



# SUSTAINABILITY CHARTER





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# AEON Sustainability Charter (ASC)

At AEON, we strive to grow our business in tandem with realising a sustainable society. We uphold our basic principles of pursuing peace, respecting humanity and contributing to local communities, always with the customer's point of view at its core. We aim to think globally and advance activities locally as we actively promote initiatives involving both environmental and societal aspects with our many stakeholders.

We recognise that the retail industry's global landscape is evolving at an unprecedented pace. On the environmental front, retailers face issues such as climate change, resource depletion, biodiversity loss, water stress and waste management. Whilst on the social front, retailers face workforce shortages, rising cost of living, and a talent crunch. These issues are essential for AEON as our operations are well rooted in people's everyday lives and supported by local communities. Thus, AEON has embedded one of its mission in pursuing sustainable management. This mission aims to contribute to achieving a sustainable society in tandem with the growth of AEON and align with the growing importance of corporate sustainability.

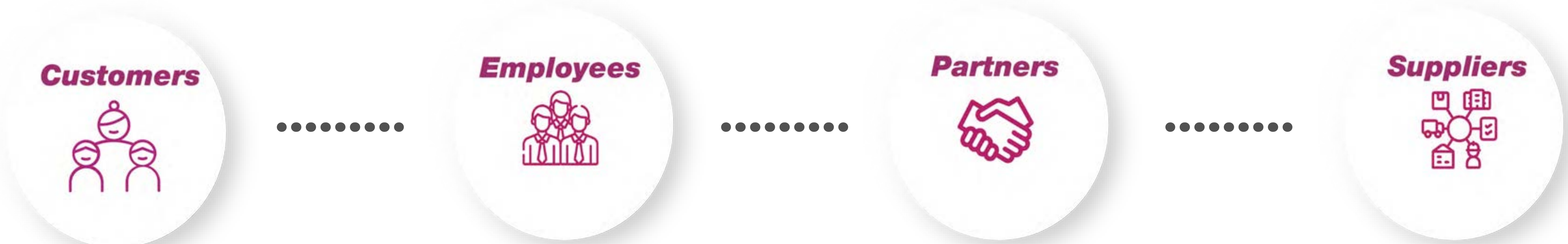
Thus, AEON has rooted one of its mission in pursuing sustainable management. This mission aims to contribute to achieving a sustainable society in tandem with the growth of AEON and align with the growing importance of corporate responsibility. AEON Sustainability Charter (ASC) is created to provide a blueprint for our key engagement area, highlighting our sustainability principles and key initiatives for the coming years. This charter covers the associated operations under AEON CO. (M) BHD. only, and we will refer to AEON for simplicity in this document.

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# Our Stakeholders



We have identified four key stakeholders as the collaborative ecosystem that will support the ASC's success.



Customers are our hearts and soul. Our business relies on our customer's support, mainly from the communities we operate in. Their feedback for improvement is core to the sustainability of AEON businesses. We aim to ensure that the strategic business planning and initiatives align with our customers' expectations.

AEON's employees serve as the primary vehicle to serve our customers' needs. Our employees also play key roles in ensuring AEON's success as an organization by working with various stakeholders to meet the objectives of the organization. Employee input will form the foundation of AEON initiatives.

AEON appreciates our business partners who support the growth of the organisation. As we digitise, we need a stronger relationship with our business partners to identify more opportunities for growth. We want to build a more sustainable ecosystem with our business partners.

AEON works closely with our supplier to ensure our supplies, quality, safety and security are all according to expectation. We value our suppliers as the key integral of AEON ecosystem that will foster our sustainable supply chain. This relationship will enable AEON long-term growth and ensure a dynamic customer experience that garners our customer loyalty.

Through stakeholder consultations, 15 goals have been identified in the ASC to guide AEON to pour effort and resources where they matter most



# The 5 Core Pillars



We have selected five core pillars to focus on in our ASC, which we believe will be essential to propel AEON's growth in a sustainable world.



1. Environmentally Focused
2. Responsible Employment
3. Efficiency & Integrity
4. Sustainable Economics
5. Dynamic CX (Customer Experience)



Pillar

1

ENVIRONMENTALLY FOCUSED

KEY INITIATIVES

AEON strives to be environmentally focused to ensure together with our customers and partner, we are able to make the world more sustainable. Our efforts are aligned with the following United Nations’ Sustainable Development Goals (SDG) as below :



**SDG 12 Responsible consumption and protection**  
Ensure sustainable consumption and production patterns.



**SDG 13 Climate action**  
Take urgent action to combat climate change and its impacts.



**SDG 15 Life on Land**  
Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss.

GOALS

- 1. Improve Energy Efficiency
- 2. Reduce Carbon Footprint
- 3. Reducing waste and minimising water consumption
- 4. Enhance Biodiversity Conservation

INITIATIVES

- Energy Management Plan and Audit.
- IoT integration into Energy Management.
- Smart energy management system.
- Full assessment of Scope 1, 2 & 3.
- Use of renewable energy.
- Use of natural refrigerant.
- Use of electric vehicles in operations.
- Waste Management Plan and Audit.
- Enhance recycling activities (3Rs).
- Collaboration with recycling associations.
- Rainwater harvesting system.
- Water conservation and recycling program.
- Forest protection and conservation program.
- Sustainable agriculture and aquaculture.
- Partnership for action in biodiversity protection.
- Animal welfare policy.

## RESPONSIBLE EMPLOYMENT

Here at AEON, we value our employees. We are committed to diversity and inclusion in the workplace. We strive to train and develop our employees' skills to ensure they have a variety of opportunities and that they feel safe and thrive at AEON. Our efforts are aligned with the following United Nations' Sustainable Development Goals (SDG) as below:

**3** GOOD HEALTH  
AND WELL-BEING



### SDG 3 Good health and well-being

Ensure healthy lives and promote well-being for all at all ages.

**8** DECENT WORK AND  
ECONOMIC GROWTH



### SDG 8 Decent work and economic growth

Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work

**10** REDUCED  
INEQUALITIES



### SDG 10 Reduced inequalities

Reduce inequality within society.

## KEY INITIATIVES

### GOALS

5. Promotes Diversity and Inclusivity
6. Respect Human and Labour Rights
7. Enhance Health, Safety and Well-being
8. Empower Employee Learning and Development

### INITIATIVES

- Female representation at board level and female ratio in workforce.
- Inclusive and non-discriminatory work culture.
- Equity in development and career opportunities.
- Elimination of forced and child labour.
- Alignment of Human and Labour Policy with ILO and local regulation.
- Employee and contractors engagement.
- Strengthen H&S policy and audit.
- Promotes employee's well-being program.
- Continuous improvement and lesson learned.
- Employee training structure and program.
- Job competency training and upskilling.
- Career progression and pathways.



## EFFICIENCY & INTEGRITY

AEON aims to be an efficient organization, we plan our growth delicately to maximize our desired values with every investment. We strive to be the market leader in efficient operations. We safeguard our operations via a strong governance program to ensure the organization's integrity is protected. We are committed to ensure our business partners and stakeholders dealing with AEON are equipped with the knowledge and similar integrity with the organization.

Our efforts are aligned with the following United Nations' Sustainable Development Goals (SDG) as below:



### **SDG 16 Peace, justice and strong institutions.**

Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.



### **SDG 17 Partnership for the goals**

Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development.

## KEY INITIATIVES

### GOALS

9. Promote Integrity and Anti-corruption
10. Improve Data Disclosure and Transparency
11. Embed Risk Management in Operations

### INITIATIVES

- Collaboration with GO/NGO/NPO to enhance organizational integrity.
- MS ISO 37001 Anti-Bribery Management Systems (ABMS)
- Annual training on anti-corruption.
- Adopt internationally recognized standards and frameworks for disclosure.
- Assurance and audit on the disclosed data.
- Advocacy of risk management mindset to all AEON workforce.
- Updated risk register including latest risk identification, control and mitigation procedure.
- Risk management as part of operational procedure.



# Pillar 4

## SUSTAINABLE ECONOMICS

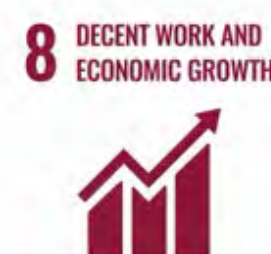
At AEON, we want to create sustainable economies for the communities where we operate. We foster intrapreneurship and entrepreneurship via our ecosystem. We provide knowledge and education to the young generation to build their business mentality. We also support small and local businesses around our communities to enable them to grow on a bigger platform like AEON. We strive to create long-lasting economies that can be self-sustaining.

Our efforts are aligned with the following United Nations' Sustainable Development Goals (SDG) as below:



### SDG 4 Quality Education

Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.



### SDG 8 Decent work and economic growth

Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work



### SDG 12 Responsible consumption and production

Ensure sustainable consumption and production patterns.

## KEY INITIATIVES

### GOALS

12. Community Engagement and Development

13. Foster Sustainable Business Partnership

### INITIATIVES

- Job creation within local communities
- Built local talent to fulfil highly skilled jobs.
- Social Entrepreneurship development.
- Synergetic engagement with local communities.
- Sustainable supply chain program.
- Partnership with local businesses to deliver sustainable solutions.
- Intrapreneurship and entrepreneurship development program.
- Digitalisation of shopping experience.
- E-commerce offering.

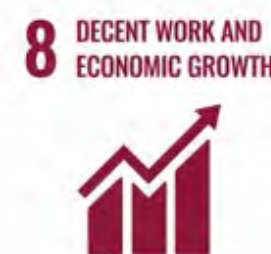
# Pillar 5



## DYNAMIC CX (CUSTOMER EXPERIENCE)

AEON believes that the world is changing at an unprecedented pace and so do our customers' needs. Having dynamic CX will enable organizations like AEON to stay agile and ahead of the customer trends. We want to deliver an excellent customer experience, leading to the organic growth of our operational metrics. Dynamic CX will also unlock the new potential to provide services and products that serve a more extensive range of our customer personas.

Our efforts are aligned with the following United Nations' Sustainable Development Goals (SDG) as below:



### **SDG 8 Decent work and economic growth**

Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.



### **SDG 12 Responsible consumption and production**

Ensure sustainable consumption and production patterns.

## KEY INITIATIVES

### GOALS

- 14. Enhance Customer Loyalty and Experience
- 15. Improves AEON Agility to Meets Customer Needs

### INITIATIVES

- Integration of personas in service offering.
- Customer feedback and analytics.
- Elevation of customer loyalty program.
- Personalisation of service for targeted customer needs.
- Shopping experience improvement program.
- Integration of sustainable program into shopping experience.



# #AEONRESPONSIBLE AS THE ANCHOR



We strive to achieve the goals defined in this ASC via 6 #AEONResponsible anchor as defined below.

## Community

We will work towards enhancing community and social practices with objectives to foster, cultivate and empower responsible lifestyle & living.

## Ecosystem

We will build cross-industry and public-private partnerships integrating SMEs & Social Enterprises that create win-win strategies to shape a Green & Responsible AEON Ecosystem.

## Development

We will promote and develop sustained and efficient organic and inorganic development as part of AEON's continued expansion plans.

## Shopping

We want to catalyze customer experiences, products, services and innovative offerings aligned to promoting 3R (Reduce, Reuse, Recycle) and circular economy.

## Sourcing

We will work towards enhancing community and social practices with objectives to foster, cultivate and empower responsible lifestyle & living.

## Investment

We want to utilize green technology and financing. We are investing in technology such as AI and cloud-based solutions to enable transparency and operational efficiencies via new sources of green financing.

# #AEONResponsible