Activity Report for Second Period of Project Aeon Joining Hands (FY 2015)

Project Aeon Joining Hands was launched March 2012. In the next ten years leading to 2021, we will aim to drive creativity and contribute the recovery after the Great East Japan Earthquake by utilizing diverse resources gained in the management activities of all Aeon employees.

In the second period between FY 2015 to FY 2017, we are working with local communities in the Project Aeon Joining Hands community-exchange support activities, which understand the social challenges of the disaster-affected areas of Tohoku as revitalizing the sustainable local communities. We are advancing this project to connect learning and networks through project activities with energizing the local industry of Aeon.

**Project Aeon Joining Hands 10-year Project**

**First Period**

**Objective**: To ensure that everyone within the Group is aware of and understands the details of our project activities.

- Partner with non-profit and other organizations, support planned activities that meet local needs, and encourage the recovery of people’s lifestyles.
- Build links with local people by having Aeon people periodically visit the same areas throughout the year.

**Second Period**

**Objective**: Our Group companies, management, and workforce will build relationships with different communities through interaction with local residents, supporting them over the long term, and implementing continuous support.

- Utilize the unique ideas and characteristics that our Group companies, management, and workforce learn in this exchange to create and conduct autonomous activities able to contribute to the communities affected by the disaster.
- Follow the key concepts of Interaction and Creativity.

**Third Period**

**Objective**: Systematize the results of the project, and link them to further activities.

- Deepen crisis management awareness as a life-line with measures to limit disasters that include prevention.
- Utilize the knowledge and resources gained through practical activities toward the revitalization of the Tohoku region, which is also the revitalization of society in Japan.

**Outline of First Period Initiatives**

- Activities that widen the circle of Tohoku creation
  - Promote interaction with local communities through tree-planting activities in each region of Tohoku
  - Plant fruit and shrubs in addition to trees and support reconstruction of industry and tourism
  - Conduct recovery of the wood in the village shrine, a favorite spot of local people, and plant trees in squares in front of stations, many of which were washed away.

**Outline of Second Period Initiatives**

- Confirm the challenges in disaster-affected areas on-site through activities in Hamadori, Fukushima to regenerate the local community and bring people back from the places they dispersed to after the nuclear accident
- Utilize this experience gained through these activities in the social lives and work of each Aeon person
- We will work in activities by transitioning from activities realized from the blood and sweat of volunteers up until now to activities placing the focus on interaction with the local community.

**Outline of Second Period Initiatives**

- Promote ongoing support able to be conducted from a distance in order for Group companies to generate recovery in Tohoku
- Advance support encompassing local communities with voluntary and independent thinking toward generating recovery in areas afflicted by the disaster at each Group company.

**Support performance as of the end of February 2016**

- The number of trees planted in the affected area: 146,279 trees
- Support targets by FY 2021: 300,000 trees

**Support performance as of the end of February 2016**

- Employees who participated in the disaster area as volunteers: Total 2,626 employees

**AEON Future Co-creation Program**

We will work together with regions affected by the disaster and our Group companies in Project Aeon Joining Hands with community-exchange type support activities by understanding social challenges of the disaster-affected areas of Tohoku as revitalizing the sustainable of local communities.

**Support targets by FY 2021**

- Employees who participated in volunteer activities in and around the Company: Total 194,102 employees
- Support targets: 300,000 employees

*Includes number of full-time employees who participated in volunteer activities in disaster-hit areas*
“Bustling Tohoku - connect with hometown power”
Main FY 2015 Tohoku reconstruction support activities

Five years have passed since the Great East Japan Earthquake. AEON aims for the next stage “creation of local areas (hometowns)” from “reconstruction assistance”, and has started “bustling Tohoku” efforts to help connect the energy of Tohoku throughout Japan and around the world. With these thoughts of wanting to create the future of Tohoku with “bustling energy” put into this theme, and with 4 policy pillars we will walk together with everyone towards Tohoku creation from here on out.

1. Activation of local industry through business
   In addition to efforts to develop local products with producers in Tohoku, we are revitalizing the local industry by connecting customers throughout Japan with Tohoku.

Expand sales of Tohoku products by holding Bustling Tohoku Fair
   Group companies centered in Tohoku are planning Bustling Tohoku Fairs in order to expand sales routes of Tohoku products. The first fair was held at a total of 132 stores in the Tohoku and Kanto districts from March 4th to March 6th in 2016.
   We currently have 500 different products that generate 30 billion JPY. We aim to expand this to 2,000 different products able to generate 100 billion JPY in sales by 2018.

2. Creation of employment and creation of an environment that is easy to work in
   We are creating employment by opening stores in areas afflicted by the disaster. We are also working to build an environment anyone can work easily, including employees who are raising children, with initiatives such as the installation of nursery facilities at our business establishments.

AEON Hirono store opens at the Hirono Terrace
   The AEON Hirono store opened in the Fukushima Prefecture public commercial facility “Hirono Terrace” The store is a community shopping center close to the local area, which made up of four specialty stores such as food and lifestyle related shops operated by local business proprietors.

Nursing facility opens at the AEON Mall Natori
   We plan to open an AEON Yumemiri Nursery at AEON Mall Natori in the fall of 2016 in light of the increasing number of children on waiting lists in Natori due to factors such as families moving from other areas. We are working to build a secure environment everyone in the region can work with peace of mind now and into the future.

3. Environmental and social contribution activities that “mutually make” the future of the region.
   We are also working in environmental and social contribution activities with the people of local communities in activities such as Project Aeon Joining Hands (P.97). This is supporting the healthy growth of Tohoku, urbanization, and the children of the region.

Support Tohoku Aeon Happy Yellow Receipt Campaign
   We would like to encourage everyone affected by the earthquake in Iwate, Miyagi, and Fukushima with our customers throughout Japan. We are expanding the Aeon Happy Yellow Receipt Campaign held every November to March 9th through 11th each year. During this campaign period, we will donate 1% of the total amount on receipts given to us by our customers. The total accumulated donation given to the areas afflicted by the disaster through this campaign by the spring of 2016 is 726 million JPY.

Supporting children through Tohoku Reconstruction Support WAON
   In May 2012, we issued the Tohoku Reconstruction Support WAON to donate 0.1% of the amount used to scholarship funds to support the lives and learning of children in the three prefectures of Iwate, Miyagi, and Fukushima who were affected by the disaster. The total amount donated was 19,782,027 JPY by the spring of 2016.

4. Development of towns where people can live with safety and peace of mind
   We are aiming to build safe and secure place for people to live by enhancing preventative measures based on our experience after the Great East Japan Earthquake.

Expanding local temporary shelters
   AEON is strengthening safety measures that include securing energy supply systems such as independent power generation facilities, which allows shopping centers to be used as disaster prevention centers during a disaster. We have already completed the installation of these facilities at 27 locations and aim to have 100 locations outfitted by 2020.