

United Nations Global Compact

In September 2004, AEON Co., Ltd. became the first Japanese retail operator to announce that it had signed up to the United Nations Global Compact. The Global Compact is an initiative to encourage businesses worldwide to support and implement ten principles established on a global basis covering the four areas of human rights, labor standards, environment and anti-corruption. We at AEON will continue to face up to the requirements imposed by society and promote the AEON Supplier Code of Conduct and SA8000. In 2008 AEON participated in the Supply Chain Sub-Committee in the Global Compact Japan Network, and has continued to discuss respective supply chain management initiatives with participating companies.

The Ten Principles of the Global Compact

The Global Compact asks companies to support and enact, within their sphere of influence, a set of internationally-recognized standards in the areas of human rights, labor standards, the environment, and anti-corruption. By having each company conform to and enact these standards in the course of their business activities, the Global Compact aims to bring about positive change in the world. The principles of the Global Compact are given below. (In June 2004, a principle dealing with anti-corruption was added, making the current number of ten principles.)

Human Rights

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights.

Principle 2: Ensure that they are not complicit in human rights abuses.

Labor Standards

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.

Principle 4: Eliminate all forms of forced and compulsory labor.

Principle 5: Effectively abolish child labor.

Principle 6: Eliminate discrimination in respect of employment and occupation.

Environment

Principle 7: Businesses should support a precautionary approach to environmental challenges.

Principle 8: Undertake initiatives to promote greater environmental responsibility.

Principle 9: Encourage the development and diffusion of environmentally friendly technologies.

Anti-Corruption

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

(Japanese translation revised July 2008)

Sustainability Report: Statement on the Global Compact

The Global Compact marks the first time the United Nations has called directly upon companies, and it is a "voluntary initiative" through which companies fulfill their role as members of civil society.

Aimed at addressing corporate strategy and governance and resolving issues through cooperation and partnership between our diverse stakeholders, we introduced mechanisms of the Global Compact and formulated the AEON Supplier Code of Conduct (Business Code of Conduct) in 2003 based in part on the contents of the SA8000 international standard.

This Supplier Code of Conduct (Business Code of Conduct) introduces an auditing and assessment system which, through the outsourced manufacturers of our private brand products, allows us to achieve ongoing improvements in the areas of human rights, labor standards, the environment and anti-corruption by working together with outsourced manufacturing factories engaged in the global manufacturing process all over the world. In FY2008, the number of outsourced manufacturing factories having obtained Code of Conduct certification as a result of third party auditing and assessment surpassed 700, and improvement efforts are advancing in a steady and ongoing fashion. In FY2009, we will strive to achieve our goal of having 900 Code of Conduct-certified factories.

In addition, in 2008 AEON participated in Supply Chain Sub-Committee Activities through the Global Compact Local Network. Held monthly, activities include the implementation of the Ten Principles of the Global Compact, information exchanges and mutual learning, on which AEON has worked together with the 11 member companies.

Moving forward, we will continue to utilize the goals of the Global Compact and the mechanisms for their achievement, exhibit responsible and creative leadership, and act as a good member of society.



Operating Officer
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