

# **Notice of the 100<sup>th</sup> Ordinary General Meeting of Shareholders**

**AEON Group Future Vision**

**Create a future lifestyle that leads to a smile for each and every person**

**AEON CO., LTD.**

Stock code: 8267

## Greetings

We would like to express our sincere gratitude to you, our shareholders, for your continued support.

Prices in today's world continue to rise at a pace that exceeds wage increases, significantly affecting the lives of AEON Group's customers. In particular, coupled with the effects of climate change and natural disasters, the prices of foods essential to daily life, such as rice, vegetables, and eggs, have risen noticeably, placing an even greater burden on people's lives. Geopolitical risks are also increasing currently, and the Group believes it will take time to alleviate the burden and anxiety of its customers.

In this kind of environment, AEON believes that it should not simply raise product prices due to rising raw material and labor costs, but rather that it should always think from the customer's perspective and continue to make corporate efforts to provide high-quality products at reasonable prices.

To accelerate the *TOPVALU* private brand (PB) initiatives, AEON will pursue both quality and good value by leading reforms of the entire supply chain. This will include making logistics more efficient and devising better ways of procuring raw materials. We believe that these initiatives of ours will lead to the "enrichment of lifestyles" without a reduction in the quality of our customers' lives.

On the other hand, these supply chain reforms require large amounts of investment, so a certain minimum scale is required. The same is also true for capital investments to improve productivity and for energy savings. We will strategically leverage the scale of the AEON Group to improve the products and services for our local customers.

Group subsidiary AEON BANK LTD. has recently received an administrative disposition. We deeply regret that we have betrayed the trust of our shareholders. The cause of this was deficiencies in the internal control systems and a lack of thoroughness in compliance, and the Group is taking immediate measures to improve the situation. AEON views this matter as extremely serious, and it will work to raise awareness of legal compliance throughout the Group, prevent recurrence, and regain the trust of shareholders.

I believe it has become increasingly essential that we enlist management based on our core ideals under today's increasingly uncertain environment. We will remain committed to further increasing our corporate value as we take on changes of spurring management innovation ahead of our time, based on the AEON Foundational Ideals.

We ask for your continued support and understanding going forward.



April 2025  
Akio Yoshida  
Director, President and  
Representative Executive Officer

===== **AEON Foundational Ideals** =====

**Pursuing peace, respecting humans, and contributing to local communities, always with customers as our starting point.**

**AEON firmly believes that retailing is an industry to promote peace, humanity, and local communities. To remain a thriving corporate group that fulfills this mission, we are committed to continuous innovation, with customers as our starting point.**

Click here for the full text: <https://www.aeon.info/en/company/concept/>

**AEON seeks to ensure an unwavering commitment to its Foundational Ideals with corporate value at the core, and accordingly stipulated this aim in its Articles of Incorporation, effective from 2006 with the approval of its shareholders.**

**As such, we will help create a better society by embodying and practicing the Foundational Ideals.**

===== **AEON Group Future Vision** =====

**Vision Statement**

**Create a future lifestyle that leads to a smile for each and every person**

**[The Future that the AEON Group Wishes to Realize]**

When customers can feel “a brighter society” and “happiness that is uniquely their own,” their future will be fulfilling and full of smiles.

**[How the AEON Group Wishes to Be]**

A Group that leads the co-creation of lifestyles,  
enriching each individual and society as a whole

**[The Attitudes and Vow that We Cherish]**

**– Three attitudes –**

“Act spontaneously and follow your aspirations”

“Keep learning to create new values”

“Build relationships, nurture them, and create together”

**– One vow –**

“Always act with integrity and sincerity”

Digital Booklet of AEON Group Future Vision: <https://www.aeon.info/vision/en/>

Stock code: 8267

April 30, 2025

**AEON CO., LTD.**

1-5-1 Nakase, Mihama-ku

Chiba-shi, Chiba

Director, President and Representative Executive Officer: Akio Yoshida

To the Shareholders of AEON CO., LTD.:

## **Notice of the 100<sup>th</sup> Ordinary General Meeting of Shareholders**

You are cordially notified of the 100<sup>th</sup> Ordinary General Meeting of Shareholders of AEON CO., LTD., which will be held as described below. You may attend this General Meeting of Shareholders in person or virtually via the Internet. You must register in advance to attend virtually via the Internet. If you wish to attend, please register in advance. Moreover, we ask that you register as an attendee if you attend the meeting in person. If you wish to attend, please register. If you will not be attending the meeting in person, you can exercise your voting rights beforehand on the Internet or by mail. Please cast your vote by 6:00 p.m. on Tuesday, May 27, 2025, after reviewing the Reference Documents for the General Meeting of Shareholders.

When convening this General Meeting of Shareholders, the Company takes measures for providing information that constitutes the content of Reference Documents for the General Meeting of Shareholders, etc. (items subject to measures for electronic provision) in electronic format and posts this information on the websites. Please access either of the following websites by using the Internet address shown below to review the information.

The Company's website: <https://www.aeon.info/en/ir/>

\* Click "Notice for Shareholders" on the website.

Website for posting informational materials for the General Meeting of Shareholders:

<https://d.sokai.jp/8267/teiji/> (in Japanese)

### **[For those voting on the Internet]**

To exercise your voting rights beforehand on the Internet, please access the online voting site designated by the Company (<https://www.web54.net> (in Japanese)). Using the voting code and password shown on the Form for Exercising Voting Rights sent out with this notice, follow the on-screen instructions, and enter your vote for each agenda item by 6:00 p.m. on Tuesday, May 27, 2025.

For details, please refer to "For those voting on the Internet" on page 8.

### **[For those voting by mail]**

Those voting in writing should indicate "for" or "against" for each agenda item and return the completed Form for Exercising Voting Rights by postal mail to reach us by 6:00 p.m. on Tuesday, May 27, 2025.

(Translation for reference purposes only)

## **100<sup>th</sup> Ordinary General Meeting of Shareholders**

**1. Date and Time:** 10:00 a.m., Wednesday, May 28, 2025

**2. Place:** Makuhari Messe International Exhibition Halls, Hall No. 5  
2-1 Nakase, Mihama-ku, Chiba-shi, Chiba

### **3. Objectives of Meeting**

- Matters to be reported:**
1. Business Report, Consolidated Financial Statements, and Nonconsolidated Financial Statements for the 100<sup>th</sup> business year (from March 1, 2024 to February 28, 2025)
  2. Reports of the Independent Auditors and Audit Committee on audit results for the Consolidated Financial Statements

**Matter to be resolved:**

Agenda Item: Election of nine (9) members of the Board of Directors

### **4. Matters Determined Concerning the Convocation**

- (1) Among the items subject to measures for electronic provision, in accordance with the provisions of laws and regulations and the Articles of Incorporation of the Company, the following items are not provided in the paper-based documents delivered to shareholders who have made a request for delivery of such documents. The Audit Committee and Independent Auditors audit documents subject to audit, including the following items.  
  
Items Related to the Company's Subscription Rights to Shares, etc., Company Structure and Policies (Systems to Ensure Proper Conduct of Operations and Their Management Status), Basic Policy Regarding Control of the Company, Consolidated statement of changes in equity, Notes to the consolidated financial statements, Nonconsolidated statement of changes in equity, Notes to the nonconsolidated financial statements
- (2) If you have exercised your voting rights both via the Internet and in writing, those exercised via the Internet will be considered valid. If you have exercised your voting rights multiple times on the Internet, the final vote will be considered valid.
- (3) If a vote for or against is not indicated for the agenda item on the returned Form for Exercising Voting Rights, we will treat it as an indication of approval.
- (4) If you have exercised your voting rights beforehand and you attend the meeting on the day, the vote cast while attending the meeting on the day will be considered valid. If you have exercised your voting rights beforehand and you attend the meeting virtually, the vote cast beforehand will remain valid. However, in cases where you newly exercise your voting rights up until the time that the proposals are put forward for approval on the day, in that case only, your vote cast beforehand shall be considered as revoked.

- \* **We are preparing a splendid present for all shareholders who exercise their voting rights.**
  - \* **If you wish to attend, please register in advance and complete other such procedures upon having reviewed the documents sent out with this notice.**
-

(Translation for reference purposes only)

*Notes:*

1. *This English version is a translation of points summarized from an original notice written in Japanese. When discrepancies in interpretation arise, the content of the Japanese notice shall take precedence.*
2. *The financial statements shown in this English-language notice are summaries of financial statements that are prepared in Japanese.*
3. *The Company's financial statements are prepared on the basis of generally accepted accounting principles in Japan.*
4. *Please note that Internet voting is not available to such persons as those who are not residents of Japan and who have appointed a custodian in Japan for handling their shares according to the Rules for the Handling of Shares of the Company.*
5. *AEON CO., LTD.'s ordinary share issue*

<i>Local code: 8267</i>
<i>SEDOL# 6480048 <u>JP</u></i>
<i>ISIN# <u>JP</u> 3388200002</i>

(Translation for reference purposes only)

**[Electronic Voting Platform for Institutional Investors]**

Institutional shareholders, including standing proxies such as master trust banks, who have applied in advance to the ICJ Proxy e-Voting Platform Service (the Platform Service) offered by ICJ Inc., a joint venture established by Tokyo Stock Exchange, Inc., Japan Securities Dealers Association and Broadridge Financial Solutions, Inc., are entitled to use the Platform Service to exercise their votes, in addition to the above-described means of voting on the Internet.

(Translation for reference purposes only)

## Reference

Process for AEON's General Meeting of Shareholders

### Before General Meeting of Shareholders

#### If using the livestream

##### 1) View documents

In accordance with the system for providing information in electronic format stipulated in the Companies Act, the provision of informational materials for the General Meeting of Shareholders will, in principle, be posted online. However, as was done previously, the Company will provide paper-based documents of portions of the reference documents and business report to shareholders this year.

You can view the main content of the convocation notice on your smartphone.

<https://p.sokai.jp/8267/>

##### 2) Exercise voting rights beforehand

###### Deadline

**By 6:00 p.m. on Tuesday, May 27, 2025**

[Notes] We recommend that shareholders attending virtually via the Internet exercise their voting rights in advance in order to prepare for the possibility of telecommunications failures, PC problems, etc.

**We recommend that you exercise your voting rights via smartphone, which can be utilized easily.**

##### 3) Register in advance (Required)

Please confirm the instructions on the website below and register. When registering in advance, please enter your ID and password as indicated in the attached "Notice of How to Attend the General Meeting of Shareholders Virtually via the Internet."

###### Application deadline

**By 6:00 p.m. on Wednesday, May 14, 2025**

Register in advance from this URL

<https://www.aeon.info/ir/stock/meeting/>

\* Please visit the website above if you wish to ask questions in advance.

**\* Advance registration is not necessary if you only wish to view the stream.**

#### If attending in person

##### 2) Register in advance

We request that you register in advance so that we will be able to confirm the number of meeting attendees. We appreciate your cooperation.

Register in advance from this URL

<https://www.aeon.info/ir/stock/meeting/>

When registering in advance, please enter your ID and password as indicated in the attached "Notice of How to Attend the General Meeting of Shareholders Virtually via the Internet."

We will also accept phone calls for registering.

0120-149-276 (Hours: 9:00 a.m. to 5:00 p.m. (JST)) \*9:00 a.m. to 6:00 p.m. (JST) for the last day only

Application deadline: **By 6:00 p.m. on Wednesday, May 14, 2025**

To institutional investors

In addition to exercising your voting rights via the Internet, you can also use the platform for exercising voting rights electronically operated by ICJ, Inc., provided that you have applied in advance.



(Translation for reference purposes only)

We are offering a splendid present to all shareholders who exercise their voting rights!

## The day of General Meeting of Shareholders

### 1) Attending virtually via the Internet

**Start time:** 10:00 a.m., Wednesday, May 28, 2025

- \* The livestream will begin from 9:00 a.m.

**How to attend:** Access the livestream via the URL for attending that will be sent separately after registering in advance.

- \* You can submit questions in text form (up to 200 characters).

**[Note]** Shareholders attending virtually via the Internet need to register in advance.

### 2) Exercise voting rights

- \* You can exercise your voting rights via the website for attending.
- \* Please note that there may be some differences in procedures from those when you attend the meeting in person at the venue.

**Place:** Makuhari Messe International Exhibition Halls, Hall No. 5

2-1 Nakase, Mihama-ku, Chiba-shi, Chiba

**Start time:** 10:00 a.m., Wednesday, May 28, 2025

- \* Reception will open at 9:00 a.m.

**[Note]** We ask that shareholders who attend the meeting in person register in advance.

**If you are not attending on the day of the meeting**  
(Please exercise your voting rights in advance using one of the methods below)

### For those voting on the Internet

Please access the online voting site (<https://www.web54.net> (in Japanese only)) and enter your vote for each agenda item.

**Deadline**

**To be exercised by 6:00 p.m. on Tuesday, May 27, 2025**

### For those voting by mail

Those voting in writing should indicate “for” or “against” for each agenda item and return the completed Form for Exercising Voting Rights by postal mail.

**Deadline**

**To arrive by 6:00 p.m. on Tuesday, May 27, 2025**

- \* We recommend that shareholders attending virtually via the Internet exercise their voting rights in advance in order to prepare for the possibility of telecommunications.

Voting rights are an important right of shareholders to participate in the Company’s management. Exercising your voting rights enables you to have your say as a shareholder reflected. Please exercise your voting rights. The voting results for this General Meeting of Shareholders are scheduled to be published on the Company’s website on Friday, May 30, 2025.

## **Reference Documents for the General Meeting of Shareholders**

### **Agenda and Reference Items**

#### **Agenda Item: Election of nine (9) members of the Board of Directors**

The terms of office of all Directors will expire at the conclusion of this General Meeting of Shareholders. Accordingly, management submits the following nominees for the election of nine (9) Directors based on a resolution of the Nomination Committee. Of the nine (9) nominees, five (5) of them, constituting a majority, are candidates for the post of outside director. All candidates for outside directors satisfy the conditions for an independent director as stipulated by the Tokyo Stock Exchange. Furthermore, the Company stipulates the following items as conditions of eligibility for a director. All candidates for director fulfill these conditions.

[Nomination criteria for candidates for inside directors]

1. The inside director shall have the personality and insight appropriate for being a director.
2. The inside director shall have sufficient experience and knowledge in the Company's business as well as in the Group's business and the outstanding ability for business judgment and execution.
3. The inside director shall be an executive officer of the Company, or chairman or president of one or more subsidiaries, who is able to take responsibility for the basic policy, strategic planning, and business execution of the Company and Group, and fulfill accountability for the Board of Directors; provided however, that this shall not be applied when electing inside directors who do not concurrently serve as an executive officer.

[Nomination criteria for candidates for outside directors]

1. The outside director shall have the personality and insight appropriate for being a director.
2. The outside director shall subscribe to the Company's Foundational Ideals, etc.
3. The outside director shall have extensive experience as a chief executive officer or other corporate executives or shall have comparable experience, knowledge, and insight.
4. The outside director shall have rich insight and extensive experience that can guide and oversee the promotion of management strategies, strengthening of corporate governance, legal compliance management, etc., for the Company's management.

\* In relation to outside directors, in addition to the above items, they must fulfill the independence criteria mentioned on the next page.

(Translation for reference purposes only)

[Independence criteria for outside directors]

The Company's outside director shall satisfy the conditions stated below to maintain his or her independence.

1. The outside director does not presently serve or has not served for the past ten (10) years as executive director, executive officer, manager, or employee (hereafter referred to as "Executing Person") of the Company or its subsidiaries.
2. The subject person is someone to whom the conditions stated below are not presently applicable, or have not been applicable for the past three (3) years:
  - (1) Major shareholder of the Company (those who directly or indirectly hold 10% or more of voting rights), or its Executing Person.
  - (2) Partner of the independent auditors of the Company or employees who conduct the Company's audit.
  - (3) Executing Person of the Company's principal creditors (creditors who have lent to the AEON Group an amount that exceeds 2% of the AEON Group's consolidated total assets).
  - (4) Executing Person of the Company's major vendors (vendors where the amount of AEON Group transaction exceeds 2% of their annual consolidated sales in the most recent business year of the said vendors).
  - (5) Attorney at law, certified public accountant, certified public tax accountant, or other consultant who receives remuneration in the amount exceeding 10 million yen annually from the AEON Group other than the director's remuneration.
  - (6) Executing Person of a nonprofit organization where the donation from the AEON Group exceeds 10 million yen and where the amount of such donation exceeds 2% of the organization's total revenue or ordinary profit.
  - (7) Spouse or a relative within the second degree of kinship of 1. and (1) through (6) above.

\* Provided, however, if any of the items (1) through (7) above is applicable, and if it is judged that the said person is substantially independent in view of personality, insight, etc., then the Company may propose him or her as a candidate for outside director on the condition that explanation is publicly made.

(Translation for reference purposes only)

■ Candidates for Director

Candidate no.	Name	Positions and areas of responsibility in the Company	Attendance at Board of Directors meeting during the 100 <sup>th</sup> business year
1	Motoya Okada	Director; Chairman of the Board; Nomination Committee member; Compensation Committee member; Chairman and Representative Executive Officer	7/7
2	Akio Yoshida	Director; President and Representative Executive Officer	7/7
3	Yuki Habu	Director; Executive Vice President and Executive Officer; China	7/7
4	Mitsuko Tsuchiya	Director; Executive Vice President and Executive Officer; Merchandising and Logistics	6/6
5	Takashi Tsukamoto	Director; Chairman of the Nomination Committee; Chairman of the Compensation Committee; Audit Committee member	7/7
6	Peter Child	Director; Nomination Committee member; Compensation Committee member	7/7
7	Carrie Yu	Director; Audit Committee member	7/7
8	Makoto Hayashi	Director; Chairman of the Audit Committee	7/7
9	Richard Collasse	Director; Audit Committee member	6/6

\*1 Positions and areas of responsibilities of candidates for director are at the time of the resolution at the Board of Directors meeting held in relation to the convocation of this shareholders' meeting (as of April 11, 2025).

\*2 The attendances shown for Mitsuko Tsuchiya and Richard Collasse are those after they assumed office as directors on May 29, 2024.

Outside

### Candidates for Outside Director

Independent

Independent Director to be notified to the Tokyo Stock Exchange

## 1. Motoya Okada

Reelection

Date of birth: Jun. 17, 1951  
The number of the Company's shares  
owned:  
2,155,096 shares



### Career summary, position, and areas of responsibility in the Company, and significant concurrent positions outside the Company

Mar. 1979 Joined the Company  
May 1990 Appointed Director of the Company  
Jun. 1997 Appointed President and Representative Director of the Company  
May 2003 Appointed Director, President, and Representative Executive Officer of the Company  
Mar. 2012 Appointed Director, President and Representative Executive Officer, and Group CEO of the Company  
Mar. 2020 Appointed Director, Chairman, and Representative Executive Officer of the Company (current position)

### (Positions and areas of responsibility in the Company)

Director  
Chairman of the Board  
Nomination Committee member  
Compensation Committee member  
Chairman and Representative Executive Officer

### (Significant concurrent positions outside the Company)

Director and Advisor of AEON Mall Co., Ltd.  
Director and Advisor of AEON Retail Co., Ltd.  
Director and Advisor of United Super Markets Holdings Inc.  
Director of WELCIA HOLDINGS CO., LTD.  
Outside Director of KUSURI NO AOKI HOLDINGS CO., LTD.

### Attendance during the 100th business year

Board of Directors:  
100% (7/7)  
Nomination Committee:  
100% (3/3)  
Compensation Committee:  
100% (3/3)

### <Reason for nomination as a candidate for director and expected roles>

Motoya Okada has, since assuming office as President and Representative Director in 1997, demonstrated strong leadership as a manager, realized business expansion by developing existing businesses, M&A, etc., and helped the Group grow into a top domestic distribution corporate group. We are nominating him as a candidate as we have judged that he can implement sustainable management that achieves both growth for the Group going forward and the realization of a sustainable society as he is familiar with the businesses of the Group, such as the retail industry, and has extensive experience and insight for managing the overall operation of the Group.

(Translation for reference purposes only)

## 2. Akio Yoshida

Reelection

Date of birth: May 26, 1960  
The number of the Company's shares  
owned:  
35,000 shares



### Attendance during the 100th business year

Board of Directors:  
100% (7/7)

### Career summary, position, and areas of responsibility in the Company, and significant concurrent positions outside the Company

Apr. 1983 Joined the Company  
Mar. 2011 Appointed General Manager of China Development Management Department, China Division of AEON Mall Co., Ltd.  
May 2014 Appointed Managing Director, General Manager of Sales Division, and Chief China Business Officer of AEON Mall Co., Ltd.  
Feb. 2015 Appointed President and CEO of AEON Mall Co., Ltd.  
Mar. 2016 Appointed Executive Officer, Shopping Center Development Business of the Company  
Mar. 2019 Appointed Executive Vice President and Representative Executive Officer, Shopping Center Development Business and Digital Business of the Company  
Mar. 2020 Appointed President and Representative Executive Officer of the Company  
May 2020 Appointed Director, President, and Representative Executive Officer of the Company (current position)

(Positions and areas of responsibility in the Company)

Director

President and Representative Executive Officer

(Significant concurrent positions outside the Company)

Director of CAN DO CO., LTD.

### <Reason for nomination as a candidate for director and expected roles>

Akio Yoshida has extensive management experience and track records, such as serving as the person in charge of the Shopping Center Development Business and Digital Business as well as President and CEO of the Company's main subsidiary. We are nominating him as a candidate as we have judged that he can implement the growth of the Group going forward and the medium- to long-term improvement of corporate value as he makes important decisions and appropriately supervises the Board of Directors, such as by formulating the medium-term management plan and promoting growth strategy as President and Representative Executive Officer since March 2020.

### 3. Yuki Habu

Reelection

Date of birth: Dec. 23, 1967  
The number of the Company's shares owned:  
15,060 shares



#### Attendance during the 100th business year

Board of Directors:  
100% (7/7)

#### Career summary, position, and areas of responsibility in the Company, and significant concurrent positions outside the Company

Apr. 1991 Joined the Company  
Sep. 2004 Appointed General Manager of AEON South China Co., Limited  
Nov. 2007 Appointed Vice President of Beijing Aeon Co., Ltd.  
Dec. 2011 Appointed Director of AEON (CHINA) CO., LTD.  
May 2013 Appointed President of Beijing Aeon Co., Ltd.  
Mar. 2014 Appointed Executive Officer, CEO of the China Business of the Company  
Appointed Representative Director of AEON (CHINA) CO., LTD.  
Mar. 2017 Appointed Executive Officer, China Business of the Company  
May 2017 Appointed President, Director and General Manager of AEON STORES (HONG KONG) CO., LTD.  
Mar. 2020 Appointed Executive Vice President and Executive Officer, Digital and China of the Company  
Mar. 2021 Appointed Executive Vice President and Executive Officer, Digital of the Company  
May 2022 Appointed Director, Executive Vice President, and Executive Officer, Digital of the Company  
Mar. 2025 Appointed Director, Executive Vice President, and Executive Officer, China of the Company (current position)

(Positions and areas of responsibility in the Company)

Director

Executive Vice President and Executive Officer, China

(Significant concurrent positions outside the Company)

No significant concurrent positions.

#### <Reason for nomination as a candidate for director and expected roles>

Yuki Habu has extensive management experience and track records, such as serving as the person in charge of the China Business and Digital Business of the Company and the Group as well as President and CEO of the Company's main subsidiary. She strengthened the Group's digital platform, which is a pillar of the medium-term management plan, as Executive Vice President and Executive Officer, Digital since March 2020. She has been in charge of the China Business since March 2025. We are nominating her as a candidate as we have judged that she can build a competitive advantage in the Chinese market, which is important for the Company, and implement medium- to long-term growth and improvement of corporate value, using her knowledge of digital management.

(Translation for reference purposes only)

#### 4. Mitsuko Tsuchiya

Reelection

Date of birth: Dec. 9, 1963  
The number of the Company's shares  
owned:  
19,500 shares



##### Attendance during the 100th business year

Board of Directors:  
100% (6/6)

##### Career summary, position, and areas of responsibility in the Company, and significant concurrent positions outside the Company

Apr. 1986 Joined the Company  
May 2006 Appointed Executive Officer (Head of Customer Service and General Manager of CS) of the Company  
Mar. 2008 Appointed Executive Officer (Group Environment Manager) of the Company  
May 2010 Appointed President and Representative Director of AEON Fantasy Co., Ltd.  
Mar. 2013 Appointed Senior Executive Officer and Food Product Planning Division Manager of AEON Retail Co., Ltd.  
Jun. 2016 Appointed President and Representative Director of Bio c' Bon Japon Co., Ltd.  
Mar. 2019 Appointed Director, Executive Vice President, Executive Officer, and Kinki Company Branch President of AEON Retail Co., Ltd.  
Mar. 2022 Appointed Executive Officer, Merchandising of the Company, and President and Representative Director of AEON TOPVALU CO., LTD. (current position)  
Mar. 2023 Appointed Executive Vice President and Executive Officer, Merchandising of the Company  
May 2024 Appointed Director, Executive Vice President, and Executive Officer, Merchandising of the Company  
Mar. 2025 Appointed Director, Executive Vice President, and Executive Officer, Merchandising and Logistics of the Company (current position)

(Positions and areas of responsibility in the Company)

Director

Executive Vice President and Executive Officer, Merchandising and Logistics

(Significant concurrent positions outside the Company)

Outside Director of YaMaYa CORPORATION

##### <Reason for nomination as a candidate for director and expected roles>

Mitsuko Tsuchiya has extensive management experience and track records, such as serving as the person in charge of merchandising of the Company and the Group as well as President and Representative Director of the Company's main subsidiaries.

She has striven to increase PB product sales as Executive Officer, Merchandising since March 2022. She has been in charge of the Merchandising and Logistics Business since March 2025, managing consistent process from product development to logistics and advancing supply chain management reforms. We are nominating her as a candidate as we have judged that she can facilitate the Group's medium- to long-term growth and improvement of corporate value.



## 5. Takashi Tsukamoto

Reelection

Date of birth: Aug. 2, 1950  
The number of the Company's shares owned:  
0 shares

Candidate for outside director	Candidate for independent director
Number of years served as outside director: 8 years	



### Attendance during the 100th business year

Board of Directors:  
100% (7/7)  
Audit Committee:  
100% (8/8)  
Nomination Committee:  
100% (3/3)  
Compensation Committee:  
100% (3/3)

### Career summary, position, and areas of responsibility in the Company, and significant concurrent positions outside the Company

Apr. 1974 Joined The Dai-Ichi Kangyo Bank, Ltd. (now Mizuho Bank, Ltd.)  
Apr. 2002 Appointed Executive Officer of Mizuho Corporate Bank, Ltd. (now Mizuho Bank, Ltd.)  
Mar. 2003 Appointed Managing Executive Officer of Mizuho Financial Group, Inc.  
Apr. 2004 Appointed Managing Executive Officer of Mizuho Corporate Bank, Ltd.  
Mar. 2006 Appointed Executive Managing Director of Mizuho Corporate Bank, Ltd.  
Apr. 2007 Appointed Deputy President of Mizuho Corporate Bank, Ltd.  
Apr. 2008 Appointed Deputy President & Executive Officer of Mizuho Financial Group, Inc.  
Jun. 2008 Appointed Deputy President of Mizuho Financial Group, Inc.  
Apr. 2009 Appointed President of Mizuho Financial Group, Inc.  
Jun. 2011 Appointed Chairman of Mizuho Financial Group, Inc.; President & CEO of Mizuho Bank, Ltd.  
Jul. 2013 Appointed Chairman of Mizuho Bank, Ltd.  
Apr. 2014 Appointed Senior Advisor of Mizuho Financial Group  
Jun. 2016 Appointed Chairman of The Japan-British Society  
Jul. 2016 Appointed Outside Director of Asahi Mutual Life Insurance Company (current position)  
Apr. 2017 Appointed Honorary Advisor of Mizuho Financial Group  
May 2017 Appointed Outside Director of the Company (current position)  
Jun. 2017 Appointed Outside Director of Internet Initiative Japan Inc. (current position)  
Jun. 2021 Appointed Outside Director of Furukawa Electric Co., Ltd. (current position)  
Jul. 2023 Appointed Senior Advisor of Mizuho Financial Group, Inc. (current position)

#### (Positions and areas of responsibility in the Company)

Director  
Chairman of the Nomination Committee  
Chairman of the Compensation Committee  
Audit Committee member

#### (Significant concurrent positions outside the Company)

Senior Advisor of Mizuho Financial Group, Inc.  
Outside Director of Asahi Mutual Life Insurance Company  
Outside Director of Internet Initiative Japan Inc.  
Outside Director of Furukawa Electric Co., Ltd.

### <Reason for nomination as a candidate for outside director and expected roles>

Takashi Tsukamoto has served as a corporate manager at major financial institutions, has been internationally active, and has rich insights and extensive experience in the financial field. We are recommending his election as an outside director to benefit from the advice and guidance that he would be able to provide in order to maintain and enhance the transparency and soundness of overall management, and to enhance corporate governance. After his election, it is planned that he will carry out activities as a member of the Audit Committee, Nomination Committee, and Compensation Committee.

(Translation for reference purposes only)

## 6. Peter Child

Reelection

Date of birth: Mar. 25, 1958  
The number of the Company's shares owned:  
0 shares

Candidate for  
outside director

Candidate for  
independent director

Number of years  
served as outside director: 7 years



### Career summary, position, and areas of responsibility in the Company, and significant concurrent positions outside the Company

Sep. 1976 Joined United Kingdom Atomic Energy Authority  
Jun. 1980 Joined Michelin Tire Company  
Jan. 1984 Joined McKinsey & Co., London  
Aug. 1987 Appointed Manager of McKinsey & Co., Los Angeles  
Aug. 1988 Appointed Partner of McKinsey & Co., London  
Aug. 1990 Appointed Senior Partner of McKinsey & Co., Paris  
Apr. 2007 Appointed Senior Partner of McKinsey & Co., London  
Mar. 2015 Appointed Senior Partner of McKinsey & Co., Hong Kong  
May 2018 Appointed Outside Director of the Company (current position)

### (Positions and areas of responsibility in the Company)

Director

Nomination Committee member

Compensation Committee member

### (Significant concurrent positions outside the Company)

No significant concurrent positions.

### Attendance during the 100th business year

Board of Directors:

100% (7/7)

Nomination Committee:

100% (3/3)

Compensation Committee:

100% (3/3)

### <Reason for nomination as a candidate for outside director and expected roles>

Peter Child has expertise in the retail sector gained primarily from serving as a leader of consumer goods and retail group at a major consulting firm. We are recommending his election as an outside director to benefit from the advice and guidance that he would be able to provide in the area of promoting global management of the Company. After his election, it is planned that he will carry out activities as a member of the Nomination Committee and as a member of the Compensation Committee.

(Translation for reference purposes only)

## 7. Carrie Yu

Reelection

Date of birth: Sep. 30, 1958  
The number of the Company's shares owned:  
0 shares

Candidate for  
outside director

Candidate for  
independent director

Number of years  
served as outside director: 5 years



### Attendance during the 100th business year

Board of Directors:  
100% (7/7)  
Audit Committee:  
100% (8/8)

### Career summary, position, and areas of responsibility in the Company, and significant concurrent positions outside the Company

Jul. 1982 Joined Levy Gee, Chartered Accountants, London  
Jan. 1987 Joined Coopers & Lybrand (now PricewaterhouseCoopers (PwC)), Hong Kong  
Sep. 1991 Appointed Manager of PwC Vancouver  
Nov. 1996 Appointed Partner of PwC Hong Kong  
Dec. 1996 Appointed Graduate Recruitment Partner of PwC Hong Kong  
Jul. 2002 Appointed Retail & Consumer Leader of PwC China & Hong Kong  
Jul. 2004 Appointed "We Care" Program Lead Ambassador of PwC China & Hong Kong  
Jan. 2006 Appointed Retail & Consumer Leader of PwC Global  
Mar. 2008 Appointed Board Member of PwC Global Governance Board  
Jul. 2009 Appointed Retail & Consumer Leader of PwC China & Asia Pacific  
Jul. 2019 Appointed Senior Advisor of PwC Hong Kong (current position)  
May 2020 Appointed Outside Director of the Company (current position)

#### (Positions and areas of responsibility in the Company)

Director  
Audit Committee member

#### (Significant concurrent positions outside the Company)

Senior Advisor of PwC Hong Kong

### <Reason for nomination as a candidate for outside director and expected roles>

Carrie Yu belongs to professional accounting bodies in the UK, Hong Kong, and Canada. She has international expertise in accounting and the retail sector gained primarily from serving as a leader of retail and consumer group in the Asia Pacific region at a major consulting firm. We are recommending her election as an outside director to benefit from the advice and guidance that she would be able to provide in the area of promoting global management of the Company. After her election, it is planned that she will carry out activities as Audit Committee member.

(Translation for reference purposes only)

## 8. Makoto Hayashi

Reelection

Date of birth: Jul. 30, 1957  
The number of the Company's shares owned:  
0 shares

Candidate for outside director	Candidate for independent director
Number of years served as outside director: 2 years	



### Attendance during the 100th business year

Board of Directors:  
100% (7/7)  
Audit Committee:  
100% (8/8)

### Career summary, position, and areas of responsibility in the Company, and significant concurrent positions outside the Company

Apr. 1983	Appointed Public Prosecutor of Tokyo District Public Prosecutors Office
Jun. 2001	Appointed Director of International Affairs Division of the Criminal Affairs Bureau of Ministry of Justice
Apr. 2003	Appointed Director of General Affairs Division of the Correction Bureau of Ministry of Justice
Jul. 2006	Appointed Director of General Affairs Division of the Criminal Affairs Bureau of Ministry of Justice
Jan. 2008	Appointed Director of Personnel Division of the Minister's Secretariat of Ministry of Justice
Apr. 2011	Appointed Public Prosecutor of Supreme Public Prosecutors Office
Apr. 2012	Appointed Director-General of the General Affairs Department of Supreme Public Prosecutors Office
Jul. 2013	Appointed Chief Prosecutor of Sendai District Public Prosecutors Office
Jan. 2014	Appointed Director-General of the Criminal Affairs Bureau of Ministry of Justice
Jan. 2018	Appointed Superintending Prosecutor of Nagoya High Public Prosecutors Office
May 2020	Appointed Superintending Prosecutor of Tokyo High Public Prosecutors Office
Jul. 2020	Appointed Prosecutor-General
Jun. 2022	Retired as Prosecutor-General
Aug. 2022	Appointed Special Counsel of Mori Hamada & Matsumoto (current position)
May 2023	Appointed Outside Director of the Company (current position)
Jun. 2023	Appointed External Audit & Supervisory Board Member of MITSUI & CO., LTD. (current position) and Outside Audit and Supervisory Board Member of Central Japan Railway Company (current position)
Jun. 2024	Appointed Outside Director of SBI Shinsei Bank, Limited (current position)

(Positions and areas of responsibility in the Company)

Director  
Chairman of the Audit Committee

(Significant concurrent positions outside the Company)

Special Counsel of Mori Hamada & Matsumoto  
External Audit & Supervisory Board Member of MITSUI & CO., LTD.  
Outside Audit and Supervisory Board Member of Central Japan Railway Company  
Outside Director of SBI Shinsei Bank, Limited

### <Reason for nomination as a candidate for outside director and expected roles>

Makoto Hayashi is an attorney at law who has successively filled posts of Superintending Prosecutor of Tokyo High Public Prosecutors Office and Prosecutor-General. Therefore, he has rich experience and insights in legislation and legal compliance. We are recommending his election as an outside director to benefit from the advice and guidance that he would be able to provide in the area of promoting legal compliance management such as risk management and legal compliance. After his election, it is planned that he will carry out activities as Audit Committee member.

(Translation for reference purposes only)

## 9. Richard Collasse

Reelection

Date of birth: Jul. 8, 1953  
The number of the Company's shares owned:  
0 shares

Candidate for  
outside director

Candidate for  
independent director

Number of years  
served as outside director: 1 year



### Career summary, position, and areas of responsibility in the Company, and significant concurrent positions outside the Company

Oct. 1975 Joined Protocol Division of Ambassade de France au Japon  
Aug. 1979 Joined GIVENCHY, Inc.  
Apr. 1981 Established GIVENCHY Co., Ltd. (Japan Office). Appointed Representative Director  
Sep. 1985 Appointed General Manager of the Perfume and Cosmetics Division of Chanel Co., Ltd.  
Aug. 1993 Appointed Managing Director of Chanel Ltd. (Hong Kong)  
Aug. 1995 Appointed Representative Director and President of Chanel Co., Ltd. (Japan Office)  
Dec. 2018 Appointed Director of Chanel Co., Ltd. (London), Chief Officer of Travel and Retail Business of Chanel Co., Ltd. (Switzerland), and Director and Chairman of Chanel Co., Ltd. (Japan Office)  
May 2024 Appointed Outside Director of the Company (current position)

### Attendance during the 100th business year

Board of Directors:  
100% (6/6)  
Audit Committee:  
100% (5/5)

(Positions and areas of responsibility in the Company)  
Director  
Audit Committee member  
(Significant concurrent positions outside the Company)  
No significant concurrent positions.

### <Reason for nomination as a candidate for outside director and expected roles>

Richard Collasse has expertise regarding global management in the retail sector, which includes serving as Chief Officer of global companies in Europe and Asia, and as President of the Japan Office. We are recommending his election as an outside director to benefit from the advice and guidance that he would be able to provide in the area of promoting global management of the Company. After his election, it is planned that he will carry out activities as Audit Committee member.

(Translation for reference purposes only)

- (Note 1) *The number of years served as an outside director is the number of years as of the end of this General Meeting of Shareholders.*
- (Note 2) *Although Takashi Tsukamoto successively held the posts of Executive Officer, Executive Managing Director, and President & CEO at Mizuho Bank, Ltd. from 2002 to 2013, more than ten years have passed since he retired from the said bank in 2013, and currently he is not involved in the business execution of Mizuho Bank, Ltd. Also, Mizuho Bank, Ltd. is one of the primary lenders to the Company, but it is not a business connection that has a significant effect on the Company's decision-making. The balance of borrowings of the Company from Mizuho Bank, Ltd. as of the end of the most recent business year is less than 2% of the consolidated total assets.*
- (Note 3) *Peter Child has served as a Senior Partner at multiple branch offices of McKinsey & Co., and the Company has transactions with the said company. The monies paid to McKinsey & Co. represent less than 0.1% of the Company's total consolidated SG&A expenses.*
- (Note 4) *Carrie Yu serves as a Senior Advisor of PricewaterhouseCoopers (PwC) Hong Kong. The Company has transactions with multiple member firms of PwC, and the monies paid to PwC represent less than 0.1% of the Company's total consolidated SG&A expenses.*  
*Carrie Yu's legal name is "Carrie Ip."*
- (Note 5) *The Company has transactions with Mori Hamada & Matsumoto of which Makoto Hayashi is the Special Counsel. The monies paid to Mori Hamada & Matsumoto represent less than 0.1% of the Company's total consolidated SG&A expenses.*
- (Note 6) *With respect to the responsibilities stipulated under Article 423, paragraph 1 of the Companies Act, the Company has entered into agreements with each of its outside directors, Takashi Tsukamoto, Peter Child, Carrie Yu, Makoto Hayashi, and Richard Collasse which limit the liability of these directors for damage to the Company. These agreements state that, when outside directors carry out their duties in good faith and with no serious negligence, their liability to compensate the Company is limited to 15,000,000 yen or to an amount stipulated by applicable laws and regulations, whichever is higher; and that they are exempt from an outside director's obligation to compensate the Company for any amounts that exceed these limits. The Company also plans to enter into agreements with each of the elected outside directors upon the approval of this proposal.*
- (Note 7) *The views on the balance of knowledge, experience and capabilities, diversity, and scale of the Board of Directors as a whole are as follows:*  
*•The Company has set the maximum number of members of the Board of Directors to 12 in the Articles of Incorporation, and composes the Board of Directors in accordance with the matters stated below for effective and stable operation. Furthermore, procedures for selecting candidates for Director of the Company shall be determined by the Nomination Committee where outside directors hold the majority and one serves as chairman for the purpose of high transparency and fairness.*  
*•As stated on pages 9 to 10 persons who satisfy the conditions of the nomination criteria for candidates for inside directors and outside directors as well as the conditions of the independence criteria for outside directors shall be selected.*  
*•The Board of Directors shall be managed by persons who have a high level of insight and extensive experience in management, international relations, risk management, legal compliance, finance and accounting, banking, IT, digital, environment, and other fields, in order to sufficiently perform the supervisory function.*
- (Note 8) *The Company has entered into a directors and officers liability insurance contract ("D&O insurance policy") with an insurance company as stipulated in Article 430-3, paragraph 1 of the Companies Act. The D&O insurance policy covers, costs for compensation for damages and litigation costs incurred by the insured persons arising from claims for compensation of damages arising from actions (including negligence) carried out pursuant to the company position of the relevant director or officer. However, the D&O insurance policy has an established excess amount, whereby damages within that excess are not covered by the policy. Furthermore, insured persons in this policy are directors and executive officers of the Company as well as any person who performs important duties, such as directors of the Company's subsidiaries. The Company will bear the entire amount of insurance premiums. In the event that this proposal is approved, all elected directors will be included as insured*

(Translation for reference purposes only)

*persons under the D&O insurance policy. Furthermore, the Company plans to renew the D&O insurance policy with roughly the same details when the policy is next due for renewal.*

*(Note 9) No conflict of interest exists between the Company and each candidate.*

ATTACHED DOCUMENTS

## **Business Report for Fiscal 2024**

(March 1, 2024 – February 28, 2025)

### **1. Consolidated Business Review**

Operating revenue reached a record high of 10,134.8 billion yen. This was due to factors such as the Group's success in strengthening sales expansion of its PB products amid a growing trend towards spending less.

On the other hand, operating profit remained at 237.7 billion yen, as rising prices and other factors affected consumption, and the gross profit margin did not improve sufficiently.

Profit attributable to owners of the parent was 28.7 billion yen (down 35.6% YOY), mainly due to one-off losses from unauthorized use of credit cards in the Financial Services Business and impairment losses recorded in China as a result of a review of store opening plans, etc. Going forward, we will do our utmost to improve performance.

#### **Group Strategy**

AEON has achieved sustainable growth both in Japan and overseas. However, in the domestic market, due to factors such as the declining population in rural areas and the advance of inflation, changes in the industry structure are being observed, with a series of alliances and coalitions in the Supermarkets and Drugstores.

In order to respond to these changes in the environment, we will not only develop more competitive PB products and build an efficient logistics network, we will also make the most of our economies of scale in various areas such as digital, systems, HR, personnel, and procurement of electricity, materials and equipment.

In addition, in the payment and loyalty points businesses, we will work to build a customer-friendly shared infrastructure and enhance convenience. Furthermore, we will strengthen research and development (R&D) investment in new businesses and aim to evolve into a more strategic holding company in order to realize optimal allocation of capital and resources across the entire Group. We will continue to respond flexibly to the changing market environment and achieve sustainable growth in order to meet the expectations of our shareholders.

#### **Business Structural Reforms**

Based on this understanding of the environment, each operating company will aim to establish overwhelming competitiveness in each region while maintaining its independence by becoming even more closely connected to the local community.



(Translation for reference purposes only)

The functional companies that support the operating companies and provide the platform and infrastructure for the AEON Group will continue to refine their functions so that they can further demonstrate their economies of scale. As part of this, AEON MALL Co., Ltd. and AEON DELIGHT CO., LTD. have been made wholly owned subsidiaries in order to improve efficiency.

## (1) Review of Operations

### GMS (General Merchandise Stores) Business

AEON Retail Co., Ltd. revitalized existing stores to introduce the latest sales floors for Food and Health & Beauty Care, aiming to acquire new customers and maximize total gross profit, as well as proceeded with product and sales floor reforms for Apparel and Home Furnishing through full-fledged manufacturing and retailing operations. To address the increasing frugal mindset mainly due to the impact of inflation, we will strengthen our pricing strategy to contribute to sales growth while also working to improve productivity through the use of store DX and to increase operating profit by tightening control of SG&A expenses.



### SM (Supermarkets) Business

While the markup rate for the fresh produce and delicatessen departments fell, and sales themselves also struggled, we strengthened our pricing policy by leveraging economies of scale and strengthened control over total work hours through operational reforms, which led to improved productivity exceeding that of the year ended February 29, 2024.

My Basket, which has approximately 1,200 stores in the Tokyo metropolitan area, has been supported by proximity and relatively low prices, and both sales and profits have grown beyond expectations. By introducing new services such as Quick Commerce, etc., we will attract new customers and expand our market share.



### DS (Discount stores) Business

Amid the rising needs of customers looking to save money in response to the impact of high prices, we have worked to strengthen our efforts that promote the low price appeal, mainly for food products, and the “great deal” appeal of bulk purchases, such as large-volume products and case sales.

In addition, AEON Big Co., Ltd. has promoted its low-price policy by engaging in collaborative product development with AEON TOPVALU CO., LTD. and developing and introducing many DS-dedicated PB products.



### Health & Wellness Business

In addition to opening new stores and strengthening drug stores with dispensing pharmacies, WELCIA HOLDINGS CO., LTD. also sought to expand sales through the expansion of mobile sales vehicles that support local communities. In addition, it sought to expand sales that meet one-stop needs by developing and expanding sales of PB products, and by strengthening food products and self-selection (without counseling by beauty advisors)



(Translation for reference purposes only)

cosmetics. Also, a final agreement was concluded between WELCIA HOLDINGS CO., LTD. and TSURUHA HOLDINGS INC. to form a drugstore alliance, and AEON will seek to grow toward becoming a global company that meets health needs.

### **Financial Services Business**

We have reconsidered payment as a customer contact point within the Group, and in order to strengthen it, we have consolidated the payment business into AEON Financial Service Co., Ltd. In addition, the number of valid card members in Japan, card shopping transaction volume, and mortgage transaction volume all remained strong. Going forward, we will strengthen our internal control system and compliance system, and proceed with reforms toward building a new business model.



### **Shopping Center Development Business**

In Japan, in addition to the recovery in sales at specialty stores, the increase in the number of foreign tourists visiting Japan and the resulting rise in inbound consumption helped to boost the number of customers visiting existing malls, leading to operating revenue and profits that exceeded the results of the year ended February 29, 2024. Moreover, we will respond flexibly to the differing needs of each region, and in addition to merchandise sales, we will also enhance the value of experiences through shopping malls, such as community building, social infrastructure, entertainment, events, etc., leading to further earnings growth.



### **Services & Specialty Store Business**

In the Services Business, AEON DELIGHT CO., LTD. is driving the business forward with increased operating revenue and profits. Furthermore, AEON Fantasy Co., Ltd. is seeing favorable performance in Japan at existing stores and new stores, including new formats and strategic small stores, while in China, where growth is slowing, AEON Fantasy Co., Ltd. has promoted a shift to the highly competitive playground business format.



Specialty Stores Business companies are prioritizing the reform of their earnings models, including the strategic closure of unprofitable stores, while also promoting the development of new business formats and services.

(Translation for reference purposes only)

## International Business

In the ASEAN region, Vietnam and Malaysia led the way, with both operating revenues and profits exceeding those of the year ended February 29, 2024. We aim to increase our market share as a Group by leveraging our shared customer base, focusing on GMS Business, Shopping Center Development Business, and Financial Services Business.

In our China business, we are beginning to see differences in growth in each area. In Hong Kong, we are promoting renewed growth through restructuring, while at the same time, we will continue to select and focus our investments according to the growth of each area, with our first store in Hunan Province performing well.



(Translation for reference purposes only)

## Financial highlights

Years ended February 28 (2022, 2023 and 2025) and February 29, 2024	2022	2023	2024	2025
Operating revenue (Millions of yen)	8,715,957	9,116,823	9,553,557	10,134,877
Operating profit (Millions of yen)	174,312	209,783	250,822	237,747
Ordinary profit (Millions of yen)	167,068	203,665	237,479	224,223
Profit attributable to owners of the parent (Millions of yen)	6,504	21,381	44,692	28,783
Earnings per share (Yen)	7.69	25.11	52.25	33.58
Total assets (Millions of yen)	11,633,083	12,341,523	12,940,869	13,833,319
Net assets (Millions of yen)	1,812,423	1,970,232	2,087,201	2,121,226
Net assets per share (Yen)	1,130.76	1,161.12	1,231.59	1,218.63

(Note) The Company has adopted “Accounting Standard for Revenue Recognition (ASBJ Statement No. 29, March 31, 2020)” and relevant ASBJ regulations from 2023 (March 1, 2022 to February 28, 2023), and the consolidated operating results and financial position for 2023 and subsequent fiscal years are the amounts after the adoption of said accounting standard and relevant ASBJ regulations.

## Business segment information

Business segment	Operating revenue (Millions of yen)	YOY (%)	Operating profit (Millions of yen)	YOY (%)
GMS Business	3,559,481	102.6	16,360	58.6
SM Business	3,060,065	110.0	32,959	78.6
DS Business	411,447	102.8	7,991	94.1
Health & Wellness Business	1,322,876	107.1	36,007	84.5
Financial Services Business	530,452	109.7	61,165	119.4
Shopping Center Development Business	496,170	105.9	53,035	112.0
Services & Specialty Store Business	729,152	101.6	23,104	130.5
International Business	548,875	107.9	9,493	91.5
Reportable Segments Total	10,658,522	105.9	240,119	97.0
Other Operations	68,193	116.3	(10,072)	—
Total	10,726,715	106.0	230,046	97.4
Adjustment	(591,838)	—	7,700	52.4
Consolidated	10,134,877	106.1	237,747	94.8

(Note) The main activities in each business segment are as follows:

*GMS Business*

*General merchandise stores (GMS), flat-rate discount store business, etc.*

*SM Business*

*Supermarkets, convenience stores, small-scale supermarkets*

*DS Business*

*Discount stores*

*Health & Wellness Business*

*Drugstores, pharmacies, etc.*

*Financial Services Business*

*Credit card business, fee business, banking business, insurance business*

(Translation for reference purposes only)

*Shopping Center Development Business*

*Development and leasing of shopping centers*

*Services & Specialty Store Business*

*Comprehensive facility management services, amusement services, food services, specialty stores, etc.  
selling family casual apparel, footwear, etc.*

*International Business*

*Retail stores in the ASEAN region and China*







*Other Operations*

*Mobile marketing business, digital business, etc.*

(Translation for reference purposes only)

## (2) Environmental and Social Initiatives

Based on the AEON Sustainability Principle, which reconciles the realization of a sustainable society and Group growth, AEON works to resolve various environmental and societal issues through its business activities.

1991- <b>Tree-planting activities</b>	1991- <b>Bring Your Own Shopping Bag Campaign</b>	1996- <b>“AEON Cheers Club”</b>
Cumulative total of trees planted Approx. 12.75 million trees 	Reduction of plastic shopping bags Approx. 3.6 billion pieces 	450 clubs Cumulative total 112,340 members 
2001- <b>“AEON Happy Yellow Receipt Campaign”</b>	2004- <b>Solar panel installation</b>	2020- <b>Children’s Cafeteria Support Group</b>
Cumulative donation amount Approx. 5.4 billion yen 	Number of stores installed 1,373 stores 	Cumulative total donated Approx. 220 million yen 

(Figures are current as of February 2025 and include tentative figures)



### Better use of resources

Aiming for better use of resources, we are reducing containers and packaging materials and shifting to environmentally friendly materials. From October 2023, the paid shopping bags distributed at general merchandise stores AEON and AEON Style on the Apparel, Daily Necessities and Home Furnishing products sales floors, which had previously been made of plastic, were replaced with environmentally friendly paper bags. In addition, as we promote the further effective utilization of PET bottles—a valuable resource—and new pilot projects, we will continue to support the continually expanding Bottle to Bottle Project.

Together with our customers, we will continue to examine the wasteful and disposable use of resources and aim to realize a recycling-oriented society.

### Nurturing and supporting the next generation

Based on the idea of wanting to create a future in which all children can grow healthy in mind and body, AEON, together with customers and local residents, launched the AEON Children's Cafeteria Support Group in December 2020 with the purpose of supporting the child-rearing households facing economic difficulties. In FY2024, we donated approximately 33.42 million yen from the proceeds of fundraising activities and charity bazaars at stores to the NPO, National Children's Cafeteria Support Center "Musubie." In addition to assisting with food for children, we will continue initiatives to create vibrant and joyful communities in which people support one another and are connected by the bonds of mutual assistance through the "children's cafeteria" activities that fulfill the role of community meeting places.

### Realization of a decarbonized society

AEON is working to reduce CO<sub>2</sub> through a three-pronged approach of stores, products, and logistics, and hand in hand with customers, based on the "AEON Decarbonization Vision." We reached our interim target to switch to 50% renewable energy by 2030 in December 2023 and are continuously working towards zero CO<sub>2</sub> emissions for the Group as a whole by 2040. In addition to promoting further energy savings and generating renewable energy from solar panels installed on the rooftops of stores and roofs of car parks (onsite PPA), we are expanding initiatives for offsite PPA utilizing the renewable energy generated from solar panels outside the store premises. In addition, we are also promoting initiatives to exchange the surplus renewable energy generated from solar panels on our customers' homes for points and to utilize it for store energy, and "local production and consumption of energy" through appropriate renewable energy procurement for each region.

AEON achieved its target of switching to renewable energy by 2030 ahead of schedule.





(Translation for reference purposes only)

## ■ Public interest incorporated foundations that embody the AEON Foundational Ideals

In addition to initiatives through our business activities, we are also promoting environmental and social contribution activities in cooperation with the AEON 1% Club Foundation, the AEON Environmental Foundation, and The Cultural Foundation of Okada.

### AEON 1% Club Foundation

The foundation was declared in 1989 and established in 1990. The major companies of the AEON Group contribute an amount equivalent to 1% of their pre-tax profit to the AEON 1% Club Foundation from a desire to “support society using profits received from customers,” and support the foundation’s main areas of focus: the healthy upbringing of children; friendship and goodwill with other countries; contributing to regional development; and sustainable development of the local community.

#### Healthy Development of Children

We nurture children’s abilities to think independently about issues in their own regions, on environmental and social themes, while learning about societal rules.

AEON Cheers Club



Cumulative total number of members  
112,340 members

Junior High School Essay Contest



Cumulative total number of entries  
32,635 entries

AEON Eco-1 Grand Prix



Cumulative total number of applications  
1,687 applications

AEON UNICEF Safe Water Campaign



Cumulative total donations amount  
644.11 million yen

#### Friendships with Other Countries

We provide students with opportunities for international cultural and interpersonal exchange, and strengthen the bonds of friendship between Japan and various countries by deepening mutual understanding. In addition, we support the development of global human resources through actions such as awarding scholarships to university students from Asian nations.

Teenage Ambassadors



Cumulative total number of participants  
18 countries  
2,601 students

Asia Youth Leaders



Cumulative total number of participants  
9 countries  
1,296 students

AEON Scholarship



Cumulative total number of scholarships awarded  
9,357 students

Local Development Contributions

We support the succession of traditional events and culture firmly rooted in local regions, which need to be passed down to the next generations and tackles various issues in local communities.

AEON Sukusuku Laboratory  
Cumulative number of events  
62 events  
Cumulative number of participants  
10,630 people

Hometown Future Support



Number of projects supported  
Cumulative total number of supported projects  
914 projects

Disaster Recovery Support

At times of natural disasters, both within Japan and overseas, we carry out swift donations of emergency funds and provide support for recovery and reconstruction so that survivors can resume normal daily life as quickly as possible.

Shuri Castle Reconstruction Support Project



Cumulative total amount of donated funds  
510 million yen

## AEON Environmental Foundation

The Foundation was established in 1990 as Japan's first private-company foundation focused on the global environment. Since then, we have been promoting activities with our diverse stakeholders around the world, focusing on main projects: "tree planting," "environmental activity subsidies," "environmental education and joint research," and "award." Currently, we are also working to create new *Satoyama* with the goal of realizing a sustainable society.

*Satoyama: Traditional rural landscapes in Japan where people live in close connection with nature, often maintaining a balance between farmland, forests, and biodiversity.*

### Tree Planting

We plant trees together with local volunteers around the world, mainly in Asia, with the aim of regenerating forests that have been lost due to natural disasters or logging, restoring disaster-resistant forests, and addressing climate change. We are also helping forests grow through pruning, brush clearing and other activities.

Countries where tree planting is conducted:

11



Jakarta, Indonesia Mangrove planting

### Environmental Grant Program



Organization receiving grant:  
Association for People and Nature  
in Nara

We provide grants of approximately 100 million yen annually to non-profit organizations around the world that are actively engaged in environmental activities.

Total number of grantees

3,546 organizations

Total amount of grants

3,193.47 million yen

### Environmental Education and Joint Research



International Youth Conference on  
Biodiversity in Cali, Colombia

In cooperation with international specialized institutions and major universities in Asia, we are conducting joint research on *Satoyama* and developing green human resources who will become leaders in the global environmental field.

Cumulative total number of participants in the youth  
program

10 countries

781 people

### Award



Award ceremony, Cali, Colombia

"The MIDORI Prize for Biodiversity" is awarded to individuals and organizations who have made outstanding contributions to the conservation and use of biodiversity, aiming to expand environmental activities.

Cumulative total number of award recipients

20 countries

21 people and 38 organizations

(Translation for reference purposes only)

## **The Cultural Foundation of Okada**

<https://okadabunka.or.jp/> (in Japanese only)

It was established in 1979 with the objectives of fostering and supporting artistic and cultural activities in Mie Prefecture, as well as preserving and repairing cultural assets. In 2005, the museum began its art gallery project, and it now holds exhibitions featuring its diverse collection of works and a wide range of appealing special exhibitions.

It also provides grants, sponsorships and scholarships, and launched a new “Sakura Project” in March 2023 to create a new local tourist attraction, with plans to plant 5,000 cherry tree saplings by March 2026.



(Art Museum) Paramita Museum  
Location: Komono-cho, Mie-gun, Mie Prefecture  
Admission Fee: 50% discount when you show your owner's card  
(Free for junior high school students and younger)

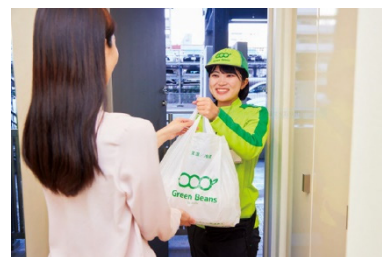
## 2. Prospective Challenges for the AEON Group

Almost four years have passed since the start of the “Medium-Term Management Plan (FY2021 – FY2025).” Changes in the environment have occurred, including climate change, higher prices, and rising energy costs that have exceeded the expectations when the Medium-Term Management Plan was formulated. While the situation is normalizing, the five reforms raised in the Medium-Term Management Plan of “Acceleration and evolution of the shift to digital markets,” “Creating unique value with the supply chain concept,” “Evolution of Health & Wellness for a new era,” “Create AEON Living Zone” and “Accelerate the shift to Asian markets,” as well as in the “Green strategies” have becoming increasingly important. AEON has reflected on the results of the Medium-Term Management Plan to date in fulfilling our social role to support local customers’ daily lives through our products and services, identified the issues to be solved, and is working on the establishment of the business foundation for sustainable growth.

### <Common Group strategies under the medium-term management plan>

#### (1) Acceleration and evolution of the digital shift

We are advancing the shift to digital markets with a pillar to improve productivity by expanding the digital businesses and introducing digital systems to stores. Green Beans, which is AEON’s online-only supermarket that opened in 2023 as a new digital business, expanded its service area in the Tokyo metropolitan area, which is a new area for AEON, and is steadily expanding its customer base. As part of the introduction of digital systems in stores, in addition to accelerating the introduction of self-checkout systems and electronic shelf tags, we are also working on initiatives to improve the value of the shopping experience as well as productivity, installing electronic receipt functions on the Group Total App “iAEON” in June 2024.



#### (2) Establishment of unique value by supply chain

We are engaged in product reform initiatives for both price and value focused on PB products. In terms of price, in response to the heightened frugal living mindset of customers, we expanded “TOPVALU BESTPRICE” while also implementing other measures, including reducing prices when we have been able to achieve rational cost reductions through various corporate efforts. In terms of value, operation of a next-generation deli processing center “Craft Delica Funabashi” began in June 2024 with the concept of chef quality, aimed at creating unique value.





### **(3) Advancement of health and wellness for a new era**

Amidst regional, income and information inequalities in the provision of health services, AEON aims to realize a society in which health and wellness services are delivered to everyone.

The aim is to build a drugstore chain that covers Japan nationwide through the management integration of WELCIA HOLDINGS CO., LTD. and TSURUHA HOLDINGS INC., and to become the No.1 chain in Asia.



### **(4) Creation of the “AEON Living Zone”**

We are promoting the creation of “AEON Living Zone,” which embodies the accumulation of business activities that are rooted in local communities that solve local issues, leading to AEON’s growth and enrichment of local community life. To realize this, we are engaged in initiatives not only to provide products and services, but also “places,” “information,” and “interactions” starting from the consolidation of each regional base with the reorganization of areas.



### **(5) Further acceleration of the Asian shift**

While global companies and Japanese retailers are actively advancing into the promising Asian markets, AEON is striving to increase market share with the proactive launch of stores and exclusive products such as PB products, expanding the business we pioneered before others and leveraging the strength accumulated through experience. We are also advancing our growth strategy for the entire Group, including the launch of new business in the financial business in Malaysia and Vietnam.



### **(6) Environment and green**

Amidst increasingly severe environmental issues such as climate change and loss of biodiversity, AEON is advancing a green strategy to simultaneously reduce environmental impact and increase revenue. We will also accelerate initiatives that encourages customers to choose AEON in ways that are friendly to nature and the environment, such as our recycling program for used PET bottles collected at AEON stores nationwide.



(Translation for reference purposes only)

### 3. Overview of AEON and the AEON Group (as of February 28, 2025)

#### (1) Share-related Information

- 1) Number of shares authorized: 2,400,000,000 shares
- 2) Number of shares issued: 871,924,572 shares  
(including treasury shares)
- 3) Minimum share-trading unit: 100 shares
- 4) Number of shareholders at year-end: 966,932
- 5) Ten largest shareholders:

Name	Number of shares held (Thousands of shares)	Ratio of shares held (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	119,016	13.82
Custody Bank of Japan, Ltd. (Trust Account)	38,218	4.44
Mizuho Bank, Ltd.	33,292	3.87
The Cultural Foundation of Okada	22,056	2.56
AEON Environmental Foundation	21,812	2.53
The Norinchukin Bank	18,133	2.11
STATE STREET BANK WEST CLIENT-TREATY 505234	13,578	1.58
Employees' stockholding association	12,015	1.40
AEON Mutual Benefit Society (Nomura Securities account)	11,584	1.35
Tokio Marine & Nichido Fire Insurance Co., Ltd.	10,061	1.17

(Note 1) Calculations of the ratio of shares held exclude treasury shares (10,821,254 shares) and have been rounded. The number of treasury shares does not include the Company's shares held by Employee Stock Ownership Plan Trust (85,700 shares).

(Note 2) The number of shares held by Mizuho Bank, Ltd. includes its contribution of 9,378 thousand shares to the retirement benefit trust (the holder of said shares, as listed in the shareholder registry, is "Custody Bank of Japan, Ltd. as trustee for Mizuho Bank Retirement Benefit Trust Account re-entrusted by Mizuho Trust and Banking Co., Ltd.").

(Translation for reference purposes only)

## (2) Directors and Executive Officers of the Company

- Total remunerations paid to the Company's directors and executive officers

### Directors

(Unit: Millions of yen, rounded down)		
	Basic remuneration	Of which, outside directors
Number of persons paid	5	5
Amount paid	91 million yen	91 million yen

### Executive officers

(Unit: Millions of yen, rounded down)					
Position	Number of persons	Basic remuneration	Performance-based remuneration	Non-monetary remuneration, etc. (Remuneration through share compensation-type stock options)	Total
Chairman and Representative Executive Officer Motoya Okada	1	55 million yen	27 million yen	18 million yen	101 million yen
President and Representative Executive Officer Akio Yoshida	1	61 million yen	35 million yen	23 million yen	120 million yen
Executive Vice President and Executive Officers	3	116 million yen	52 million yen	41 million yen	210 million yen
Executive officers	11	287 million yen	96 million yen	84 million yen	468 million yen
Total	16	520 million yen	212 million yen	167 million yen	901 million yen

(Note 1) Remuneration through share compensation-type stock options for executive officers was resolved at the Compensation Committee meeting and the Board of Directors meeting held on April 11, 2025, based on performance during the 100<sup>th</sup> business year. In regard to the share compensation-type stock options, the subscription rights to shares will be allocated on June 21, 2025. The above amounts to be allocated are calculated based on the closing price of the Company's share on the Tokyo Stock Exchange on or around the last day of February 2025.

(Note 2) In addition to the above, basic remuneration of 5 million yen was paid to two executive officers who resigned from the position on February 29, 2024.



(Translation for reference purposes only)

### (3) Group Status

#### Major subsidiaries

Name	Capital	Voting rights (Note 1) (%)	Main businesses
<b><u>GMS Business</u></b>			
AEON Hokkaido Corporation	¥6,100 million	67.14	General merchandise store
AEON KYUSHU Co., Ltd.	¥4,915 million	74.92	General merchandise store
SUNDAY CO., LTD.	¥3,246 million	76.94	Home center
CAN DO CO., LTD.	¥3,028 million	51.08	Flat-rate discount store business
AEON Retail Co., Ltd.	¥100 million	100.00	General merchandise store
<b><u>SM Business</u></b>			
United Super Markets Holdings Inc.	¥10,000 million	52.93	Management in supermarket
Maxvalu Tokai Co., Ltd.	¥2,267 million	64.61	Supermarket
FUJI CO., LTD.	¥22,000 million	51.49	General merchandise store
MINISTOP Co., Ltd.	¥7,491 million	54.11	Convenience store
<b><u>Health &amp; Wellness Business</u></b>			
WELCIA HOLDINGS CO., LTD.	¥7,792 million	50.60	Management in drug store
<b><u>Financial Services Business</u></b>			
AEON Financial Service Co., Ltd.	¥45,698 million	49.99	Financial services
AEON CREDIT SERVICE (ASIA) CO., LTD.	HK\$269 million	70.42	Financial services
AEON CREDIT SERVICE (M) BERHAD	M\$541 million	63.32	Financial services
AEON THANA SINSAP (THAILAND) PCL.	THB250 million	63.12	Financial services
AEON BANK, LTD.	¥51,250 million	100.00	Banking services
<b><u>Shopping Center Development Business</u></b>			
AEON Mall Co., Ltd.	¥42,389 million	58.83	SC development
<b><u>Services &amp; Specialty Store Businesses</u></b>			
COX CO., LTD.	¥4,503 million	71.53	Casual apparel specialty store
GFOOT CO., LTD.	¥3,764 million	66.87	Specialty shoe store
AEON DELIGHT CO., LTD.	¥3,238 million	58.76	Facilities management services
AEON Fantasy Co., Ltd.	¥1,824 million	63.14	Amusement services
<b><u>International Business</u></b>			
AEON CO. (M) BHD.	M\$702 million	52.03	General merchandise store
AEON STORES (HONG KONG) CO., LTD.	HK\$115 million	60.59	General merchandise store

(Note 1) Voting rights percentages include indirect ownership.

(Note 2) No specified wholly-owned subsidiary is present as of the fiscal year-end.

#### **(4) Policy Regarding Decisions on Dividends of Surplus**

The Company sets dividends in consideration of its consolidated earnings results while striving to maintain an optimal balance between paying dividends and improving corporate value through medium- to long-term growth as a key management priority of its policy on returns to shareholders.

Specifically, the Company has set a target of maintaining its annual dividend payment at or above the previous year's payment and implementing a dividend payout ratio of 30% as it endeavors to increase earnings and return even more to shareholders in coming years.

The Company pays dividends twice a year for the purpose of enhancing the opportunities for profit distribution to shareholders. In accordance with the provisions of Article 459 of the Companies Act, the Board of Directors can resolve the year-end dividend payment from surplus to shareholders.

#### **[Dividends of surplus for the fiscal year under review]**

The Company listed its shares in September 1974, with this year marking the 50<sup>th</sup> anniversary of such listing. We would like to take this opportunity to express our sincere gratitude to all our shareholders and other stakeholders.

Therefore, to recognize the ongoing support of all our shareholders, we have decided to distribute a commemorative dividend of 4 yen per share (interim dividend of 2 yen, year-end dividend of 2 yen) in the dividend payment from the surplus in the fiscal year under review. Pursuant to a resolution by the Board of Directors at its meeting on April 11, 2025, the year-end dividend payment from the surplus for the fiscal year under review is 20 yen per share (an ordinary dividend of 18 yen plus a commemorative dividend of 2 yen), with an interim dividend of 20 yen (an ordinary dividend of 18 yen plus a commemorative dividend of 2 yen), which results in a combined total annual dividend for the fiscal year of 40 yen per share, an increase of 4 yen. The starting date for dividend payments (effective date) is Thursday, May 1, 2025.

(Translation for reference purposes only)

The following details have been made available on the websites so they have not been included in this notice. Please check the websites below to confirm such details.

● Matters that can be confirmed via the websites

▪ **Business Report**

Activities of the Board of Directors and each committee, etc., Diversity, Equity and Inclusion, etc., Main Business, Number of Stores, Financing and Capital Investments, Directors and Executive Officers of the Company (Directors and executive officers, Items related to outside directors, Summary of agreements limiting liability, Summary of directors and officers liability insurance contract, Policies on personal remuneration for directors and executive officers, etc.), Independent Auditors, Employees, Principal Creditors Items Related to the Company's Subscription Rights to Shares, Company Structure and Policies, Basic Policy Regarding Control of the Company

▪ **Consolidated Financial Statements / Nonconsolidated Financial Statements**

Consolidated balance sheet, Consolidated statement of income, Consolidated statement of changes in net assets, Notes to the consolidated financial statements

Nonconsolidated balance sheet, Nonconsolidated statement of income, Nonconsolidated statement of changes in equity, Notes to the nonconsolidated financial statements

▪ **Audit reports**

Independent Auditor's Report on Consolidated Financial Statements, Independent Auditor's Report on Nonconsolidated Financial Statements, Audit Report of the Audit Committee

● The Company's website: <https://www.aeon.info/en/ir/>

\* Click "Notice for Shareholders" on the website.

● Website for posting informational materials for the General Meeting of Shareholders:

<https://d.sokai.jp/8267/teiji/> (in Japanese)

---

(Note 1) The amounts and numbers of shares shown in this Business Report have been rounded down to the appropriate units used in the document.

(Note 2) Figures shown for sales, etc. do not include consumption taxes.

(Translation for reference purposes only)

## Consolidated Financial Statements (Summary)

### Consolidated balance sheet

	(Unit: Millions of yen, rounded down)	
	As of February 28, 2025	As of February 29, 2024
<b>Assets</b>		
Current assets	8,693,526	8,044,917
(of which, Inventories)	649,955	625,291
Non-current assets	5,139,792	4,895,951
Property, plant, and equipment	3,599,604	3,414,988
Intangible assets	416,147	375,251
Investments and other assets	1,124,039	1,105,712
<b>Assets</b>	<b>13,833,319</b>	<b>12,940,869</b>
<b>Liabilities</b>		
Current liabilities	8,443,663	7,772,914
Non-current liabilities	3,268,429	3,080,753
<b>Liabilities</b>	<b>11,712,092</b>	<b>10,853,667</b>
<b>Net assets</b>		
Shareholders' equity	927,734	913,399
Capital stock	220,007	220,007
Capital surplus	298,350	288,337
Retained earnings	422,664	425,596
Treasury shares	(13,288)	(20,543)
Accumulated other comprehensive income	121,495	140,720
Subscription rights to shares	1,321	1,155
Non-controlling interests	1,070,674	1,031,925
<b>Net assets</b>	<b>2,121,226</b>	<b>2,087,201</b>
<b>Liabilities and net assets</b>	<b>13,833,319</b>	<b>12,940,869</b>

### Consolidated statement of income

	(Unit: Millions of yen, rounded down)	
	Year ended February 28, 2025	Year ended February 29, 2024
Operating revenue	10,134,877	9,553,557
Net sales	8,829,564	8,337,277
Operating revenue from financial services business	467,023	424,722
Other operating revenue	838,289	791,557
Operating cost	6,380,141	6,007,745
Cost of sales	6,313,968	5,953,919
Operating cost from financial services business	66,173	53,826
Operating gross profit	3,754,736	3,545,811
Selling, general and administrative expenses	3,516,989	3,294,989
<b>Operating profit</b>	<b>237,747</b>	<b>250,822</b>
Non-operating income	39,634	34,427
Non-operating expenses	53,158	47,769
<b>Ordinary profit</b>	<b>224,223</b>	<b>237,479</b>
Extraordinary income	35,798	20,717
Extraordinary losses	96,328	76,726
<b>Profit before income taxes</b>	<b>163,693</b>	<b>181,470</b>
Income taxes		
Current	102,159	87,175
Deferred	(9,803)	(10,568)
<b>Profit</b>	<b>71,337</b>	<b>104,863</b>
Profit attributable to non- controlling interests	42,553	60,171
<b>Profit attributable to owners of the parent</b>	<b>28,783</b>	<b>44,692</b>

(Translation for reference purposes only)

**Informational Materials for the 100<sup>th</sup> Ordinary General Meeting of Shareholders  
(Additional Paper-Based Documents Provided for Shareholders  
Who Request Their Delivery)**

(Translation for reference purposes only)

## ● Consolidated Business Review

### Corporate Governance

#### History of corporate governance reforms

The Company continually works to reform its corporate governance in an effort to create a foundation for continuous enhancement of corporate value. In 2003, the Company transitioned to a company with committees (currently, a company with a nomination committee and other committees) in order to separate the management supervision function and business execution function of the Board of Directors. In addition, by having outside directors form a majority of directors and making outside directors the chairpersons of the Nomination, Compensation, and Audit Committees, the transparency and fairness of management are further enhanced. In 2016, the Group formulated its Basic Policy on Corporate Governance and AEON Group Future Vision in 2023, which presents the Group's basic stance on corporate management and corporate governance and serves as its policy in corporate activities. Looking ahead, we will continue to undertake reforms to optimize the corporate governance system.

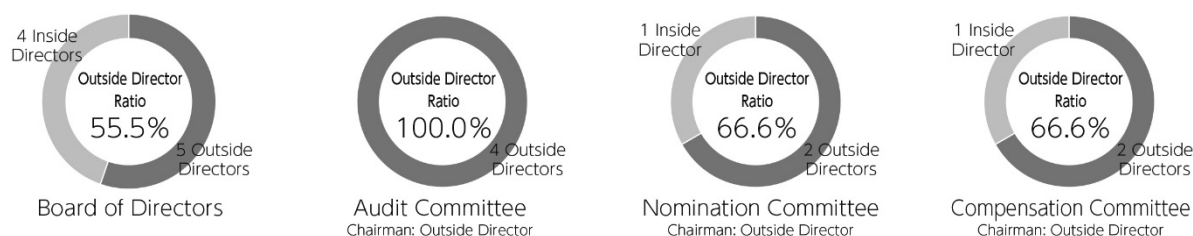
#### Corporate governance highlights

	2000	2001–	2003–	2007	2008	2009–	2013–	2016–	2018	2019	2020–	2022	2023	2024–	
Trade name	JUSCO Co., Ltd.	AEON CO., LTD. (since Aug. 2001)													
Organization form	Operating holding company				Pure holding company (since Aug. 2008)										
Corporate governance system	Company with a Board of Directors	Company with a Nomination Committee and Other Committees (since May 2003)													
Committees	–	Nomination Committee (Chairman: outside director)													
		Compensation Committee (Chairman: outside director)													
		Audit Committee (Chairman: outside director)													
Number of Directors	23	8	7	7	9	8				7	9				
(Of which, outside directors)	– (Note)	4 (half of directors)	3	3	5 (more than half of directors)					4 (more than half of directors)			5 (more than half of directors)		
(Of which, female directors)							1					2	3		
(Of which, foreign nationals)									1			2	3		
Operations of the Board of Directors, etc.									Assessment of the effectiveness of the Board of Directors						
									Outside Directors' Meeting						
Principles and policies	AEON Foundational Ideals (1989–)														
									Established Basic Policy on Corporate Governance						
	Established AEON Group Future Vision												→		

(Translation for reference purposes only)

(Note) The outside director system was introduced with the revision of the Commercial Code in 2003. AEON had already invited outside officers prior to this.

## Composition of the Board of Directors & the 3 Committees



\* All five outside directors meet the requirements for independent directors as stipulated by the Tokyo Stock Exchange and the Company has accordingly registered them as independent directors with the exchange.

## Main Roles and Meeting Status of Corporate Bodies

	Meeting status	Principal roles
Board of Directors	Met 7 times	<ul style="list-style-type: none"><li>- Supervision the performance of duties by directors and executive officers</li><li>- Decisions on matters that require resolution by the Board of Directors under the provisions of Article 416 of the Companies Act and that cannot be delegated to executive officers</li></ul>
Audit Committee	Met 8 times	<ul style="list-style-type: none"><li>- Auditing of the performance of duties by directors and executive officers</li><li>- Decisions pertaining to the content of motions to be introduced at shareholders' meetings concerning the appointment, dismissal, or non-reappointment of independent auditors</li></ul>
Nomination Committee	Met 3 times	<ul style="list-style-type: none"><li>- Decisions pertaining to the content of motions to be introduced at shareholders' meetings concerning the appointment or dismissal of directors</li></ul>
Compensation Committee	Met 3 times	<ul style="list-style-type: none"><li>- Decisions concerning the content of financial remuneration received by directors and executive officers</li></ul>

\* In addition to the number of Board of Directors meetings described above, there were two written resolutions that were deemed to be Board of Directors resolutions in accordance with Article 370 of the Companies Act and the provisions of the Articles of Incorporation.

\* In addition to the activities of the Board of Directors and Committees described above, the Company held outside directors' meetings and policy deliberation meetings, and furthermore conducted visits to overseas offices, etc.

## Activities of the Board of Directors

During the fiscal year under review, the Board of Directors convened seven times with a 100% attendance rate. In addition to voting on resolutions and reporting on matters as required by the Companies Act and other laws, the Board of Directors held vigorous discussions from a long-term perspective on important matters concerning the management, with the aim of achieving

(Translation for reference purposes only)

sustainable growth for the Company and increasing its corporate value. In FY2024, we held in-depth discussions about specific countermeasures for innovation in the Group's business portfolio and about risk and compliance issues.

In addition, through related committees that support the Board of Directors, we had important discussions on key policies in the Medium-term Management Plan. Wide-ranging information was shared through preliminary briefings and monthly reports, and following up the status of progress worked effectively, leading to enhanced discussion at meetings of the Board of Directors.

Furthermore, opportunities for outside directors to visit the Group's business in Japan and overseas were enhanced, and we incorporated diverse perspectives not bound by preconceived notions, which is reflected in the discussion at the Board of Directors from a medium- to long-term perspective. Since FY2025 is the final year in the lead up to a new Medium-term Management Plan, we will have even deeper discussion in FY2024 and further enhance the effectiveness of the Board of Directors.

#### **Activities of the Audit Committee**

During the fiscal year under review, the Audit Committee convened eight times with a 100% attendance rate for each of the Committee members. The main matters to be resolved at the Audit Committee have included preparing the fiscal year audit policy and audit reports, reappointing the Independent Auditors, and gaining approval regarding the remuneration of the Independent Auditors. Furthermore, the Committee receives audit plans and quarterly review reports of the Independent Auditors, audit reports of the Group Management Audit Office, as well as reports on matters such as the status of operations involving risk management initiatives and the internal notification system by the operating units, the status of addressing customer feedback, and the status of financial affairs and accounting. The Committee also engages in dialogue with the aim of achieving a more extensive understanding regarding executive officers in their performance of duties and internal control systems. In addition, with the aim of ensuring the independence of the Independent Auditors, it was confirmed that the basic policy on pre-approval, in regard to Independent Auditors and others providing non-assurance services aligned with standards of the International Ethics Standards Board for Accountants (IESBA) in relation to the provision of non-assurance services, has been followed and is being implemented appropriately.

#### **Activities of the Nomination Committee**

During the fiscal year under review, the Nomination Committee convened three times to deliberate and make decisions on the election of new director candidates and agenda items for the election of directors. The Committee also discussed the appropriate number and composition of directors as well as succession planning.



## **Activities of the Compensation Committee**

During the fiscal year under review, the Compensation Committee convened three times for the purpose of deliberating and deciding on amounts to be paid as performance-based remuneration for executive officers for FY2024 and the number of share compensation-type stock options to be issued, deliberating and deciding on amounts of remuneration for directors and executive officers for FY2025, and deliberating on revisions to Group director and executive officer remuneration guidelines.

## **Environmental and Social Initiatives**

### **Promoting Diversity, Equity and Inclusion - Aiming for Group's further growth and expansion**

AEON views the promotion of diversity, equity and inclusion (DE&I) not only as one of its responses to social issues but also as one of its management strategies. We restructured our organization into the DE&I Promotion Office in March 2024 with the aim of realizing the empowerment of even more diverse talent. The Company is engaged in activities that promote diversity aimed at bringing satisfaction to three parties: diverse employees and their families, customers, and the Company itself. We call this idea “*daimanzoku*” (which means “very satisfied” in Japanese), and we are working on various activities throughout the Group. As an opportunity to learn about DE&I viewed as a management strategy, we have implemented training for management, managers, and general employees, with a total of 5,257 participants. To strengthen the promotion of the empowerment of women, we commenced a new career program (training manager and general manager candidates) aimed at expanding the pipeline for women in a joint effort by the group labor and management. A total of 198 staff have participated, which has been an opportunity to improve perspectives/viewpoints, to change awareness and to change behavior. In our LGBTQ+ initiatives, we exhibited in the Tokyo Pride for the first time and introduced the creation of LGBTQ+ friendly shopping environments, etc. At the “*daimanzoku*” award, an event held annually that shares the best practices of Group companies, departments of overseas operating companies were newly included in the initiatives being judged, and reports were received for 33 initiatives from 29 companies. These initiatives that have been appropriate at each company including the creation of training schemes for teams of young employees, and measures aimed at promoting female managers and have contributed to the realization of value creation from diversity. In particular, we have further advanced initiatives to hire and promote the active participation of people with disabilities, and the ratio of people with disabilities has reached 3.05%.

(Translation for reference purposes only)

## Investment in human capital

AEON believes in the growth of each and every employee and aims to be a corporate group where each individual grows autonomously. We are working to strengthen the training, appointment, and recruitment of personnel for the purpose of realizing our growth strategies. As DX progresses, we have set a target of cultivating 2,000 personnel with digital expertise by 2025 through in-house training and external hiring. Furthermore, in the retail industry, there are significant opportunities for those who work within limited hours to excel, and we are also focusing on creating an environment where such personnel can work flexibly. For the second consecutive year, the Company has announced a 7% wage increase for the roughly 400 thousand part-timers, who account for 80% of our employees. As a continually innovating corporate group, AEON aims for sustainable growth through a dual approach of investing in human capital and striving to improve productivity.

### ● Overview of AEON and the AEON Group (as of February 28, 2025)

#### (1) Main Business

The AEON Group comprises the Company (a pure holding company), 306 consolidated subsidiaries, and 26 equity-method affiliates. The Group is engaged in various business operations, including the Group's core retail store operations together with businesses such as Financial Services, Shopping Center Development, and Services.

#### (2) Number of Stores

##### 1) Head Office

1-5-1, Nakase, Mihama-ku, Chiba-shi, Chiba

##### 2) Number of stores and facilities by format

Format	Number of stores	Format	Number of stores	Format	Number of stores
Mall-type SC	307	Home centers	119	Financial services	421
General merchandise stores	616	Convenience stores	2,023	Other services	2,111
Supermarkets	2,339	Specialty stores	3,179		
Supercenters	25	Drugstores	3,312	Total	17,927
Discount stores	596	Other retail	2,879		

#### (3) Financing and Investment

Focused on the Shopping Center Development Business, which continues to demonstrate growth, the AEON Group directed capital spending to investment in new stores in growth markets in Asia and on the refurbishment of existing domestic retail stores, as well as on digitalization of stores aimed at improving labor-hour productivity and on the digital field, including online supermarkets and e-commerce. Total capital spending on such projects as stores and digital initiatives amounted to 465.9 billion yen, which was financed by internal cash flows and new borrowings.

(Translation for reference purposes only)

#### (4) Directors and Executive Officers of the Company

##### 1) Directors and executive officers

##### Board of Directors

Name	Area of responsibility	Significant concurrent positions outside the Company
Motoya Okada	Chairman of the Board; Nomination Committee member; Compensation Committee member	
Akio Yoshida		
Yuki Habu		
Mitsuko Tsuchiya		
Takashi Tsukamoto	Chairman of the Nomination Committee; Chairman of the Compensation Committee; Audit Committee member	Senior Advisor of Mizuho Financial Group, Inc. Outside Director of Asahi Mutual Life Insurance Company Outside Director of Internet Initiative Japan Inc. Outside Director of Furukawa Electric Co., Ltd.
Peter Child	Nomination Committee member; Compensation Committee member	
Carrie Yu	Audit Committee member	Senior Advisor of PwC Hong Kong
Makoto Hayashi	Chairman of the Audit Committee	Special Counsel of Mori Hamada & Matsumoto External Audit & Supervisory Board Member of MITSUI & CO., LTD. Outside Audit and Supervisory Board Member of Central Japan Railway Company Outside Director of SBI Shinsei Bank, Limited
Richard Collasse	Audit Committee member	

*(Note) In addition to their positions as directors, Motoya Okada, Akio Yoshida, Yuki Habu, and Mitsuko Tsuchiya concurrently hold positions as executive officers. Area of responsibility and significant concurrent positions are stated under the Executive Officer summary.*

(Translation for reference purposes only)

## Executive officers

Position	Name	Area of responsibility and significant concurrent positions outside the Company
Chairman and Representative Executive Officer	Motoya Okada	Director and Advisor of AEON Mall Co., Ltd. Director and Advisor of AEON Retail Co., Ltd. Director and Advisor of United Super Markets Holdings Inc. Director of WELCIA HOLDINGS CO., LTD. Outside Director of KUSURI NO AOKI HOLDINGS CO., LTD.
President and Representative Executive Officer	Akio Yoshida	Director of CAN DO CO., LTD.
Executive Vice President and Executive Officer	Yuki Habu	Chief Officer of Digital
Executive Vice President and Executive Officer	Mitsuko Tsuchiya	Chief Officer of Merchandising Outside Director of YAMAYA CORPORATION
Executive Vice President and Executive Officer	Hiroyuki Watanabe	Chief Human Resources Officer, Promotion of Living Zone & Risk Management Director of AEON Financial Service Co., Ltd. Director of AEON DELIGHT CO., LTD.
Executive Officer	Takemi Ide	Chief Officer of GMS President and Representative Director of AEON Retail Co., Ltd. Director of AEON Hokkaido Corporation Director of AEON KYUSHU Co., Ltd.
Executive Officer	Keiji Kamio	Chief Officer of SM Director and Chairman of Maxvalu Tokai Co., Ltd. Director of MINISTOP Co., Ltd. Director of FUJI CO., LTD.
Executive Officer	Manabu Oike	Chief Officer of DS
Executive Officer	Motoyuki Shikata	Chief Officer of Strategy
Executive Officer	Tsukasa Ojima	Chief Officer of Business Development, Branding Director of AEON Financial Service Co., Ltd.
Executive Officer	Hiroaki Egawa	CFO Chief Officer of Business Management Director of AEON CO. (M) BHD. Audit & Supervisory Board Member of AEON Retail Co., Ltd.
Executive Officer	Daisuke Tezuka	Chief Officer of Logistics
Executive Officer	Toshiya Goto	China
Executive Officer	Yasuyuki Furusawa	Vietnam
Executive Officer	Naoya Okada	Malaysia Director and President of AEON CO. (M) BHD.

(Note 1) Takashi Tsukamoto, Peter Child, Carrie Yu, Makoto Hayashi, and Richard Collasse are all outside directors as stipulated under the Companies Act. In accordance with the rules of the Tokyo Stock Exchange, the Company has registered the names of all its outside directors as independent directors.

(Note 2) All Audit Committee members are to be independent outside directors (part-time) in the Company in order to maintain full independence of the Audit Committee and conduct highly transparent audits. Furthermore, the Group Management Audit Office has been set up independently of the business execution department. The Office ensures the effectiveness of the audit by gathering information through attendance of important meetings or interviews with executive officers while also assisting the duties of the Audit Committee by cooperating with the internal audit of the Group management and independent auditors.

(Note 3) The following personnel changes occurred during the year ended February 28, 2025:

- On March 1, 2024, Takemi Ide and Naoya Okada were newly elected as Executive Officers and assumed their positions.
- On April 17, 2024, Tadahisa Matsumoto resigned from the position of Executive Officer.

(Translation for reference purposes only)

- On May 29, 2024, Mitsuko Tsuchiya and Richard Collasse were newly elected as Directors and assumed their positions.

(Note 4) As of May 29, 2024, Soichi Okazaki retired from the positions of Executive Officer.

(Note 5) As a result of a restructuring effective March 1, 2025, the organizational responsibilities for executive officers are now as follows.

Position	Name	Area of responsibility
Chairman and Representative Executive Officer	Motoya Okada	
President and Representative Executive Officer	Akio Yoshida	
Executive Vice President and Executive Officer	Yuki Habu	China
Executive Vice President and Executive Officer	Mitsuko Tsuchiya	Merchandising, Logistics
Executive Vice President and Executive Officer	Jerry Black	Digital
Executive Vice President and Executive Officer	Hiroyuki Watanabe	Chief Human Resources Officer, Promotion of Living Zone & Risk Management
Executive Officer	Takemi Ide	SM
Executive Officer	Yasuyuki Furusawa	GMS
Executive Officer	Manabu Oike	DS
Executive Officer	Motoyuki Shikata	Business Structure Transform
Executive Officer	Tsukasa Ojima	Business Development, Branding
Executive Officer	Hiroaki Egawa	CFO, Business Management
Executive Officer	Naoya Okada	Malaysia
Executive Officer	Daisuke Tezuka	Vietnam
Executive Officer	Toshiya Goto	President of AEON (CHINA) CO., LTD.

(Note 6) Effective April 11, 2025, Takuya Ota was newly elected as an Executive Officer and assumed the position.

## 2) Items related to outside directors

### a. Significant concurrent positions held at other organizations and the relationships between these organizations and the Company

- Takashi Tsukamoto held the position of President & CEO of Mizuho Bank, Ltd., a group company of Mizuho Financial Group, Inc. at which he now concurrently serves as Senior Advisor. However, more than ten years have passed since his retirement from Mizuho Bank, Ltd. in 2013, and he currently has no involvement with the execution of business at the said bank. Even though the said bank is one of several principal lenders of the Company, it is not a business partner which has a significant impact on the Company's decision-making. The Company's borrowings from the said bank at the end of the most recent fiscal year were below 2% of the consolidated total assets of the Company.
- Peter Child has served as a Senior Partner at multiple branch offices of McKinsey & Co., and the Company has transactions with the said company. The monies paid

to McKinsey & Co. represent less than 0.1% of the Company's total consolidated SG&A expenses.

- Carrie Yu serves as a Senior Advisor for PricewaterhouseCoopers (PwC) Hong Kong, and the Company has transactions with multiple member firms of PwC. However, the monies paid to PwC represent less than 0.1% of the Company's total consolidated SG&A expenses.
- The Company has transactions with Mori Hamada & Matsumoto of which Makoto Hayashi is the Special Counsel. The monies paid to Mori Hamada & Matsumoto represent less than 0.1% of the Company's total consolidated SG&A expenses.

b. Attendance at Board/committee meetings (attendances/meetings) during the year under review

	Board of Directors	Audit Committee	Nomination Committee	Compensation Committee
Takashi Tsukamoto	7/7	8/8	3/3	3/3
Peter Child	7/7	–	3/3	3/3
Carrie Yu	7/7	8/8	–	–
Makoto Hayashi	7/7	8/8	–	–
Richard Collasse	6/6	5/5	–	–

c. Major activities during the year under review

< Overview of participation at the Board of Directors meetings and duties performed with regard to the expected role >

- Based on his ample experience and deep insight as a manager of a major financial institution, Takashi Tsukamoto actively participates in discussions relating to the maintenance and improvement of transparency and soundness throughout management as a whole, and the improvement of corporate governance. He provides advice to the Company's management from an objective and expert perspective and appropriately supervises its business execution. In addition, as Chairman of the Nomination Committee, he led necessary deliberation on the details of the proposal for the election of directors to be resolved at the general meeting of shareholders. Furthermore, as Chairman of the Compensation Committee, he led deliberation on individual remunerations, etc.
- Peter Child has expertise in the retail sector gained primarily from serving as a leader of consumer goods and retail group at a major consulting firm, and actively participates in discussions relating to matters such as the promotion of global management. He provides advice to the Company's management from an

objective and expert perspective and appropriately supervises its business execution.

- Carrie Yu belongs to professional accounting bodies in the UK, Hong Kong, and Canada. She has international expertise in accounting and the retail sector gained primarily from serving as a leader of retail and consumer group in the Asia Pacific region at a large professional services firm. In addition to monitoring internal control systems and auditing financial statements, she actively participates in discussions relating to the improvement of corporate governance. She provides advice to the Company's management from an objective and expert perspective and appropriately supervises its business execution.
- Based on his ample experience and insight with regard to law and compliance, Makoto Hayashi actively participates in discussions relating to the promotion of compliance management such as risk management and legal compliance. He provides advice to the Company's management from an objective and expert perspective and appropriately supervises its business execution. Furthermore, as Chairman of the Audit Committee, he led deliberation on agendas for resolutions at the Committee, including monitoring the Company's internal control systems and auditing the Company's financial statements.
- Richard Collasse has expertise regarding global management in the retail sector, which includes serving as Chief Officer of global companies in Europe and Asia, and as President of the Japan Office. He provides advice to the Company's management from an objective and expert perspective, including active participation in discussions relating to matters such as the promotion of global management, and appropriately supervises its business execution.

### 3) Summary of agreements limiting liability

- To ensure an ability to attract persons capable of contributing as outside directors, the Company has entered into agreements that limit the liability of each outside director. For damages as outlined in Article 423, paragraph 1 of the Companies Act, these agreements state that when outside directors carry out their duties in good faith and with no serious negligence, their liability to compensate the Company is limited to 15 million yen or to an amount stipulated by laws and regulations, whichever is higher; and that they are exempt from an outside director's obligation to compensate the Company for any amounts that exceed these limits.

4) Summary of directors and officers liability insurance contract

a. Scope of insureds

- Directors and executive officers of the Company, and directors, Audit & Supervisory Board Members, executive officers, etc., of certain domestic subsidiaries

b. Summary of the insurance contract

- The Company has entered into a directors and officers liability insurance contract (“D&O insurance policy”) with an insurance company as stipulated in Article 430-3, paragraph 1 of the Companies Act. The D&O insurance policy covers costs for compensation for damages and litigation costs incurred by the insured persons arising from claims for compensation of damages arising from actions (including negligence) carried out pursuant to the company position of the relevant director or officer.

However, the D&O insurance policy has an established excess amount, whereby damages within that excess are not covered by the policy. Insurance premiums are paid in full by the Company.

5) Policies on personal remuneration for directors and executive officers

The basic policy of the remuneration system and the details of remuneration for officers of the Company shall be determined by the Compensation Committee where outside directors hold the majority and one serves as chairman for the purpose of high transparency and objectivity.

a. Remuneration policy

- Based on the basic philosophy, with its ever-lasting innovative spirit, the Company’s directors and executive officers will contribute to the sustainable growth of the Group, boldly rising to the challenges.
- The Company’s directors and executive officers receive remuneration based on their roles as directors and executive officers and the degree of achievement of the management target.

**Remuneration structure basic policy**

- i. The remuneration structure shall be highly fair so that it will be understood and endorsed by customers, employees, and shareholders, and shall be decided using transparent, appropriate criteria.
- ii. The structure shall link remuneration with the medium- to long-term management strategy and performance of the Group which will create strong incentives toward the execution of the management strategy.
- iii. Remuneration shall be at a level that leads to the security and maintenance of the human resources responsible for the Group’s management.



- iv. The remuneration structure and levels shall be revised appropriately as needed based on economic and social conditions and the Group's management environment and performance.
- b. Remuneration to directors
  - i. Basic remuneration shall be paid to directors.
  - ii. Remuneration to directors shall not be paid for directors who concurrently perform executive duties.
- c. Remuneration to executive officers
  - i. Basic remuneration

It shall be determined in accordance with their individual evaluation within the standard amounts set for each position.
  - ii. Performance-based remuneration

The percentage weight of the performance-based remuneration of executive officers to the total monetary remuneration (basic remuneration + performance-based remuneration) shall be to the extent of 30% to 50%.
  - iii. Share compensation-type stock options

Share compensation-type stock options shall be granted in the form of subscription rights to shares for the purpose of enhancing morale and motivation to continuously improve performance and increase corporate value. Such shall be done by strengthening the linkage between the stock price and performance with the remuneration.

The number of subscription rights to shares granted shall be determined according to the standard number for each position.
  - iv. Composition of performance-linked remuneration

Performance-based remuneration and the share compensation-type stock options shall be composed of corporate performance-based remuneration and personal performance-based remuneration. For Chairman and President, however, such remuneration shall be evaluated based on corporate performance and the progress of the Medium-term Management Plan.

    - a) Corporate performance-based remuneration

It shall be determined by calculating from the multiple based on the degree of achievement in AEON's consolidated performance to the standard amounts set

and the number of stock options allocated for each position in consideration of the overall performance.

b) Personal performance-based remuneration

It shall be determined by calculating from the multiple based on the evaluation of the individual performance based on the degree of achievement of the management target linked to the Medium-term Management Plan to the standard amounts set and the number of stock options allocated for each position.

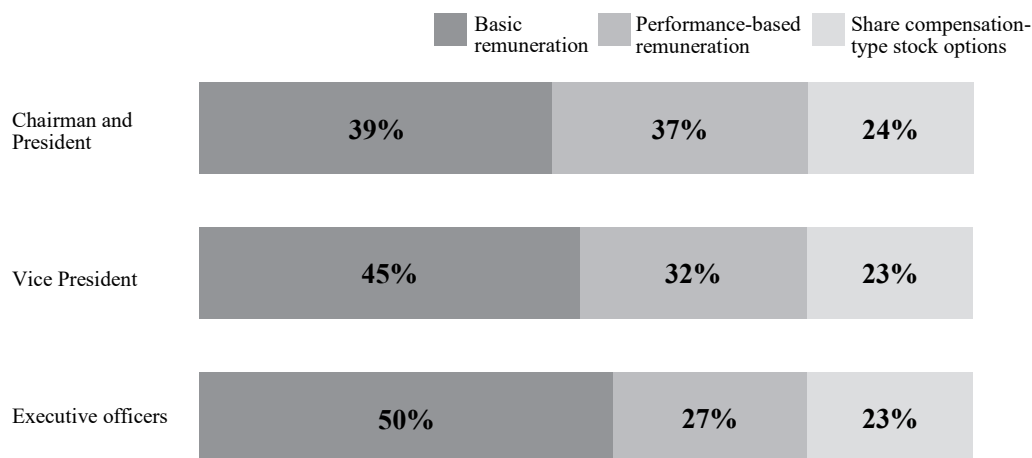
v. Indicators for performance-linked remuneration and the actual result

The main indicators for the payment of performance-based remuneration and share compensation-type stock options shall consist of the consolidated operating revenue, which represents the growth of the overall business, and the degree of achievement with regard to consolidated ordinary profit, as an overall pointer to profitability. The payment ratio that is applied to the performance-linked remuneration shall be 100% of the standard amount if the targets set at the beginning of the business year are achieved. This payment ratio shall vary within the range of 0% to 200% based on business performance and individual evaluation in the relevant fiscal year.

For the result of the fiscal year under review, the Compensation Committee deliberated on and determined the payment ratio based on a consolidated operating revenue of 10,134.8 billion yen and a consolidated ordinary profit of 224.2 billion yen.

(Translation for reference purposes only)

## Composition of remuneration to executive officers



Note: The remuneration weighting shown is for an estimated achievement ratio of 100%.

## Payment standards for executive officers

Items	Payment method	Payment standards			
Basic remuneration	Every month	Determined based on the table of remuneration set for each position			
Performance-based remuneration / Share compensation	Once per year	Chairman and President			
		Contents			Weight
		Quantitative evaluation	Annual financial indicators	Operating revenue	30%
				Ordinary profit	40%
		Qualitative evaluation	Medium-term Management Plan	Evaluation of the progress of the Medium-term Management Plan	30%
		Vice President and Executive officer			
		Contents			Weight
		Quantitative evaluation	Annual financial indicators	Operating revenue	20%
				Ordinary profit	30%
		Qualitative evaluation	Target linked to the Medium-term Management Plan	Evaluation of the degree of achievement of the target	50%

(Translation for reference purposes only)

6) Details of Compensation Committee activities during the process of determining the amounts of remuneration, etc. for directors and executive officers

As the Company is a company with a nomination committee and other committees, the content of individual remuneration, etc. for directors and executive officers is deliberated and determined based on the basic policy and calculation method for the remuneration system as determined by the Compensation Committee, in which the chairperson is an outside director and outside directors form a majority of committee members. The procedure and content of this deliberation and determination are deemed to have been in accordance with the determination policy.

From the standpoint of ensuring objectivity and transparency, the Compensation Committee reports the remuneration determined for directors and executive officers to the Board of Directors.

The activities of the Compensation Committee for determining the amounts of remuneration for directors and executive officers during the fiscal year under review were as follows.

April 10, 2024	FY2023	Deliberation on and resolution of payment amount of performance-based remuneration for executive officers
	FY2023	Deliberation on and resolution of the issuance of share compensation-type stock options
	FY2024	Deliberation on and resolution of prescribed amounts of personal basic remuneration and performance-based remuneration for executive officers
		Deliberation on and resolution of Group director and executive officer remuneration guidelines
May 29, 2024	FY2024	Deliberation on and resolution of basic remuneration for outside directors
	FY2024	Deliberation on and resolution of the number of share compensation-type stock options to allocate
February 13, 2025	FY2025	Deliberation on remuneration for executive officers
April 11, 2025	FY2024	Deliberation on and resolution of payment amount of performance-based remuneration for executive officers
	FY2024	Deliberation on and resolution of the issuance of share compensation-type stock options
	FY2025	Deliberation on and resolution of prescribed amounts of personal basic remuneration and performance-based remuneration for executive officers

## (5) Independent Auditors

### 1) Name: Deloitte Touche Tohmatsu LLC

The financial statements of the Company's overseas consolidated subsidiaries are audited by other auditing firms.

### 2) Amount of compensation

i. Amount of compensation paid for services rendered as independent auditors during the fiscal year under review	156 million yen
ii. Total cash and other compensation paid by AEON and its subsidiaries to their independent auditors	2,610 million yen

*(Note 1) Since the auditing services contract between the Company and the independent auditors does not make a clear distinction between the amounts of remuneration payable to the independent auditors with respect to auditing services rendered under the Companies Act and those amounts payable for auditing services rendered under the Financial Instruments and Exchange Act, the "Amount of compensation paid for services rendered as independent auditors during the fiscal year under review" equals the sum of the amounts for these two categories.*

*(Note 2) Payments by the Company and its subsidiaries to the independent auditors are for consulting services for J-SOX, etc., which are defined as services other than those provided under Article 2, paragraph 1 of the Certified Public Accountants Act.*

*(Note 3) Auditing firms other than the independent auditors of AEON provide auditing services to AEON CREDIT SERVICE (ASIA) CO., LTD. and four other major subsidiaries of the Company.*

*(Note 4) The Company's Audit Committee has confirmed the validity of the audit hours and the estimated amount of remuneration payable to the independent auditors through interviews conducted with independent auditors on the personnel structure, audit plans, audit situation, quality management of audit, etc., and opinions received from related divisions on the independence and expertise of the auditing team as well as its work performance. After reviewing, the Audit Committee has agreed with the matters relating to the remuneration of independent auditors.*

### 3) Policy regarding decisions to dismiss or not to reappoint independent auditors

The Company will make such decisions if it is deemed that actions by independent auditors violate or conflict with provisions of the Companies Act or other laws and regulations, or that a significant event has occurred resulting in a loss of trust in independent auditors.

(Translation for reference purposes only)

## (6) Employees

Business segment	Number of employees (Note 1)	Number of hourly employees (Note 2)
GMS Business	34,898	106,090
SM Business	26,906	91,165
DS Business	1,848	9,284
Health & Wellness Business	16,764	27,522
Financial Services Business	15,547	4,997
Shopping Center Development Business	4,314	1,921
Services & Specialty Store Business	32,341	21,728
International Business	30,416	6,510
Other Business	1,950	548
Pure Holding Company, etc.	3,017	3,221
Total	168,001	272,986

(Note 1) Figures refer to employees on the full-time payroll of AEON Group companies (excluding any employees seconded to companies outside the AEON Group, but including any external workers on temporary loans to AEON Group companies).

(Note 2) The numbers of hourly employees represent the average number during the term (calculated on the basis of eight working hours/day). In addition, the actual number of individuals working on an hourly basis is approximately 448,000 employees. Accordingly, the actual number of individuals working for the AEON Group is approximately 616,000 employees.

## (7) Principal Creditors

Creditors	Amount (Millions of yen)
Mizuho Bank, Ltd.	92,000
Sumitomo Mitsui Banking Corporation	64,000
The Norinchukin Bank	49,400
Development Bank of Japan Inc.	43,500
MUFG Bank, Ltd.	38,000
Sumitomo Mitsui Trust Bank, Limited	19,000
The Chiba Bank, Ltd.	17,500

(Note) The amounts in this Business Report have been rounded down to the appropriate units used in the document.

(Translation for reference purposes only)

## Consolidated balance sheet

(Unit: Millions of yen, rounded down)

As of February 28, 2025			
Assets		Liabilities	
<b>Current assets</b>	<b>8,693,526</b>	<b>Current liabilities</b>	<b>8,443,663</b>
Cash and deposits	1,258,383	Notes and accounts payable – trade	1,082,565
Call loans	1,514	Deposits for banking business	5,196,949
Notes and accounts receivable – trade	1,856,384	Short-term loans payable	427,829
Securities	874,398	Current portion of long-term loans payable	395,332
Inventories	649,955	Current portion of bonds	189,310
Operating loan	595,895	Commercial papers	9,344
Loans and bills discounted for banking business	3,022,476	Lease obligations	75,635
Other	569,237	Income taxes payable	62,790
Allowance for doubtful accounts	(134,719)	Contract liabilities	217,954
		Provision for bonuses	41,941
		Provision for loss on store closing	12,432
		Provision for point card certificates	8,362
<b>Non-current assets</b>	<b>5,139,792</b>	Notes payable – facilities	57,227
<b>Property, plant, and equipment</b>	<b>3,599,604</b>	Other	665,986
Buildings and structures, net	1,760,663	<b>Non-current liabilities</b>	<b>3,268,429</b>
Tools, furniture and fixtures, net	278,436	Bonds payable	937,626
Land	1,090,370	Long-term loans payable	1,479,593
Leased assets, net	99,698	Lease obligations	317,999
Construction in progress	72,807	Deferred tax liabilities	23,586
Other, net	297,628	Provision for directors' retirement benefits	266
		Provision for loss on store closing	10,918
<b>Intangible assets</b>	<b>416,147</b>	Provision for contingent loss	152
Goodwill	154,413	Provision for loss on interest repayment	1,172
Software	193,303	Net defined benefit liability	17,279
Leased assets, net	26,021	Asset retirement obligations	130,080
Other	42,410	Long-term guarantee deposited	269,985
		Reserve for insurance policy liabilities	42,753
<b>Investments and other assets</b>	<b>1,124,039</b>	Other	37,015
Investment securities	326,209	<b>Liabilities</b>	<b>11,712,092</b>
Net defined benefit asset	70,242		
Deferred tax assets	164,381	<b>Net assets</b>	
Guarantee deposits	368,322	<b>Shareholders' equity</b>	<b>927,734</b>
Deposits for stores in progress	4,609	Capital stock	220,007
Other	195,097	Capital surplus	298,350
Allowance for doubtful accounts	(4,822)	Retained earnings	422,664
		Treasury shares	(13,288)
		<b>Accumulated other comprehensive income</b>	<b>121,495</b>
		Valuation difference on available-for-sale securities	7,199
		Deferred gains or losses on hedges	788
		Foreign currency translation adjustment	98,415
		Remeasurements of defined benefit plans	15,091
		<b>Subscription rights to shares</b>	<b>1,321</b>
		<b>Non-controlling interests</b>	<b>1,070,674</b>
		<b>Net assets</b>	<b>2,121,226</b>
<b>Assets</b>	<b>13,833,319</b>	<b>Liabilities and net assets</b>	<b>13,833,319</b>

(Translation for reference purposes only)

## Consolidated statement of income

(Unit: Millions of yen, rounded down)

<b>Year ended February 28, 2025</b>	
<b>Net sales</b>	<b>8,829,564</b>
<b>Operating revenue from financial services business</b>	<b>467,023</b>
<b>Other operating revenue</b>	<b>838,289</b>
<b>Operating revenue</b>	<b>10,134,877</b>
<b>Cost of sales</b>	<b>6,313,968</b>
<b>Operating cost from financial services business</b>	<b>66,173</b>
<b>Operating cost</b>	<b>6,380,141</b>
<b>Gross profit</b>	<b>2,515,596</b>
<b>Operating gross profit</b>	<b>3,754,736</b>
<b>Selling, general and administrative expenses</b>	<b>3,516,989</b>
<b>Operating profit</b>	<b>237,747</b>
<b>Non-operating income</b>	
Interest income	5,759
Dividend income	5,936
Share of profit of entities accounted for using equity method	6,338
Penalty income from leaving tenants	2,128
Reversal of allowance for doubtful accounts	300
Other	19,169
	<b>39,634</b>
<b>Non-operating expenses</b>	
Interest expenses	43,122
Other	10,035
	<b>53,158</b>
<b>Ordinary profit</b>	<b>224,223</b>
<b>Extraordinary income</b>	
Gain on sales of non-current assets	6,334
Gain on sales of investment securities	24,480
Other	4,984
	<b>35,798</b>
<b>Extraordinary losses</b>	
Impairment loss	61,244
Provision for loss on store closing	13,069
Loss on retirement of non-current assets	3,261
Loss on store closing	2,012
Loss on sales of shares of associates	2,091
Expenses related to bad debts	9,945
Other	4,703
	<b>96,328</b>
<b>Profit before income taxes</b>	<b>163,693</b>
<b>Income taxes</b>	
Current	102,159
Deferred	(9,803)
	<b>92,356</b>
<b>Profit</b>	<b>71,337</b>
Profit attributable to non-controlling interests	42,553
<b>Profit attributable to owners of the parent company</b>	<b>28,783</b>



(Translation for reference purposes only)

## Nonconsolidated balance sheet

(Unit: Millions of yen, rounded down)

As of February 28, 2025			
Assets		Liabilities	
<b>Current assets</b>	<b>450,174</b>	<b>Current liabilities</b>	<b>367,136</b>
Cash and deposits	26,451	Short-term loans payable	60,000
Short-term loans receivable to subsidiaries	363,910	Current portion of long-term loans payable	29,750
Accrued income	18,440	Current portion of bonds	25,000
Accounts receivable – other	6,736	Accounts payable – other	8,745
Other	34,636	Accrued expenses	3,721
		Income taxes payable	14,547
<b>Non-current assets</b>	<b>1,430,323</b>	Accrued consumption taxes	992
<b>Property, plant, and equipment</b>	<b>15,094</b>	Deposits received	171,203
Buildings, net	10,673	Provision for bonuses	301
Structures, net	85	Other	52,874
Tools, furniture and fixtures, net	351	<b>Non-current liabilities</b>	<b>877,484</b>
Land	3,984	Bonds payable	320,000
		Long-term loans payable	436,500
<b>Intangible assets</b>	<b>1,495</b>	Allowance for investment loss, etc.	120,788
Rights of trademark	452	Other	196
Other	1,042	<b>Liabilities</b>	<b>1,244,621</b>
		<b>Net assets</b>	
<b>Investments and other assets</b>	<b>1,413,733</b>	<b>Shareholders' equity</b>	<b>615,444</b>
Investment securities	215,487	<b>Capital stock</b>	<b>220,007</b>
Stock of subsidiaries and affiliates	1,116,478	<b>Capital surplus</b>	<b>327,295</b>
Investments in capital of subsidiaries and affiliates	78,360	Legal capital surplus	316,894
Deferred tax assets	24,667	Other capital surplus	10,400
Other	2,229	<b>Retained earnings</b>	<b>81,411</b>
Allowance for doubtful accounts	(61)	Legal retained earnings	11,770
Allowance for investment loss, etc.	(23,428)	Other retained earnings	69,641
		Reserve for advanced depreciation of fixed assets	3,581
		General reserve	15,500
		Retained earnings brought forward	50,559
		<b>Treasury shares</b>	<b>(13,270)</b>
		<b>Valuation and translation adjustments</b>	<b>19,843</b>
		Valuation difference on available-for-sale securities	18,939
		Deferred gains or losses on hedges	903
		<b>Subscription rights to shares</b>	<b>588</b>
		<b>Net assets</b>	<b>635,876</b>
<b>Assets</b>	<b>1,880,497</b>	<b>Liabilities and net assets</b>	<b>1,880,497</b>

(Translation for reference purposes only)

## Nonconsolidated statement of income

(Unit: Millions of yen, rounded down)

Year ended February 28, 2025

### Operating revenue

Dividends from subsidiaries and affiliates	40,974
Commissions from subsidiaries and affiliates	31,229
Other	946
	<u>73,150</u>

**Operating gross profit** **73,150**

**Selling, general and administrative expenses** **26,109**

**Operating profit** **47,040**

### Non-operating income

Interest and dividend income	11,316
Gain on investments in partnership	2,868
Other	112
	<u>14,297</u>

### Non-operating expenses

Interest expenses	12,186
Provision of allowance for investment loss, etc.	14,909
Other	2,508
	<u>29,604</u>

**Ordinary profit** **31,733**

### Extraordinary income

Gain on sales of investment securities	24,114
Gain on sales of stock of subsidiaries and affiliates	3,315
	<u>27,430</u>

### Extraordinary losses

Provision of allowance for investment loss, etc.	5,388
Loss on support to subsidiaries and associates	1,170
Loss on valuation of shares of subsidiaries and associates	0
	<u>6,558</u>

**Profit before income taxes** **52,605**

### Income taxes

Current	14,898
Deferred	(2,514)
	<u>12,384</u>

**Profit** **40,221**

(Translation for reference purposes only)

## Reference

Composition of Committee Members and Executive Officers Following Conclusion of General Meeting of Shareholders (Planned)

Committee Members (planned effective date May 28, 2025)

Committee	Name	* Chairperson
Audit Committee	*Makoto Hayashi, Takashi Tsukamoto, Carrie Yu, Richard Collasse	
Nomination Committee	*Takashi Tsukamoto, Peter Child, Motoya Okada	
Compensation Committee	*Takashi Tsukamoto, Peter Child, Motoya Okada	

Executive Officers (planned effective date May 28, 2025)

Position	Name	Area of responsibility
Chairman and Representative Executive Officer	Motoya Okada	
President and Representative Executive Officer	Akio Yoshida	
Executive Vice President and Executive Officer	Yuki Habu	China
Executive Vice President and Executive Officer	Mitsuko Tsuchiya	Merchandising and Logistics
Executive Vice President and Executive Officer	Jerry Black	Digital
Executive Vice President and Executive Officer	Hiroyuki Watanabe	Chief Human Resources Officer, Promotion of Living Zone & Risk Management
Executive Officer	Takemi Ide	SM
Executive Officer	Yasuyuki Furusawa	GMS
Executive Officer	Manabu Oike	DS
Executive Officer	Motoyuki Shikata	Business Structure Transform
Executive Officer	Tsukasa Ojima	Business Development, Branding
Executive Officer	Hiroaki Egawa	CFO, Business Management
Executive Officer	Naoya Okada	Malaysia
Executive Officer	Daisuke Tezuka	Vietnam
Executive Officer	Toshiya Goto	President of AEON (CHINA) CO., LTD.
Executive Officer	Takuya Ota	Customer Creation

*\*The above are the plans in the event the agenda for the election of members of the Board of Directors is approved in full. Motoya Okada, Akio Yoshida, Yuki Habu, and Mitsuko Tsuchiya are expected to hold concurrent positions as directors.*

*\* The voting results for this General Meeting of Shareholders are scheduled to be published on the Company's website on Friday, May 30, 2025. Items reported on the day of the General Meeting of Shareholders and so forth are scheduled to be updated on the Company's website on Tuesday, June 10, 2025, for your viewing.*

*The Company's website: <https://www.aeon.info/ir/stock/meeting/> (in Japanese)*

(Translation for reference purposes only)

## Informational Materials for the 100<sup>th</sup> Ordinary General Meeting of Shareholders (Items Not Provided in Paper-Based Documents Provided to Shareholders Who Request Their Delivery)

### ● Items Related to the Company's Subscription Rights to Shares

- 1) Subscription rights to shares delivered as consideration for execution of duties and held by the Company's executive officers as of the final day of the business year under review

Issues of stock options (Issuance resolution date)	Exercise period	Number of subscription rights to shares	Number of shares subject to the rights (Common stock)	Number of persons holding the rights	Issuing price	Amount of capital contributed upon exercise
No. 15 subscription rights to shares (June 21, 2017)	July 21, 2017 to July 20, 2032	2	200 shares	1	1,515 yen per share	1 yen per share
No. 16 subscription rights to shares (June 21, 2018)	July 21, 2018 to July 20, 2033	54	5,400 shares	2	2,176 yen per share	1 yen per share
No. 17 subscription rights to shares (June 21, 2019)	July 21, 2019 to July 20, 2034	42	4,200 shares	2	1,618 yen per share	1 yen per share
No. 18 subscription rights to shares (June 21, 2020)	July 21, 2020 to July 20, 2035	41	4,100 shares	3	2,224 yen per share	1 yen per share
No. 19 subscription rights to shares (June 21, 2021)	July 21, 2021 to July 20, 2036	37	3,700 shares	3	2,655 yen per share	1 yen per share
No. 20 subscription rights to shares (June 21, 2022)	July 21, 2022 to July 20, 2037	127	12,700 shares	5	2,001 yen per share	1 yen per share
No. 21 subscription rights to shares (June 21, 2023)	July 21, 2023 to July 20, 2038	224	22,400 shares	8	2,568 yen per share	1 yen per share
No. 22 subscription rights to shares (June 21, 2024)	July 21, 2024 to July 20, 2039	488	48,800 shares	10	3,146 yen per share	1 yen per share

\* As subscription rights to shares are issued as compensation to executive officers, etc. that corresponds to accounting fair value on the allotment date, monetary payment is not required in return for subscription rights to shares.

There are no subscription rights to shares issued to directors (including outside directors) as compensation for the execution of their duties.

Conditions for exercising subscription rights to shares (same for all issues)

- The person receiving subscription rights to shares must be an executive officer of the Company (or an executive officer of a Group company whose position is deemed the

(Translation for reference purposes only)

equivalent of such by the Compensation Committee of AEON) at the time that the rights are exercised. However, even if a person retires from his/her position as executive officer of the Company, etc., he or she may exercise those rights within a period of five years from the date of his/her retirement.

- When exercising subscription rights to shares, the executive officer must exercise the entire number of the rights in his/her possession and may not exercise them in installments.

2) New deliveries of subscription rights to shares in the business year under review as consideration for execution of duties to employees of the Company and officers and employees of Group subsidiaries and affiliates

a. Employees of the Company

None.

b. Officers and employees of Group subsidiaries and affiliates

Issues of stock options (Issuance resolution date)	Exercise period	Number of subscription rights to shares	Number of shares subject to the rights	Number of persons to whom the rights have been delivered	Issuing price	Amount of capital contributed upon exercise
No. 22 subscription rights to shares (June 21, 2024)	July 21, 2024 to July 20, 2039	351	35,100 shares	18	3,146 yen per share	1 yen per share

Conditions for exercising subscription rights to shares are the same as item 1) above.

## ● Company Structure and Policies

### (1) Basic Concept of AEON's Corporate Governance

AEON places its Foundational Ideals of “Pursuing peace, respecting humanity, and contributing to local communities, always with the customer’s point of view as its core.” to all of its policies in corporate activities, and has pursued its business based on such policies.

Our ideal corporate governance based on these values is set forth under the Basic Policy on Corporate Governance with the following five basic stances as its core.

i. Value creation through customer orientation and frontline focus

At AEON, we consider the realization of a sense of well-being for customers our most important mission. We pursue optimal value creation adapted to changing customer needs by focusing tightly on the frontline of the business, our point of contact with customers, and by always thinking with customers as the starting point.

ii. Respect for people, our most important management resource

By respecting employees, placing importance on diversity, and actively providing education opportunities in keeping with the conviction that people are the most important management resource, AEON aspires to be a company made up of employees who strive for self-growth, are linked by strong bonds, and find their greatest pleasure in contributing to customers.

iii. A posture of developing together with local communities

As a member of local communities and a caring corporate citizen, AEON seeks to develop together with our fellow community members, namely our customers, employees, shareholders, and business partners, and to contribute to the prosperity of local communities, sustainability of the natural environment, and peace.

iv. Sustained growth based on a long-term perspective and ceaseless innovation

To continue to meet the expectations of customers and local communities, AEON strives for sustained growth accompanied by value creation from a long-term perspective, and management focused on sustained value enhancement for the entire group by undertaking ceaseless innovation to cope with a changing business environment.

v. Pursuit of transparent, disciplined management

AEON strives for transparent and disciplined management by seeking proactive dialogue with customers and other stakeholders, taking their evaluations seriously, and being self-disciplined at all times.

**(2) Matters Necessary for the Performance of Duties by the Audit Committee, Systems to Ensure That the Execution of Duties by Executive Officers Complies with Laws and Regulations and the Articles of Incorporation, and Other Systems Necessary to Ensure Proper Conduct of the Company's Operations**

**[Summary of Resolutions by the Board of Directors]**

1) Matters related to auditing

The approval of the Audit Committee is required for any personnel changes within the Internal Audit Division, which assists the Audit Committee in its work.

Regular reports are provided to the Audit Committee on the status of internal auditing/control activities covering the Group as a whole and on messages that have been received through the Company's internal notification system, which is accessible by all the Group's employees.

In addition to participating in important meetings, the members of the Internal Audit Division receive reports from executive officers and others on their execution of duties and pass this information on to the Audit Committee.

2) Preservation and management of information

The minutes of all meetings are prepared by the Secretariat Division, which also stores the minutes; documentation of the decisions reached at the meetings is also stored and managed by the individuals drafting the resolutions.

3) Risk management

AEON has established a post of Administration & Risk Management, which convenes the Risk Management Committee, as well as AEON's risk management system and governance system under the AEON Management Committee (the Group's top-level management body), while the Internal Audit Division monitors its operating status.

AEON is committed to opposing antisocial forces in every aspect of its business. Any related matters are handled at the organizational level, and the Group's readiness in this area is maintained by providing internal regulations, conducting an investigation, and

keeping close relations with external specialist organizations as well as investigative and other institutions.

The Company and all its Group member companies are committed to the ongoing construction and development of internal controls related to financial reporting (as required by the so-called “J-SOX Act”).

4) System for efficient execution of duties

Job descriptions and the authority allotted to each position within the Company are determined by regulations which spell out responsibilities and authority. In addition to promoting the organized and efficient operation of the Company’s business, this structure also functions as a checking mechanism by stipulating which departments may be consulted.

5) Compliance system

The Company has formulated a compliance system in accordance with the latest revisions of laws and regulations that entails the adoption and strict enforcement of the norms which all of the Group’s employees are expected to follow, and periodic training sessions for employees.

6) Management of Group companies

While conducting deliberations on management plans for the Group member companies at meeting bodies that are organized according to business-specific or function-specific purposes, etc., the Company operates as a Group head office aimed at promoting integrated management by having its divisions provide guidance on business operations to the individual Group member companies while allowing each company to retain its operational independence and autonomy.

**[Management Status]**

The Company strives to ensure transparency and fairness and practice sustainable and stable management through pursuing management based on its Foundational Ideals that incorporate a group-wide perspective. To provide a framework to support this, the Company is constantly ensuring the systems for internal controls are in place and working to advance the compliance and risk management of those internal controls. Moreover, the Company has chosen a company with a nomination committee and other committees system as the optimal corporate governance system to implement those objectives. The Company clearly segregates management oversight and business execution and has instituted a governance system that realizes expeditious management decision-making through delegation of significant authority



to executive officers while having established the Nomination Committee, Audit Committee, and Compensation Committee, each consisting of a majority of outside directors, to ensure management transparency and objectivity.

By making all the Audit Committee members independent outside directors, the Company is ensuring a maximum level of independence of the Audit Committee and carrying out audits with a high degree of transparency. In addition, the Company has established the Group Management Audit Office (30 dedicated personnel) as a department responsible for internal audits that is independent of other execution of business. Additionally, for the auditing activities of each Group company, the Company has a system in which the Group Management Audit Office provides guidance and support based on the audit results and the report of the Control Self Assessment (CSA) by the internal audit department of each Group company.

For the purpose of contributing to the effective achievement of the Company's and each Group company's management targets, the Group Management Audit Office operates pursuant to the Internal Audit Rules to conduct internal audits of the Company and each Group company while monitoring the status of the implementation of internal audits at each Group company to confirm that the internal control systems are properly functional. The Group Management Audit Office introduces auditing methods that conform to the standards of The Institute of Internal Auditors, an international organization relating to internal auditing, and conducts risk-based auditing while deploying those methods to each Group company. Audit results are reported to the Audit Committee. Moreover, in addition to receiving reports on the audit results and the status of auditing from independent auditors, the Group Management Audit Office has strengthened communication with independent auditors for the purpose of conducting appropriate audits by exchanging information on a fortnightly basis.

In addition to establishing a code to be followed for the compliance structure, and strictly enforcing that code on all employees of the Group, AEON regularly implements training designed to instill and foster compliance awareness. Furthermore, an internal notification system, which provides direct contacts with the Company and external contacts, for the prevention and early discovery of violations against laws and regulations and code of ethics, has been in operation since 2004 as part of efforts to promote and solve problems regarding the compliance of the entire Group. In 2020, as part of the improvement and expansion of the Group's internal notification system, AEON established the AEON Code of Conduct Lawyer's Office Hotline (a dedicated hotline for misconduct involving officers) for Group companies in Japan and expanded the hotline to cover Group companies overseas (including China and ASEAN countries) in 2021. AEON has also established a hotline for suppliers.

In the information storage management structure, AEON makes efforts in information management and the prevention of leakage of confidential information by establishing various in-house regulations such as “Regulation on internal information management and insider trading control” for the purpose of appropriate storage and management of information along with the prevention of leakage of the aforesaid.

In the risk management structure, a post of Administration & Risk Management has been created, and meetings of the Risk Management Committee are held. The Risk Management Committee extracts high-priority risks through risk assessment and other ways and then implements progress management of the measures for the risks and effects of the measures. Furthermore, risk management status and measures are reported and proposed to AEON’s Executive Officers. In addition, AEON launched the Human Rights Due Diligence Committee as a subcommittee of the Risk Management Committee and has promoted strengthening of the effectiveness of measures taken to identify and assess serious human rights issues surrounding the AEON Group and mitigate the likelihood of serious human rights issues from arising. Recognizing that our countermeasures for cyberattacks, which could have a significant impact on business continuity, are a serious issue, AEON established the Group Information Security Office, and this office is leading efforts to combat business continuity risks such as system outages caused by cyberattacks. We will strive to anticipate, predict, and preclude particular risks with the potential for grave impact by assembling interdivisional task forces.

In the exclusion of antisocial forces, the Company responds as an organization through the development of internal regulations such as crime prevention rules and carrying out investigations, in close cooperation with investigative agencies, etc., including in transactions.

In regard to the construction and development of internal controls related to financial reporting, the Company and all its Group member companies are committed to efforts including clearly describing policies related to the management’s preparation of reliable financial reports and developing a system for transmitting policies and instructions to consolidated subsidiaries involved in preparing financial reports. As for the management status, it is reviewed by the Group Management Audit Office.

In the management of the Group member companies, important issues common to the entire Group regarding policies and budgets for each business that AEON manages are discussed and information is shared at meeting bodies that are organized according to business-specific or function-specific purposes. In addition, AEON established the Subsidiary Governance Committee as a subcommittee of the Risk Management Committee and conducts management across the Group of operating companies that have subsidiaries. Particularly important deals are discussed by AEON’s Executive Officers, decisions as the holding company are made, and

(Translation for reference purposes only)

management of policies and numerical progress is conducted. Furthermore, meetings relating to business practice and exchange of information are held by the auditors of major Group member companies in Japan on a regular basis. Group-wide meetings are held to promote integrated management while allowing each company to retain its operational independence and autonomy.

## ● Basic Policy Regarding Control of the Company

### 1) Management practice based on the Foundational Ideals

AEON enlists the fundamental notion that increasing the corporate value of the Group overall hinges on a management approach of coexistence with its communities and society from a long-term perspective based on its Foundational Ideals, while also hinging on broad and multi-faceted business expansion. As such, AEON embraces sincere proposals that align with its Foundational Ideals and accordingly seeks to achieve management oriented toward embodying such Foundational Ideals. On the other hand, changes to management policy call for prudent consideration given that any such changes that are inconsistent with the Foundational Ideals would substantially affect the Group and could furthermore give rise to concerns about the effects of such changes on local communities.

Regarding any changes made to management policy, for more than 900,000 shareholders, the Company believes it must ensure that they have access to sufficient and accurate information so that they are able to make appropriate decisions. The Company also bears responsibility in regard to fulfilling its role involving community infrastructure functions.

The Company therefore believes that the people composing the management of the Group must not only be able to maintain the Group's financial capital and the relationships built up with numerous stakeholders but also sufficiently understand the value of the Group in terms of its human capital, its social relationship capital and its nature related capital, which are also important resources for the management.

### 2) Policy for responding to a Large-Scale Share Acquisition

This policy is a policy for responding to purchases of the Company's shares and other securities by a group of shareholders (tokutei-kabunushi group) with the intent of increasing their voting rights to 20% or more, or purchases of the Company's shares and other securities that would result in a group of shareholders (tokutei-kabunushi group) holding 20% or more of the Company's voting rights (such purchases are referred to hereinafter as "Large-Scale Share Acquisitions," and a party carrying out or attempting to carry out a Large-Scale Share Acquisition is referred to as a "Large-Scale Share Acquirer"), and the policy consists of rules regarding the provision of information as well as the triggering of countermeasures by the Company.

The rules regarding the provision of information 1) require a Large-Scale Share Acquirer to provide the Board of Directors with necessary and sufficient information prior to a Large-Scale Share Acquisition and 2) allow a Large-Scale Share Acquirer to commence a Large-

Scale Share Acquisition only after the passage of a designated evaluation period required for the Board of Directors to examine said information.

If the Large-Scale Share Acquirer is not in compliance with the rules, the Board of Directors may oppose the Large-Scale Share Acquisition by allocation of stock acquisition rights without contribution or taking other countermeasures permitted under other laws, as well as the Company's Articles of Incorporation, for the purpose of protecting the interests of the Company and its all shareholders. The specific steps to be taken shall be those deemed most appropriate by the Board of Directors at the time.

In order for the rules to be carried out transparently and fairly, the Board of Directors shall establish an Independent Committee upon receipt of the declaration of intent for a Large-Scale Share Acquisition from the Large-Scale Share Acquirer, and the Independent Committee shall present to the Board of Directors their comprehensive evaluation and decision, with opinions and reasoning as to whether the acquisition would damage the interests of all shareholders of the Company. The Board of Directors shall give maximum consideration to the opinion of the Independent Committee, seek advice from outside specialists including attorneys at law and certified public accountants, and carefully formulate and announce its evaluation, decision, and opinion, etc.

If the Large-Scale Share Acquirer is in compliance with the rules, there shall, in principle, be no countermeasures implemented against the Large-Scale Share Acquisition. However, if the Board of Directors or the Independent Committee's evaluation is that the Large-Scale Share Acquisition "would cause significant damage to the interests of all shareholders of the Company," the same will apply as in the case where the Large-Scale Share Acquirer does not comply with the rules.

Also, this policy, including the rules, shall remain in effect until the conclusion of the Ordinary General Meeting of Shareholders to be held in 2027 in order to review the response policy regularly. No special restrictions have been established regarding the abolishment of this policy. In the event that the Company's Board of Directors makes changes to this policy that have a substantive effect on the shareholders of the Company, such changes shall again be proposed as an agenda item for approval of the shareholders at a General Meeting of Shareholders of the Company.

*(Note 1) A group of shareholders (tokutei-kabunushi group) is:*

- (i) A holder, including a holder deemed as a holder pursuant to Article 27-23(3) of the Financial Instruments and Exchange Act (the same shall apply hereinafter), and a joint holder (a joint holder prescribed in Article 27-23(5) of the same Act, including a party deemed as a joint holder pursuant to paragraph 6 of the same Article) of the Company's shares, etc. (share certificates, etc. prescribed in Article 27-23(1) of the same Act), or*
- (ii) A party that performs purchase, etc. (as prescribed in Article 27-2(1) of the same Act, including those made on a financial instruments exchange market) of the Company's shares, etc. (share certificates, etc. as prescribed*

*in Article 27-2(1) of the same Act), and a party in special relationship with the party conducting such purchase, etc. (a party in special relationship as prescribed in Article 27-2(7) of the same Act.)*

(Note 2) *The percentage of voting rights is:*

- (i) *In cases where the group of shareholders (tokutei-kabunushi group) is as described in Note 1(i), the holding ratio of shares, etc. (holding ratio of share certificates, etc. prescribed in Article 27-23(4) of the Financial Instruments and Exchange Act; in this case the number of shares, etc. held by the joint shareholder (number of share certificates, etc. prescribed in the same paragraph), shall be added) of the shareholder, or*
- (ii) *In cases where the group of shareholders (tokutei-kabunushi group) is as described in Note 1(ii), the total holding ratio of shares, etc. (holding ratio of share certificates, etc. prescribed in Article 27-2(8) of the same Act) of the Large-Scale Share Acquirer and the party in a special relationship. In calculating each holding ratio of shares, etc., the total number of voting rights (as prescribed in Article 27-2(8) of the same Act) and the total number of shares issued (as prescribed in Article 27-23(4) of the same Act) may be found in the most recent issue of the Annual Securities Report, Semiannual Securities Report, Quarterly Securities Report, or the Share Buyback Report.*

(Note 3) *“Share certificates, etc.” prescribed in Article 27-23(1) of the Financial Instruments and Exchange Act.*

*The term “Large-Scale Share Acquirer” applies regardless of the specific purchasing method, whether by market transactions or tender offers, or other means, with the exception of purchases agreed to in advance by the Board of Directors.*

(Note 4) *Such determination that a Large-Scale Share Acquisition “would cause significant damage to the interests of all shareholders of the Company” is expected to be made if there is an objective and rational basis for determining that the Large-Scale Share Acquirer would be inappropriate as the Company’s controlling shareholder from the standpoint of public order and morals, specifically in cases where 1) a Large-Scale Share Acquirer purchases the Company’s shares simply to force parties affiliated with the Company to buy them back at a higher price, for example, although those concerned do not intend to actually participate in the Company’s management, 2) the Large-Scale Share Acquirer purchases the Company’s shares for purposes of so-called “scorched-earth” management, by temporarily taking control of the Company in order to gain intellectual assets, experience, confidential corporate information, vendors, or customers essential to the Company’s management, 3) the Large-Scale Share Acquirer purchases the Company’s shares with the intention of using the Company’s assets as collateral for or source of repayment of its own liabilities after taking control of management, 4) the Large-Scale Share Acquirer purchases the Company’s shares to gain temporary control of management and sell high-value assets or the like such as real estate and securities not immediately related to the Company’s business, in order to use the profit from the sale to pay a high dividend temporarily, or to use a temporary high dividend as a device to sharply raise the share price and sell its shares at a profit, 5) the purchase method proposed by the Large-Scale Share Acquirer is a two-tiered structure with second-tier purchase conditions that are less favorable than the first-tier conditions, or it is determined that there is a concern that the opportunity and freedom of shareholders to make decisions is restricted, or that they may virtually be forced to sell the Company’s shares to their disadvantage, 6) the handling scheme and stock acquisition methods regarding the purchase of the Company’s shares proposed by the Large-Scale Share Acquirer are extremely unreasonable from the standpoint of the common interests of shareholders, such as the price being very disadvantageous to shareholders or option rights carrying high risk, or 7) it is determined that any person of the management or major shareholders of the Large-Scale Share Acquirer has a relationship with antisocial elements, including organized crime groups or their (Translation for reference purposes only) members, as defined in Article 2 of the Act on Prevention of Unjust Acts by Organized Crime Group Members.*

- 3) Determinations by the Board of Directors regarding the consistency of this policy with the basic policies, etc.

After much discussion, including the need to provide sufficient information and a period for consideration for the benefit of shareholders when changing management policies, and the impact of changes in management policies on local communities, AEON decided unanimously at a meeting of the Board of Directors held on April 10, 2024 to submit “Approval of policy concerning large-scale acquisitions of the Company’s shares” to the 99th Ordinary General Meeting of Shareholders held on May 29, 2024, and obtained the approval of shareholders. In addition, the Board of Directors once again comprehensively evaluated this policy at the Board of Directors meeting held on April 11, 2025.

The Board of Directors, in which the majority of the members are independent outside directors therefore believes that the policy vis-à-vis prospective large-scale acquisitions is aligned with the Company’s basic policy and with the interests of shareholders, and believes that this policy has not been adopted to maintain the status of the Company’s directors.

(Translation for reference purposes only)

## Consolidated statement of changes in equity

(Unit: Millions of yen, rounded down)

Year ended February 28, 2025	Shareholders' equity				Total shareholders' equity
	Capital stock	Capital surplus	Retained earnings	Treasury shares	
Balance as of March 1, 2024	220,007	288,337	425,596	(20,543)	913,399
Changes of items during the period					
Dividends of surplus			(32,570)		(32,570)
Profit (loss) attributable to owners of the parent company			28,783		28,783
Purchase of treasury shares				(13)	(13)
Disposal of treasury shares		10,305		7,268	17,574
Change in ownership interest of parent due to transactions with non-controlling interests		(293)			(293)
Change in retained earnings due to a decrease in the number of equity method affiliates			854		854
Net changes of items other than shareholders' equity					
Total changes of items during the period	—	10,012	(2,932)	7,254	14,334
Balance as of February 28, 2025	220,007	298,350	422,664	(13,288)	927,734

Year ended February 28, 2025	Accumulated other comprehensive income					Subscription rights to shares	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance as of March 1, 2024	68,233	417	67,154	4,916	140,720	1,155	1,031,925	2,087,201
Changes of items during the period								
Dividends of surplus								(32,570)
Profit (loss) attributable to owners of the parent company								28,783
Purchase of treasury shares								(13)
Disposal of treasury shares								17,574
Change in ownership interest of parent due to transactions with non-controlling interests								(293)
Change in retained earnings due to a decrease in the number of equity method affiliates								854
Net changes of items other than shareholders' equity	(61,033)	371	31,261	10,175	(19,224)	166	38,748	19,689
Total changes of items during the period	(61,033)	371	31,261	10,175	(19,224)	166	38,748	34,024
Balance as of February 28, 2025	7,199	788	98,415	15,091	121,495	1,321	1,070,674	2,121,226



(Translation for reference purposes only)

## Nonconsolidated statement of changes in equity

(Unit: Millions of yen, rounded down)

Year ended February 28, 2025	Shareholders' equity								
	Capital surplus				Retained earnings				
	Capital stock	Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings			Total retained earnings
						Reserve for advanced depreciation of fixed assets	General reserve	Retained earnings brought forward	
Balance as of March 1, 2024	220,007	316,894	94	316,989	11,770	3,701	35,500	22,788	73,760
Changes of items during the period									
Reversal of reserve for advanced depreciation of fixed assets						(119)		119	—
Reversal of general reserve							(20,000)	20,000	—
Dividends of surplus								(32,570)	(32,570)
Profit								40,221	40,221
Purchase of treasury shares									
Disposal of treasury shares			10,305	10,305					
Net changes of items other than shareholders' equity									
Total changes of items during the period	—	—	10,305	10,305	—	(119)	(20,000)	27,770	7,650
Balance as of February 28, 2025	220,007	316,894	10,400	327,295	11,770	3,581	15,500	50,559	81,411

	Shareholders' equity		Valuation and translation adjustments			Subscription rights to shares	Total net assets
	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total Valuation and translation adjustments		
Year ended February 28, 2025							
Balance as of March 1, 2024	(20,478)	590,279	75,920	74	75,995	362	666,637
Changes of items during the period							
Reversal of reserve for advanced depreciation of fixed assets		—					—
Reversal of general reserve		—					—
Dividends of surplus		(32,570)					(32,570)
Profit		40,221					40,221
Purchase of treasury shares	(13)	(13)					(13)
Disposal of treasury shares	7,221	17,527					17,527
Net changes of items other than shareholders' equity			(56,980)	829	(56,151)	226	(55,925)
Total changes of items during the period	7,208	25,164	(56,980)	829	(56,151)	226	(30,760)
Balance as of February 28, 2025	(13,270)	615,444	18,939	903	19,843	588	635,876