Corporate Governance Report

Last Update: May 30, 2025
Aeon Mall Co., Ltd.
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Securities Code: 8905
https://www.aeonmall.com/en/ir/index.html

This document describes corporate governance at Aeon Mall Co., Ltd. ("Aeon Mall" or "the Company").

I. Basic Approach to Corporate Governance, Capital Structure, Corporate Profile and Other Basic Corporate Information

1. Basic Approach UPDATE

Aeon Mall is a *Life Design Developer**, creating the future of community living as we pursue our basic principle that *the customer comes first*. Under this management philosophy, we defined our corporate activities as Heartful Sustainable. In this way, we contribute to the development and revitalization of communities and society as a corporate citizen, striving to achieve sustainable societies through various initiatives.
We formulated a new vision for 2030, Aeon Mall, Co-Creating With Our Communities. Our goal here is to create sustainable societies and build a resilient organization in an era of increasing uncertainty. Together with our customers, local communities, partners, shareholders, investors, and other like-minded stakeholders, we strive to create, expand, and foster deeper connections, co-creating through activities that lead to sustainable futures for our communities.
We recognize the importance of corporate governance in accomplishing this vision and we work continually improve our corporate governance structure.

* Life Design extends beyond the framework of the shopping mall. Life Design addresses functions associated with different customer life stages, including not only shopping, but also interaction with other people, cultural development, and other features contributing to future lifestyles.

Basic Stance for Corporate Governance
(1) We provide a consistent and fair environment to support shareholder rights and the execution of said rights. We work in cooperation with shareholders toward the goal of sustainable growth.
(2) Our board of directors and senior management exercise proper leadership in fostering a corporate culture that respects the rights and perspectives of customers, communities, employees, partner corporations, and stakeholders, conducts business activities ethically, and engages in a positive approach to sustainability.
(3) We have created a Disclosure Policy and Rules for Managing Information Disclosure to address disclosure of financial and nonfinancial information. Guided by these policies, we ensure transparency and fairness through appropriate and clear information disclosure.
(4) Our board of directors consists of individuals with diverse experience and expertise, helping Aeon Mall capitalize on our background as a retail developer. The board strengthens its supervisory function through the appointment of independent outside directors, the Governance Committee, and the Nomination and Compensation Committee. Through the executive officer system, the board will accelerate management decision-making and separate the supervisory and business execution functions. In this way, the board will conduct highly transparent business and determine important strategies and measures to achieve our long-term vision and medium- and long-term plans.
(5) We incorporate feedback and input received through constructive dialogue with shareholders to improve our corporate value.
The Shareholder and Investor Information pages on the Aeon Mall corporate website provide more information related to our basic stance for corporate governance.
https://www.aeonmall.com/en/ir/index.html

[Reasons for Non-Compliance With the Principles of the Corporate Governance Code]

Aeon Mall adopts and implements every principle defined under the Corporate Governance Code.

[Disclosure Based on the Principles of the Corporate Governance Code] UPDATE

Based on a share exchange agreement executed on April 11, 2025, with AEON Co., Ltd., parent company of Aeon Mall, Aeon Mall will become a wholly owned subsidiary of Aeon Co., Ltd. on July 1, 2025, the effective date of said share exchange. The following information contains matters that remain undecided as of the date of the submission of this report. Accordingly, the Company will provide details regarding structure as of the end of the fiscal year and information determinable as of the date in question.

[Principle 1-4. Cross-Shareholdings]
The Aeon Mall policy on cross-shareholding is to hold shares for the purpose of contributing to improved Aeon Mall Group corporate value over the medium and long term. This policy considers a number of factors including business strategy and business relationships.
Our board of directors meets to review individual cross shareholdings on an annual basis, considering the purpose for holding shares, risks involved in holding shares, the cost of capital, and other economic rationale on a comprehensive basis, determining the reasonableness for cross-shareholdings. We consider selling shareholdings when deemed as having little significance, considering the impact of such sales on the markets. We disclose the results of such sales publicly. When exercising voting rights of cross-held shares, we verify whether each proposal contributes to the medium- and long-term improvement in Aeon Mall corporate value and whether said proposal holds the potential to damage our corporate value. As necessary, we hold discussions with the issuing company as part of our overall decision-making process.

[Principle 1-7. Related-Party Transactions]
The Company established the Governance Committee to ensure that the opinions of minority shareholders are reflected appropriately at the board of directors meetings. The committee serves as an advisory body to the board and consists of independent outside directors. The committee discusses any business transactions conducted by a director where conflicts of interest may occur between the director or any third party (e.g. the parent company, a subsidiary, or other Aeon Group company) and the Company, transactions where there is competition with the same, and important transactions with the parent company or Aeon Group companies. The Governance Committee deliberates on the fairness and reasonableness of such transactions from the perspective of improving the corporate value of the Company. Upon deliberation, the committee submits said agendas to the board of directors. Individuals with special interests in the transaction are excluded from the discussions at board of director meetings to ensure the fairness of the procedures.
When the Company enters into transactions with Aeon Group companies, we clarify the identity of such parties in our Related Party List according to the provisions of our Rules for Managing Related-Party Transactions. We ensure objectivity in transaction terms through rules that include providing comparison tables when making decisions that show examples of transactions with non-related parties. Once a year, we report the rate of increase/decrease in annual transaction amounts with each affiliated business partner at the board of directors and scrutinize the rationality and appropriateness of such transactions.
The Governance Committee met nine times in fiscal 2024 to discuss transactions with Aeon Group companies and other matters and reported said transactions to the board of directors.

[Principle 2-4. Ensuring Diversity, Including Empowering Women]
Aeon Mall respects human rights and is committed to diversity management that allows each individual, regardless of gender or nationality, to fully express their abilities, and we aim to secure higher levels of diversity within our organization. In this context, we strive to create a system that empowers women. Specifically, we establish AEON Yume-Mirai Nursery Schools (onsite nursery schools) and conduct training to foster willingness among women to take on the challenges of higher-level positions. We also ensured that all eligible male employees took childcare leave for three consecutive years. Through these efforts, the Company obtained the Platinum Eruboshi certification awarded to entities that have implemented measures to promote the advancement of women. Furthermore, we aim to become a gender-equal and LGBTQ+-friendly company. We respect human rights and individuality and create comfortable workspaces for every employee by incorporating the family benefit system for same-sex partner marriages and offering training to encourage employee understanding of gender equality.

[Supplementary Principle 2-4-1. Ensuring Diversity in Core Personnel Hiring]

We believe that human resources are the greatest management resource for sustainable growth. Based on this belief, we strive to become an organization that leverages diversity for strength, where all employees are healthy and can continue to grow and express their abilities without limit.
In particular, we are convinced that we will develop creative business models through the exchange of opinions from different perspectives in response to changes in society and employee needs. At the same time, we pursue diversity management, facilitating a diverse based of human resources to play active roles in our organization.

(Hiring and Promoting Women)
As we pursue diversity, we focus particularly on creating opportunities for women to play active roles. Our goal is to increase the percentage of women in management positions to 30% by fiscal 2025. As of the end of fiscal 2024, we achieved 23.7% of our appointments.

(Hiring and Promoting Non-Japanese Nationals)
Our Management Vision is to become a company that will touch the hearts of 5 billion visitors throughout Asia. To achieve this vision, we open malls in China and ASEAN. As of the end of fiscal 2024, we operate 39 overseas and employee approximately 1,600 non-Japanese nationals.
We emphasize recruiting and training local employees to ensure a diverse base of local human resources play active roles to maximize their collective strengths.

(Hiring and Promoting Mid-Career Professionals)
We view hiring mid-career professionals as an opportunity to secure specialized human resources that will help us achieve our priority measures. We recruit and promote mid-career professionals of various backgrounds to core positions, particularly those individuals with experience in retail to enhance shopping mall operations, those with experience working overseas, and those involved in the creation of the new business model the Company pursues.

(Response to Gender Equality and LGBTQ+)
The Company aims to become a gender-equal and LGBTQ+-friendly company by respecting human rights and individuality and creating comfortable workspaces for every employee.
Specifically, we incorporate the family benefit system for same-sex partner marriages, provide training for all employees (on understanding sexual minorities, consideration in the workplace, etc.), encourage employee understanding of gender equality, including on ban against harassment based on words and actions related to sexual orientation and gender identity. We also implement educational activities to eliminate unconscious bias. Furthermore, we strive for universal shopping mall designs and facility renovations to enable easier access for everyone, customers and employees alike.

We have established various development and education programs to support human resource growth in our pursuit of diversity management. Within this context, we describe our progress in empowering women in Principle 2-4. In conjunction with the globalization and digitalization of our business, we actively recruit mid-career professionals, particularly those with experience working overseas and who are fluent in digital technologies. Our basic policy for human resources overseas is to engage in management tied to local communities by hiring local staff overseas who have a deep understanding of the Aeon Mall philosophy. We promote individuals to management positions who have a record of achievement, regardless of their nationality.
Although we have not set voluntary and measurable targets for the hiring and promotion of non-Japanese nationals and mid-career professionals, we will continue to discuss and consider ways to ensure further diversity and expertise.

[Principle 2-6. Functions as a Corporate Pension Asset Owner]
Aeon Mall is a member of the Aeon Corporate Pension Fund. This fund is managed to ensure the total income required over the long-term, within the scope of acceptable risks, to provide pension benefits and lump-sum payments to beneficiaries over the future. Policy asset allocation structures are created in regulator reviewed in consideration of the financial status of the plan and opinions of outside experts. An Asset Management Committee consisting of individuals assigned to our finance department and outside specialists has been established for this fund, which selects investment products and provides quarterly monitoring of performance. Decisions are made by a committee of delegates to maximize beneficiary returns and manage conflicts of interests in an appropriate manner. This committee of delegates includes one delegate from Aeon Mall.

[Principle 3-1. Full Disclosure]
(i) The Company formulated our medium-term management plan (FY2023-FY2025) beginning with the fiscal year ended February 2024 (FY2023) toward achieving our 2030 Vision. Under this plan, we aim for sustainable growth through management from the perspective of ESG to create economic, social, and environmental value for our stakeholders, evolving our ESG management initiatives further for growth under two policies: (1) Pursue regional shift in Japan and overseas and (2) Create a Health and Wellness platform. Specifically, we develop growth measures to discover and commercialize business opportunities in overseas growth markets, pursue business model innovation in Japan, and create business models that break from existing business frameworks. We also strive to build strong financial foundations and resilient organizations from the perspective of sustainability.

(ii) For our basic views on corporate governance, see *1. Basic Approach* in this report.
The Aeon Co., Ltd. Corporate Governance Basic Policy defines the basic stance of Aeon Mall and the rest of the Aeon Group related to corporate management and control.

(iii) Aeon Mall director compensation is determined by resolution of the board of directors in consideration of job responsibilities, company performance, and other factors, subject to deliberations of the Nomination and Compensation Committee (consisting mainly of independent outside directors) regarding director performance evaluations and compensation levels. Compensation is paid within the scope determined by resolution at the annual general shareholders' meeting.
Compensation for members of the Audit & Supervisory Board is determined according to negotiation with said members, subject to the scope determined by resolution at the annual general shareholders' meeting.

(iv) Director candidates are nominated according to the following criteria. The Nomination and Compensation Committee, which consists mainly of independent outside directors, deliberates on the nominations and reports to the board of directors. Following resolution at the board, the board submits proposals to the general meeting of shareholders.
Director Candidate Nomination Standards
- Individual possesses a character and sense of ethics appropriate for a director
- Individual possesses a deep knowledge of business management and ability to make objective judgments, as well as superior foresight and insight
- Individual has no interests or business relationships that may affect their execution of duties as a director
- Individual possesses a global perspective and philosophy necessary for international business expansion
- In addition, individual must possess those qualities demanded of a director from an aspect of corporate governance designed to ensure sound management and improved transparency for a publicly traded company

Candidates for member of the Audit & Supervisory Board are nominated according to the following criteria. The board of directors makes a resolution after discussion with the Audit & Supervisory Board and are presented to the general meeting of shareholders for approval.
Audit & Supervisory Board Member Candidate Nomination Standards
- Individual possesses an unbiased and fair attitude, conducting themselves according to their own beliefs
- Individual possesses a knowledge of business management and ability to make objective judgments
- Individual is aware of business issues from experience in general business management
- Individual has no interests or business relationships that may affect their execution of duties as a member of the Audit & Supervisory Board
- Individual has considerable knowledge of finance and accounting, or has skills, expertise, and experience in a specialized field

Individuals judged objectively and rationally as not meeting the nomination standards above, and for whom executing duties as a candidate for director or Audit & Supervisory Board member is deemed to be difficult, shall be dismissed.
We introduced the executive officer system in May 2023. This system clarifies responsibilities for business execution and accelerates decision-making while establishing an organizational structure that trains the next generation of management personnel. The Nomination and Compensation Committee, consisting mainly of independent outside directors, deliberates on training plans, etc. to provide managers (including manager candidates) with the necessary standards, career development, and training content. In this way, the committee ensures highly transparent and fair plans.
(v) Aeon Mall provides the reasoning behind appointment of each candidate for outside director and outside member of the Audit & Supervisory Board in *Directors, Outside Director Relationship with the Company (2) and Audit & Supervisory Board Members, Outside Director Relationship with the Company (2).* We

disclose the reasoning behind the appointment of each internal candidate for director and member of the Audit & Supervisory Board in reference materials provided to the annual general shareholders' meeting.

[Supplementary Principle 3-1-3. Sustainability Initiatives]
To achieve sustainable growth, we address management strategically from an ESG perspective, creating economic, social, and environmental value for stakeholders, while implementing a variety of related measures. We are proactive in sharing information both internally and externally, striving to enhance Aeon Mall branding and the awareness of our executives and employees.

(Investing in Human Capital)
Our 2030 Vision sets forth our approach to *Co-Creating With Our Communities* to remain rooted in the community, earn the trust of customers, and continue to grow together with the community. To achieve this vision, the Company requires individuals who can co-create with our stakeholders and revitalize our communities. We believe that human resources are our greatest management resource. Based on this belief, we consider investment in human capital to be our most important issue, and engage in diversity management, education and human resource development, health management, and other such initiatives. Our efforts to invest in human resources are evaluated highly by external organizations. We have obtained various certifications, including certification as a Certified Health and Productivity Management Outstanding Organization for the sixth consecutive year, starting in 2020, as a company that practices excellent health management. We were also selected as a Platinum Eruboshi, an entity that implements measures to promote the advancement of women.
Our vision for human resources and organizational structure aims to hire *Life Design Producers* and become an organization seen as A Group of Professionals who Continue to Innovate. We will achieve our 2030 Vision through the growth of diverse, creative human resources that possess the ability to make changes. Information on our human resources strategy is available in the Integrated Report 2024 (P40-55), available on our website:
https://www.aeonmall.com/en/ir/pdf/ir2024e/integrated_report_2024.pdf

(Investing in Intellectual Property)
We believe that our greatest intellectual property is the practice of management based on the principle that *The Customer Comes First*, as described in our basic philosophy. Aeon Mall belongs to a corporate group headed by Aeon Co., Ltd. pure holding company. The Aeon Basic Principles defines the group position of "Pursuing peace, respecting humanity, and contributing to local communities, always from the customer's point of view," and we engage in activities guided by the Aeon Code of Conduct (codified in April 2003) to build a brand of trust. We manage and operate approximately 200 facilities in Japan and overseas based on these Aeon brands and values. Our unique strengths include our overwhelming scale of operations and ability to attract more than 1 billion customers annually, a strong network of approximately 8,000 specialty store companies, mutual cooperation with local governments through disaster-response agreements, and operational expertise to provide customers safety, security, and comfort. We have cultivated these strengths through the management and operation of commercial facilities. These strengths will be the source of our competitive advantage as we move forward with the transformation to Co-Creating With Our Communities, set forth in our 2030 Vision. By going beyond conventional commercial facilities and leveraging our strengths, we will establish a stronger management base and solve the issues of each region.

(Responding to Climate Change)
As a decarbonization initiative based on AEON Decarbonization, we aim to reduce total CO2 and other emissions from our businesses in Japan to zero by the year 2040. We continue to engage in energy conservation activities that include installation of solar power generation systems and EV chargers. In addition to these reduction measures, we aim to convert electricity used at approximately 160 malls in Japan to renewable energy sources by FY2025 through direct renewable energy contracts in each region. We will then shift over time from procuring effectively CO2-free electricity through direct renewable energy contracts in each region to locally produced and locally consumed renewable energy (including PPA). By fiscal 2040, we aim to operate 100% of our directly managed malls using locally produced and locally consumed renewable energy. We will accelerate our efforts to achieve a decarbonized society in Japan and overseas, aiming to reduce the total amount of CO2 and other emissions from all our business activities to zero.

(Disclosures Based on TCFD Recommendations)
In June 2020, we declared our support for the Task Force on Climate-related Financial Disclosures (TCFD), a task force for information disclosure of business risks and opportunities posed by climate change.

Utilizing the recommendations of the TCFD, we disclose our progress in our integrated and ESG data book regarding each measure within four frameworks: Governance, strategy, risk management, and metrics and targets.

・Integrated Report 2024 (P63-67):
https://www.aeonmall.com/en/ir/pdf/ir2024e/integrated_report_2024.pdf

・ESG Data Book 2024 (P9-20):
https://www.aeonmall.com/en/sustainability/assets/img/esgdatabook/download/2024/esg2024_all.pdf

(Biodiversity Preservation)
We assess the impact of our overall business activities on ecosystems and engage in activities to reduce our impact and preserve nature in cooperation with our customers, government, NGOs, and other stakeholders. We will preserve biodiversity through the AEON Hometown Forest Project, resource recycling initiatives, and green purchasing, aiming to achieve sustainable natural resources and business growth. In December 2023, we joined the 30 by 30 Alliance initiative sponsored by the Ministry of the Environment.
We utilized the LEAP approach recommended by the TNFD to analyze the impacts our operations have on nature and address our nature-related risks and opportunities. In addition, to disclose information in line with the TNFD, we organize analysis results and company efforts in accordance with the categories (Governance, Strategy, Risk and Impact Management, and Metrics and Targets) recommended in the Final TNFD Recommendations published in September 2023. Going forward, we plan to base our analysis on the LEAP approach as we expand the extent of our disclosures for the categories in which we lack data at this point in time.
We communicate our sustainability initiatives through ESG reports, integrated reports, ESG data books, and IR materials for investors.

・ESG Report (Life Design Report):
https://www.aeonmall.com/en/sustainability/pdf/

・Integrated Report 2024:
https://www.aeonmall.com/en/ir/pdf/ir2024e/integrated_report_2024.pdf

・ESG Data Book 2024:
https://www.aeonmall.com/en/sustainability/assets/img/esgdatabook/download/2024/esg2024_all.pdf

・IR website: https://www.aeonmall.com/en/ir

[Supplementary Principal 4-1-1. Board of Director Roles and Responsibilities (1) (Scope of Delegation of Authority to Management)]
To separate supervisory and business execution functions, the Company clearly defines matters to be discussed at meetings of the board of directors based on Board of Director Rules. Said matters are to be resolved by the board and include those important to corporate management or those stipulated by law or the Articles of Incorporation. Aeon Mall defines detailed responsibilities and procedures, clearly assigning management responsibilities to execute each duty, according to the, according to *Rules for Organization Management, Rules for Segregation of Duties, Rules of Jurisdiction, and Rules for Approval Requests*.

[Supplementary Principle 4-3-1. Board of Director Roles and Responsibilities (3) (Appointment and Dismissal of Management)]
The Nomination and Compensation Committee consists mainly of independent outside directors. The committee deliberates on the selection and dismissal of director candidates, reporting to the board of directors. Following resolution at the board, the board submits proposals to the general meeting of shareholders, ensuring highly transparent and fair procedures.

[Principle 4-9. Independence Standards and Qualification for Independent Outside Directors]
The Company complies with the independence standards set by the Tokyo Stock Exchange for the election of independent outside directors. We have designated independent director from outside director who qualify as independent directors, providing notification to the Tokyo Stock Exchange.

[Independence Standards for Outside Directors] (Stipulated under Relationships with Independent Directors in the Corporate Governance Report.)
1) Individuals who are not executive directors, executive officers, managers, or other employees of the Company or Company subsidiaries (Aeon Mall Group Executives) and we have not served as Aeon Mall Group Executives within 10 years prior to his or her appointment.

2) Individuals who, at any time within 10 years prior to his or her appointment, have served as a Company or Company subsidiary director, accounting advisor, or member of the Audit & Supervisory Board (excluding individuals having served as an Aeon Mall Group Executive), but have not served as an Aeon Mall Group Executive within 10 years prior to his or her appointment as director, accounting advisor, or member of the Audit & Supervisor Board.
3) Individuals not subject to any of the following conditions:
(1) Individuals who serve as directors, executive officers, managers, or other employee of the Aeon Mall parent company or subsidiary of the Aeon Mall parent company (excluding Aeon Mall or Aeon Mall subsidiaries)
(2) Individuals who are spouses or relatives within the second degree of kinship of an Aeon Mall Group Executive
4) Individuals not subject to any of the following conditions:
(1) An entity regarded as a major customer or executive officer of a major customer of the Company or Company subsidiaries (a customer representing one percent or more of the Companies consolidated sales for the most recent fiscal year)
(2) A major customer or executive officer of a major customer of the Company or Company subsidiaries
(3) A consultant, accounting expert, or legal expert receiving from the Company or Company subsidiaries a sum, other than corporate officer remuneration, of ¥10 million or more in monetary or other property
5) Individuals not subject to any of the following conditions within three years prior to his or her appointment:
(1) Any conditions provided under 4.(1) to (3)
(2) Executives or non-executive directors of the Aeon Mall parent company
(3) Executives of a subsidiary of the Aeon Mall parent company (excluding Aeon Mall or Aeon Mall subsidiaries)
6) Spouses or relatives within the second degree of kinship of individuals not subject to any of the following conditions:
(1) Any conditions provided under 5.(1) to (3)
(2) Aeon Mall Group Executives
(3) Executives or non-executive directors of the Aeon Mall parent company
(4) Executives of a subsidiary of the Aeon Mall parent company (excluding Aeon Mall or Aeon Mall subsidiaries)
(5) Individual who has served as an Aeon Mall Group Executive with in three years prior to his or her appointment

[Supplementary Principle 4-10-1. Appropriate Involvement and Advice From Independent Outside Directors via an Independent Nomination and Compensation Committee]
The Company established the Nomination and Compensation Committee to serve as an advisory body to the board of directors. The committee consists mainly of independent outside directors with a wealth of experience and insight in their respective fields of expertise. Chaired by the head independent outside director, the committee ensures transparency and objectivity by advising and reporting to the board of directors in the nomination and election of director candidates and in the determination of director compensation. The majority of the Company's independent directors are women from whom we receive advice and suggestions reflecting diverse perspectives, including gender. The appropriate involvement and advice of independent outside directors in the consideration of particularly important matters such as nomination and compensation are as described in Principle 3-1 and Supplementary Principle 4-3-1.

[Supplementary Principle 4-11-1. Approach to Board of Director Diversity]
To ensure active deliberations and rapid decision-making, no more than 20 directors shall be appointed according to the Company’s corporate charter. At present, five board members are independent outside directors (as of February 28, 2025). In considering the composition of the board of directors, we seek candidates with diverse expertise and knowledge that will not only strengthen our management supervisory function, but also drive key Company strategies and growth policies. We provide a summary of the skills offered by each director in the skills matrix. Internal directors have an understanding of our overall business operations, a sense of balance, a history of achievements, and decision-making skills, contributing to the diversity of expertise among board members in shopping mall operations and management, overseas business expansion, improved governance, sound finances, etc. Outside directors consist of independent individuals with management experience and expertise in a variety of industries, contributing a diversity of viewpoints, a wealth of experience, a depth of knowledge, and expert opinions in the areas of international business strategy, governance, corporate branding, diversity management, and finance. As a developer, manager, and operator of shopping malls, Aeon Mall seeks the values and conceptual ideas of women.

Accordingly, we pursue diversity in management, including appointing women as constituent members of our board of directors. Currently, five of the 16 board members are women (as of February 28, 2025). The Company employs a diverse workforce without regard to nationality, race, gender, age, educational background, religion, etc.

[Supplementary Principle 4-11-2. Concurrent Service by Board Directors and Members of the Audit & Supervisory Board]
Under the provisions of our corporate charter, the Company determines the necessary number of directors and members of the Audit & Supervisory Board, including outside directors and outside members, to ensure sufficient time and effort required for accomplishing assigned roles and responsibilities in an appropriate manner.
We determine whether directors or members of the Audit & Supervisory Board serve concurrently as an officer at another publicly traded company or equivalent company/organization. Individuals are discussed in board of director meetings and nominated as candidates for director or member of the Audit & Supervisory Board after verifying that the individual(s) in question is reasonably capable of attending meetings of the board of directors or meetings of the Audit & Supervisory Board. In addition, the Company subsequently verifies that the officer in question contributes actively to board deliberations and facilitates rapid decision-making. Further, positions concurrently held by directors and members of the Audit & Supervisory Board are disclosed in our annual convocation notice of general shareholders' meeting and our annual securities report.

[Supplementary Principle 4-11-3. Evaluation of the Effectiveness of the Board of Directors]
In order to strengthen corporate governance for the purpose of contributing to sustainable growth and enhancing corporate value over the medium to long term, the company analyzes and evaluates the effectiveness of the board of directors, recognizes issues that require further deepening and consideration, and works to make improvements with speed.
We have made the following improvements to ensure independent outside directors are able to maximize their insight from a standpoint of independence from management and controlling shareholders.・
Establishment of the Nomination and Compensation Committee (2018)
The majority consists of independent outside directors who advise and report on the nomination, compensation and development of directors.
・Establishment of the Governance Committee (2021)
The Committee, consisting solely of independent outside directors, will clarify the supervisory and check-and-balance functions in important decision-making, and will confirm and report on the reasonableness and appropriateness of related party transactions.
・Establishment of the Management Strategy Advisory Committee (2021)
Utilizing the knowledge of outside directors, the committee discusses in depth the strategies of the medium-term management plan and the company's management issues.
・ Introduction of the Executive Officer System (2023)
Separate management supervision from business execution and strengthen the supervisory function of directors.
The company will disclose a summary of the evaluation of the effectiveness of the board of directors as follows, and will continue its efforts to improve the effectiveness of the board of directors.

1. Evaluation method
We conducted a questionnaire with multiple choice and free-response questions for all directors. The Management Strategy Advisory Committee discussed the result of the questionnaire and an analysis of the responses by a third-party organization. The Governance Committee confirmed the results and analysis, which were then verified and discussed by the board of directors. The structure of the questionnaire (major items) is as follows
(1) Roles and functions of the board of directors
(2) Size and composition of the board of directors
(3) Operation of the board of directors
(4) Relationship with audit organization
(5) Relationships with internal and external directors
(6) Relationship with shareholders and investors
(7) Comparison with the status as of the previous survey

In addition to the preceding, we also confirmed the advisory bodies to the board of directors (Nomination and Compensation Committee, Governance Committee), as well as the results of measures taken to address previous issues (executive officer system, role of the board of directors in formulating medium- to long-term strategies).

2.Assessment results
The board of directors was evaluated as generally effective, with active discussions by directors and corporate auditors with diverse insights and experience, and as a whole, the board of directors functions appropriately.

[Our strengths]
The evaluation confirmed the direction of agreement on many items, and also indicated that the PDCA cycle is being used to steadily resolve issues. In particular, we received high marks for effectiveness related to the checks-and-balances function of the Governance Committee, cooperation with audit organizations, and improved cooperation and information sharing between internal directors and outside directors.

[Our tasks]
The following points are considered issues that continue to require improvement and enhancement.
・Enhance discussions of medium- and long-term strategies・Strengthen monitoring function to achieve the medium-term management plan and company-wide policies

3. Responding to Challenges
In order to resolve the above issues, the Company will increase opportunities to discuss medium- and long-term management strategies, which has been an ongoing issue. We will also revise the handling of monthly and quarterly financial reports to strengthen monitoring from a management oversight perspective toward achieving said strategies. In addition, the board of directors and each committee will consider measures related to other issues to further enhance the effectiveness of the board of directors.

[Supplementary Principal 4-14-2. Policies Regarding Training for Directors and Members of the Audit & Supervisory Board]
The Company provides senior manager training and other opportunities for directors and members of the Audit & Supervisory Board to cultivate stronger leadership skills and strategic business thinking, as well as to gain a stronger understanding of compliance and governance. These trainings include seminars for newly appointed officers and top Company management.
The Company provides tours of domestic facilities, as well as overseas tours of business operations and online opportunities for information exchange to outside directors and outside members of the Audit & Supervisory Board. The purpose of these overseas tours in particular is to deepen an understanding of our overseas strategy which is a foundational part of our corporate policy.

[Principle 5-1. Policy for Constructive Dialogue With Shareholders]
Our Strategy Department serves as the main contact point for dialogue with shareholder. The president and CEO, the director in charge of the financial unit and the director in charge of the administrative unit work together to engage in IR activities. The Company values constructive dialogue with our shareholders and investors, using these opportunities to provide a greater understanding of our business strategy. At the same time, these opportunities help us engage with shareholders and investors with a better understanding of their viewpoints.
We hold quarterly financial results briefings for institutional investors, as well as individual interviews and conference calls with institutional investors in Japan and overseas. We also participate actively in investor conferences and sponsor regular tours of our malls located in Japan and around the world. In addition, we conduct visits to institutional investors located in the United States, Europe, and Asia.
For individual investors, we publish relevant information on our corporate IR website. Individual investor briefings will be considered upon request. We strive to respond to feedback and questions received online and over the telephone as quickly as possible.

[Measures to realize management that is conscious of capital costs and stock prices]
The company's capital policy, which takes into account cost of capital and shareholder value, etc., is described in the "Integrated Report 2023" (P33-39 Financial Strategy) published on the company's website. So please refer to it.

Integrated Report 2023 (P33-39): https://www.aeonmall.com/en/ir/pdf/ir2023e/Integrated_Report_2023.pdf

2. Capital Structure

Foreign Shareholding Ratio	Less than 10%

[Status of Major Shareholders] UPDATE

Name / Company Name	Number of Shares Owned	Percentage (%)
AEON Co., Ltd.	132,351,781	58.15%
The Master Trust Bank of Japan, Ltd. (Trust Account)	11,248,300	4.94 %
Custody Bank of Japan, Ltd. (Trust Account)	3,216,200	1.41 %
GOLDMAN SACHS INTERNATIONAL	2,117,306	0.93%
UBS AG LONDON A/C IPB SEGREGATED CLIENT ACCOUNT	1,763,375	0.77 %
AEON MALL Trading-Partner Shareholders' Association	1,434,650	0.63 %
CGML PB CLIENT ACCOUNT/COLLATERAL	1,384,039	0.60 %
NOMURA PB NOMINEES LIMITED OMNIBUS-MARGIN (CASHPB)	1,201,989	0.52 %
JAPAN SECURITIES FINANCE CO.,LTD.	1,105,100	0.48 %
Mizuho Bank, Ltd.	1,100,000	0.48 %

Controlling Shareholder (Except for Parent Company)	-
Parent Company	Aeon Co., Ltd. (Listing: TSE, Code: 8267)

Supplementary Explanation UPDATE

1. The major shareholder data above is current as of February 28, 2025.
   AEON Co., Ltd. is the parent company of Aeon Mall, owning 58.15 percent of Aeon Mall shares.
2. Share ownership ratios held to the total number of shares issued is calculated excluding treasury stock (4,896 shares) and rounded down to two decimal places.

3. Corporate Overview

Listed Stock Market and Market Section	Tokyo Stock Exchange, Prime Section
Fiscal Year End	February
Type of Business	Real Estate
Number of Employees (Consolidated) as of the End of the Previous Fiscal Year	More than 1,000
Sales (Consolidated) as of the End of the Previous Fiscal Year	Between ¥100 billion and ¥1 trillion
Number of Consolidated Subsidiaries as of the End of the Previous Fiscal Year	Between 50 and 100

4. Policy on Measures to Protect Minority Shareholders in Conducting Transactions With a Controlling Shareholder UPDATE

[Involvement of the Parent Company in the Decision-Making Process]
Aeon Mall makes independent management decisions related to daily business operations. We confer with or report to Aeon Co., Ltd. concerning key management issues. Aeon Co., Ltd. and Aeon Group companies strive to achieve sustainable growth, development, and improved financial results, while maintaining close cooperation and respecting mutual independence and unique approaches.
When the Company conducts transactions with Aeon Co., Ltd. and Aeon Group companies, such transactions comply with the provisions of our Rules for Managing Related-Party Transactions. Once a year, we report the rate of increase/decrease in annual transaction amounts with each affiliated business partner to the board of directors, and scrutinize the rationality and appropriateness of transactions. The Governance Committee, which is an advisory body to the board of directors, examines the fairness and reasonableness of such transactions deemed important. This examination reflects the perspective of improving the corporate value of the Company. Once the examination is completed, the matter is submitted to the board of directors for approval. Individuals with special interests in the transaction are excluded from the discussions to ensure the fairness of the procedures.
The Company works with Aeon Co., Ltd. and its subsidiary, general merchandiser AEON Retail Co., Ltd., as well as other Group companies, conducting shopping mall management and operations in various regions. While Aeon Mall signs building lease agreements with AEON Retail Co., Ltd. and other Group companies, we enter into agreements with transaction terms similar to general agreements of the type in question. Therefore, we recognize that we have secured a certain degree of independence from Aeon Co., Ltd. and Group companies.

[Outline of the Special Committee to Ensure Independence From the Parent Company]
The Company established the Governance Committee to ensure that the opinions of minority shareholders are reflected at the board of directors meetings. The committee serves as an advisory body to the board and consists of independent outside directors.
To contribute to the lawful and efficient operation of the board of directors and the sustainable growth of the company, the committee advises and reports to the board of directors on matters concerning mergers, corporate divestitures, and other organizational restructuring, and on matters to be discussed at board of director meetings in transactions with the parent company or Group companies. In this way, the committee ensures the fairness and rationality of transactions. The Governance Committee met a total of eight times in fiscal 2023. At these meetings, the committee confirms the rationality of transactions with the parent company and Group companies, as well as the appropriateness of transaction terms and conditions, reporting back to the board of directors.

[Use of the Nomination Committee and its Role in Ensuring the Independence of Independent Directors From the Parent Company]
The Company established a voluntary Nomination and Compensation Committee as an advisory body to the board of directors. The committee advises and reports to the board regarding the nomination and election of director candidates and the determination of compensation for each director. At the same time, the committee discusses the development of policies and plans for candidates for the next board of directors to ensure transparency and objectivity.
The committee consists of seven members, including the president, the director of administrative management , and five independent outside directors. An independent outside director serves as the committee chair.
In appointing outside directors, the committee appoints outside directors based on their independence from the parent company and whether they satisfy the criteria of the Independence Standards set forth by the Company.

[Parent Company Approach and Voting Policy for the Election and Dismissal of Independent Directors]
The policy of the parent company respects the independence of each listed subsidiary to lead the process of voting on the election, dismissal, and nomination of independent directors of the listed subsidiary.

5. Other Special Circumstances which may have Material Impact on Corporate Governance UPDATE

[Position of the Company in the Parent Company's Business Portfolio Strategy and the Current and Future Status of Business Separation Within the Parent Company Group]

The Aeon Group views the autonomous and unique management of Group companies as a way to improve the overall corporate value of the Group and has managed the Group under a decentralized system since our establishment. Group policy stipulates that Group companies are listed as subsidiaries if 1) the company pursues sustainable growth through autonomous management based on business and regional characteristics and 2) a higher quality of management is expected through discipline from the capital market. Aeon Co., Ltd. is the parent company of the Company, holding 58.25% of the Company's voting rights (as of February 28, 2025).

Aeon Mall belongs to the corporate group consisting of Aeon Co., Ltd. (pure holding company) and Aeon Co., Ltd. consolidated subsidiaries and equity-method affiliates. Aeon Co., Ltd. is responsible for planning group strategies, allocating group management resources in an optimal manner, instilling and controlling management philosophies and basic principles, and providing common services to maximize group synergies. Group companies, including Aeon Mall, strive to raise their respective levels of expertise and engage in community-based business to improve customer satisfaction further.

The Company is the central entity in the Aeon Group responsible for development operations. We develop and operate shopping malls that coexist with local communities in Japan, China, and ASEAN countries, providing services and enhancing facilities in cooperation with each Group business. In addition to our responsibilities as a commercial real estate business, we are also responsible as a platform for Group services and specialty store companies.

The Aeon Group integrates marketing, development, and leasing in the developer business while the Company is responsible for unifying the development, management, and operation of large-scale shopping malls within the Group. Therefore, business between the Group companies (excluding the Company) and the Company is separated, with no current competition between the parties in question. No such competition is expected going forward.

[Significance of Our Cash Management System With the Parent Company]

The Company utilizes the cash management system of the Aeon Group to manage temporarily generated surplus funds on hand, which we record as deposits paid to affiliates under current assets listed on the consolidated balance sheets. We review the terms and conditions for these deposits every three months based on market interest rates. During such review, we take into consideration the balance of cash on hand, as more favorable terms may present themselves than depositing said cash with correspondent financial institutions .

II. Business Management Organization and Other Corporate Governance Systems Related to Decision-Making, Business Execution, and Management Oversight

1. Organizational Structure and Operation

Organization Form	Company with Audit & Supervisory Board Members

[Directors]

Maximum Number of Directors Stipulated in Articles of Incorporation	20
Term of Office Stipulated in Articles of Incorporation	1 Year
Chairperson of the Board	President & CEO
Number of Directors UPDATE	8
Number of Outside Directors	Appointed
Number of Independent Directors UPDATE	1
Number of Outside Directors Designated as Independent Officers UPDATE	1

Outside Director Relationship with the Company (1) UPDATE

Name	Attribute	Relationship with the Company*										
		a	b	c	d	e	f	g	h	i	j	k
Kunihiro Koshizuka	From another company											

* Categories for Relationship with the Company
* ”○” when applicable currently or in the past
“△” when applicable in the past
* “●” when applicable to a close relative of the director currently or in the recent past
“▲”when applicable to a close relative of the director in the past

a. Executive of the Company or its subsidiaries
b. Non-executive director or executive of the parent company of the Company
c. Executive of a fellow subsidiary company of the Company
d. A party whose major client or supplier is the Company or an executive thereof
e. Major client or supplier of the listed company or an executive thereof
f. Consultant, accountant or legal professional who receives a large amount of monetary consideration or other property from the Company besides compensation as a director/Audit & Supervisory Board member
g. Major shareholder of the Company (or an executive of the said major shareholder if the shareholder is a legal entity)
h. Executive of a client or supplier company of the Company (which does not correspond to any of d, e, or f) (the director himself/herself only)
i. Executive of a company, between which and the Company outside directors/ Audit & Supervisory Board members are mutually appointed (the director himself/herself only)
j. Executive of a company or organization that receives donations from the Company (the director himself/herself only)
k. Others

Outside Director Relationship with the Company (2) **UPDATE**

Name	Designation as Independent Director	Supplementary Explanation of the Relationship	Reasons for Appointment
Kunihiro Koshizuka	○	He serves concurrently as an outside director of Tokyu Construction Co., Ltd., F.C.C. Corporation, Will Group, Inc., and MIC Co., Ltd., respectively.	Mr. Koshizuka has served as a director in other companies, overseeing technology strategy, new business development, and large-scale acquisitions. He leverages his extensive knowledge and experience in digital and scientific technologies to provide appropriate oversight and recommendations addressing the Company's management challenges, particularly in the digital domain. As the lead independent outside director, Mr. Koshizuka serves as the coordinator for the board of directors and contributes actively to management oversight. Our expectation is that he will be capable of offering valuable advice for the Company's sustainable growth and long-term enhancement of corporate value, and, therefore, we have appointed him to the position of director. We believe Mr. Koshizuka qualifies as an independent officer having no relationships that may result in a conflict of interest. He is not a shareholder of Aeon Mall, nor does he have any personal relationships with major Aeon Mall transaction partners.

Voluntary Establishment of Committee(s) Corresponding to Nomination Committee or Remuneration Committee	Established

Establishment of an optional committee, members of the committee, and attributes of the chairperson of the committee **UPDATE**

	Committee Name	Total Number of Members	Number of Full-time Members	Number of Inside Members of the Board of Directors	Number of Outside Members of the Board of Directors	Number of Outside Experts	Other	Committee Chairperson
Optional Committee Corresponding to the Nominating Committee	Nomination and Compensation Committee	3	0	2	1	0	0	Outside Director
Optional Committee Corresponding to the Compensation Committee	Nomination and Compensation Committee	3	0	2	1	0	0	Outside Director

Supplementary Explanation UPDATE

The Nomination and Compensation Committee is by the lead independent outside director (Kunihiro Koshizuka) and consists of three directors: one independent outside director, the president and representative director, administrative manager , who is an internal director.
Board resolutions regarding the nomination and appointment of candidates for directors first pass through this committee, which advises and reports to the resolution of the board of directors to ensure transparency and objectivity.

[Audit & Supervisory Board Members]

Establishment of Audit & Supervisory Board	Established
Maximum Number of Audit & Supervisory Board Members Stipulated in Articles of Incorporation	4
Number of Audit & Supervisory Board Members UPDATE	3

Cooperation among Audit & Supervisory Board Member, Accounting Auditors and Internal Audit Departments UPDATE

Audits Conducted by Members of the Audit & Supervisory Board
a. Organization, Personnel and Procedures
The company has a total of three members of the Audit & Supervisory Board, of which two are outside members.
The status of each Audit & Supervisory Board member is as follows.

・Full-time Audit & Supervisory Board Member (Outside Member)
Kazuhiro Aoyama
He has extensive knowledge of management and sales strategies cultivated at Aeon Group companies and experience as a director at other companies.

・Independent Outside Audit & Supervisory Board Member
Emi Torii
She possesses specialized knowledge and experience as an attorney in matters of corporate legal affairs.

・Audit & Supervisory Board Member
Masato Nishimatsu
He possesses broad expertise and specialized knowledge cultivated at several AEON Group companies, and has knowledge in general business management.

*The Audit & Supervisory Board is chaired by the full-time Audit & Supervisory Board member and, in principle, is held every month. In addition, we have assigned one person as dedicated staff for assisting the performance of duties by Audit & Supervisory Board members.
*Audit & Supervisory Board member Rumiko Tanabe resigned as of the conclusion of the regular meeting of general shareholders held on May 22, 2025.

b. Activity Status
i. The attendance status of each Audit & Supervisory Board member at the Audit & Supervisory Board and board of directors meetings held during the fiscal year is as follows.
Kazuhiro Aoyama:
15/15 Audit & Supervisory Board meetings (100%), 17/18 board of directors meetings (94%)
Emi Torii:
15/15 Audit & Supervisory Board meetings (100%), 18/18 board of directors meetings (100%)
Rumiko Tanabe:
14/15 Audit & Supervisory Board meetings (93%), 18/18 board of directors meetings (100%)
Masato Nishimatsu:
15/15 Audit & Supervisory Board meetings (100%), 17/18 board of directors meetings (94%)

ii. Specific Matters for Consideration at the Audit & Supervisory Board
(Matters for resolution)

・Audit policy for Audit & Supervisory Board members, audit plans including priority audit items, and division of duties

・Appointment or reappointment / non-reappointment of financial statement auditors

・Agreement to audit remuneration for the financial statement auditors

(Matters for information sharing and reporting)

・Information exchange with the President and CEO

・Information exchange with the financial statement auditors regarding audit policies, audit plans, and audit status

・Information exchange with the Management Auditing Department regarding audit policies, audit plans, and audit status

・Information exchange with outside directors

・Reports from executive directors and others on priority audit items and topics arising during the period

・Monthly audit activity report from the full-time Audit & Supervisory Board member

・Review of the Audit and Supervisory Board activities for the year and preliminary discussion of the audit plan for the following year

iii. Audit Activities

Members of the Audit & Supervisory Committee attend board of director and Management Council meetings, including by way of methods using the Internet and other channels, according to Audit & Supervisory Board standards, audit policies, and audit plans, etc. determined by the Audit & Supervisory Committee. Members audit the execution of duties by directors through the inspection of important documents and observations of operating departments, etc.

The full-time Audit & Supervisory Board member, in addition to attending Management Council meetings held within the fiscal year, also attends major meetings such as those of the Risk Management Committee, Compliance Committee, ESG Promotion Committee, and the Disclosure Committee, checking the status of execution of director duties and providing opinions as necessary. In addition, independent outside auditors and corporate auditors also attend the Management Strategy Advisory Committee meetings, which focus on important policies and management issues in consultation with the president and CEO. The member also inspects and confirms the content of approval documents, minutes, major contracts, and other materials for executive directors.

Members of the Audit & Supervisory Board and independent outside directors work together to exchange information regarding the progress of annual policies and issues, etc. Furthermore, the full-time Audit & Supervisory Board Member requests reports on the status of execution of duties from executive directors, executive officers, employees, and others as necessary.

The Audit & Supervisory Board receives reports from financial statement auditors about financial statement audit systems, audit plans including priority audit areas, audit execution status and audit results and exchanges opinions regarding these. Furthermore, the full-time Audit & Supervisory Board member conducts information exchanges at the appropriate timings with financial statement auditors, interacting actively with these auditors. The Audit & Supervisory Board also receives reports from the Management Auditing Department about internal audit systems, plans, execution status, and results and exchanges opinions regarding these. Furthermore, the full-time Audit & Supervisory Board member holds regular meetings with the Management Auditing Department, building a system of cooperation. In addition to these efforts to strengthen cooperation in three-party audits, we are working toward more efficient and effective Audit & Supervisory Board audits with the cooperation of internal controls departments.

Internal Audits

a. Organization, Personnel and Procedures

The Management Auditing Department is independent of other executive departments reporting directly to the president. 13 employees have been assigned to conduct internal audits. The Management Auditing Department conducts internal audits to confirm whether the execution of operations is conducted in accordance with various laws and regulations, company regulations, business plans, etc. The department also confirms whether operations are conducted effectively and efficiently, providing guidance and advice for improvement. We also conduct internal control evaluations for the internal control system stipulated by the Financial Instruments and Exchange Act.

b. Mutual Cooperation Between Internal Audits, Audit & Supervisory Board Member Audits, and Accounting Audits
The Management Auditing Department collaborates with full-time Audit & Supervisory Board members and accounting auditors on a regular and as-needed basis to share information and exchange opinions on the implementation plans and results of internal audits and internal control evaluations related to financial reporting.

c. Efforts to Ensure Effective Internal Audits
The Management Auditing Department reports on internal audit results and improvement statuses, etc., to the president and CEO and full-time Audit & Supervisory Board members as necessary. The department also reports a summary to the Management Meeting, the board of directors, and the Audit & Supervisory Board on a regular basis.

Financial Statement Auditor
a. Name
Deloitte Touche Tohmatsu LLC

b. Continuous Audit Period
34 years
(Note) This period is within the possible scope of investigation by the company; the actual continuous audit period may exceed the above.

c. Certified public accountants assisting in financial statement audits
Masayuki Yamada
Kentaro Sugimoto

d. Individuals assisting in financial statement audits
Fourteen certified public accountants and 54 others assist in financial statement audit procedures.

e. Policies and reasons for financial statement auditor selection
In selecting a financial statement auditor, we take into account the overall organization, quality management systems, independence, audit implementation structure, and ability to centrally manage overseas subsidiary firms. We also consider audit fees and other factors.
We received a presentation from Deloitte Touche Tohmatsu LLC explaining the firm's corporate structure and policies regarding audits of our company. Subsequently, members of the Audit & Supervisory Board conducted a careful review and determined that Deloitte Touche Tohmatsu LLC was an appropriate selection as our financial statement auditor.
Policies Regarding the Dismissal or Non-Reappointment of Financial Statement Auditors
If the Audit & Supervisory Board determines that the financial statement auditor is subject to the provisions of Article 340, Paragraph 1 of the Companies Act, the Audit & Supervisory Board shall dismiss the accounting auditor, subject to the consent of all members of the Audit & Supervisory Board.
In addition, if the Audit & Supervisory Board determines issues have arisen related to the audit quality, quality management, independence, etc., of the financial statement auditor, and that such issues represent a significant hindrance to the execution of audit procedures, the Audit & Supervisory Board shall submit a resolution at the general shareholders' meeting for the dismissal non-reappointment of the proposed financial statement auditor.

f. Evaluation of Financial Statement Auditor by the Members of the Audit & Supervisory Board and the Audit & Supervisory Board
Based on financial statement auditor selection standards and evaluation standards established by the Audit & Supervisory Board, the Audit & Supervisory Board shall evaluate the quality management structure of the financial statement auditor, as well as the financial statement auditor's independence, expertise, understanding of Aeon Mall business operations, audit fees, communication with company management and members of the Audit & Supervisory Board, coordination with global network member firms, audit plans reflecting considerations of the risk of fraud, etc. Further, the Audit & Supervisory Board shall seek the opinions of the Finance and Accounting unit and Management Auditing Department (executive divisions participating in financial statement audits) in said evaluation.

Appointment of Outside Audit & Supervisory Board Members	Appointed
Number of Outside Audit & Supervisory Board Members UPDATE	2
Number of Outside Audit & Supervisory Board Members Designated Independent Officers UPDATE	1

Outside Audit & Supervisory Board Member Relationships with the Company (1) UPDATE

Name	Attribute	Relationship with the Company*												
		a	b	c	d	e	f	g	h	i	j	k	l	m
Kazuhiro Aoyama	From another company					△					△			
Emi Torii	Lawyer													

* Categories for "Relationship with the Company"
* "○" when applicable currently or in the recent past
"△" when applicable in the past
* "●" when applicable to a close relative of the director currently or in the recent past
"▲"when applicable to a close relative of the director in the past

a. Executive of the Company or its subsidiary
b. Non-executive director or accounting advisor of the Company or its subsidiaries
c. Non-executive director or executive of the parent company of the Company
d. Audit & Supervisory Board Member of the parent company of the Company
e. Executive of a fellow subsidiary company of the Company
f. A party whose major client or supplier is the Company or an executive thereof
g. Major client or supplier of the Company or an executive thereof
h. Consultant, accountant, or legal professional who receives a large sum of monetary consideration or other assets from the Company in addition to compensation as an Audit & Supervisory Board member
i. Major shareholder of the Company (or an executive of the said major shareholder if the shareholder is a legal entity)
j. Executive of a client or supplier company of the Company (not corresponding to any of f, g, or h; applies only to the Audit & Supervisory Board member himself/herself)
k. Executive of a company, between which and the Company outside directors/Audit & Supervisory Board Members are mutually appointed (applies only to the Audit & Supervisory Board member himself/herself)
l. Executive of a company or organization that receives a donation from the Company (applies only to the Audit & Supervisory Board member himself/herself)
m. Other

Outside Audit & Supervisory Board Member Relationships with the Company (2) UPDATE

Name	Designation as Independent Officers	Supplementary Explanation of the Relationship	Reasons for Appointment
Kazuhiro Aoyama		――	Mr. Aoyama has extensive knowledge of management and sales strategies at AEON Group companies and has served as an Audit & Supervisory Board member at other companies. We believe he will continue to contribute his expertise in all aspects of management and his ability to conduct highly effective audits.
Emi Torii	○	She concurrently serves as a partner at Nozomi Sogo Attorneys at Law (lawyer).	Ms. Torii has experience and expertise as a corporate lawyer and has provided accurate advice and supervision in auditing the legality of the execution of duties by the company directors and in improving the internal control system. We believe Ms. Torii qualifies as an independent officer having no relationships that may result in a conflict of interest. She is not a shareholder of Aeon Mall, nor does she have any personal relationships with major Aeon Mall transaction partners.

[Independent Officers]

Number of Independent Officers UPDATE	2

Matters Relating to Independent Officers

The Company complies with the independence standards set by the Tokyo Stock Exchange for the election of independent directors. We have designated one independent director and one outside member of the Audit & Supervisory Board from outside directors who qualify as independent directors, providing notification to the Tokyo Stock Exchange.
We presume that our outside directors maintain their independence by meeting certain conditions as follows:
1. These individuals are not executive directors, executive officers, managers, or otherwise employees of the Company and/or subsidiaries (“Aeon Mall Group Executives”). Further, these individuals have not served as an executive officer of any of the Company’s group companies in the 10 years prior to appointment as an outside director.
2. Any individuals who have served as a director, accounting specialist, or as an Audit & Supervisory Board member of the Company and/or its subsidiaries at any time in the 10 years prior to appointment (excluding those who have served as Aeon Mall Group Executives) have not served as an executive officer of the Company and/or its subsidiaries for a period of 10 years prior to appointment as director, accounting specialist, and/or Audit & Supervisory Board member.
3. Individuals not falling under either of the following conditions:
(1) Directors, executive officers, managers, or other employee (“Executive”) of the parent company of Aeon Mall or any subsidiary of the parent company of Aeon Mall
(2) Spouse or relative within the second degree of kinship of an Aeon Mall Group Executive
4. Individuals not falling under any of the following conditions:
(1) Individual who considers Aeon Mall or an Aeon Mall subsidiary to be a major customer (representing one percent or more of revenues in the most-recent fiscal year); individual serving as an executive officer of said entity
(2) Individual is a major vendor of Aeon Mall or an Aeon Mall subsidiary; individual serving as an executive officer of said entity
(3) Individual who serves as a consultant or specialist related to accounting or law and receives monetary compensation or other assets in excess of ¥10 million annually separate and distinct from director compensation paid by Aeon Mall or an Aeon Mall subsidiary

5. Individuals not falling under any of the following conditions for three years prior to appointment:
(1) Individual falling under 4.(1)-(3) above
(2) Individual is an executive or non-executive director serving at the parent company of Aeon Mall
(3) Individual is an executive serving at the Aeon Mall parent company or parent company subsidiary (excluding Aeon Mall and Aeon Mall subsidiaries)
6. Spouse or relative within the second degree of kinship of an individual falling under any of the following conditions:
(1) Individual falling under 5.(1)-(3) above
(2) Individual is an executive serving in the Aeon Mall Group
(3) Individual is an executive or non-executive director serving at the parent company of Aeon Mall
(4) Individual is an executive serving at the Aeon Mall parent company or parent company subsidiary (excluding Aeon Mall and Aeon Mall subsidiaries)
(5) An individual having served as an executive of the Aeon Mall Group within three years prior to appointment

[Incentives]

Incentive Policies for Directors	Performance-Linked Remuneration / Stock Options

Supplementary Explanation

Aeon Mall has expanded the weight of the monetary component of performance-linked compensation (including traditional director bonuses) for directors. We eliminated our director retirement benefit program and adopted a remuneration-type stock option plan as approved at the 96th regular meeting of general shareholders, held May 17, 2007. Director compensation is limited to a maximum of ¥700 million per fiscal year. The monetary component of this amount is limited to a maximum ¥600 million per year, including traditional director bonuses. Remuneration-type stock options are limited to a maximum ¥100 million based on the fair value of the stock options in question.

Recipients of Stock Options UPDATE	Inside Directors, Others

Supplementary Explanation UPDATE

Our aim is to increase the motivation and morale toward sustained earnings and corporate value improvement through the allocation of stock acquisition rights as stock options reflecting corporate earnings. We accomplish this by strengthening the relationship between share prices, earnings, and compensation, ensuring directors share the same benefits of share price increases and risk of share price decreases with shareholders. The percentage of total compensation is set at around 10%, with a higher weighting depending on the responsibility. The number of stock options allocated is determined based on the standard number of stock options for each position, the percentage of achievement of the Company's business results budget, and the degree of achievement of the individual's goals under the medium-term management plan.
Among the recipients of stock options, Others refers to executive officers.

[Director Remuneration]

Disclosure of Individual Director Remuneration	No Individual Disclosure

Supplementary Explanation UPDATE

The Company discloses total director compensation and the number of directors and members of the Audit & Supervisory Board to whom payments were made in our annual securities report and business reports. The following provides the disclosure status of director compensation for the fiscal year ended February 2025.

Compensation paid to directors
¥146 million (includes ¥97 million in basic compensation, ¥39 million in performance-linked compensation, and ¥8 million in stock options)
Compensation paid to Audit & Supervisory Board members
¥24 million (basic compensation only)
Total ¥170 million

Note:
1. Figures above do not include one non-compensated director and one non-compensated Audit & Supervisory Board member.
2. Basic remuneration for directors is for 14 directors who held the position as of February 28, 2025 and includes those resigning at the 113th regular meeting of shareholders held on May 23, 2024.
3. Basic compensation for Audit & Supervisory Board members is for 3 directors who held the position as of February 28, 2025.
4. Performance-linked compensation is the amount paid to six directors holding the position as of February 28, 2025.
5. Stock options are the amount granted during the current fiscal year to 5 directors who were in office as of February 29, 2024.

Resolved at the general meeting of shareholders:

Directors:

Monetary compensation ceiling ¥600 million annually
(resolved at the 96th regular meeting of general shareholders held on May 17, 2007)

Stock option compensation ceiling ¥100 million annually
(resolved at the 96th regular meeting of general shareholders held on May 17, 2007)

Audit & Supervisory Board members:

Compensation ceiling ¥50 million annually
(resolved at the 91st regular meeting of general shareholders held on May 8, 2002)

Policy on Determining Remuneration Amounts and Calculation Methods UPDATE	Established

Disclosure of Policy on Determining Remuneration Amounts and Calculation Methods

At a meeting held on July 11, 2024, the board of directors determined the Company policy for determining the remuneration amounts, etc., for directors. The board of directors consults the Nomination and Compensation Committee on the details of any resolutions to be adopted prior to the meeting in question. The board of directors also confirms that the method and details of determining remuneration amounts, etc. for each individual director for the current fiscal year are consistent with the decision-making policy approved by the board of directors. The board also confirms that Nomination and Compensation Committee deliberations are respected and in line with such policy.
The following is a summary of the policy details regarding determinations and calculation methods of remuneration amounts, etc., for directors.

a. Director compensation reflects the results of performance based on fair standards and according to the extent to which the director fulfills their role, achieves management goals, and engages in initiatives to enhance the Company's medium-term corporate value.
b. Director remuneration consists of basic compensation, performance-linked compensation, and stock options.

i. Basic Compensation
Basic compensation is paid on a monthly basis, as determined by individual evaluation and within the standard amount established for each title.

ii. Performance-Linked Compensation
Performance-linked compensation is weighted at approximately 30% total cash compensation (basic compensation plus performance-linked compensation), weighted higher according to the responsibilities of the person in question.
The amount of performance-linked compensation paid to each (individual) director is calculated based on company performance and individual performance. Company performance is calculated using a coefficient based on the company performance budget, while the individual performance evaluation is used to determine the percentage awarded based on an evaluation of the individual's achievement of personal goals under the medium-term management plan. In addition, individual performance evaluations are made by the president based on a performance report for each director. The board of directors makes a final decision after receiving a report from the Nomination and Compensation Committee.

iii. Stock Options

Our aim is to increase the motivation and morale toward sustained earnings and corporate value improvement through the allocation of stock acquisition rights as stock options reflecting corporate earnings. We accomplish this by strengthening the relationship between share prices, earnings, and compensation, ensuring directors share the same benefits of share price increases and risk of share price decreases with shareholders. The percentage of total compensation is set at around 10%, with a higher weighting depending on the responsibility. The number of stock options allocated is determined based on the standard number of stock options for each position, the percentage of achievement of the Company's business results budget, and the degree of achievement of the individual's goals under the medium-term management plan.

c. Outside directors are paid a fixed compensation only. Company earnings and individual performance evaluations are not considered as part of this compensation.

d. The remuneration limit for directors as the combined monetary total of basic compensation and performance-linked remuneration was limited to a maximum ¥600 million per fiscal year as approved at the 96th regular meeting of shareholders, held May 17, 2007. The company had a total of 20 directors serving at the time of the resolution.

e. The board of directors determines the amount of each director's individual remuneration. The content of the authority and the scope of discretion will be the portion relating to the amount of each director individual remuneration (base remuneration + performance remuneration). The board of directors approved the establishment of the Nomination and Compensation Advisory Committee at November 2018 meeting and the committee began operating in January 2019. The Nomination and Compensation Committee consists of five independent outside directors as of February 28, 2025. Performance-linked compensation is determined by the board of directors, based on the individual's performance evaluation and within a determined range, once the board receives reports on company performance and from the Nomination and Compensation Committee, and in light of recommendations by the president of the Company.

f. Given their independent position in supervising the execution of duties by directors, members of the Audit & Supervisory Committee are paid only fixed compensation. This level of remuneration is necessary to ensure the appropriate people play a central role in establishing and operating high-quality corporate governance. The remuneration limit for directors was limited to a maximum ¥50 million per fiscal year as approved at the 91st regular meeting of general shareholders, held May 8, 2002, finalized subsequent to negotiations with the members of the Audit & Supervisory Board. The company had a total of four members of the Audit & Supervisory Board serving at the time of the resolution.

The following outlines policies related to remuneration of members of the Audit & Supervisory Board:

i. Basic Compensation

The company pays a fixed amount according to the experience, insight, and title of each member of the Audit & Supervisory Board.

ii. Performance-Linked Compensation

The company does not offer performance-linked compensation to members of the Audit & Supervisory Board.

iii. Stock Options

The company does not offer stock options to members of the Audit & Supervisory Board.

Ratio of Remuneration by Type for Directors According to Title

Executive Directors	
Basic compensation	61% to 69%
Performance-linked compensation	22% to 30%
Medium- and long-term incentive stock options	9%
Total	100%
Directors	
Basic compensation	68% to 72%
Performance-linked compensation	22% to 25%
Medium- and long-term incentive stock options	6% to 7%
Total	100%
Outside Directors	
Basic compensation	100%
Performance-linked compensation	0%
Medium- and long-term incentive stock options	0%
Total	100%

(Note)
1. This model represents 100% achievement of targets related to performance-linked compensation. The ratios above will change according to changes in company earnings performance, share price fluctuations, etc.
2. Different compensation tables are applied depending on director role and grade. Therefore, ratio of compensation by type may differ for individuals, even those who have the same title.

Board of Director Activities
The Aeon Mall board of directors made the following deliberations and decisions related to director remuneration during the current fiscal year:
・April 9, 2024: Issuance of stock acquisition rights as 17th Performance-Linked Stock Options
・April 9, 2024: Allocation of stock acquisition rights as 17th Performance-Linked Stock Options
・April 9, 2024: Decision regarding performance-based remuneration for directors for fiscal 2023
・May 23, 2024: Regarding basic compensation for directors for fiscal 2024
・July 11, 2024: Regarding revisions to evaluation criteria for director compensation

Role and Activities of the Nomination and Compensation Committee
The Nomination and Compensation Committee serves as an advisory organ to the board of directors. The committee deliberates, exchanges opinions, and provides advice and reports to the board of directors regarding the propriety of basic compensation and performance-linked compensation paid to directors, as well as the validity of performance evaluations of said directors.
・March 25, 2024: Regarding fiscal 2024 director and executive director assignments
・April 5, 2024: Regarding fiscal 2023 director performance evaluations and performance-linked compensation; issuance and allocation of stock options for stock-based compensation
・May 23, 2024: Regarding fiscal 2024 basic compensation for directors; changes to fiscal 2024 director compensation system
・June 20, 2024: Regarding fiscal 2024 director evaluations
・January 28, 2025: Regarding organizational structure (directors and executive officers) as of March 1

[Supporting System for Outside Directors and/or Audit & Supervisory Board Members]

The General Affairs department provides support to outside directors and outside members of the Audit & Supervisory Board. In addition, the department assigns one staff member responsible for assisting members of the Audit & Supervisory Board (including outside members). To ensure effective discussions within the limited time of board of director meetings, directors are provided agenda materials and explanations prior to meetings, as well as other appropriate information when deemed necessary.

2. Matters on Functions of Business Execution, Auditing, Oversight, Nomination and Remuneration Decisions (Overview of Current Corporate Governance System) UPDATE

The company has adopted an Audit & Supervisory Board system. As of the date of submission of our annual securities report (May 23, 2025), the company had 8 directors (one of whom is outside directors) and three members of the Audit & Supervisory Board (two of whom are outside members). We appoint outside directors to the board of directors from whom we expect considerable advice in support of the Company's sustainable growth and enhancement of medium- to long-term corporate value. In this way, we strengthen our management structure through highly effective oversight. At the same time, we maintain and strengthen management soundness by bolstering the functions of the members of the Audit & Supervisory Board. As a general rule, the board of directors and the Audit & Supervisory Board meet once a month. In addition to these mechanisms, the Company strives to disseminate information through committees led by general managers or other managers below the rank of a representative director. The purpose of these committees is to ensure efficient business activities.

・Board of Directors
The board of directors is chaired by the president and consists of seven internal directors and one independent outside director. As a management decision-making body, the board votes on resolutions regarding legal matters, makes decisions, etc., on important business management matters, and exercises its supervisory function over general business management, ensuring fairness and rationality in management. Members of the Audit & Supervisory Board also attend meetings of the board of directors, offering opinions as necessary.

・Audit & Supervisory Board

The Company has adopted an Audit & Supervisory Board system. The Audit & Supervisory Board is chaired by a full-time member (outside member) and consists of three members in total: One outside member, one independent outside member, and one internal member. Members of the Audit & Supervisory Board works with the board of directors in supervising the Company, conducting audits regarding legal compliance and operations to achieve sound and sustainable Company growth, as well as to create medium- to long-term corporate value.

・Nomination and Compensation Committee

The Nomination and Compensation Committee is by the lead independent outside director (Kunihiro Koshizuka) and consists of three directors: one independent outside director, the president and representative director, administrative manager, who is an internal director.

Board resolutions regarding the nomination and appointment of candidates for directors first pass through this committee, which advises and reports to the resolution of the board of directors to ensure transparency and objectivity.

・Governance Committee

The Governance Committee is chaired by an independent outside director (Mr. Kunihiro Koshizuka). The committee consists of one independent outside director who serves as chair, and, as necessary, includes directors, members of the Audit & Supervisory Board, Company employees, attorneys, certified public accountants, and other experts who are not committee members. The committee serves as an advisory body to the board of directors, contributing to the legal and efficient operation of the board, as well as to the sustainable growth of the company from the viewpoint of improving corporate value. The committee advises and reports to the chair of the board of directors on matters related to organizational restructuring, including mergers and corporate divestitures, and transactions with the parent company and group companies brought before the board of directors to ensure the fairness and rationality of such transactions. The Governance Committee met nine times during the fiscal year under review, and reports on matters to be discussed at board meetings were submitted with the consensus of the members.

・ Management Strategy Advisory Committee

The Management Strategy Advisory Committee is chaired by the president and CEO and consists of six executive directors, one independent outside director, and three members of the Audit & Supervisory Board. The Company established the Management Strategy Advisory Committee for the purpose of responding requests for advice from the president and CEO, identifying topics in advance regarding important policy and management issues, and exchanging opinions on approaches, the direction of initiatives, specific plans, and progress, offering advice to the president and CEO. In this way, the company strives to ensure more discussions on medium- to long-term strategies in board of director meetings.

・Management Council

The Management Council consists primarily of executive directors, full-time members of the Audit & Supervisory Board, and individuals as appointed by the president of the Company. The council meets twice monthly in principle, and serves as an advisory body to the president to strengthen management strategy functions and streamline decision-making processes.

3. Reasons for the Adoption of the Current Corporate Governance System

The company believes that a strong corporate governance function and improved competitiveness through expeditious decision-making are indispensable to achieving sustainable growth.

We operate an audit system under which the Audit & Supervisory Board, our outside financial statement auditors, and the Management Auditing Department maintain a close working relationship, exchanging information and opinions as necessary. This system is designed to ensure improvements in the practicability and efficiency of our audits.

Each member of the Audit & Supervisory Board attend board of director meetings, while full-time members of the Audit & Supervisory Board are always present at meetings of the Management Council and other important meetings.

III. Implementation of Measures for Shareholders and Other Stakeholders

1. Measures to Ensure Active General Shareholder Meetings and the Smooth Exercise of Voting Rights

UPDATE

	Supplementary Explanations
Early Notification of General Shareholder Meetings	As a result of our efforts to send convocation notices as early as feasible, we now have a system in place to send notices three weeks in advance. During 2025, we sent convocation notices on May 1, 21 days prior to our general meeting of shareholders . In addition, we published the convocation notice on our corporate website on April 28, 24 days prior to the meeting.
Scheduling Meetings to Avoid Peak Meeting Day	We held our 114th annual general meeting of shareholders on May 22, 2025.
Allowing Electronic Exercise of Voting Rights	The Company allows the exercise of voting rights via the internet.
Participation in Electronic Voting Platform	Since the May 2016 regular general meeting of shareholders, we have participated in the ICJ, Inc. electronic voting platform for institutional investors.
Providing Convocation Notice in English	The Company prepares an English version of our convocation notice.
Other	The Company utilizes visual media to ensure clearer communication of business reports during general meetings of shareholders.

2. IR Activities

	Supplementary Explanations	Explanation by Representative
Preparation and Publication of Disclosure Policy	Aeon Mall has created a disclosure policy and publicly announces information related to our basic policies, information disclosure standards, disclosure methods, and investor relations quiet periods.	
Regular Investor Briefings for Individual Investors	The Company has created a page for individual investors on our IR website to provide information on our philosophy, business model, growth strategy, and sustainability initiatives in an easy-to-understand manner. We will consider holding company information sessions for individual investors upon request.	None
Regular Investor Briefings for Analysts and Institutional Investors	The Company conducts financial result briefings on a quarterly basis. Presentations are given by the president and CEO, the director in charge of the financial unit, and the director in charge of the administrative unit. Here, we engage in constructive dialogue with shareholders and investors.	Provided
Regular Investor Briefings for Overseas Investors	Besides an English version integrated report, the Company has an English website where we publish translations of original Japanese documents concurrently. The company also conducts periodic overseas roadshows. We conduct quarterly conference calls for overseas investors and participate in investor conferences held in Japan for investors from overseas.	Provided
Posting of IR Materials on Website	Aeon Mall publishes financial data, timely disclosure documents, securities reports, quarterly financial results, integrated report, communications to shareholders, and audio broadcasts of financial results briefings via our corporate website.	

Establishment of Department and/or Manager in Charge of IR	The Aeon Mall IR Group is positioned under the Strategy Department, responsible for company disclosures. Tel. +81-43-212-6733	
Other	The Company conducts individual meetings with domestic and overseas investors and securities analysts. We also offer mall tours in Japan and overseas on a regular basis.	

3. Measures to Ensure Due Respect for Stakeholders UPDATE

	Supplementary Explanations
Stipulation of Internal Rules for Respecting the Position of Stakeholders	In accordance with the Aeon Basic Principles, the Aeon Group has formulated the Aeon Group Future Vision as a roadmap to work toward the future with the thoughts and strength of each Group company and Aeon People. This vision consists of three components: "the future that the Aeon Group wishes to realize," "how the AEON Group wishes to be" to realize that future, and "the Attitudes and vow that we cherish." Based on this vision, we will build good relationships with our stakeholders, including customers, local communities, partners, shareholders, and investors, through co-creation initiatives. Aeon Group Future Vision: https://www.aeon.info/vision/en/
Implementation of Environmental Activities, CSR Activities etc.	Every year, Aeon Mall publishes a sustainability report (ESG Report). This report can be found on our corporate website, along with other information on environmental performance and CSR activities at our malls.
Development of Policies on Information Provision to Stakeholders	Our code of conduct, environmental policies, disclosure rules, and rules for internal controls provide the Aeon Mall policies related to sharing information with stakeholders.
Other	[Diversity Management] We recruit, train, and support a diverse workforce that includes women, foreign nationals, and mid-career hires with varying experiences, aiming to respond to ongoing changes in the environment and engage in prompt business creation. Under our basic philosophy of respecting people and contributing to the community, we engage in initiatives centered on the Diversity Promotion Group. This group operates under the Administrative Management Department and is led by the director in charge of the administrative unit. We formulate and implement various measures that reflect changes in the social environment regarding work styles, survey results , and employee feedback. We hold regular discussions with directors through the Management Meeting and other committees to discuss our progress in diversity-related initiatives. In our efforts to empower women, we ensured that all eligible male employees took childcare leave for three consecutive years through our own Childcare Leave Assistance Grant (Ikubosu Support Grant). Other efforts include increasing training opportunities to foster willingness among women to take on the challenges of higher-level positions and establishing AEON Yume-Mirai Nursery Schools (on-site nursery schools), etc. The Company obtained certification as a Platinum Eruboshi in March 2023 through such efforts to empower women. The Minister of Health, Labour and Welfare provides this certification for particularly excellent companies among Eruboshi entities that have implemented measures to promote the advancement of women; Eruboshi is a system that certifies companies that are working actively to promote the advancement of women. The percentage of women in management positions in fiscal 2024 was 23.7% (up 1.1% from the previous year). Regarding hiring and promoting non-Japanese nationals, we open malls in China and ASEAN countries under our Management Vision to become a company that will touch the hearts of 5 billion visitors throughout Asia. As of the date of submission of our annual securities report (May 22, 2025), we operate 39 overseas malls where we employ approximately 1,600 local employees (local

	staff). We focus on hiring, training, and promoting local staff to management positions to encourage diverse local human resources to play active roles and demonstrate their abilities. Twenty-four of our overseas malls appointed local staff members as general managers (GMs) responsible for the malls. Concerning gender equality, we incorporate the family benefit system for same-sex partner marriages, aiming to become a gender-equal and LGBTQ+-friendly company. We forbid any kind of discrimination or harassment on gender identity, sexual orientation, pregnancy, childbirth, and other factors, and offer training to encourage employee understanding of gender equality. In these ways, we create comfortable workspaces for every employee. We hire a diverse range of mid-career personnel, including specialists quick to respond to ongoing changes in the environment and create business, as well as those with retail experience that help strengthen sales capabilities in mall operations. In fiscal 2024, career hires accounted for approximately 40% of all hires, including new graduates. [Health Management] We base our corporate activities on ensuring every employee can enjoy good physical and mental health and creating comfortable workplace environments. The president serves as the Chief Health Officer and pursues health management mainly through the Health Management Promotion Team of the Administrative Management Department. We developed a strategic map of health management in fiscal 2023 to visualize the connection between health investments and the management issues we want to solve. The Management Meeting reports regularly on the formulation of company-wide policies and the progress of initiatives based on this strategic map. In recognition of these health management initiatives, the company received certification as a Certified Health & Productivity Management Outstanding Organization (Large Enterprise) for six consecutive years.

IV. Matters Related to the Internal Control System

1. Basic Views on Internal Control System and the Progress of System Development

1. System for retention and management of information on the execution of duties by Directors of the Company

The Company prepares approval documents, meeting minutes, and other documents necessary for the execution of the duties by the director or employee, in accordance with the internal rules of the Company. Documents (including electronic media) that have been prepared are stored and managed in a secure, fully searchable format appropriate for each storage medium, and are maintained in a viewable form as necessary. The management division specified in the Document Management Rules takes charge of the management of such records and prevents leakage to external parties.

2. Rules for controlling the risk of operating loss incurred by the Company and its subsidiaries ("the Group") and other systems

The Company designates President and CEO (the "President") as the executive director of risk management and a director in charge of each unit. These individuals are tasked with developing a system and environment to ensure business continuity and the safety of human lives.

The Group has established Rules for Crises to prevent crises as well as to respond quickly and minimize damages in the event of a crisis, striving to reduce risk and mitigate any damages. We have designated management divisions to address risk management by category, and we strive to improve overall corporate value by managing risks of loss for the group as a whole.

In addition, for the Company to be able to protect and manage information assets from organizational, human, physical, and technical perspectives, the Company has established the Information Security Management Rules to clarify the responsibility hierarchies structures for information security for the Group, and strive to maintain and improve the information security level, as well as information systems of the Company.

The Company shall establish the Risk Management Committee chaired by the director of administrative manager to discuss issues and countermeasures related to the promotion of risk management for the entire Group, and report the proceedings to the Management Meeting. Compliance matters deemed highly important by the Compliance Committee are escalated to the board of directors and included in annual reporting.

In order to enhance the effectiveness of risk management, the Department in charge of internal audits formulates an annual audit plan and conducts internal audits in accordance with the Internal Auditing Rules. The annual audit plan will be reported to the Board of Directors.

3. System to ensure the efficiency of duties executed by Directors of the Company, and directors, executive officers, employees who execute business operations, personnel who execute duties as specified in Article 598, Paragraph 1 of the Companies Act, and other persons equivalent to such personnel of the Company's subsidiaries ("subsidiaries' directors, etc.")

In addition to holding regular Board of Directors meetings at least once a month, the Company holds extraordinary meetings of the Board of Directors as deemed necessary. Decisions encompassing substantial risk threatening far-reaching impact on the Group are brought to the Management Meeting for discussion. These decisions are then approved by the President and/or by resolution of the Board of Directors.

The Company also established Management Strategy Advisory Committee as an advisory body to the President. In principle, the Management Strategy Advisory Committee meets once a month to establish topics important policies and management issues. The committee discusses and exchanges opinions on approaches, the direction of initiatives, specific plans, progress, etc., of said topics and implements policies and resolves management issues based on the opinions and advice of independent outside directors. In the execution of duties, the Company established the executive officer system to strengthen our corporate governance system. This system separates supervisory and business execution functions and accelerates management decision-making, ensuring efficient performance of duties. Management responsibilities are clarified by granting the authority required for the performance of duties according to the predetermined *Rules for Organization Management, Rules for Segregation of Duties, and Rules of Jurisdiction.*

As a system to ensure the efficiency of the performance of duties of the subsidiaries' directors, etc., the Company board of directors approves a Group Medium-term Management Plan, annual management goals, budget distribution, etc. that include subsidiaries inspects the progress of business strategies and measures in line with such plan and goals on a quarterly basis, and receives reports on other important information.

4. System to ensure compliance in the performance of duties by Directors and employees the Company, and directors, etc. and employees of its subsidiaries with laws and regulations and the Articles of Incorporation

We emphasize compliance management to contribute to the development of sustainable local communities and meet our social responsibilities. To prevent harassment, we establish Anti-Harassment Regulations, providing education and awareness building for employees. To prevent bribery, we are improving our internal structures within the Group and conduct education based on the Basic Rules for the Prevention of Bribery.
Aeon Mall established the Compliance Committee, chaired by the director in charge of the administrative unit. The role of this committee is to identify problems related to compliance with laws, regulations, and company rules for the purpose of raising individual awareness and establishing an education system. The committee also discusses resolutions to said problems, reporting said agendas to the Management Meeting. Compliance matters deemed highly important by the Compliance Committee are escalated to the board of directors and included in annual reporting.
The company has established a help line (*AEON MALL Hotline*) for internal reporting. The helpline will be set up at subsidiaries in accordance with the Company's system. We ensure privacy protection for users of this help line and that such users are not penalized. Additionally, we investigate any problems reported to the company through this help line. If wrongdoing is confirmed, we take necessary actions in line with our internal rules. The issue in question is reported to the Compliance Committee and the company implements Group-wide measures to prevent recurrence in the future.

5. System to ensure the appropriate operations of the corporate group, comprising the Company, its parent, and subsidiaries
At the Management Council, discussions are initiated for any business transactions conducted by a director where conflicts of interest may occur between the director or any third party (e.g. the parent company, a subsidiary, or other AEON Group company) and the company, or in those instances where there is, in essence, competition with the same. Such transactions are only allowed to proceed upon approval by the board of directors.
When conducting transactions with AEON Group companies, such transactions comply with the provisions of our Rules for Managing Related-Party Transactions. Once a year, we report the rate of increase/decrease in annual transaction amounts with each affiliated business partners, and scrutinize the rationality and appropriateness of transactions.
The Company established the Governance Committee as an advisory body to the board of directors. The committee consists solely of independent outside directors and deliberates on the fairness and reasonableness of transactions from the perspective of improving the corporate value of the Company. Such transactions include matters related to organizational restructuring and important transactions with the parent company and Aeon Group companies. Upon deliberation, the committee submits said agendas to the board of directors. Individuals with special interests in the transaction are excluded from the discussions at board of director meeting ensure the fairness of the procedures.
The Group also makes decisions after confirming the fairness and reasonableness of transactions.
As a system of reporting matters concerning the performance of duties by the subsidiaries' directors, etc. to the Company, the Company requires subsidiaries to report to the Management Meeting based on Rules for Management of Affiliates established by the Company.
The department in charge of internal auditing performs audits of the Company and its subsidiaries according to the Internal Auditing Rules to ensure the appropriate operations of the Company and its subsidiaries and reports to the President and the full-time Audit & Supervisory Board Members by means of a written internal audit report. Audit results are reported to the Board of Directors on a regular basis.

6. Matters concerning employees who provide assistance with the duties of Audit & Supervisory Board Members of the Company ("Assistants") when the Audit & Supervisory Board Members decide to hire such Assistants, matters concerning the independence of the Assistants from Directors of the Company, and matters related to ensuring the effectiveness of the instructions provided to the Assistants
The Company selects and appoints Assistants for the Audit & Supervisory Board Members upon consultation with the Audit & Supervisory Board. The Assistants will not receive orders or instructions from the Directors or any other employees.
The personnel appraisal of Assistants is performed through consultation with the Audit & Supervisory Board Members, and personnel changes and reprimanding of Assistants require the advance agreement of the Audit & Supervisory Board members.

7. System of reporting to Audit & Supervisory Board Members of the Company
Company Directors and employees, as well as Directors and employees of subsidiaries, report on management status, business operations, financial position, the progress of internal audits, the status of risk

management and compliance, and other matters at meetings of the Board of Directors or the Management Meeting attended by the Audit & Supervisory Board Members.
If Directors or employees of the Company, or directors, etc. or employees of its subsidiaries discover matters that affect the operations or business performance of the Company or its subsidiaries, violations of laws and regulations, or other issues concerning legal compliance, which may cause serious damage to the Company or its subsidiaries, or these have been reported by any of such persons, they shall immediately report to Audit & Supervisory Board of the Company.
The Company and our subsidiaries prohibit the unfair treatment of persons making said reports based on said person's decision to report. The Company will ensure rules on fair treatment are communicated clearly to directors and employees of the Company, as well as to directors, etc., Audit & Supervisory Board members, and employees of our subsidiaries.

8. Matters concerning policies for the advance payment of expenses required for the performance of duties by Audit & Supervisory Board Members of the Company and reimbursement and other procedures for the treatment of expenses or obligations associated with the performance of such duties
When the Company receives a request for the advance payment, etc. of expenses from Audit & Supervisory Board Members based on Article 388 of the Companies Act, the Company shall pay such expenses without delay based on the internal rules. The responsible department takes measures regarding the budget required for such payment in every fiscal period.

9. Other systems to ensure the effective auditing by Audit & Supervisory Board Members of the Company
The department in charge of internal auditing works closely with the Audit & Supervisory Board by, for instance, discussing the details of internal audits with the Audit & Supervisory Board Members as appropriate, and performs audit operations in cooperation to contribute to effective auditing by the Audit & Supervisory Board Members.

2. Basic Approach to Eliminating Anti-Social Forces

1. Basic Approach
The Company does not engage in relationships with anti-social forces, reflecting our total commitment to compliance and defense of our corporate entity. We respond resolutely in the face of unreasonable demands and recognize our social responsibility as a company to reject anti-social forces in any form.

2. Status of Efforts to Reject Anti-Social Forces
1) Unreasonable demands by anti-social forces are not dealt with as an individual, but rather as an organization working in close coordination with third-party specialists and investigative organizations, including civil and criminal proceedings.
2) The Company is a member of the Foundation for Chiba Prefecture’s Assembly for Expulsion of Anti-social Forces. We maintain close coordination with the police and anti-crime associations, participating in efforts to collect information on anti-social forces through the reach of our various business units. We use information gathered for educational purposes internally.
3) In accordance with the Rules on Managing Transactions, the Company conducts background checks to ensure business partners are not involved with anti-social forces. This is one more way in which we work toward the rejection of anti-social forces.

V. Other

1. Adoption of Anti-Takeover Measures

Adoption of Anti-Takeover Measures	Not Adopted

Supplementary Explanation

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2. Other Matters Concerning to Corporate Governance System

The following describes the Company's internal structure related to timely disclosure of information.

1. Basic Policy on Disclosure

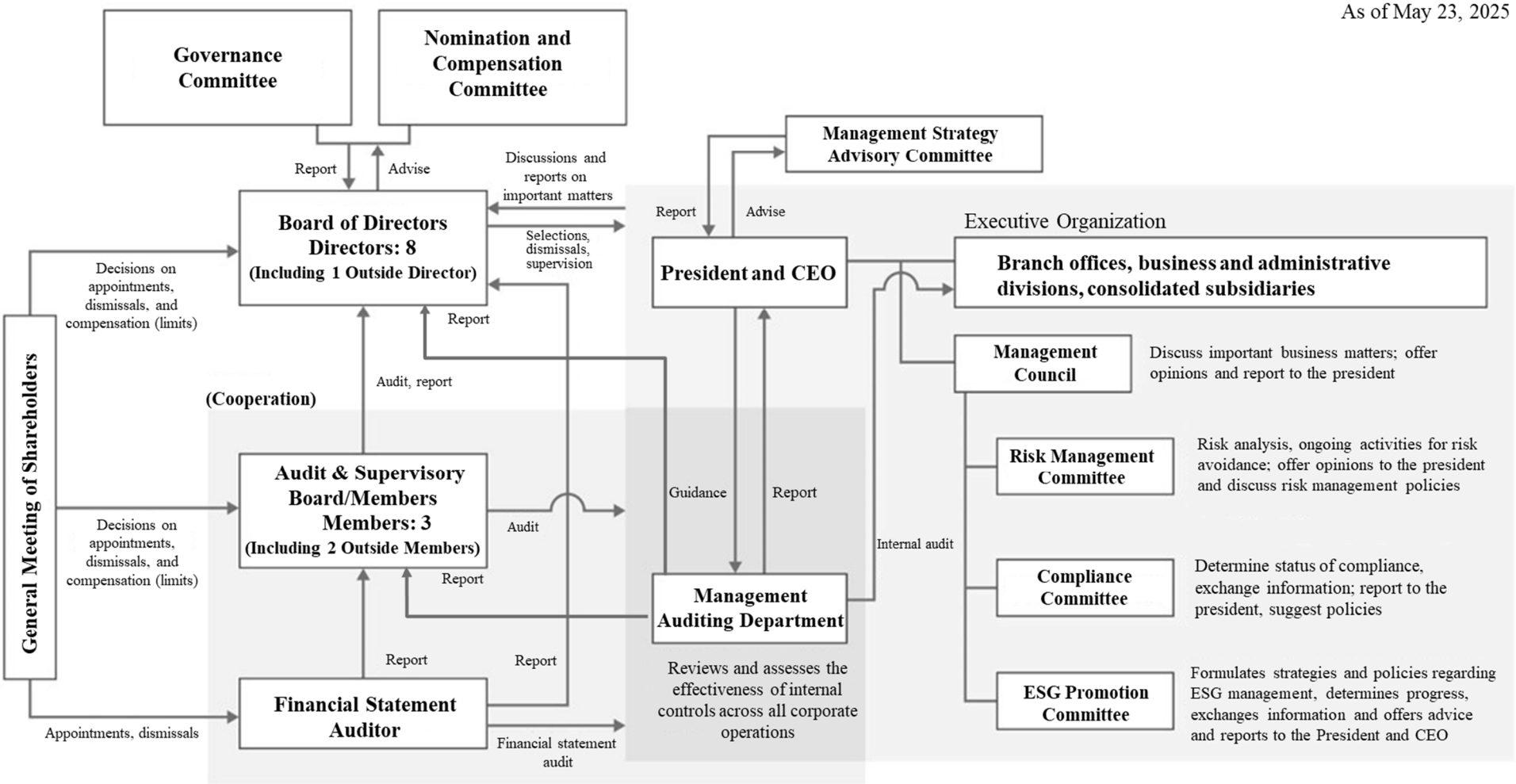
The Company has established the ESG Promotion Committee, which is chaired by the CEO and whose members consists primarily of directors and heads of business divisions. Through this committee, the Company decides codes of conduct and standards of regulatory compliance. Other decisions include matters related to corporate principles, environmental preservation, and social contribution. We strive to create and operate systems for compliance and disclosure. As a company that issues equity, we understand that responsible disclosure represents an important means for securing the trust of equity markets. Accordingly, we endeavor to provide disclosures that are appropriate, fair, and timely.

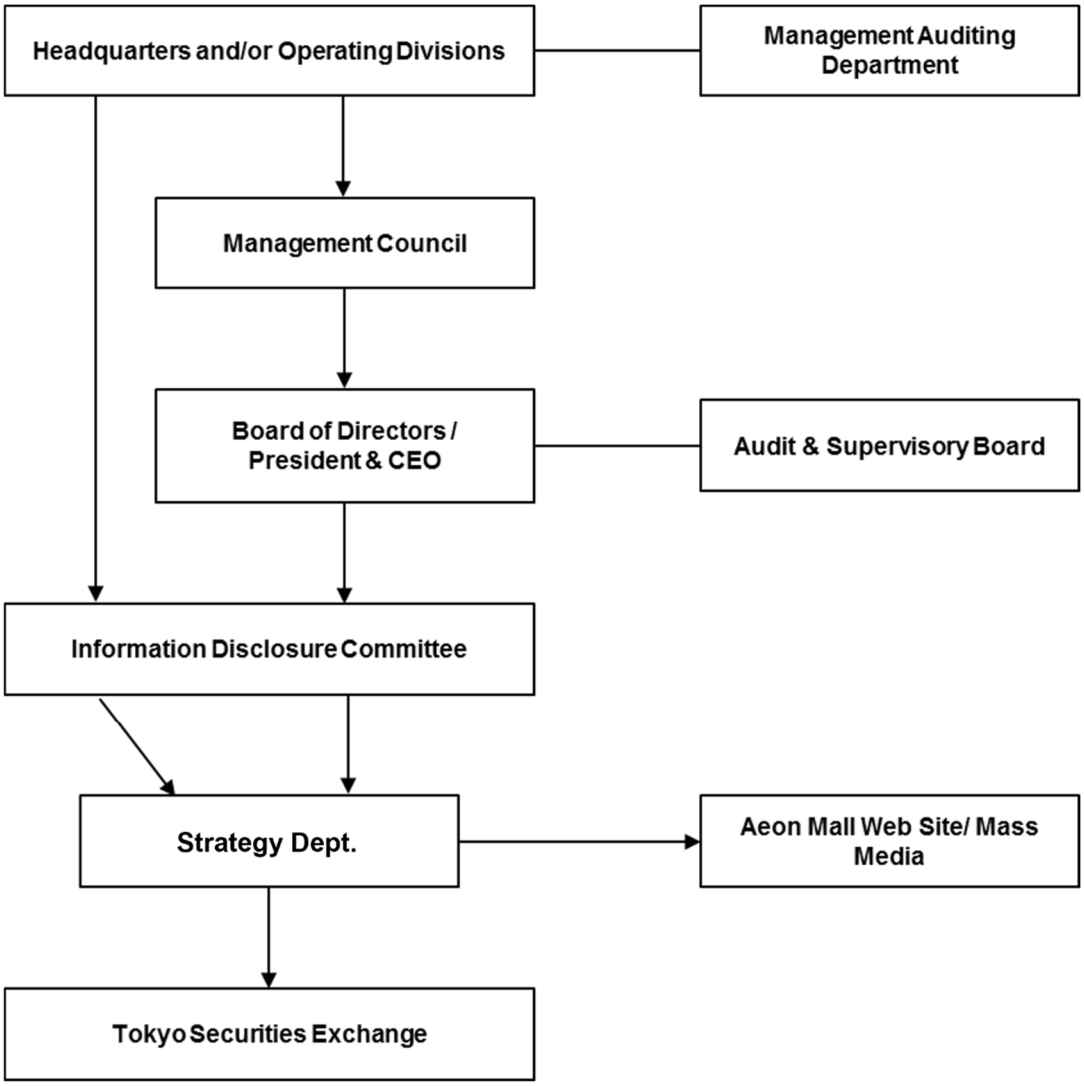
2. Overview of Timely Disclosure Structure

Aeon Mall has created the Rules on Managing Internal Information and Internal Transactions. These rules provide standards for managing inside information and related disclosures. The Management Council discusses important matters related to the timing of information disclosure, presenting these matters formally to the board of directors. The chief executive officer makes final decisions in cases of emergency. The Company has also established the Rules for Managing Disclosure Information, under which information and other important matters are presented formally to the board of directors. Only after presentation to the board are disclosures made, under the guidance of a director charged with responsibility for information management. To ensure accuracy in information related to financial results, the Company has established the Disclosure Committee, which reviews materials prior to disclosure. Once reviewed, this information is presented formally to the board of directors before being released to the public. These and other measures ensure the Company follows a robust process for disclosure. Aeon Mall has also established Rules for Crises, which provide for disclosures related to significant natural disasters, criminal activity, or accidents to be made under the direction of an emergency response office.

The company uses the internal disclosure structure described above to provide timely disclosure of company information to relevant stock exchanges through our Public Relations Group within the President's Office, and through our IR Group within the Strategy Department. We also follow disclosure procedures as dictated by various laws and regulations. Aeon Mall ensures that information submitted to the stock exchanges are also provided to the mass media and published on our corporate website concurrently. The Company strives to be as fair as possible within the spirit of timely disclosure when dealing with information not subject to timely disclosure rules, providing such information to the mass media and publishing information on our corporate website.

As of May 23, 2025



*Structures may change in connection with the share exchange with AEON Co., Ltd.

[Timely Disclosure System Diagram]