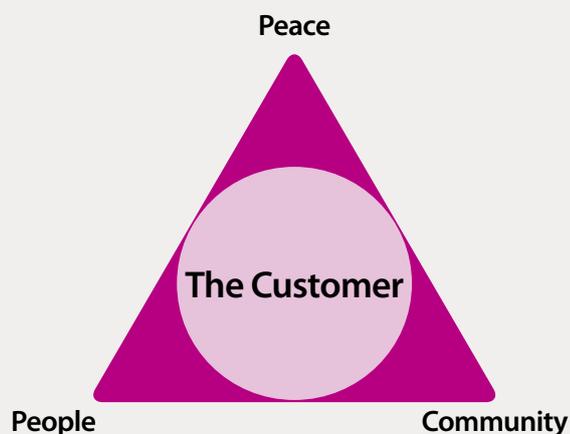


AEON Basic Principles

Pursuing peace, respecting humanity and contributing to local communities, always with the customer's point of view as its core.



The word aeon (ÆON) has its origins in a Latin root meaning "eternity." The customers' beliefs and desires comprise the central core of our philosophy. At Aeon, our eternal mission as a corporate group is to benefit our customers, and our operations are thus customer-focused to the highest degree.

Peace: Aeon is a corporate group whose operations are dedicated to the pursuit of peace through prosperity.

People: Aeon is a corporate group that respects human dignity and values personal relationships.

Community: Aeon is a corporate group rooted in local community life and dedicated to making a continuing contribution to the community.

On the basis of the Aeon Basic Principles, Aeon practices its "Customer-First" philosophy with its ever-lasting innovative spirit.

Editorial Policy

This report reports on characteristic initiatives of Aeon Group companies, primarily for the General Merchandising Store Business and Supermarket Business.

This report presents both environmental and social initiatives of Aeon Group companies, focusing on pure holding company Aeon Co., Ltd. and the General Merchandising Store and Supermarket Businesses. Initiatives included in the report have been selected based on the level of public interest, the level of emphasis by Aeon and other factors. They include environmental conservation activities and social contribution activities conducted together with customers as well as initiatives conducted through products and at stores.

The 2015 report includes two special feature sections. The first special feature presents information on our Dialogue with Stakeholders carried out in June 2015 with three stakeholders who possess particular expertise. The dialogues were an opportunity to present initiatives in our Big Challenge 2020, aimed at integrating CSR activities with corporate management. They also presented assessments of these initiatives, brought forth expert opinions, and offered advice on what we should do and how we should proceed toward medium- and long-term growth. The second special feature is titled The Challenge of Aeon People and presents five themes, each with illustrative cases showing Aeon's understanding of issues and showing initiatives that stem from that understanding.

As for initiatives undertaken during FY2014, particular attention is given to key issues one through four established as key performance indicators. Information is also provided on our ongoing support to those in need following the Great East Japan Earthquake.

• Report Period

FY 2014 (March 1, 2014 – February 28, 2015)*

*For operating companies with different fiscal years, the relevant time periods are indicated on each report section.

• Scope of Report

This report covers the pure holding company Aeon Co., Ltd. and its consolidated subsidiaries 284 companies, 31 companies equity method affiliates (as of February 28, 2015).

When a section applies to only certain operating companies, it is indicated as such.

The Aeon 1% Club Foundation, whose activities are funded by donations made by major Aeon Group companies totaling 1% of their pre-tax profits, and the Aeon Environmental Foundation, which takes part in activities to protect the Earth's environment, also appear in this report.

• Target Audience

Our customers, shareholders, students, local residents who live in the neighborhood of the stores of the group, business partners, NPOs, NGOs, government, investors and Aeon people (Aeon employees)

• Reference Guidelines

Global Reporting Initiative (GRI) Sustainability Reporting Guidelines (G4) Environmental Reporting Guidelines (FY2012 Version), Ministry of the Environment of Japan
Environmental Accounting Guidelines 2005, Ministry of the Environment of Japan
ISO 26000: Guidance on social responsibility

Disclaimer

This report contains plans and strategies for the future of Aeon Group, as well as predictions and prospects regarding our performance. Such information is based on our determinations and convictions made based in accordance with the facts and information currently available to us.