

# AEON Group Human Rights Initiatives

## Summary

1. Basic Policy on Business and Human Rights
  - Basic Philosophy and Basic Policy on Human Rights
  - Supplier Code of Conduct (CoC)
2. Remediation Mechanism
3. Labor-Management Cooperation Based on a Global Framework Agreement

July 7, 2023, (Friday)  
Hiroyuki Watanabe Executive Vice-President, AEON  
Co., Ltd.

We aim to grow and develop diverse businesses and contribute to the enrichment of customers' lives and the sustainable growth of local communities.

Operating Revenue  
**¥9.1168 trillion**



- GMS                      ¥3,269.0 billion
- SM                         ¥2,642.1 billion
- Health & Wellness     ¥1,149.6 billion
- Finance                    ¥456.8 billion
  
- Developer                ¥443.4 billion
- Service, Specialty Stores   ¥765.6 billion
- DS                         ¥383.4 billion
- International             ¥497.4 billion

## AEON Global Operations (As of February 2022)

No. of Countries  
**14**

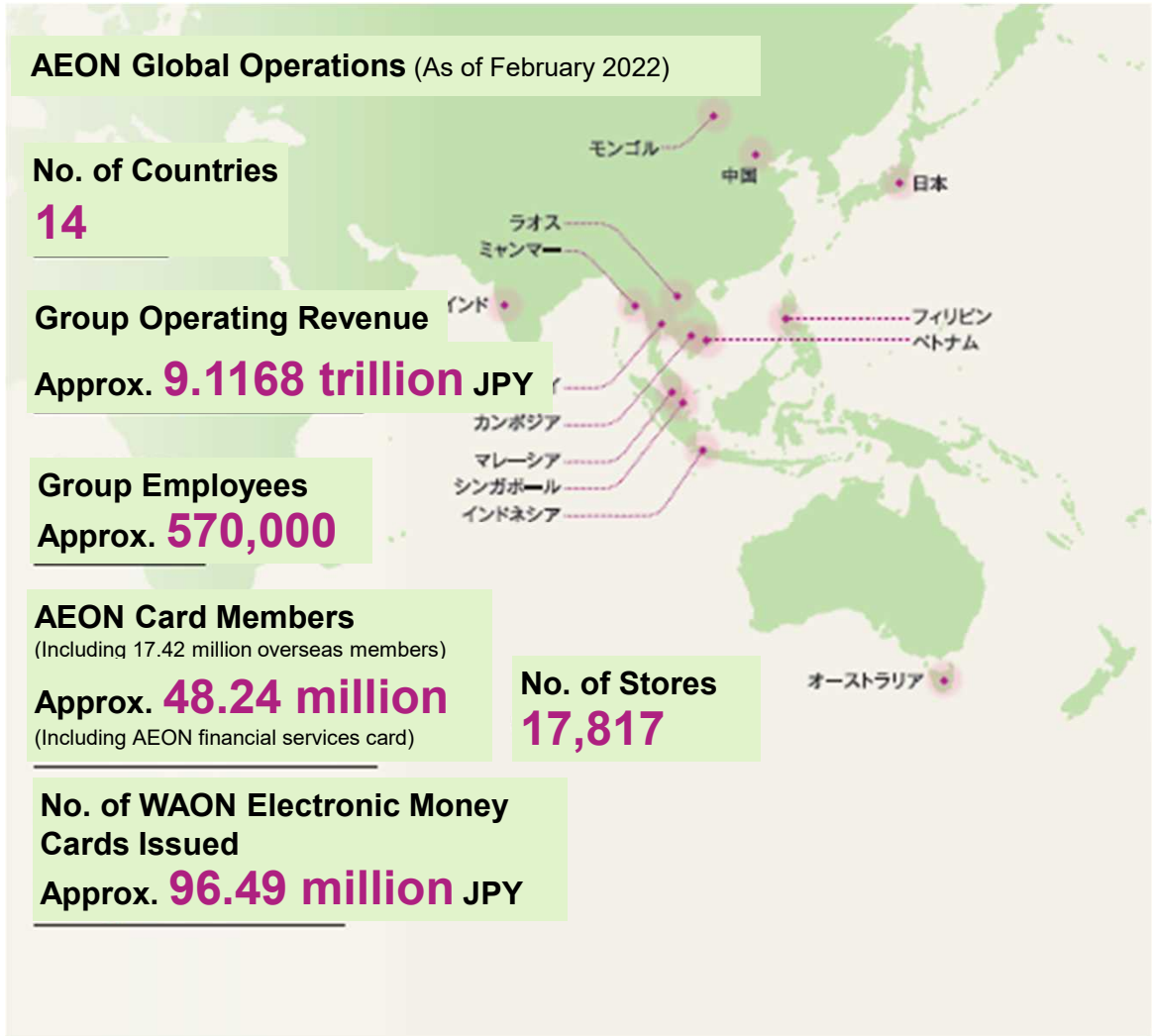
Group Operating Revenue  
**Approx. 9.1168 trillion JPY**

Group Employees  
**Approx. 570,000**

AEON Card Members  
(Including 17.42 million overseas members)  
**Approx. 48.24 million**  
(Including AEON financial services card)

No. of Stores  
**17,817**

No. of WAON Electronic Money  
 Cards Issued  
**Approx. 96.49 million JPY**



## AEON's Basic Philosophy

Our primary focus is on our customers, as we strive to pursue peace, respect people, and contribute to local communities.

Believing that the retail industry is a peaceful, human-centered, and community-based industry, AEON strives to continuously innovate and evolve with customers at its heart, in order to fulfill its mission and endure as a corporate group.

## More about AEON's Basic Philosophy

**Respecting individuality, dignity, and autonomy goes without saying.** We believe in the potential inherent in every individual and strive to encourage personal growth and the development of one's humanity through work and learning.

→ **Human rights Initiatives are the realization of AEON's Basic Philosophy**

## History of AEON's Socially Responsible Procurement

2003: Supplier CoC established

2004: Support for the United Nations Global Compact announced  
SA8000 certification acquired

2008: Basic Policy on Human Rights established

2011: Basic Policy on Sustainability established

2014: Principles for Sustainable Procurement established

### **Global Framework Agreement concluded**

2018: Basic Policy on Sustainability revised

### **Basic Policy on Human Rights revised**

2019: Supplier CoC revised

2021: **Business Partner Hotline launched**

2023: Compliance Hotline launched

## Key Points of AEON's Basic Policy on Human Rights

1. AEON **supports various initiatives regarding business and human rights** that are aligned with its fundamental philosophy, such as the United Nations Global Compact Principles, the ILO Declaration on Fundamental Principles and Rights at Work, and the United Nations Guiding Principles on Business and Human Rights (UNGPs).
2. The scope of human rights **encompasses all stakeholders involved in AEON's business activities**, including AEON People and business partners. It is explicitly stated that the commitment to protecting and promoting human rights applies to all stakeholders.
3. AEON clearly demonstrates its **commitment to due diligence in respect to Human Rights**

AEON exhibits its due diligence with respect to human rights for all companies and organizations within the supply chains associated with each individual product and service handled by AEON, specifically monitoring its private brand (PB) products.

## Scope of AEON Supplier Transactions

Laws & Regulations

Child Labor

Forced Labor

Working Hours

Wages & Benefits

Abuse & Harassment

Discrimination

Freedom of Association & the Right to Collective Bargaining

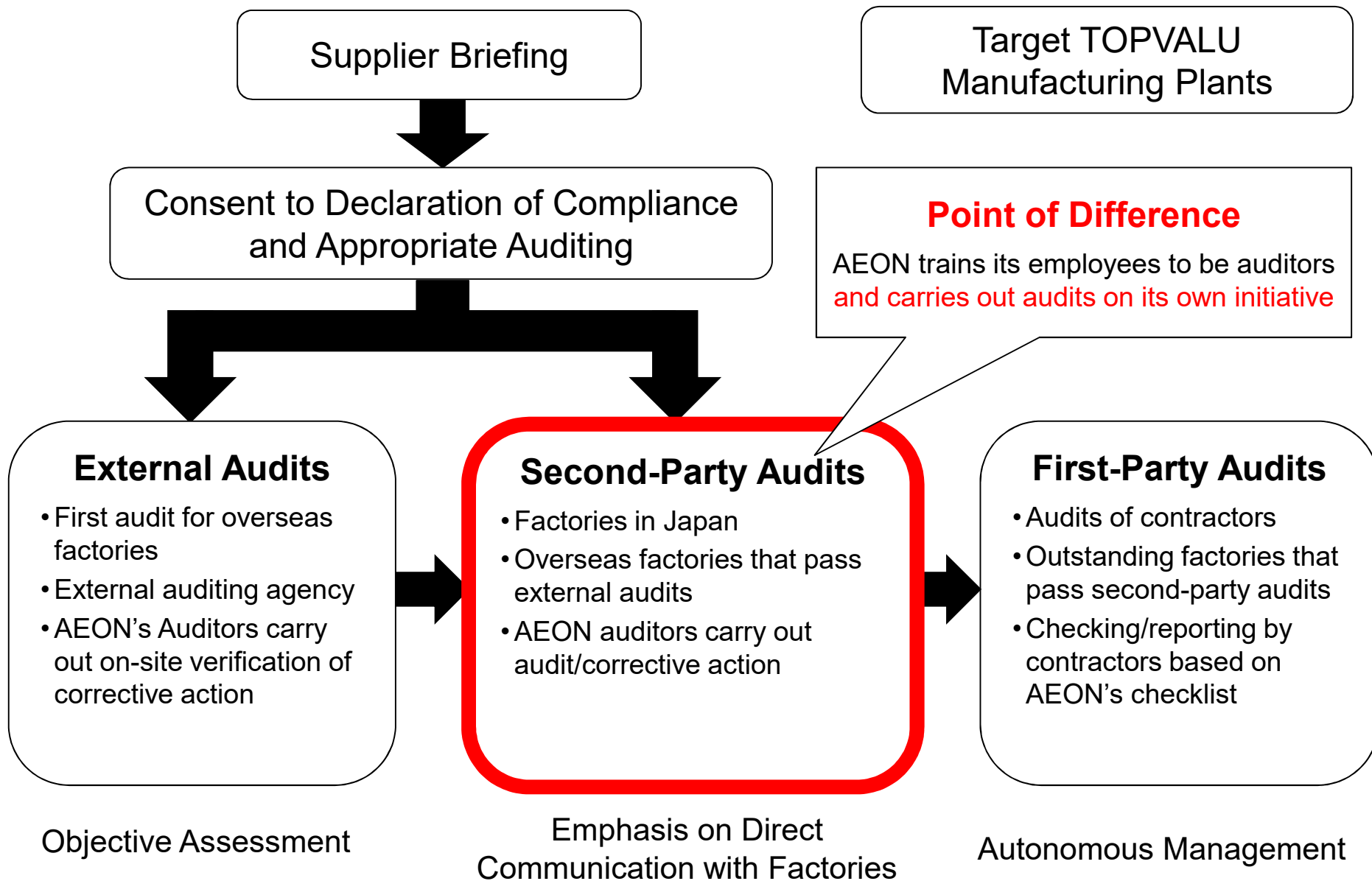
Health & Safety

Environment

Commerce

Integrity & Transparency

Engagement



## ① Employees and Suppliers

From the FY2023, the internal reporting system will be revamped and operated as a group-wide system under the name "AEON Compliance Hotline."

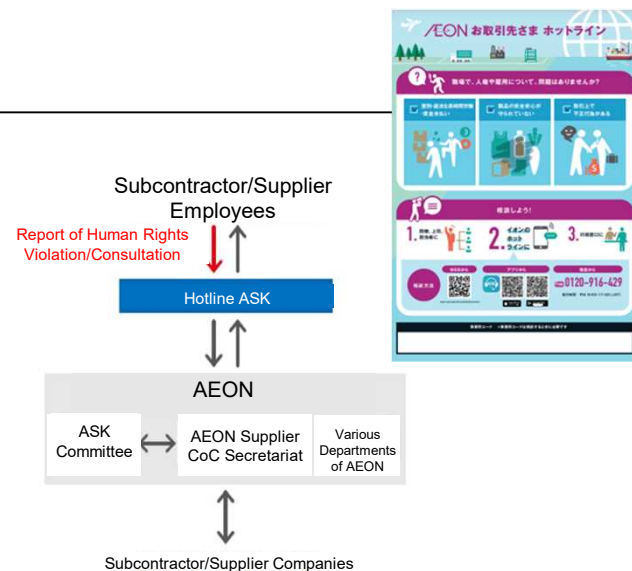
It handles reports on unethical behavior.

- Available in 12 languages (Simplified Chinese, Traditional Chinese, English, Indonesian, Khmer, Thai, Hindi, Vietnamese, Malay, Burmese, Lao, Japanese).

## ② Private Brand Suppliers

- TOPVALU Supply Chain Stakeholders
  - \* Not only for audited final processing plants, but also all stakeholders in the supply chain.

Made known through websites and posters in factories





- In 2014, UNI Global Union, UA Zensen, AEON Group Federation of Labor Unions, and AEON Co., Ltd. concluded **the Global Framework Agreement**.
- **For companies and labor unions to recognize each other as social partners, work together based on international standards regarding labor, human rights, and the environment, and to further promote sustainable management.**
- AEON has the largest number of employees among companies that have signed such agreements.

## Background

As AEON's business expands throughout Asia, AEON enters into agreements with partners who understand the customs and cultures of each country in order to promote the permeation of AEON's cooperative labor-management relationship philosophy.

## Content

Aeon pledges to respect fundamental human rights and address the impacts on the environment. This commitment includes respecting the basic rights of workers as outlined in the 8 core conventions of the International Labour Organization (ILO) and adhering to the 10 principles of the United Nations Global Compact, which covers a wide range of issues.



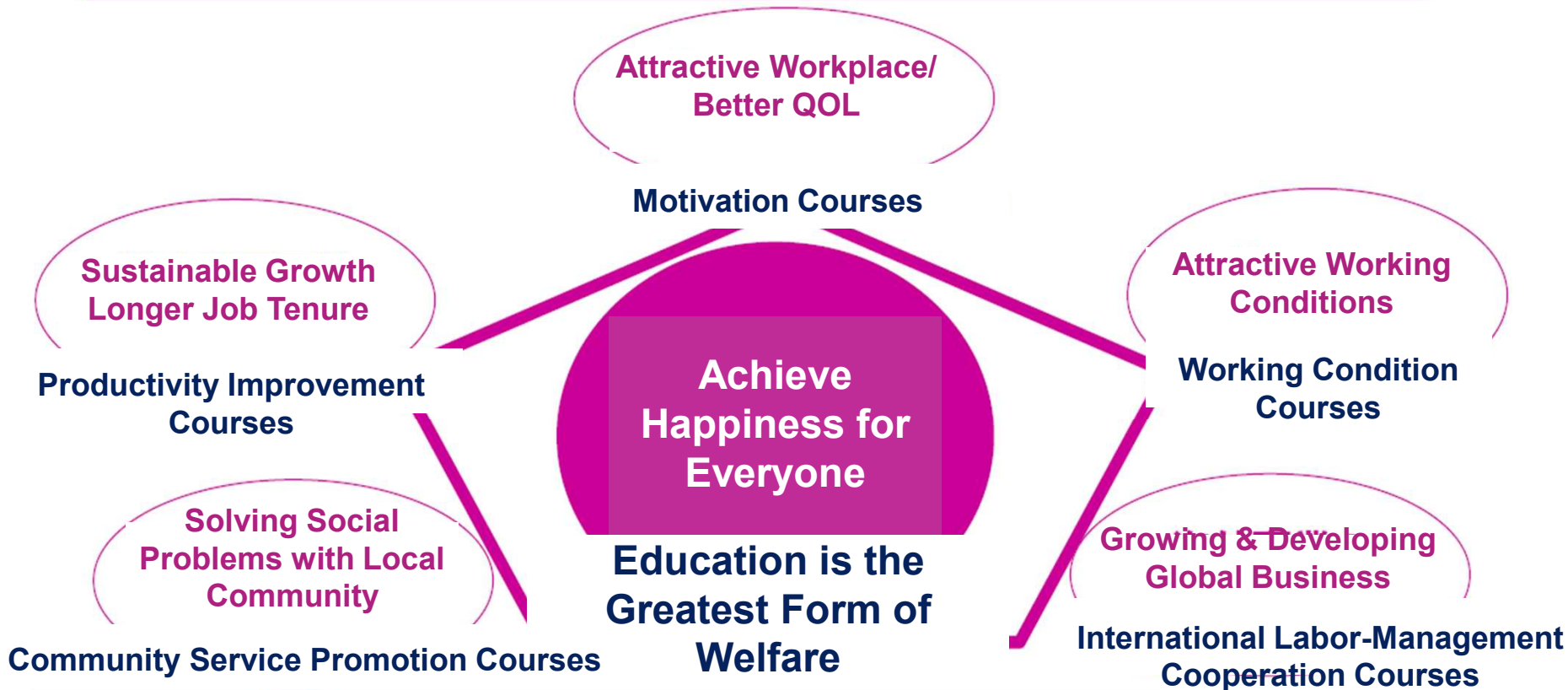
Set in line with Mid-term Management Plan and Global Goals (1–3 years) and shows Group Policy Direction

Labor-Management  
Shared Vision

**Achieve the Happiness of Workers in the Distribution/Service Industry**

Raise the Status of the  
Distribution/Service Industry

**Improve Motivation of AEON People**



**Prioritize, Focus on a Theme, and Improve Effectiveness**