

A large, stylized green tree illustration that occupies the left side of the page. It has a thick trunk and a dense, rounded canopy of leaves. In the bottom left corner, there are smaller, lighter green tree silhouettes.

2017 AEON Sustainability Pamphlet



Aeon will build a sustainable society

The world is filled with challenges.

Some issues include global warming, depletion of natural resources, decline of local communities, and problems of poverty to name a few.

The work of Aeon is not simply to sell products at stores.

There are many things Aeon can do in its businesses that are closely related to the lifestyles of people as a company rooted in the community.

We believe environmental and social issues are problems that we need to address.

There are many people that help us solve these problems.

Aeon will build a sustainable society with its customers and everyone in the community.



with its customers.

On our store properties

We celebrated our 25th anniversary of planting activities, which plants trees to cultivate hometown forests

In our products

We provide products that respond to the broad range of expectations from society

In our community contribution

We strive to build local communities where everyone has a smile

At our stores

We engage in activities that contribute to the environment and society at Aeon stores

Aeon Forest Circulation Program

Local WAON

Aeon Cheers Club



We celebrated our 25th anniversary of planting activities, which plants trees to cultivate hometown forests

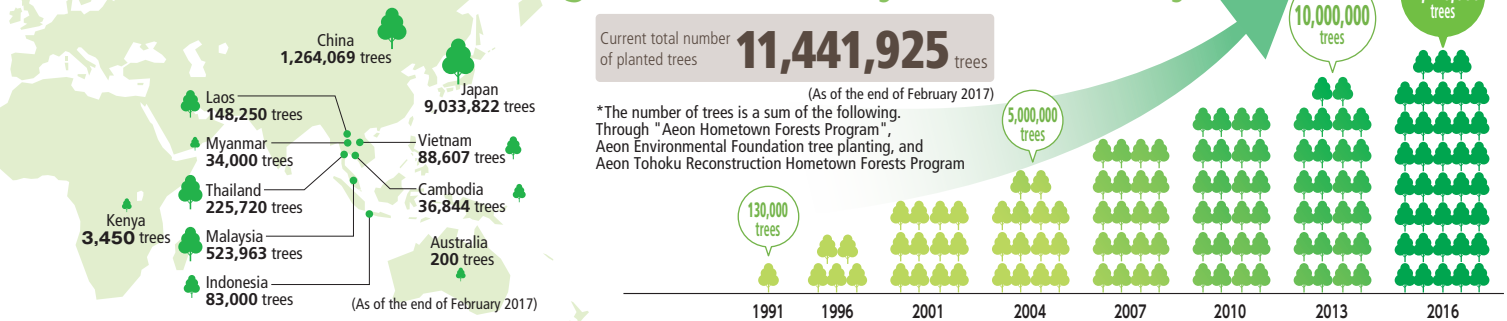


The Origin of Tree Planting Activities

Around 50 years ago, in the 1960's, Takuya Okada, then president of JUSCO (present day Aeon) and currently Aeon Honorary Chairman and Advisor, noticed that the Nandina Heavenly Bamboo flowers in the garden of his home in Yokkaichi city, Mie prefecture has stopped blooming. He assumed that was a result of the earth's changing environment. He also felt a sense of crisis, realizing that the pollution accompanying economic growth would create

social problems and that the loss of nature's richness would be connected with a loss of sources of wealth. As a retailer, we considered what we should do. Based on our reflection, we started the tree planting activity in 1991. Aeon's tree planting, which has been promoted along with our customers around the world, celebrated its 25th anniversary in 2016. From now on as well, Aeon will continue to do tree planting activities that lead to the future.

Growth of Tree Planting and the History of the Activity



Aeon Hometown Forests Program
JUSCO Malacca Store, Malaysia
(Currently AEON Malacca SC)



The first Aeon Hometown Forests Program store in Japan
JUSCO New Hisai Store
(Currently AEON Hisai)



China "Project to revitalize the forests at the Great Wall of China"
Conducted the 1st tree planting project
AEON Group Environmental Foundation
(Currently AEON Environmental Foundation)



"Aeon Tohoku Reconstruction Hometown Forest Program"
Implement tree planting in areas affected by
the Great East Japan Earthquake
AEON TOWN Shiogama

Aeon Forest Circulation Program

Plant

AEON Hometown Forests Program

Planting the Next 10 Million Trees - for the regions and for the future



Expansion of stores using domestic FSC® certified lumber
(MINISTOP CO., LTD.)

Construction Materials and Products Made from the Lumber of Properly-managed Forests

Aeon Letting Forests Grow Program

Aeon, a shopping center nurtured in a green environment



2006 (trees planted)
Before



2016
After

(AEON MALL Urawa Misono)

Thrive

FSC®-certified Products

Aeon has been selling products that use FSC-certified paper since 2008.



ミツクス
環境配慮型製品
FSC® C005942
TOPVALU BEST
PRICE tissue paper
using FSC®
certified paper

Nurture

Growth of Forests
Enriches Lives



"Forest Transcend Project" to foster successor forestry started in 2014

We provide products that respond to the broad range of expectations from society

Customers' voices are the origin of brands

TOPVALU

The Aeon TOPVALU brand was created with the concept of improving our customers' daily lives. We are expanding various brands particular about the customers' perspective from quality and price to the safety and security of food.



Brand of products highly committed to the best quality

TOPVALU



Brand of products to enrich the quality of lives



Brand of products of convincing quality and reasonable prices

TOPVALU Gurinai



Organically grown products that have acquired official organic-certification



Livestock and marine products that have been produced without using chemically synthesized drugs in principle



Products that give consideration to additives, ingredients and components that customers are concerned about

*Free From: "Free" indicates "none" or "lack of" while "free from" indicates no additives or ingredients are used that customers are generally concerned about.

Giving Shape to the Expectations of Society

Products Able to Preserve the Environment and Contribute to Society Through Purchase

Full-cycle Aquaculture

We protect natural resources with full-cycle aquaculture that grows eggs spawned by cultured fish into adult fish. Aeon handles four brands as of February 2017 that began with the sale of the first full-cycle aquacultured bluefin tuna as a private brand product in Japan in 2015.



TOPVALU Gurinai Natural
Red sea bream from Kumamoto

ASC-certified Products

The ASC certification ensures the ocean environment and life is cultured in a way suitable to society and human rights. Aeon has been selling the first ASC-certified salmon in Asia since 2014 and currently handles ten products with five different types of fish as of February 2017.



TOPVALU
ASC-certified White-flesh fish without bones and skin (Pangasius)

MSC-certified Products

The MSC certification ensures the fishing industry is conducted in a manner appropriate to the ocean environment and life to prevent the depletion of natural fish. Aeon started handling MSC-certified products in 2006, and handles 38 items with 18 types of fish that are primary to retail stores as of February 2017.



TOPVALU Gurinai Natural
MSC-certified salt sockeye

Organic Products

Healthy trends and an interest in safe and secure food are growing. Aeon has acquired the JAS organically produced process food "authorized importer" certification established by the Ministry of Agriculture, Forestry and Fisheries, and it is promoting the development of organic products as well as the procurement both in Japan and abroad.



TOPVALU Gurinai Organic
Organic broad bean and organic black mission figs

Fairtrade Products

We have been developing and selling Fairtrade International certified products since 2004 in accordance with standards established by Fairtrade Labelling Organizations International. We plan to expand the amount of our dealings in Fairtrade International certified cacao ten times (compared to fiscal 2012) by fiscal 2020.



FLO (Fairtrade International)
certification mark



TOPVALU Fairtrade
chocolate milk



Fairtrade Sourcing Program
label (cocoa)



TOPVALU smooth
mouth-melting bite-sized
milk chocolate

-Registered for the European Union at European Union Intellectual Property Office (EUIPO) with registration no. 012422143.
-Registered at the World Intellectual Property Organization (WIPO) according to the Madrid Contract and Protocol with registration no. 1231866.
-Applying for registration in Japan

To fulfill social responsibilities in the manufacturing process

Aeon Supplier CoC

We formulated the Aeon Supplier Code of Conduct in 2003. We ask our suppliers (manufacturing outsources) to comply with our Code of Conduct such as a safe working environment, appropriate labor conditions, and protection of the natural environment.



Aeon Supplier Code of Conduct audit

Aeon Supplier Code of Conduct

1. Restriction of child labor
2. Restriction of forced labor
3. Health and Safety
4. Freedom of Association and Collective Bargain
5. Prevent discrimination
6. Restriction of penalization
7. Working hours
8. Wages and benefits
9. Management responsibility
10. Environment
11. Trade
12. Certification, Audit, and Monitoring
13. Ban on Gifts

We engage in activities that contribute to the environment and society at Aeon stores

Reducing plastic bag use

Bring Your Own Shopping Bag Campaign

Aeon began "Bringing Our Own Shopping Bags" for customers to bring their own shopping bags such as My Basket or My Bag in 1991. For customers that desire them, we offer plastic bags for purchase. We donate the profit toward local environmental conservation activities through local governments, etc. The profit in Fiscal 2016 was approximately 28 million yen.



Takeaway baskets "Bio My Basket"



Supporting children around the world

PET Bottle Cap Collection Campaign

We setup PET bottle cap recycling boxes at our stores in 2008 to cooperate with activities to support impoverished children together with our customers. In fiscal 2016, 4,918,131 yen from roughly 383.12 million bottle caps was donated to these organizations.



[The three international organizations]



Save the Children Japan



Plan International Japan



Japan Committee Vaccines for the World's Children

In order to have peace of mind while shopping

Care-Fitters

Approximately 10,000 Aeon employees have acquired Care-fitter certification to help ensure that seniors and people in need of assistance can shop in our stores with total confidence.

*Care-fitter: A certification administered by the Nippon Care-Fit Education Institute (a public interest incorporated foundation)



Care-fitter Training Session

Aiming for correct understanding and appropriate support

Supporters for People with Dementia

Approximately 63,000 employees have participated in Supporters for People with Dementia Training in order to properly assist customers with dementia.

*Supporters for People with Dementia: People certified through a prescribed curriculum course implemented by municipalities and other groups. Supporters have an understanding of dementia and are able, within their abilities, to give care to, watch over, and give support to people with dementia and their families.



Towards a recycling society

Collecting Recyclable Resources at Stores

We setup recycling boxes for food trays, paper packs, aluminum cans, and other recyclables at our stores. The paper packs and aluminum cans that are collected are re-used as resources such as recycling to use as raw materials for TOPVALU products.



"Reduce" "Generate" "Protect"

Aeon Eco Project

Aeon formulated environmental targets for fiscal 2020 with the growing social needs for energy savings and energy conservation. The Aeon Eco project started in September 2012 to achieve these targets. We are expanding this project with three strategies: reduce, generate, and protect as we aim to play a role in disaster prevention centers as a lifeline for community life, and it is not only used in the creation of renewable energy and the reduction of energy consumption.

<Targets for FY2020>

Reduction Strategy

50% reduction in energy usage (compared to FY2010)

Generation Strategy

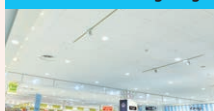
200,000 kW from renewable energy sources

Protection Strategy

Make 100 Aeon stores across Japan disaster-prevention facilities

<Initiative examples>

Transition to LED lighting



Solar panel installation



Private power generation equipment installation



Next generation "eco-store"

Smart AEON

Aeon expanded "eco-store" to 13 locations as of February 2013. We began the next-generation stores (eco-store) initiative that worked to meet five standards in September 2012, and we have opened 10 stores since then (as of February 2017).



The 5 Smart Aeon Criteria

- Smart Energy
- Integration of E-Money and Internet
- Traffic Situation (Smart Mobility)
- Biodiversity and Landscape
- Disaster Prevention and Regional Infrastructure



*Definition of eco-store: A store that has acquired an A rating or higher from CASBEE (environmental performance evaluation system architecture that was developed in 2001) by reducing CO₂ emissions 20% or more compared to conventional stores.

We strive to build local communities where everyone has a smile

Aiming for local revitalization

Comprehensive Cooperation Agreements

We have entered into agreements with 44 prefectural governments, 16 government-ordinance-designated cities, and 42 cities and towns to effectively utilize resources both by the local government and Aeon in order to promote disaster prevention, social welfare, and environmental conservation as well as invigorate commerce and tourism (as of February 2017). In addition to holding local product fairs, promoting local tourism, and issuing Local WAON cards at stores, we provide supplies and offer refuge when disaster strikes.

Electronic money contributing to local communities

Local WAON

Aeon issues 126 types (as of February 2017) of Local WAON cards together with the regional and local governments. We donate a portion of the amount used to the community to engage in efforts from environmental conservation to promoting tourism and sports.



Sample of Local WAON cards issued in FY2016
Top: Daisuki Fukushima Genki WAON
Bottom: Tokuyama Zoo WAON

Support persons with disabilities

Aeon Welfare Fund

We have established the Aeon Welfare Fund through both labor and management in 1977 and it works in activities with the donation of special vehicles and volunteer activities at the core. As of February 2017, we have donated 75 special vehicles and conducted volunteer activities at roughly 11,000 facilities.



Welfare vehicle donation ceremony

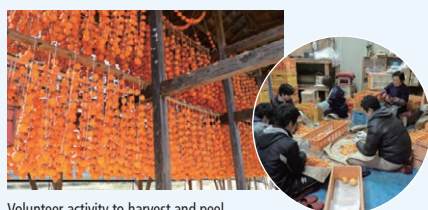
Expanding the Circle of Recreating Tohoku

Six years have passed since the Great East Japan Earthquake.

Aeon is engaged in various efforts for the creation of local areas (hometowns) around the theme of Bustling Tohoku - Connect with Hometown Power. In the Project Aeon Joining Hands initiative that unifies labor and management, a total of 202,000 trees were planted with 237,000 employees participating in volunteer activities. (as of February 2017)

Four Policies towards Recreating Tohoku

1. Revitalizing local industries through business activities
2. Creating job opportunities and worker-friendly environment
3. Environmental and social contribution activities to jointly shape the future of regions
4. Creating communities where people can live with peace of mind



Volunteer activity to harvest and peel Korogaki persimmon in Koya, Marumori, Igu District, Miyagi Prefecture



Bustling Tohoku fair



Aim for the development of children's health through environmental learning and experiences

Aeon Cheers Club

It is aimed for first grade to third year junior high school students to take an interest in environment and develop the ability to think while learning social rules by working in groups. In fiscal 2016, roughly 78,000 students from 450 clubs participated across Japan under the theme of "Animals".



Animal petting experience



Visit to Matsuzaka cattle farm



Studying salad chineese cabbage roots

Support local communities through shopping

Aeon Happy Yellow Receipt Campaign

Aeon Day is held on the 11th of every month. Customers participate in the campaign by taking the yellow receipts they receive and placing them in a box labeled with the name of an organization or a particular activity. Aeon then contributes goods at a value of 1% of the total amount of the receipts. In fiscal 2016, we donated a total of 331.18 million yen worth of goods to roughly 25,000 organizations.



Support After the 2016 Kumamoto Earthquakes



609 million yen in donations

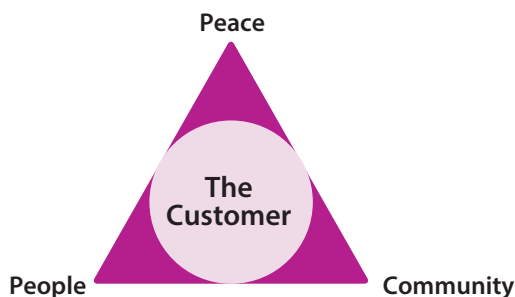
Held special events to support the reconstruction at approximately 510 AEON and AEON STYLE stores across Japan.

We have put our full force in the recovery and reconstruction of disaster areas based on our experience in the Great East Japan Earthquake. In addition to quickly providing roughly 5.3 million units of emergency support supplies according to the comprehensive agreements with each municipal, we have contributed a total of approximately 609 million yen in donations, etc. and our own support aid through WAON point fundraising and Aeon Happy Yellow Receipt Campaign.

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.

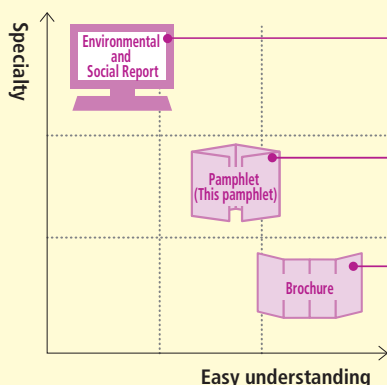
- "Peace"** Aeon is a corporate group whose operations are dedicated to the pursuit of peace through prosperity.
- "People"** Aeon is a corporate group that respects human dignity and values personal relationships.
- "Community"** Aeon is a corporate group rooted in local community life and dedicated 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.

Aeon Sustainability Principle

Aeon aims to realize a sustainable society with stakeholders based on our basic principle of pursuing peace, respecting humanity and contributing to local communities, always with the customer's point of view at its core. With realization of a low-carbon society, conservation of biodiversity, better use of resources and addressing social issues as core principles, we will think globally and advance activities locally.

AEON environmental/social communication tools introduction



AEON Environmental and Social Report 2017

(Detailed report version, issued on the official website in September 2017)
A systematic and exhaustive introduction on the progress of our KPI (Key Performance Indicators), and details on operations and performance data.

AEON Sustainability Pamphlet 2017 (This pamphlet)

This pamphlet introduces Aeon initiatives in an easy to understand manner around predominate efforts that can be viewed in a list.

What Everyone Can Do for the World and for Society (leaflet)

(published June 2017)
This leaflet introduces the initiatives we engage in with our customers around tree planting activities and activities at our stores.

Please visit our website!

AEON, Environmental and Social Initiatives

Search

We are also promoting environmental and social contribution activities through the "AEON 1% Club" and the "AEON Environmental Foundation"

AEON 1% Club Foundation

<http://www.aeon.info/1p/>

Major companies in the Aeon Group contribute 1% of pre-tax profits. Our activities are centered around the sound upbringing of children who will lead the next generation, the promotion of international friendship and goodwill, and sustainable development of the local community.



AEON Environmental Foundation

<http://www.aeon.info/ef/>

The AEON Environmental Foundation is an organization established for the purpose of helping environmental associations who have the same intentions as Aeon. We support activities from the preservation of biodiversity to human resource development in the environmental field, including tree planting activities throughout the world.



Please contact us concerning any inquiries or comments you may have on this pamphlet.

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