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January 31, 2023
AEON Financial Service Co., Ltd.
AEON Credit Service (M) Berhad

Notice regarding Financing through Sustainability-Linked Loans

AEON Credit Service (M) Berhad (hereinafter "ACSM"), a subsidiary of AEON Financial Services Co., Ltd. (hereinafter "the Company"), is pleased to announce that we have signed a Sustainability Linked Loan (SLL)" financing agreement (the "SLL Agreements") respectively with Mizuho Bank(Malaysia)Berhad, a consolidated subsidiary of Mizuho Bank, Ltd., MUFG Bank (Malaysia) Berhad, a consolidated subsidiary of MUFG Bank Ltd., and CIMB Bank Berhad. Following the implementation at AEON Credit Service (Asia) Company Limited, this is the second case of funding using SLL for the Group.

In November 2021, the Company defined the social issues that will have a medium- to long-term impact on the Group's business and identified priority issues (materiality) to be addressed. One of these priority issues is "response to climate change, etc.", and we are aiming for accelerating decarbonization together with customers and local communities through the products and services provided by the Group. In addition, Aeon established in 2018 "Aeon Decarbonization Vision", with three focuses on "store", "products and logistics" and "together with customers" and would tackle greenhouse gas emissions from both sides of energy-saving and energy creation. The entire Group is working to ultimately reduce the total amount of greenhouse gas to zero. Furthermore, based on international goals such as the Sustainable Development Goals (SDGs), the Group continue to work on financial literacy education for students.

ACSM has set the commitments to promoting sustainability, and will continue to reduce CO2 emissions and strengthen its corporate governance system, as well as expand electric motorcycle finance, provide financial services to micro enterprises as a financial inclusion initiative, and implement ESG education in school.

The Company will continue to work to solve social issues through its business, aiming to contribute to the realization of a more sustainable society and increase corporate value.

■ Outline of the SLL Agreements

Borrower	AEON Credit Service (M) Berhad
Aggregate Amount	RM600,000,000-
Maturity	3 years
Lenders	Mizuho Bank(Malaysia)Berhad, MUFG Bank(Malaysia)Berhad, CIMB Bank Berhad
* This Agreement has obtained a third-party opinion from an external evaluation organization regarding compliance with the SLL principles and the reasonableness of SPTs	

■ Sustainability-Linked Loan (SLL)

By setting sustainability targets in conjunction with borrowers' sustainability policies and strategies and linking borrowing conditions such as interest rates to achieving sustainability goals, it aims to provide incentives to borrowers to achieve their goals, and to promote and support environmentally and socially sustainable economic activities and economic growth.