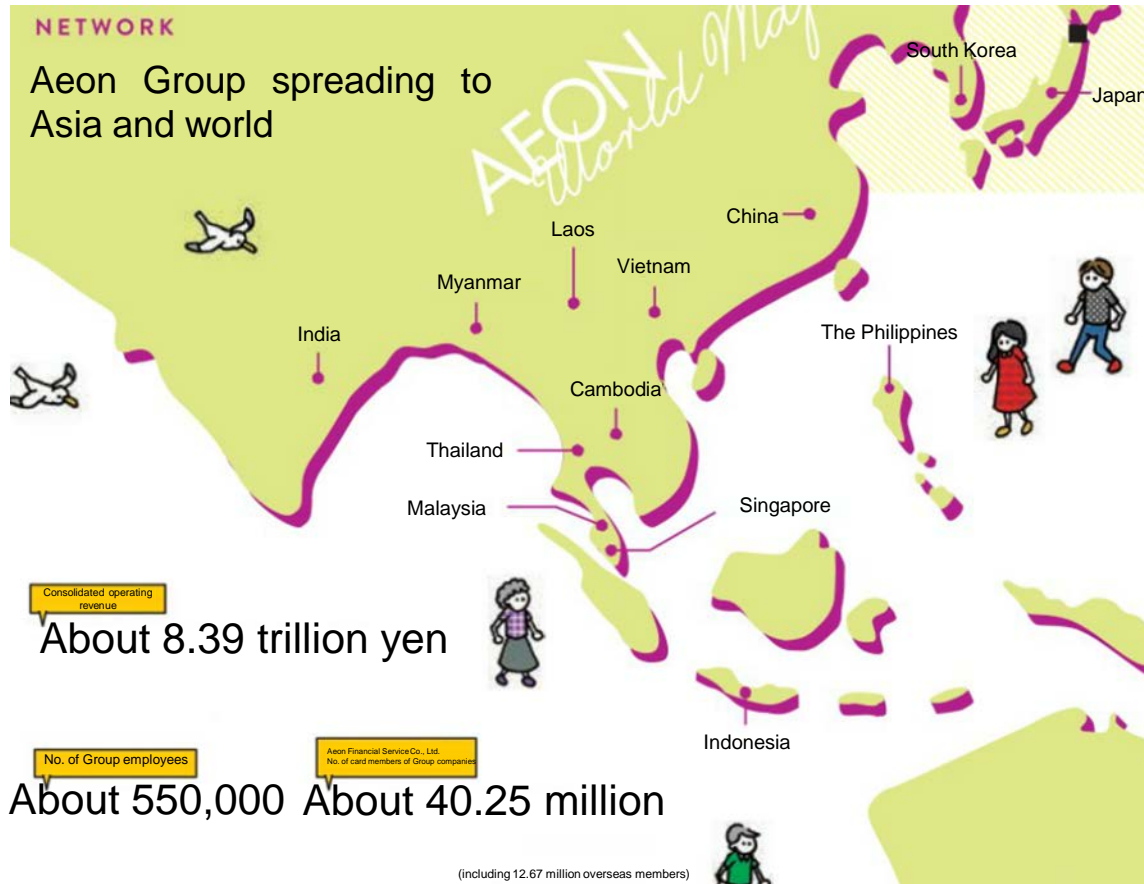


# Aeon efforts to promote resources recycling

Oct. 23, 2018  
Kahori Miyake  
Executive Officer  
CSR & Communication  
AEONCo., Ltd.

# Outline of Aeon Group (as of the end of February 2018)

A total of 21,742 stores/xx places



Jakarta, Indonesia



Binh Tan, Vietnam

## Japan

● GMS	490 stores
● SM	2,010 stores
● DS	547 stores
● HC	122 stores
● CVS	2,264 stores
● Specialty shop	4,270 stores
● Drugstore	4,370 stores
● Others (retail)	828 stores
● Mall-type SC	256 places
● NSC	162 places
● Financial	366 places
● Services	1,655 places

## China

● GMS	55 stores
● SM	23 stores
● CVS	65 stores
● Specialty shop	54 stores
● Drugstore	4 stores
● Others (retail)	53 stores
● Mall-type SC	22 places
● Financial	36 places
● Services	200 places

## South Korea

● CVS	2,501 stores
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## Malaysia

● GMS	32 stores
● SM	3 stores
● DS	21 stores
● Others (retail)	53 stores
● Mall-type SC	26 places
● Financial	64 places
● Services	86 places

## Myanmar

● SM	14 stores
● Financial	3 places

## Laos

● Financial	1 place
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## Thailand

● SM	79 stores
● Others (retail)	1 store
● Financial	196 places
● Services	39 places

## The Philippines

● CVS	496 stores
● Financial	2 places
● Services	39 places

## Indonesia

● GMS	2 stores
● Mall-type SC	2 places
● Financial	7 places
● Services	15 places

## Vietnam

● GMS	4 stores
● SM	53 stores
● CVS	110 stores
● Others (retail)	3 stores
● Mall-type SC	4 places
● Financial	4 places
● Services	9 places

## Cambodia

● GMS	1 store
● SM	3 stores
● Mall-type SC	1 place
● Financial	10 places
● Services	2 places

## India

● Financial	1 place
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## Singapore

● Drugstore	2 stores
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## Australia

● Directly-run stock farm in Tasmania	1 place
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## Aeon basic policy on sustainability

Aeon aims to **realize the creation of a sustainable society and its group's growth simultaneously** based on our basic principle of pursuing peace, respecting humanity and contributing to local communities, always with customers' point of view at its core.

To achieve the goals above, Aeon will actively undertake regionally-rooted activities together with many stakeholders, while addressing priority issues **on environmental and social fronts** from a global viewpoint.

Revised in November 2017

### Priority issues on environmental front

- Realization of low-carbon society
- Preservation of biodiversity
- Promotion of resources recycling

### Priority issues on social front

- Response to various issues facing consumers
- Undertaking of fair business activities
- Creation of workplaces that focus on protecting human rights and respecting diversity
- Collaboration with local communities

Concept

We will dispose of and burn waste, and reduce the amount of waste that goes to land reclamation sites by promoting three Rs (reduce, reuse and recycle).

Efforts at stores and through products



Efforts through enhanced communication with customers



Work together with local communities



Efforts to reduce waste through segregated disposal and visualization of waste volume



Reduce

Recycle

“Bring your own shopping bag” campaign



Reduce

Use of returnable containers



Reuse

# Environmental efforts by Aeon (1): “Bring your own shopping bag” campaign



A “bring your own shopping bag” campaign asking for customers to bring their bags began in 1991 as part of efforts by Aeon to reduce the use of plastic bags at its stores. In 2007, Aeon became the first chain store to stop distributing plastic bags to shoppers free of charge. The practice of distributing plastic bags free of charge ended at 1,631 shops. As a result, 64.8% of Aeon shoppers declined to receive plastic bags at stores, helping reduce the use of such bags by 2,735,420,000 bags. (as of the end of February 2018).

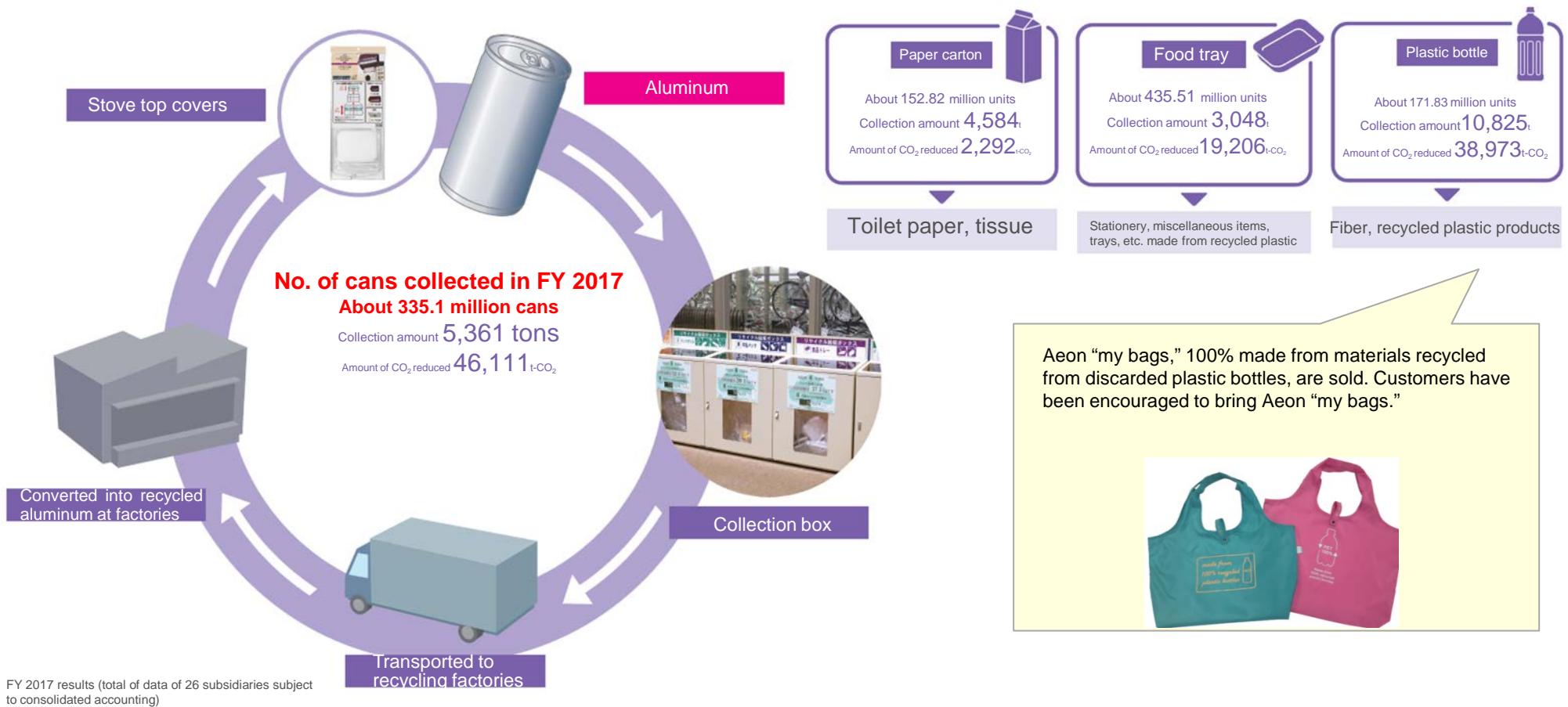
## 【History of Aeon efforts to curtail the use of shopping bags at stores】



# Environmental efforts by Aeon (2): Collection of recyclable waste at stores



Collection boxes for plastic food trays, paper cartons and aluminum cans have been set up at Aeon stores since 1991 as part of Aeon's efforts to create recycling-oriented society. **These stores have acted as regional bases for resources recycling**, with trays and other collected waste recycled as materials for TOPVALU products and Aeon "my bags."



FY 2017 results (total of data of 26 subsidiaries subject to consolidated accounting)

**Recyclable waste (used paper etc.) collected at stores are selected and compressed at disposal facilities operated by Kasumi, and sold to third parties.**

Photo taken in 1999 shows selection, compressing and stockpiling of items collected at stores – polystyrene form boxes, corrugated board, plastic bottles, aluminum cans, steel cans and milk cartons. (Tsuchiura City, Sakura City)



## (Reference) Introduction of a recycle station

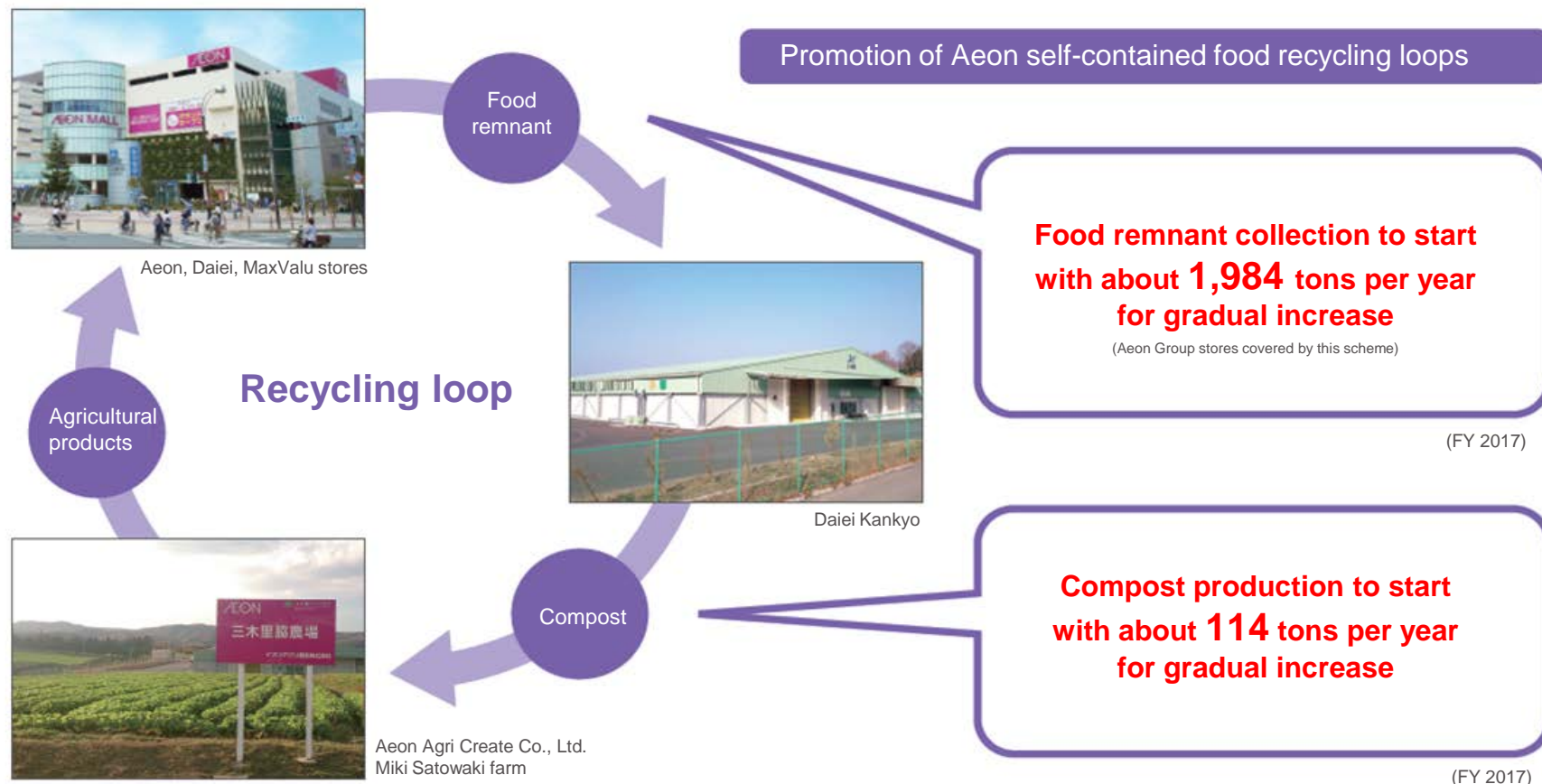
Aeon has set up a recycle station - a facility to collect recyclable waste (plastic bottles and used paper) - at 365 Aeon outlets across the nation, mainly outlets located in municipalities where recyclable waste is collected less frequently (as of the end of May 2018). The station is aimed at facilitating resources recovery by providing customers with a convenient way of bringing resources for recycling. Specifically, WAON card holders are given points if they use the facility.





# Environmental efforts by Aeon (3): Promotion of food resources recycling

Food remnant generated at Aeon outlets and food-processing centers is converted into compost, which will be used at farms directly run by Aeon for production of agricultural products. The recycling process managed by Aeon is called “Aeon self-contained food recycling loop,” which Aeon aims to establish at 10 places across the nation by 2020 as a food resources recycling model.



# Environmental efforts by Aeon (4): Commercial products



Resources recovered are recycled into new products of Aeon TOPVALU brand while the weight of packages used for such brand products is reduced.

Recycled materials are used for production of clothes sold under the SELF SERVICE brand.



Recycled from collected used paper and aluminum cans



Butter roll plastic bag weight halved without using a clasp



Old down jackets of customers collected and recycled into new products

## Plastic bottle cap collection campaign

Collection boxes for plastic bottle caps have been set up at Aeon stores since 2008. Proceeds from the campaign, undertaken together with customers, will finance our efforts to help children struggling in poverty around the world.

With plastic bottle caps 

Bring Smiles to children's faces around the world !

### FY 2017 results

**4,355,170 yen in proceeds from the sale of 365.47 million caps, collected through the campaign, was donated to three organizations.**



Certified NPO: Japan Committee, Vaccines for the World's Children



© Save the Children in Vietnam

Public interest corporation: Save the Children



Public interest foundation: Plan International Japan



Percentage of plastic bottles collected for recycling

		Sources of statistics
Collection rate in Japan	88.8%	Based on statistics compiled by the Council for PET Bottle Recycling (2016 result)
Rate of collection by municipalities	50.0%	
Rate of collection by private businesses	38.7%	

Collection rate at Aeon (estimation)	22.1%	Combined weight of bottles collected at Aeon outlets divided by combined weight of beverage plastic bottles sold (2017 data)
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Adequate management of waste in Asia



Application of a resources-recycling model set by Aeon to its operations in other Asian countries (study)

## **Aeon carbon-free vision 2050** (announced in March 2018)

We aim to reduce CO2 emissions generated in the process of store operations and business activities to zero by 2050.

As an interim goal under the vision, we aim to cut such CO2 emissions by 35% by 2030 compared with the 2010 level.

We aim to promote energy saving and transition to renewable energy.

## **Food waste-reduction goals by Aeon Group** (announced in October 2017)

We aim to reduce the volume of food waste **generated per 1 million yen of sales** by 25% by 2020 and 50% by 2050, compared with the 2015 level.

We aim to establish a food resources-recycling model at more than 10 places across the nation by 2020, covering more than 1,000 Aeon stores.

## **Aeon sustainable procurement policy and 2020 goals** (announced in April 2017)

Based on global standards, we will step up procurement of agricultural and livestock products, fishery products, paper, pulp and timber, and palm oil that are produced with consideration given to sustainability.

# AEON



Planting Seeds of Growth

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We are AEON