and specialty stores (4) Earn eco certification at all facilities	(1) A decarbonized society (2) A society of environmentally conscious citizens
	Protecting biodiversity, resources	(1) Number of malls acquiring ABINC certification (2) Achieve a recycling rate of 70% (excluding thermal recycling)	An environmentally friendly society coexisting in harmony with nature
Diversity and Work-Style Reform   	Health and welfare	Propose healthy lifestyles	A society of physically and mentally healthy citizens
	Diversity, work-style	(1) Ratio of women in management positions (2) Achieve 100% of male employees taking parental leave (3) Develop human resources capable of engaging in global activities	A society that provides equal opportunities to all people regardless of race, nationality, age, gender, or location
Accountability in Business  	Human rights	(1) Establish and adopt a human rights due diligence process (2) Achieve 100% participation in human rights education and training	A society that respects the human rights of all people
	Bribery	(1) Conduct education on bribery and raise awareness to ensure compliance with basic anti-bribery rules (2) Continue to comply with anti-bribery provisions in employment regulations (3) Review compliance systems for Basic Rules for the Prevention of Bribery, report on compliance status to the president at least once a year, and ensure that corrective measures are taken	Zero incidents

Three-Year Medium-Term Management Plan Consolidated Numerical Plan for FY2023

Three-Year Medium-Term Management Plan (Numerical Plans)

Long-Term Vision

◆ Long-Term Vision (Updated April 11, 2023)

We made the following changes, taking into account the factors that increase costs, including soaring unit prices of electricity in Japan and the increase in labor costs due to higher wages.

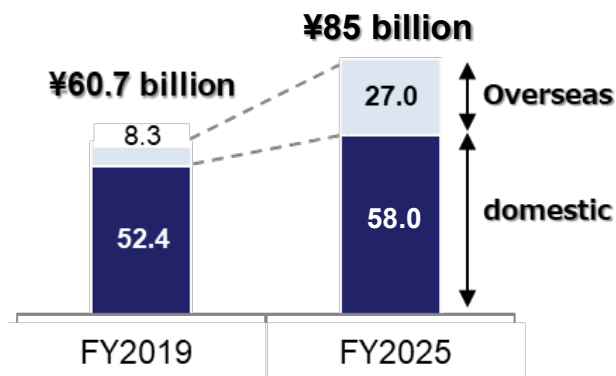
Vision for 2025

<Qualitative Goals>

- (1) Build a portfolio of multiple business models, rather than rely on domestic malls as a single source of profit generation.
- (2) Make AEON MALL a leading global commercial developer, targeting **consolidated operating income of ¥85 billion**.
- (3) Conduct floor space expansions and renovations in Japan to become the overwhelmingly dominant mall in each region.
- (4) **Secure growth markets overseas, expand overseas business to 50 malls, and record operating income of ¥27 billion (20% profit margin)**.

*Changed figure for consolidated operating income from ¥90 billion to ¥85 billion yen on April 11, 2023.

<Quantitative Goals>



Three-Year Medium-Term Management Plan (Numerical Plans)

Medium- and Long-Term Numerical Targets

As of April 11, 2023

Medium-Term Management Plan (FY2023-FY2025) Vision for 2025			FY2019 Results		FY2023 Plan		FY2025 Plan
Profit Plan	Operating Revenue	¥324.1 bn			¥447.0 Bn		¥520.0 bn
	Operating Income	¥60.7 bn	*Op. margin 18.7%		¥58.5 Bn	*Op. margin 13.1%	¥85.0 bn *Op. margin 16.3%
Operating Income by Segment	Domestic Mall Business	¥52.6 bn	(86.6%)		¥45.0 Bn	(76.9%)	¥57.0 bn (67.1%)
	Overseas Business	¥8.3 bn	(13.7%)		¥15.0 Bn	(25.6%)	¥27.0 bn (31.8%)
	Urban Shopping Center Business	- ¥0.2 bn	(-0.3%)		- ¥1.5 Bn	(-2.6%)	¥1.0 bn (1.2%)
Financial Indicators	EPS Growth Rate <small>*Annual growth rate beginning FY2019</small>	—			-5.7 %		5.4 %
	Net Interest-Bearing Debt/EBITDA Ratio	4.7 x			5.9 x		6.1 x
	ROIC	4.3 %			3.1 %		3.7 %

Three-Year Medium-Term Management Plan (Numerical Plans)

Consolidated Plan for FY2023 (Fiscal Year Ending February 29, 2024)

■ Earnings Plan

	FY2023 Plan	YoY Change
Operating revenue	447,000	112.2%
Operating income	58,500	133.0%
Ordinary income	49,000	134.6%
Net income attributable to owners of parent	27,000	207.8%

(Unit: ¥, Million)

FY2022 Actual	FY2021 Actual	FY2020 Actual	FY2019 Actual
398,244	316,813	280,688	324,138
43,979	38,228	34,394	60,794
36,409	32,540	28,437	56,117
12,994	19,278	-1,864	34,239

*Beginning with the fiscal year ended February 28, 2023, the Company has adopted *Accounting Standard for Revenue Recognition (ASBJ Statement No. 29)*, etc.

■ Operating Income Plan by Segment

	FY2022 Plan	YoY Change
China	9,000	+2,365
ASEAN	6,000	+2,794
Overseas Total	15,000	+5,160
MALL	45,000	+8,609
Urban SC	-1,500	+774
Domestic Total	43,500	+9,385
Adjustments	—	-25
Total	58,500	+14,520

(Unit: ¥, Million)

	FY2021 Actual	FY2020 Actual	FY2019 Actual
6,634	6,958	2,296	5,622
3,205	-701	1,474	2,686
9,839	6,257	3,771	8,308
36,390	33,499	31,845	52,664
-2,275	-1,553	-1,247	-203
34,114	31,945	30,597	52,460
25	25	25	25
43,979	38,228	34,394	60,794

Three-Year Medium-Term Management Plan (Numerical Plans)

Sales Assumptions Under the FY2023 Earnings Plan

China

Annual sales: YoY +30%

**Rapid Recovery in Sales Associated With the
Recommencement of Economic Activities**

*Last year, mall closures occurred intermittently throughout the year.

- The zero-COVID policy was relaxed beginning in December 2022, and economic activity and consumer behavior began to increase rapidly under the with-COVID policy.
- The latest sales trajectory traces a sharp recovery in specialty store sales at existing malls with a year-on-year growth rate of +13.3% in January and February. We expect the trend of double-digit year-on-year growth to continue throughout the year.

ASEAN

Annual sales: YoY +10%

**Firm Consumption Supported by High
Economic Growth**

- As a result of high economic growth, particularly in Vietnam, we expect a double-digit level of growth in ASEAN as a whole compared to the previous fiscal year.
- Sales trends in Vietnam remain favorable, with specialty store sales at existing malls up +27.8% year on year for the cumulative January-February period.
- In addition to revitalizing existing malls, we are securing a pipeline of new malls to accelerate openings in the future.

Japan

Annual sales: YoY +10%

**Normalized Consumer Activity With the
Shift to With-COVID**

- Consumer behavior is becoming more active gradually with the transition to With-COVID; individuals given the choice to wear/not wear masks beginning in March 2023.
- On a preliminary basis, existing mall specialty store sales improved in March 2023 at +9.4% year on year.
- AEON MALL intends to expand earnings through aggressive floor space expansions and mall renovations.

Three-Year Medium-Term Management Plan (Numerical Plans)

Three-Year New Mall Opening Plan

■ Mall Opening Plan

	Cumulative No. of Facilities as of FY2022	FY2023	FY2024	FY2025	FY2023 - FY2025	Cumulative No. of Facilities as of FY2025	
Japan	94	4	2	3	9	103	
China	22	1	2	4	7	28	
UASEAN	13	1	2	7	10	23	51 Overseas

*In addition to the above, we contract the management and operations of 49 commercial facilities (GLA 2,136,000m²; 5,890 specialty stores) of AEON Retail and AEON Tohoku

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

Three-Year Medium-Term Management Plan (2023 - 2025)

*Property names are tentative.

	2023	2024	2025
Japan	<ul style="list-style-type: none"> •Toyokawa •THE OUTLETS SHONAN HIRATSUKA •Yokohama Nishiguchi* •Jiyugaoka 2-Chome Plan* 	<ul style="list-style-type: none"> •Suzaka* Other 1 	<ul style="list-style-type: none"> •Hachioji Interchange North* Other 2
China	<ul style="list-style-type: none"> •Wuhan Jiangxia* 	<ul style="list-style-type: none"> •Hangzhou Qiantang New Area* •Changsha Tiantang* 	4 (TBA)
ASEAN	<ul style="list-style-type: none"> •Sihanoukville Logistics Center (Cambodia) 	<ul style="list-style-type: none"> •Hue (Vietnam) •Delta Mas* (Indonesia) 	7 (TBA)

Three-Year Medium-Term Management Plan (Numerical Plans)

Three-Year Capital Investment and Funds Acquisition Plan

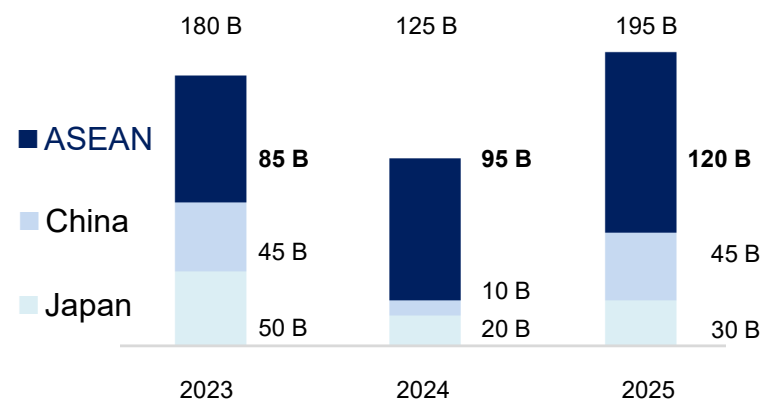
■ Capital Investment Plan

(Unit: ¥, 100 million)

		Three-Year Total			
		FY2023 Actual	FY2024 Actual	FY2025 Plan	
Japan		500	200	300	1,000
	New malls	375	120	230	725
	Revitalization	110	50	50	210
	Urban SC	15	30	20	65
Overseas		1,300	1,050	1,650	4,000
	China	450	100	450	1,000
	ASEAN	850	950	1,200	3,000
Total		1,800	1,250	1,950	5,000

*Capital investment plan represents net figures reflecting development type leases and the use of REITs.

Capital Investment Plan Composition by Country

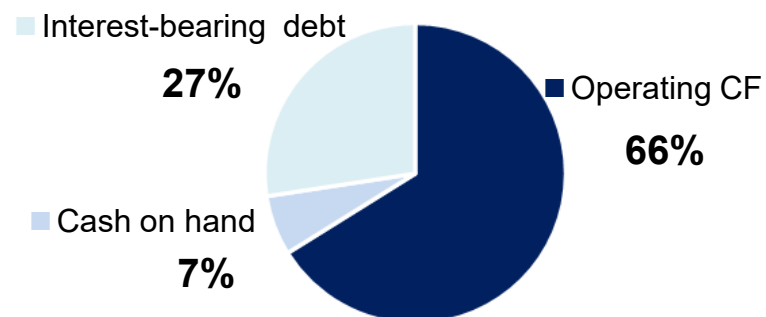


■ Funds Acquisition Plan

(Unit: ¥, 100 million)

					Three- Year Total
		FY2023 Actual	FY2024 Actual	FY2025 Plan	
	Capital investment	1,800	1,250	1,950	5,000
	Other	500	350	350	1,200
Subtotal		2,300	1,600	2,300	6,200
	Operating CF	1,200	1,200	1,700	4,100
	Cash reserves	250	50	100	400
	Interest-bearing debt	850	350	500	1,700
Subtotal		2,300	1,600	2,300	6,200

Funds Acquisition Three-Year Breakdown



Three-Year Medium-Term Management Plan (Numerical Plans)

Target Performance Indicators

Indicator	Type	Target	FY2019	FY2020	FY2021	FY2022	FY2023 (Plan)	FY2025 (Estimate)
EPS Growth Rate	Growth	7% annual (Annual growth rate indexed from 2019)	2.1% [Year on year]	— *1	-25.0%	-27.6%	-5.7%	5.4%
Net interest-bearing debt/EBITDA ratio	Safety	4.5 x or lower	4.7 x	6.2 x	6.6 x	6.0 x	5.9 x	6.1 x
ROIC (Return on Invested Capital)	Efficiency	5% or higher	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)

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

While we do not expect to achieve any of these target indicators by FY2025, we do project improvements in each, supported by high future growth potential, particularly among our overseas properties.

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

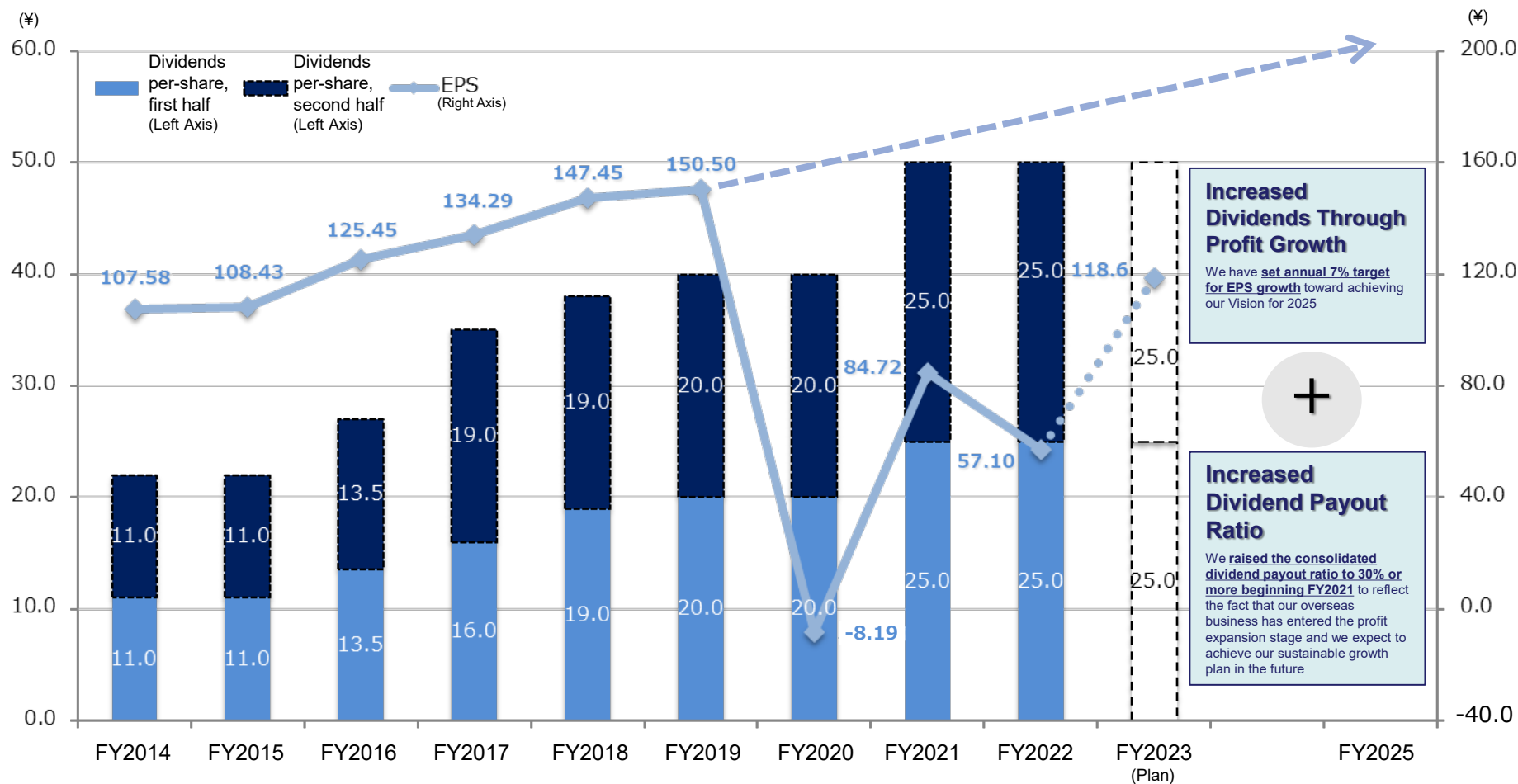
The decrease is due to a decline in cash flow generation capacity resulting from COVID-19 and an increase in fundraising to secure new properties overseas in the future. Going forward, we expect to close in on the target by FY2030, mainly by improving our ability to generate cash flows in our overseas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

Three-Year Medium-Term Management Plan (Numerical Plans)

Shareholder Returns



Three-Year Medium-Term Management Plan Growth Policy

Three-Year Medium-Term Management Plan Growth Policy

Truly Integrated ESG Management

Initiatives

**Pursue a 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
Innovation 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**

Three-Year Medium-Term Management Plan Growth Policy



Pursue a Regional Shift in Japan and Overseas

Pursue a Regional Shift in Japan and Overseas

Create a Platform for Health and Wellness

Discover and Commercialize Business Opportunities in Overseas Growth Markets

Pursue Business Model Innovation in Japan

Create New Business Models that Break From Existing Business Frameworks

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

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

Co-Creating 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



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. We aspire to be a company that fosters empathy for the community while deepening and expanding human interconnections.

**We Focus on Local Issues and Take Action to Create New Value Together
With People Who Support Our Efforts**

Three-Year Medium-Term Management Plan Growth Policy



Create a Platform for Health and Wellness

Pursue a Regional Shift in Japan and Overseas

Discover and Commercialize Business Opportunities in Overseas Growth Markets

Pursue Business Model Innovation in Japan

Create New Business Models that Break From Existing Business Frameworks

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

Creating a Platform for Health and Wellness

Gain Point Value Proposal

Maximize customer satisfaction through comprehensive marketing activities and by understanding the latent needs of the community

The Cycle of Well-Being

Support the creation of a Well-Being lifestyle as a Life Design Producer

Our Goals

Design abundant lifestyles leading to self-actualization based on physical health, mental health, environmental health, and social health

Remove Pain Points

Approaches to resolve customer concerns and dissatisfactions, creating a clean slate
Approaches must consider not only people, but also local communities and the environment

Our vision for AEON MALL facilities is to 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 lifestyles.



Supporting Individual Lifestyles Design Beyond Physical Health

Three-Year Medium-Term Management Plan Growth Policy



Discover and Commercialize Business Opportunities in Overseas Growth Markets

Pursue a Regional Shift in Japan and Overseas

Discover and Commercialize Business Opportunities in Overseas Growth Markets

Pursue Business Model Innovation in Japan

Create New Business Models that Break From Existing Business Frameworks

Create a Platform for Health and Wellness

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

Discover and Commercialize Business Opportunities in Overseas Growth Markets

Accelerate Mall Openings in Priority Areas

- 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

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

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

Three-Year Medium-Term Management Plan Growth Policy



Pursue Business Model Innovation in Japan

Pursue a Regional Shift in Japan and Overseas

Discover and Commercialize Business Opportunities in Overseas Growth Markets

Pursue Business Model Innovation in Japan

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Pursue Business Model Innovation in Japan

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 wellbeing

Improve Profitability Through the Effective Use of Existing Assets

- Diversify profit models based on the changing role of brick-and-mortar malls
- Create of 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 productivity not only of AEON MALL employees, but also of employees of tenant companies working in the mall
- Expand points of contact by improving usability from the perspective of the customer 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

Leverage Rapid Change in the Business Environment as Opportunities to Reform Existing Business Models
Strengthen Our Ability to Attract Customers and Improve Profitability

Three-Year Medium-Term Management Plan Growth Policy



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Diversify Value Offerings Tailored to the Market (1)

Pursue a Regional Shift in Japan and Overseas

Discover and Commercialize Business Opportunities in Overseas Growth Markets

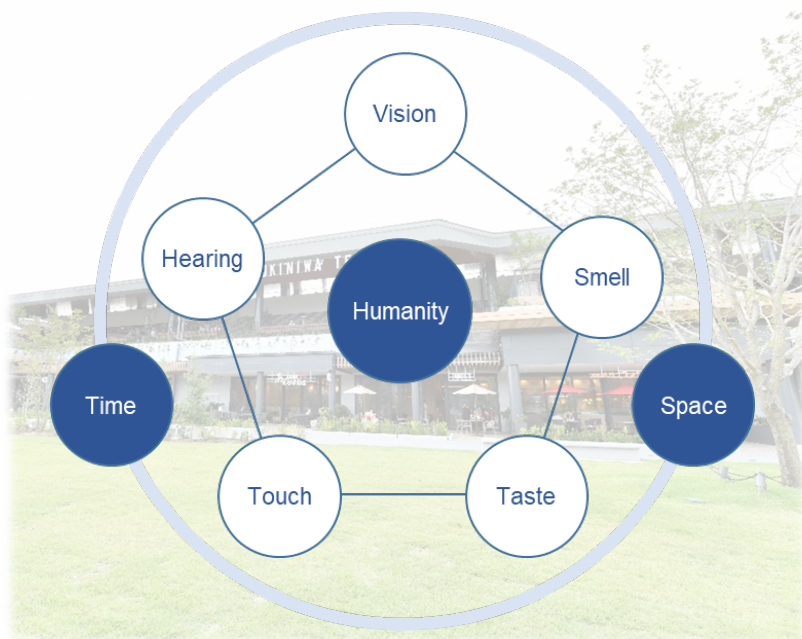
Pursue Business Model Innovation in Japan

Create New Business Models that Break From Existing Business Frameworks

Create a Platform for Health and Wellness

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

Provide Emotional Value Through Space Management



AEON MALL Toyokawa Central Park

**Transforming the Mall Space to Offer Value Through the Five Senses
Enhancing the Value of the Customer Experience**

Three-Year Medium-Term Management Plan Growth Policy



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Diversify Value Offerings Tailored to the Market (2)

Pursue a Regional Shift in Japan and Overseas

Discover and Commercialize Business Opportunities in Overseas Growth Markets

Pursue Business Model Innovation in Japan

Create New Business Models that Break From Existing Business Frameworks

Create a Platform for Health and Wellness

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

Foster Well-Being in Our Communities

Space

A **Space Dedicated** to the Five Senses

Humanity

A Time and Space for Human **Connections**

Time

Tenants With **Particular Tastes**Emotional
(Fulfillment)Physical
(Health)Society
(Relationships)

Well-Being

Development
Framework

Part of the Mall

Existing MALL Building



Facilities Cluster



Sites Within/Adjacent to Parking Lot and Mall

Separate From the Mall



Aiming to Create New Customers in the Community by Providing Times and Spaces to Gather and Connect

Three-Year Medium-Term Management Plan Growth Policy



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Improve Profitability Through the Effective Use of Existing Assets (1)

Pursue a Regional Shift in Japan and Overseas

Discover and Commercialize Business Opportunities in Overseas Growth Markets

Pursue Business Model Innovation in Japan

Create New Business Models that Break From Existing Business Frameworks

Create a Platform for Health and Wellness

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

Develop New Uses for Business Sites for More Effective Use

INPUT

Existing Mall Interior and Parking Area Space

Objectives

Attract Customers

Improve Earnings

Add Functionality

OUTPUT

Pleasant Outdoor Parks
Expanded PlaygroundsLease Facilities,
Attract BusinessesAttract Government
Administrative Facilities to Malls

Create New Business Sites Based on the Occupancy Rate of the Shops and Parking Lot in Existing Malls
Add Functions to Increase the Attractiveness of the Mall and Enhance the Ability to Attract Customers

Three-Year Medium-Term Management Plan Growth Policy



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Improve Profitability Through the Effective Use of Existing Assets (2)

Pursue a Regional Shift in Japan and Overseas

Discover and Commercialize Business Opportunities in Overseas Growth Markets

Pursue Business Model Innovation in Japan

Create New Business Models that Break From Existing Business Frameworks

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

Create a Platform for Health and Wellness

Utilize Idle Assets

Begin Construction of a Temporary Facility on the Former AEON Kyobashi Site

Open First Phase in Summer 2023; Second Phase in Fall 2023



Preliminary Project to Build Anticipation and Publicize the Site to Promote Future Development Projects

Three-Year Medium-Term Management Plan Growth Policy



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Implement Fundamental Business Structure Reforms

Pursue a Regional Shift in Japan and Overseas

Discover and Commercialize Business Opportunities in Overseas Growth Markets

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

Business
Environment

Changing
DemographicsLabor
ShortagesSoaring
Construction
CostsChanging
Consumption
StylesChanges in
Exchange and
Interest Rates

Inflation



COVID-19

Accelerating Changes in the Business Environment

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

Measures

Measure (1)

Increase competitiveness within a given market area and improve operational efficiencies through mall revitalization

Measure (2)

Form a project team
In addition to sales measures, implement reform in real estate and finance

Measure (3)

Fundamental Structural Reforms

- Implement fundamental structural reforms at **multiple malls** by Fiscal 2025.
- We expect to post an extraordinary loss of **approximately 6 billion yen** in fiscal 2023. Continue reforms in fiscal 2024 and 2025.

Three-Year Medium-Term Management Plan Growth Policy

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Create New Business Models that Break From Existing Business Frameworks

Pursue a Regional Shift in Japan and Overseas	Discover and Commercialize Business Opportunities in Overseas Growth Markets	Build Strong Financial Foundations and Resilient Organizations From the Perspective of Sustainability
Create a Platform for Health and Wellness	Pursue Business Model Innovation in Japan	
	Create New Business Models that Break From Existing Business Frameworks	

Create New Business Models that Break From Existing Business Frameworks

Expand Complex Development Functions

- Strengthen collaborations with partner companies for community co-creation
- Pursue redevelopment and mixed-use development projects in urban areas

Pursue Initiatives to Create New Businesses

- Invest in startup companies through CVC
- Provide new value through the in-house venture system
- Create business value by solving local issues and improving mall operations

Expand Into New Business Domains by Creating Businesses That Offer New Value in an Era of Rapid and Uncertain Change

Three-Year Medium-Term Management Plan Growth Policy



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Expand Complex Development Functions

Pursue a Regional Shift in Japan and Overseas

Discover and Commercialize Business Opportunities in Overseas Growth Markets

Pursue Business Model Innovation in Japan

Create a Platform for Health and Wellness

Create New Business Models that Break From Existing Business Frameworks

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

Capital and Business Alliance with Marimo Co., Ltd.



Purpose of the Partnership

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

Main Initiatives

- 1) Pursue multi-function, mixed-use large-scale development
- 2) Pursue urban redevelopment projects
- 3) Pursue mixed-use 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

Creating the Future of Living



A vibrant hub in which people across generations and backgrounds interact, and in which commercial, residential, office, educational, medical, welfare and other functions are interconnected organically

Three-Year Medium-Term Management Plan Growth Policy



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Pursue Initiatives Toward Creating New Businesses (1)

Pursue a Regional Shift in Japan and Overseas

Discover and Commercialize Business Opportunities in Overseas Growth Markets

Pursue Business Model Innovation in Japan

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Established Corporate Venture Capital *Life Design Fund* as an Alliance Strategy



Startup
Companies

Life Design Fund Investment Limited Partnership

Management company: Ignition Point Venture Partners Inc.
Scheduled launch: Late April 2023
Investment period: 10 years
Funds: 3 billion yen

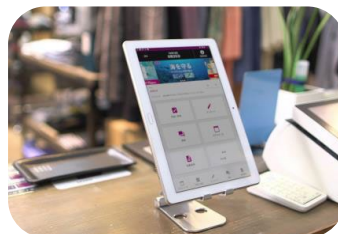
Investment Policy



Create new businesses that solve issues faced by society and local communities



Create new businesses utilizing the real estate stock owned and managed by AEON MALL



Support upgrades of stores operated by Store Association members



Raise the level of commercial facility operations and create new experiential value



Create next-generation facilities that transcend existing frameworks

Three-Year Medium-Term Management Plan Growth Policy



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Pursue Initiatives Toward Creating New Businesses (2)

Pursue a Regional Shift in Japan and Overseas

Discover and Commercialize Business Opportunities in Overseas Growth Markets

Pursue Business Model Innovation in Japan

Create New Business Models that Break From Existing Business Frameworks

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

Develop Joint Delivery Services to Solve Logistics Issues

The growing logistics challenges of 2024 include driver shortages, small-lot, high-frequency deliveries, and rising fuel costs. Amid these challenges, we are developing a logistics warehouse service to provide value to our partner companies, who are specialty store retailers.

■ Kinki and Tokai Areas ■

Osaka, Kyoto, Hyogo, Nara, Wakayama, Aichi, Gifu, Mie



■ Nagoya Area ■

Stand-Alone Stores — Other SCs



Store-to-Store Deliveries



Three-Year Medium-Term Management Plan Growth Policy



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

Pursue a Regional Shift in Japan and Overseas

Discover and Commercialize Business Opportunities in Overseas Growth Markets

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Create New Business Models that Break From Existing Business Frameworks

Create a Platform for Health and Wellness

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

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

Pursue Finance Mix and Optimization of Asset Portfolio

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

Strengthen 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

Leverage Human Capital, Which is the Most Important Management Resource

- Base approach on a vision of human resources and our organization
- Improve job satisfaction through human resources development, diversity, work-style reform, health management, etc.
- Improve both employee performance and organizational productivity

Strengthen Management Foundation to Enable Sustainable Growth Toward the Realization of True Integrated ESG Management

Three-Year Medium-Term Management Plan Growth Policy



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

Pursue a Regional Shift in Japan and Overseas

Discover and Commercialize Business Opportunities in Overseas Growth Markets

Pursue Business Model Innovation in Japan

Create New Business Models that Break From Existing Business Frameworks

Create a Platform for Health and Wellness

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

Create Sustainable Towns Via Industry-Government-Academic Collaborations

Activating riverside land near AEON lake town under a collaboration with Koshigaya city testing and proving a community collaboration system with the University of Tokyo

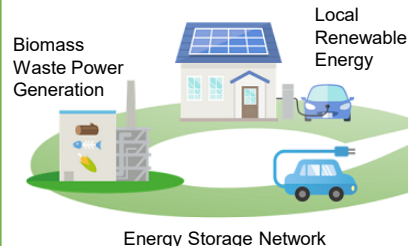


Waterfront Utilization Concept for the Osagami Regulating Pond (Tentative Name)

Collaborative Social Seminar Sponsored by AEON MALL and the University of Tokyo

Sustainable symbiotic services, interchange, and action systems coordinated among multiple entities

1. Regional energy systems leading the way to decarbonization



2. Support systems for actions leading the way to decarbonization

Environmental Impact Assessment of Actions



Collaborative Social Seminar Sponsored by AEON MALL and the University of Tokyo

Three-Year Medium-Term Management Plan Growth Policy



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

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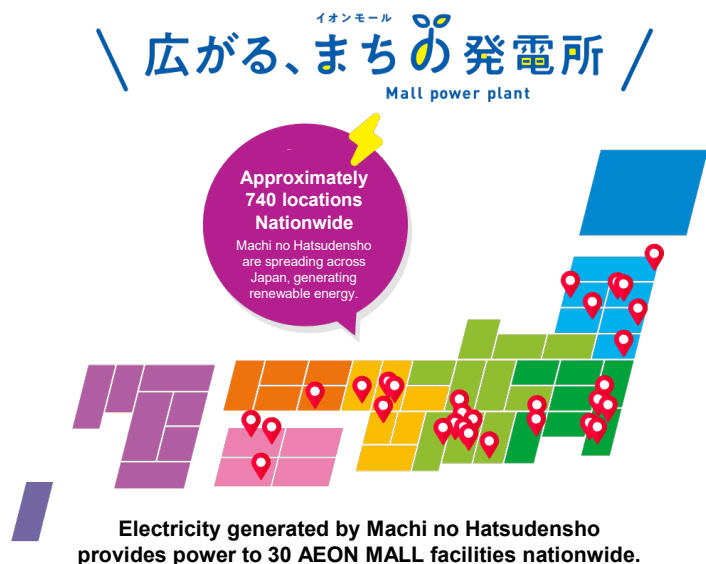
Create a Platform for Health and Wellness

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

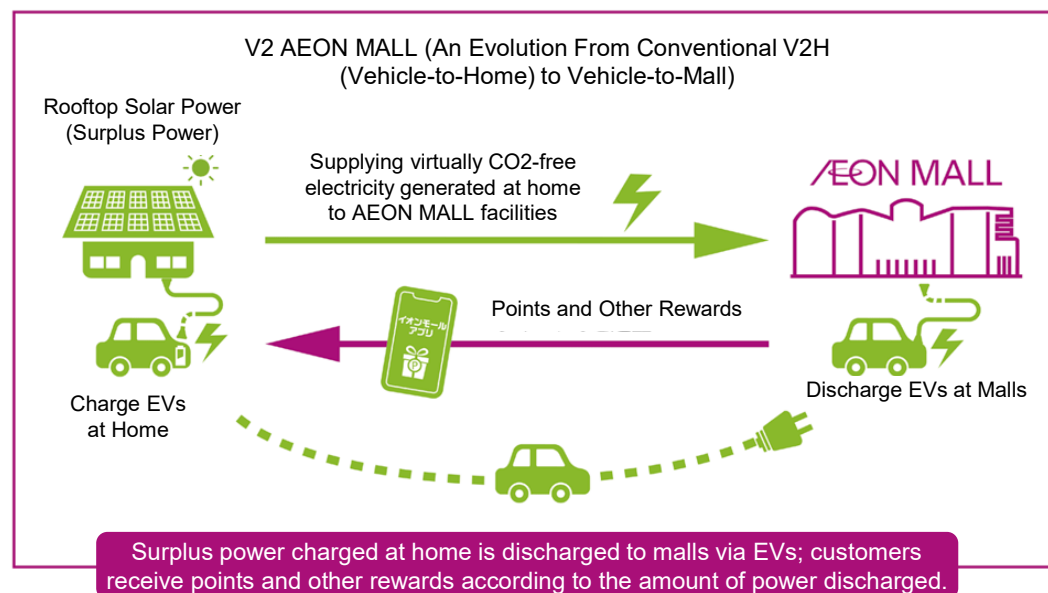
Achieve a Decarbonized Societies

All malls in Japan to be operated with effectively CO₂-free electricity by fiscal 2025
Reduce total domestic CO₂ emissions to zero by 2040

■ Using Renewable Energy



■ V2 AEON MALL



Scheduled to Begin Mid-May 2023 at AEON MALL Kashihara, Sakai Kitahanada, and Sakai Teppochō

Three-Year Medium-Term Management Plan Growth Policy

Strengthen Management Supervision Function and Establish a Nimble Business Execution System

Pursue a Regional Shift in Japan and Overseas	Discover and Commercialize Business Opportunities in Overseas Growth Markets	Build Strong Financial Foundations and Resilient Organizations From the Perspective of Sustainability
	Pursue Business Model Innovation in Japan	
Create a Platform for Health and Wellness	Create New Business Models that Break From Existing Business Frameworks	

Transition to an Executive Officer System and Adopt a Business Unit System

■ Adopt an Executive Officer System to Separate Management Supervision From Business Execution

Though April 2023



Director

Concurrent Execution and Supervision

May 2023 and thereafter



Director

Strengthen Management Supervision

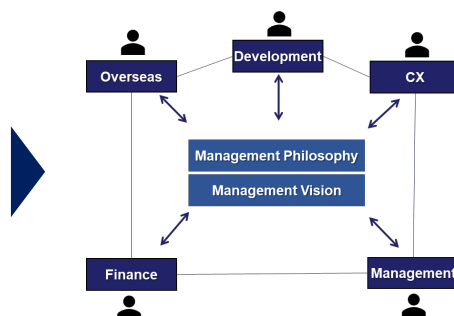
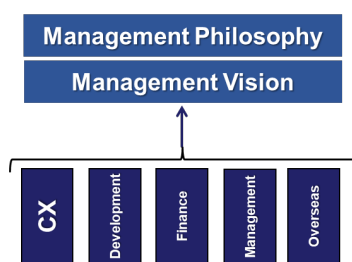


Executive Officers

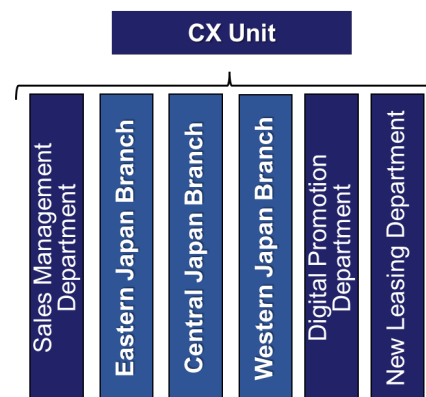
Accelerate Management Decision-Making

■ Do Away With the Headquarters System and Adopt a Business Unit System

Shift away from a vertical organizational structure in which each headquarters operates to achieve business objectives to a business unit system in which each unit has its own expertise and contributes to the optimization of the entire company.



■ Operate Malls Through Three Branches Within the CX Unit



We established three branches (East Japan, Central Japan, and West Japan) to encourage regional shift and to break down community issues and opportunities into local characteristics of each country and region, and to promote prompt business execution from a regional perspective.

The content and earning forecasts presented in this document contain forward-looking statements. These statements are based on information available and certain assumptions deemed reasonable at the time of publication. Forward-looking statements are not intended as a guarantee of performance. Actual results may differ significantly from forward-looking statements due to a variety of factors.