

July 8, 2020

AEON Financial Service Co., Ltd.

## **Notice regarding the Reduction of Executive Compensation**

AEON Financial Service Co., Ltd (the “Company”) announces that the Company has resolved a reduction in executive compensation at the Board of Directors meeting held on July 8, 2020 based on the severe business environment caused by the spread of the COVID-19 as follows. This resolution has been consulted by the Nomination and Remuneration Advisory Committee, where more than half of the consisting members are independent directors.

### 1. Contents of compensation reduction

Chairman and President	20% reduction in basic compensation (monthly)
Director (concurrent with Executive Officer)	10% reduction in basic compensation (monthly)
Executive Officer	5% reduction in basic compensation (monthly)

### 2. Period covered

Six months from July 2020 to December 2020

In addition, compensation of the executive officers of the Company's consolidated subsidiaries' will be also reduced depending on the size of the company and the role of each officers in respective companies.