

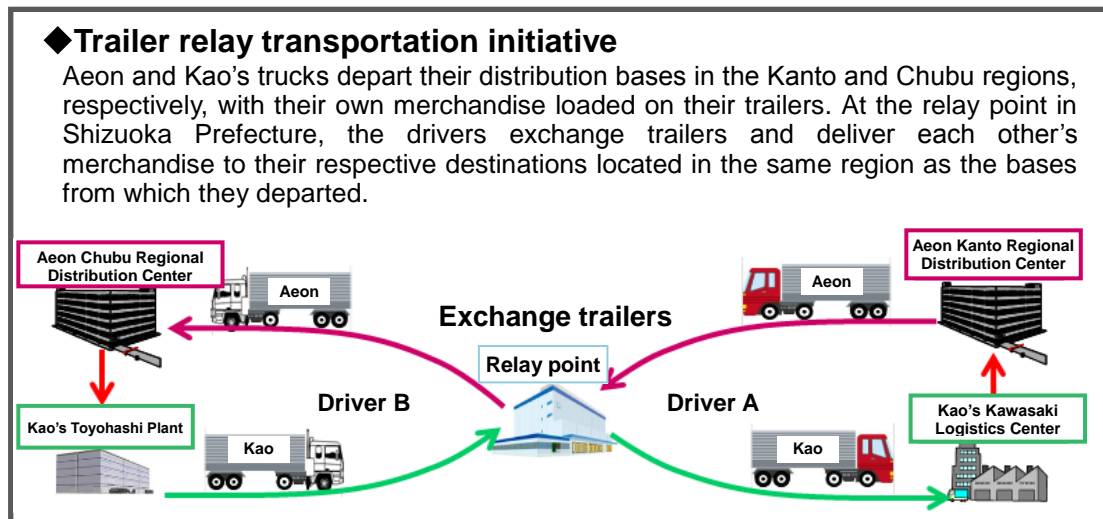


December 16, 2016
AEON CO., LTD.
Kao Corporation

**Aeon and Kao Receive
“Minister of Economy, Trade and Industry Award”
for trailer relay transportation initiative
–Endeavoring to improve drivers’ operational efficiency
and reduce CO₂ emissions–**

Aeon Global SCM Co., Ltd. (President and Representative Director: Midori Yamaguchi), a consolidated subsidiary of Aeon Co., Ltd. (President and Representative Executive Officer: Motoya Okada; hereafter, “Aeon”), and Kao Corporation (President and CEO, Representative Director, : Michitaka Sawada; hereafter, “Kao”) received the Minister of Economy, Trade and Industry Award under the Ministry of Economy, Trade and Industry’s Excellent Green Logistics Partnership Commendation Program for their trailer relay transportation initiative that commenced in June 2016.

The award honors initiatives with significant achievements in the creation of sustainable logistics systems. Aeon has now won the accolade for two consecutive years following last year’s award presented for its initiative to reduce environmental impact by running the Aeon Rail Transport Study Group’s dedicated train.



The trailer relay transportation initiative has started commenced with the aim of improving the working conditions for truck drivers and reducing CO₂ emissions. The award was presented to implement the initiative for enabling truck drivers to make short-haul day trips, which improved their operational efficiency and resulted in less working hours per driver. The initiative was also highly acclaimed for reducing the number of vehicles operated by enhancing the ratio of trucks traveling with cargo loaded, thereby reducing CO₂ emissions.

Aeon and Kao endeavor to make ongoing efforts to reduce environmental impacts toward the goal of achieving a sustainable society.



At the award ceremony with other recipients who jointly received the award, MUKOHJIMA Co., Ltd. and Fukuyama Transporting Co., Ltd., and Mr. Takayuki Sumita, Director-General of the Ministry of Economy, Trade and Industry



Unloading the truck for delivery