Environment

We continue to build shopping malls that are in harmony with nature and full of green, and provide opportunities for local customers to raise environmental awareness together with us.

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In 1991, we started the AEON Hometown Forests Project in Malaysia. The AEON Group has positioned tree planting as an activity that realizes AEON's basic philosophy of "With customers as our starting point, pursue peace, respect for humanity, and contribute to the local society." Whenever a new shopping mall opens in Japan or abroad, we hold a tree-planting festival where we work with our customers to plant trees native to the land that are best suited to the local natural environment. In FY2020, we held tree-planting events on a reduced scale at AEON MALL Ageo (Saitama Prefecture) and AEON MALL Shinrifu South Building (Miyagi Prefecture), planting a total of 53,948 trees in Japan and abroad. As of the end of February 2021, the Group had planted a total of approximately 12.23 million trees.

Our persistence on forest creation

Planting trees that are native to the land Planting dozens of tree species together to promote growth through competition Letting local customers take the leading roles in tree planting activities and plant seedlings one by one by their own hands

Implement survey of the ecosystem around shopping malls

We investigated the ecosystem of the AEON Hometown Forests at AEON MALL Kurashiki (Okayama Prefecture), which opened in 1999, and THE OUTLETS HIROSHIMA (Hiroshima Prefecture), which opened in 2018. As a result, we were able to confirm that over time the AEON Hometown Forest has grown into a place where various plants and animals thrive, playing an important role as a part of the regional ecosystem.





Results (summary)

Plants

Using the local natural forests as a model, we planted saplings of evergreen species at high densities, thus controlling the invasion and increase of exotic plants. After about 20 years since tree-planting



at AEON MALL Kurashiki, we have identified up to 213 plant species in the Forest, of which about 40% are the same as those in the natural forests, a higher proportion than that of the general greening zones in urban areas.

Birds / butterflies

We found that the Forests play a variety of roles in line with their growth stages. They are not only habitats for grassland and arboreal birds, but also



migratory routes, foraging grounds, and breeding grounds for local butterflies. The Forests have become a part of the network that connects the nature of the region.

Won the Excellence Award for Eco Unit Category in the 2020 Eco Test Award

The Eco Test Award sponsored by the Tokyo Chamber of Commerce and Industry recognizes companies that have committed to environmental activities using the knowledge gained through the Eco Test. We received the Excellence Award for Eco Unit Category because of our initiatives such as getting rid of plastic straws in all of our shopping malls. With the goal of raising environmental awareness and promoting environmental measures, we encourage our employees in Japan to acquire the eco Certificate. Of the 1,729 eligible employees, approximately 85.2%, or 1,473 employees, have acquired the eco Certificate.



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Environment

We promote the introduction of nature-friendly equipment and are committed to reducing environmental impacts.



Promote measures for decarbonization

Promote 100% renewable energy stores

In the AEON Decarbonization Vision 2050 released in March 2018, as a new challenge for the AEON Group, we aim to achieve a "decarbonized society" by 2050 through promoting energy conservation and the use of renewable energies. 100% of the electricity used in the operations of AEON Fujiidera SC (Osaka Prefecture) and AEON MALL Ageo (Saitama Prefecture) is CO₂-free electricity generated from renewable energies. To date, we have opened 12 eco-friendly model stores "Smart AEON" within AEON Group (11 of which are operated by our Company). We are also working on the development of the "Next Generation Smart AEON", which goes even further in terms of decarbonization.

Use of electricity with consideration for the environment

As of the end of February 2021, we have introduced solar power generation equipment into 73 shopping malls in Japan and 19 shopping malls abroad, and some shopping malls have adopted systems that effectively use electricity even in the event of a power outage. Starting in 2019, we have introduced the PPA (Power Purchase Agreement) model into AEON Fujiidera SC (Osaka Prefecture) and AEON MALL



Matsumoto (Nagano Prefecture) and AEON MALL Tsu Minami (Mie Prefecture), in which the electricity supplier will install solar panels in places such as on the site or roof of the electricity consumer, and the consumer will purchase the electricity generated by the panels. We are planning to introduce this model into THE OUTLETS HIROSHIMA (Hiroshima Prefecture) in FY2021. In addition, from 2019, AEON MALL Sakai Teppoucho (Osaka Prefecture) has begun working toward the practical application of VPP (Virtual Power Plant) that will collectively control multiple power generation facilities and use them as if they were a single power plant in order to balance the supply and demand of electricity. We have installed EV (electric vehicle) chargers in the parking lots of shopping malls, and are conducting a verification experiment involving the use of EVs as a means of transmitting electricity generated in homes to shopping malls.

Acquired FSC® Project Certification (Full project certification)

In January 2021, the Mokuiku Square at AEON MALL Shinrifu South Building (Miyagi Prefecture) received FSC® Project Certification (Full project certification) (FSC® P001850) for the first time as a large-scale commercial facility. This certification is based on the concept of the Forest Stewardship Council®, an international forest management certification NGO, and certifies that a structure is build with FSC-certified wood responsibly sourced from properly managed forests. Mokuiku Square is a children's playground built with a large amount of wood locally produced in Miyagi Prefecture, and all of the cedar and oak wood used in its construction is FSC-certified.



Promote the deplasticization initiative

In order to realize the sustainable shopping malls and protect the Earth's environment, we have stopped providing plastic straws in all food and drink specialty stores in shopping malls (except some stores). For customers who want straws, we provide them with environmentally-friendly alternatives such as paper straws to continue to promote the reduction of plastic usage.



Environmental measures (outside of Japan)

Thoroughly conduct waste sorting according to the manual (China)

Since mall No.1 in China opened in 2008, we have always attached importance to waste management. As the laws and regulations on waste sorting were strengthened in China in 2019, we have also developed a manual for stricter management. AEON MALL Qingdao Xihaian Xingu, which opened in November in the same year, has been holding trainings for specialty stores every month and has



AEON MALL (CHINA) CO., LTD SC Operations Support Director of Management Changchun Zhu

arranged dedicated personnel to manage the waste storage facilities in order to implement waste sorting according to the manual, which has been highly praised by Qingdao City. We will continue to extend these measures horizontally to other shopping malls in the future.

Publicize the importance of recycling (Vietnam)

We work with NGO groups that contribute widely to the environment to educate people about the importance of recycling. In addition to streaming videos of waste sorting in the malls and providing special discounts for customers who bring their own shopping bags, we also provide trainings for specialty stores to reduce waste and reward those stores that have achieved good results in the regard. Furthermore,



AEON MALL Vietnam Shopping Mall Operation Department Nguyễn Hồng Cẩm

we also carry out waste management through the management of all staff of the whole shopping malls. For example, we explore the direct cooperation with recycling companies to establish a system that ensures that recycled waste can be

Support education through recycling (Cambodia)

From about 2014, we began to provide cardboard boxes and waste plastics to NGO groups, and the profit from selling recycled products was used to support children's education in Cambodia. In order to achieve recycling, we educate employees in specialty stores and the shopping mall on environmental protection and sanitation management, and instruct them on waste sorting. In addition, in order to reduce the production of waste plastics, the Cambodia headquarters distributed travel mugs to employees of the shopping mall, contributing to reducing environmental impacts.



AEON MALL Sen Sok City Operation staff Heng bol mei

SDGs Development











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