AEON CO. LTD.
UNI Global Union
UA ZENSEN
Federation of AEON Group Workers' Unions

## GLOBAL FRAMEWORK AGREEMENT on Labor, Human Rights and Environment between

# AEON CO. LTD., UNI Global Union, UA ZENSEN and Federation OF AEON Group Workers' Unions is concluded as of Monday, 10 November 2014, Tokyo

The Global Framework Agreement on Labor, Human Rights and Environment was concluded on Monday 10 November 2014 in Tokyo between the four parties, Aeon Co. Ltd., (hereinafter referred to as "Aeon"), UNI Global Union (The international trade union Organization, hereinafter referred to as "UNI"), UA ZENSEN (The Japanese Federation of Textile, Chemical, Food, Commercial, Service and General Workers' Unions) and Federation of Aeon Group Workers' Unions.

Global Framework Agreement is a commitment negotiated by multinational enterprise and Global Union Federation(s). More than a hundred multinational companies in the world have so far signed the agreement. Of all the agreements concluded previously, this Agreement among the said four parties ranks as one of the largest efforts in terms of employee scale.

The above-mentioned four signatories are to recognize each other as social partners and cooperate hand-in-hand, to reach the objectives of the Agreement, which is to share the common recognition on 1. respecting the fundamental human rights at workplace and on 2. impacts on the global environment, and to strive to work on these two themes.

These include the protection of human rights as universal rights and workers' fundamental rights enshrined in the eight ILO Core Conventions as well as The United Nations Global Compact's 10 principles.

Currently, Aeon is expanding its business in China and ASEAN countries under one of its Group-wide strategies "shift to Asian Markets." In such circumstances, promoting this Global Framework Agreement in cooperation with UNI, based on the company's Principles of "pursuing peace, respecting humanity and contributing to the local communities, always with the customers' point of view as its core," has a great significance.

The four parties tied in a firm partnership will further promote their efforts on Labor, Human Rights and Environment in order to demonstrate the ideal industrial relations in Asia.

#### [Reference]

#### ■Global Framework Agreement

Global Framework Agreements are joint pledges concluded between multinational enterprises and Global Union Federations (GUFs), under which corporations and labor unions recognize each other as partners and cooperate to pursue corporate social commitments.

The details of the agreements are determined based on the beliefs and standards of the signatories, namely, the multinational companies, GUFs, and the labor unions of the companies concerned.

In general, the basic rule is to incorporate the eight ILO Core Conventions on the right to organize and conduct collective bargaining, prohibition of discrimination, prohibition of child labor and prohibition of forced labor. In addition, its basic items include compliance with appropriate labor conditions and labor environment, among others.

Aeon concluded its Global Framework Agreement with the UNI Global Union, which is a GUF.

#### ■Eight ILO Core Conventions and ILO Convention No. 155

No. 87: Freedom of Association and Protection of the Right to Organise Convention

No. 98: Right to Organise and Collective Bargaining Convention

No. 29: Forced Labour Convention

No. 105: Abolition of Forced Labour Convention

No. 138: Minimum Age Convention

No. 182: Worst Forms of Child Labour Convention

No. 100: Equal Remuneration Convention

No. 111: Discrimination (Employment and Occupation) Convention

No. 155: Occupational Safety and Health Convention

#### ■The Ten Principles of the United Nations Global Compact

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2: make sure that they are not complicit in human rights abuses.

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4: the elimination of all forms of forced and compulsory labor;

Principle 5: the effective abolition of child labor; and

Principle 6: the elimination of discrimination in respect of employment and occupation.

Principle 7: Businesses should support a precautionary approach to environmental challenges;

Principle 8: undertake initiatives to promote greater environmental responsibility; and Principle 9: encourage the development and diffusion of environmentally friendly technologies.

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

#### ■AEON CO.,LTD.

The Aeon Group comprises approximately 300 companies led by Aeon Co., Ltd. With a total of 430,000 employees, the Group operates 12 businesses in 13 countries, including Japan.

As part of its efforts to respond to the expectations of customers and social demands, Aeon strives to continue strengthening its global foundation for promoting corporate social responsibility (CSR). Aeon established the Aeon Supplier Code of Conduct in 2003 and, in the following year, endorsed the United Nations Global Compact as the first Japanese retailer while also becoming the first Japanese corporation to acquire the SA8000 certification, an international standard for protecting the human rights of workers.

#### **■UNI Global Union**

UNI Global Union is a Global Union Federation (GUF), which organizes workers by specific industry sector on a global basis.

Driven by the development of ICT, the 21st century has seen rapidly progressing globalization, industrial mergers, and a transition to a service economy. As a way to address such issues, UNI Global Union was founded in January 2000 by merging the International Federation of Employees, Technicians and Manager (FIET), Communications International (CI) and two other GUFs. UNI Global Union represents 20 million workers in commerce, services, finance, telecommunications, postal service and more from 900 unions in 150 countries. In Japan, a total of 1.03 million workers from 12 organizations have joined UNI Global Union, including UA ZENSEN, the Federation of Information and Communication Technology Service Workers of Japan (ICTJ), Japan Postal Group Union (JPGU), Confederation of Japan Automobile Workers' Unions (JAW), and the Federation of Non-life Insurance Workers' Unions of Japan.

#### **■**UA ZENSEN

UA ZENSEN (The Japanese Federation of Textile, Chemical, Food, Commercial, Service and General Workers' Unions), the largest industrial union in Japan and the only industrial organization representing Japan's retail industry, was established on November 6, 2012, by merging UI ZENSEN and the Japan Federation of Service and Distributive Workers

Unions (JSD). UA ZENSEN consolidates workers in industrial sectors closely related to people's daily lives, including textile, garment, pharmaceutical, cosmetic, chemical, energy, ceramic, building material, food, retail, printing, leisure, service, welfare and healthcare sectors, as well as temporary and contract services.

As of October 2014, UA ZENSEN represents 1,518,506 workers from 2,464 unions, of which 875,440 workers from 533 unions are engaged in retail. Its major affiliated unions include those of Aeon Retail, Ito Yokado, Yamada Denki, Isetan Mitsukoshi, Takashimaya, Matsumoto Kiyoshi, LIFE, and Maruetsu.

### ■Federation of Aeon Group Workers' Union

Established in October 1980, this is a federation of Aeon Group companies' labor unions. Representing 214,906 members from 41 unions as of May 1, 2014, the federation upholds the philosophy of striving to achieve fulfilling lives by improving job satisfaction and to accomplish the Aeon Group's sound growth and development.

The Federation of Aeon Group Workers' Union is collectively affiliated with UA ZENSEN.