SUSTAINABILITY DATA BOOK 2024

SEVEN&i HLDGS. Co.,Ltd.

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About the Sustainability Data Book

The Sustainability Data Book reports on the principal sustainability initiatives of Seven & i Holdings, the holding company, and its operating companies. In this report, the Sustainability Data Book 2024, we added new pages on human capital initiatives and responses based on the Taskforce on Nature-related Financial Disclosures (TNFD), which are topics of interest to various stakeholders, and make new disclosures. We compiled initiatives undertaken by individual Group companies based on the material issues revised in 2022, and initiatives for achieving the Sustainable Development Goals (SDGS), which were adopted at a United Nations summit in 2015, are marked with the corresponding SDG logos.

Period of the Report: This report covers our activities during the fiscal year ended February 29, 2024 (March 2023 to February 2024). Some of our activities in the fiscal year ending February 28, 2025 are also included.

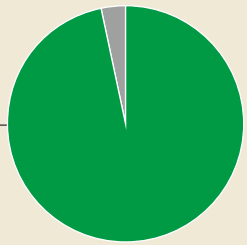
References
GRI Sustainability Reporting Standards
SASB Standards
ISO 26000

Date of Issue: February 2025

Report Coverage: This report mainly covers the companies listed below. Information concerning each company is also disclosed on the website.

Ratio of sales of companies covered by this report to the Group total sales

96.8%



Seven & i Holdings Co., Ltd.
Seven-Eleven Japan Co., Ltd.
Ito-Yokado Co., Ltd.*
York-Benimaru Co., Ltd.
Akachan Honpo Co., Ltd.
Seven & i Food Systems Co., Ltd.
Seven Bank, Ltd.
7-Eleven, Inc.
SEVEN-ELEVEN HAWAII, INC.
SEVEN-ELEVEN (BEIJING) CO., LTD.
SEVEN-ELEVEN (CHENGDU) CO., LTD.
SEVEN-ELEVEN (TIANJIN) Co., Ltd.
Chengdu Ito-Yokado Co., Ltd.
Hua Tang Yokado Commercial Co., Ltd.

* Ito-Yokado Co., Ltd. and York Co., Ltd. merged in September 2023, and therefore, the sales figures for Ito-Yokado include those of York Co., Ltd. from the fiscal year ended February 29, 2024.

Basic Policies of Sustainability Initiatives

Seven & i Holdings conducts its business activities based on its corporate creed of aiming to be a sincere company trusted by all stakeholders. We have stated the actions for realizing that creed in our Corporate Action Guidelines.

The Corporate Action Guidelines present the basic attitudes adopted by all of the Group's Directors, Audit & Supervisory Board Members, and employees. The Guidelines comprise the Basic Policy, which sets out the approach of the Group as a whole, and the Code of Corporate Conduct, which sets out rules for conduct.

Furthermore, each Group company has established detailed guidelines and conduct rules appropriate for its business format at the concrete action level and, together with the Guidelines, will keep all new recruits and newly appointed managerial employees fully informed through their training. In addition, the extent of understanding of the Corporate Creed and compliance awareness is regularly checked in the Employee Engagement Survey.



Corporate Creed

We aim to be a sincere company that our customers trust.

We aim to be a sincere company that our business partners, shareholders and local communities trust.

We aim to be a sincere company that our employees trust.

The Basic Posture of Seven & i Holdings Employees

Corporate Action Guidelines >

- Basic Policy
  1. Provision of Safe and High-Quality Products and Services
  2. Maintenance of Fair and Transparent Transactions
  3. Cooperation with Local and International Communities
  4. Respect for Human Rights
  5. Respect for Diversity and Improvement of Job Satisfaction
  6. Preservation of the Assets and Information of the Company
  7. Contribution to a Sustainable Society
  8. Dialogue with Stakeholders
  9. Efforts Regarding Social Issues

- Code of Corporate Conduct
  1. Compliance (Legal Compliance)
  2. Relationships with Customer
  3. Relationships with Business Partners
  4. Relationships with Shareholders and Investors
  5. Relationships with Local and International Communities
  6. Relationships between the Company, and Directors, Officers, and Employees
  7. Preservation of Global Environment

Policies for Each Measure

- Seven & i Group Nature Policy
- “GREEN CHALLENGE 2050” Seven & i Group's Environmental Declaration
- Seven & i Group Sustainable Sourcing Principles and Policies
- Basic Policy Relating to Measures to Contribute to the Prevention of Global Warming
- Seven & i Group Human Rights Policy
- Seven & i Group Business Partner Sustainable Action Guidelines
- Quality Policy
- Basic Policy on Social and Cultural Contribution, Social and Cultural Contribution Action Guidelines

Support for the United Nations Global Compact

Seven & i Holdings supports the 10 principles of the UN Global Compact, a worldwide framework for achieving sustainable growth, and carries out CSR activities through its core businesses to fulfill these principles.

- UN Global Compact

Addressing the Sustainable Development Goals (SDGs)

Seven & i Holdings is working to solve social issues through its business activities, with a view to achieving the Sustainable Development Goals* adopted at a United Nations summit held in 2015.

* The international community's shared goals for attaining the sustainable development of society, the economy, and the environment by 2030, in order to ensure all people enjoy peace and prosperity.



- Sustainable Development Goals

“GREEN CHALLENGE 2050”
Seven & i Group's Environmental Declaration

- “GREEN CHALLENGE 2050”
- Identification of the Four Themes
- Launch of Four Theme-based Innovation Teams
- Progress on Four Themes

“GREEN CHALLENGE 2050” (Approved by the Board of Directors of Seven & i Holdings in May, 2019)

Formulated May 2019
Partially revised December 2020
Partially revised May 2021

The Seven & i Group has strived to realize wealthy and convenient lives by responding to various changes in the social environment through the provision of products and services with value. At the same time, various environmental issues and social issues (e.g., external diseconomies) have come to the fore. Solutions to these issues are urgently needed for the sustainable development of society. With awareness of this current situation, our group will further promote a reduction of our environmental footprint across our entire store network and supply chain. All employees in our group are coming together as one to work on preserving the healthy global environment for future generations.

Vision	Theme	Targets for 2030	2050 Vision
Decarbonized society	Reduction of CO2 emissions	Reduce emissions from group store operations by 50% (compared to FY2013).	Reduce emissions from group store operations to net-zero
		Reduce emissions across our entire supply chain (scope 3) in addition to our own emissions (scopes 1 + 2).	
Circular Economy	Measures against plastic	Containers used in our original products (including Seven Premium) to be made 50% with environmentally friendly materials (e.g., biomass, biodegradable and recycled materials and paper).	Containers used in our original products (including Seven Premium) to be made 100% with environmentally friendly materials (e.g., biomass, biodegradable and recycled materials and paper).
		Zero use of plastic-made shopping bags. Shopping bags to be made of sustainable natural materials (e.g., paper).	—
	Measures against food loss and for food recycling	Reduce food waste by 50% at the amount generated by unit (amount generated per million yen in sales) (compared to FY2013).	Reduce food waste by 75% at the amount generated by unit (amount generated per million yen in sales) (compared to FY2013)
		Increase food waste recycling rate to 70%.	Increase food waste recycling rate to 100%.
Society in harmony with nature	Sustainable procurement	50% of the raw food ingredients used in our original products (including Seven Premium) to be those that guarantee sustainability.	100% of the raw food ingredients used in our original products (including Seven Premium) to be those that guarantee sustainability.

*We will review our targets in response to changes in the social environment.

Identification of the Four Themes

Awareness of the Current Situation

The Seven & i Group operates diverse distribution service business lines (e.g., convenience stores, supermarkets, department stores and specialty stores). We meet the daily living needs of our customers through these store networks. At the same time, we strive to provide the new value demanded by the times and society. This has allowed us to develop a store network with approx. 85,800 stores in the world. We have been able to grow into a company with approx. 63.6 million customers visiting us a day (as of the end of February 2024). As a result, the products and services we provide are enjoyed by many customers. On the other hand, this now has a considerable effect on the global environment.
As indicated by the Sustainable Development Goals (SDGs), the whole world is seriously seeking sustainable development. Against this backdrop, it is now essential we proactively reduce our environmental footprint so that our group can grow together with our customers and participate in development with society.

Identification of Themes

To that end, we first strived to more specifically express our efforts to reduce our environmental impact. We did this by identifying fields with a particularly high social effect in the environmental impact generated by our business activities. As a result, we recognize that there are four themes with a large social impact that are especially close to our business activities: CO2 emissions generated by the use of the power necessary in our store operations (e.g., lighting, refrigeration and freezing); use of plastic (e.g., various products, shopping bags and packaging materials); food loss arising from the disposal of products; and product procurement with an impact on the environment and society in the raw material, processing and manufacturing processes.

Target Value Setting

We grasped the current situation for each of these themes to respond effectively to these challenges. We then specifically indicated our mission and responsibility in the near future of 2030 and in the next generation society of 2050 by setting targets quantitatively. We consider the stakeholders given in our corporate creed to be a sincere company that is trusted to also include the future generations. With this in mind, we would like to share our environmental goals “GREEN CHALLENGE 2050” with each generation in the future.

All Employees Working Together As One

First, all the employees in our group will share the purpose and targets of “GREEN CHALLENGE 2050”. We will then work to achieve this in our daily work. At the same time, it is also essential to respond to social diseconomies arising between companies in the process of distribution to achieve these targets. We will expand our close cooperation structure with our customers, local communities, business partners and all our other stakeholders through serious efforts with our whole group coming together as one. We will then promote innovation toward the creation of a sustainable society.

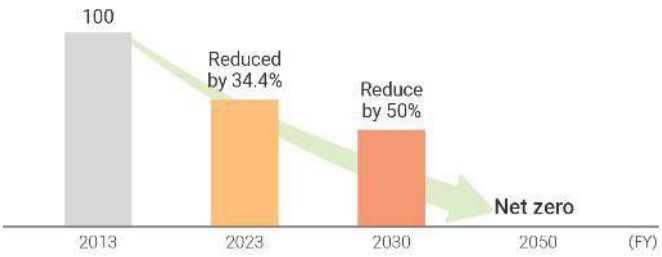
Launch of Four Theme-based Innovation Teams

We will work on new innovation under four themes: reduction of CO2 emissions, measures against plastic, measures against food loss and for food recycling, and sustainable procurement. To that end, we will select leaders (executive officers and higher) and sub-leaders from supervisory departments in each operating company to promote cross-group efforts to achieve our targets for 2030 and 2050.

- Efforts for reduction of CO2 emissions
- Measures against plastic usage
- Efforts for effective use of plastics
- Measures against Food Loss / Waste and Measures for Organic Waste Recycling
- Efforts for sustainable procurement

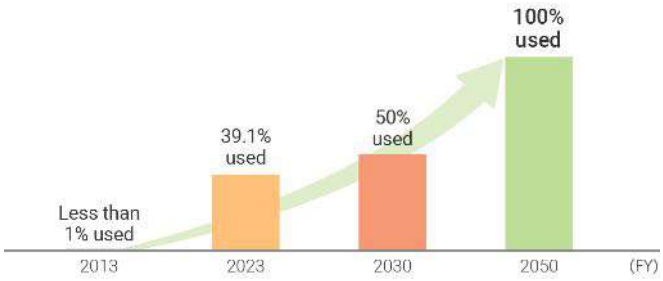
Progress on Four Themes (FY2023 Results)

Reduce CO_2 emissions



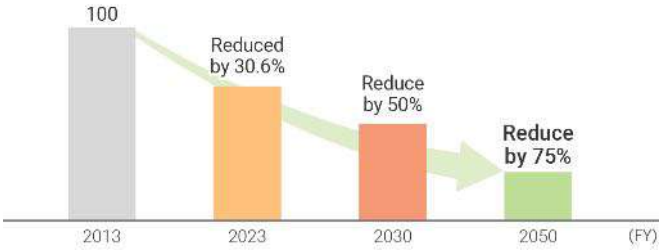
Reduction rate of CO2 emissions from group store operations *1
(compared to FY2013)

Measures against plastic

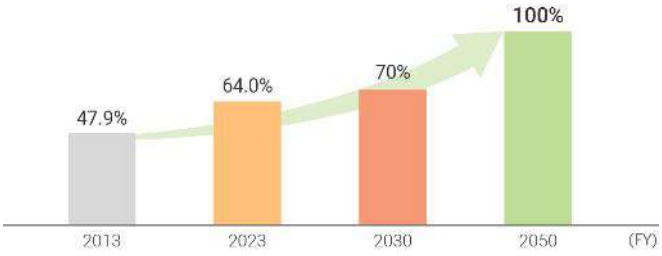


Ratio of environmentally friendly materials used in containers for original products *2

Reduce food waste & food waste recycling (Japan)

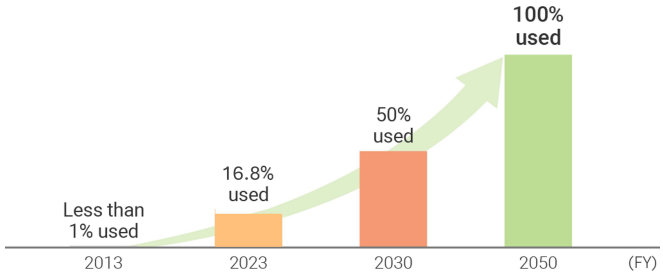


Amount of food waste *3



Food waste recycling rate *4

Sustainable sourcing (Japan)



Ratio of sustainable food ingredients used in original products *5

＊1 : Total of 9 companies: Seven-Eleven Japan, 7-Eleven, Inc., Ito-Yokado, York-Benimaru, Shell Gardens, IY Foods, Akachan Honpo, Seven & i Food Systems, THE LOFT

＊2 : Ratio of environmentally friendly materials (biomass, biodegradable, recycled materials, paper, etc.) used in containers for original products (including Seven Premium). Calculated for 7 companies that handle original products (Seven-Eleven Japan, 7-Eleven, Inc., Ito-Yokado, York-Benimaru, IY Foods, Akachan Honpo, Seven & i Food Systems)

＊3 : Food waste generated per million yen in sales. Calculated for 5 food-related operating companies (Seven-Eleven Japan, Ito-Yokado, York-Benimaru, Shell Garden, Seven & i Food Systems)

＊4 : Calculated for 5 food-related operating companies (Seven-Eleven Japan, Ito-Yokado, York-Benimaru, Shell Garden, Seven & i Food Systems)

＊5 : Ratio of food ingredients used in original products (including Seven Premium) that have been certified as sustainable. Calculated for 5 food-related operating companies (Seven-Eleven Japan, Ito-Yokado, York-Benimaru, IY Foods, Seven & i Food Systems.) The scope of aggregation has been changed from FY2023.

Stakeholder Engagement

Since its foundation, Seven & i Holdings has aimed to be a sincere company, trusted by all of its stakeholders, including customers, business partners, shareholders, local communities, and employees. We believe it is important to strive to understand the requirements and expectations that stakeholders have of Seven & i Holdings and the Group, and to respond to these.
For this reason, Seven & i Holdings and its Group companies will strive to respond quickly to feedback from our stakeholders-the opinions, desires, areas of dissatisfaction, requests, and so forth, that we receive through our dialogue with them. We will reflect this feedback in our management decision making process and business activities.

Seven & i Holdings' Stakeholders

Engagement with Stakeholders		Main Engagement Methods	Main Response Policy
Customers	We constantly think of things from the customer's point of view, and to earn our customers' trust we value communication, and will continue to respond to their feedback.	• Daily operations • Inquiries to the customer feedback department • Customer questionnaires • Website community that invites customers to participate	• Provide products and services that enrich customers' lives • Improve products and services and ensure safety • Label accurately in an easily understandable manner • Manage personal information appropriately • Promote universal design
Business Partners	Our products and services could not be supplied without the cooperation of our business partners. We will rigorously observe laws and regulations and internal rules relating to fair trade as well as build relationships of trust with business partners to ensure maintenance of safety and security and accounting for human rights and the environment. We will work together with them to carry out our social responsibilities.	• Product development meetings • Quality improvement meetings • Informal gatherings with business partners • CSR audits of business partners • Business Partner Help Line • Business partner questionnaires	• Development of products and services through team merchandising • Rigorous fair trade practices • Compliance with laws and regulations through the supply chain and consideration for human rights and the environment

Engagement with Stakeholders		Main Engagement Methods	Main Response Policy
Shareholders and Investors	Our operations are underpinned by the investments of our shareholders and investors. To respond to their trust, we emphasize highly transparent management and communication and fulfill our duty of accountability through disclosure.	• General Shareholders' Meeting • Financial results presentations • Meetings with investors • Information website for investors and organization newsletter	• Maximization of shareholder value and return profits • Proper accounting procedures and timely disclosure of information • Highly transparent management • Accountability toward beneficiaries
Local Communities	We aim to play an indispensable role in our local communities. To this end, by providing products and services matching the lifestyles in local communities, encouraging local production and local consumption and coexisting with communities, we will promote activities that contribute to community development.	• Regional Comprehensive Economic Partnerships with local governments • Participation in community activities • Dialogue through industry groups	• Provision of products and services matching regional characteristics • Consideration for living environments in regional areas • Contribution to regional development • Resolution of social issues in collaboration with NGOs, NPOs, and others • Safe and reliable urban development in collaboration with administrative authorities • Support for local production and local consumption, dietary education, child-raising, the elderly, and people with disabilities • Provision of products after the occurrence of natural disasters and support for affected areas • Participation in volunteer activities

Engagement with Stakeholders		Main Engagement Methods	Main Response Policy
Franchise Store Owners	Seven-Eleven Japan (SEJ) believes that relationships of trust with owners of franchise stores are the core of its business, and these relationships should be mutually beneficial. Through dialogue with Operations Field Consultants (OFCs) we build good relationships based on strong mutual trust and contribute to realizing comfortable and more prosperous lives for customers.	• Regular OFC visits to stores • Product exhibitions • Training and workshops by region • Owners' organization newsletter • Owners' opinion exchange meeting • Owner consultation desk	• Strengthening of management structure • Strengthening of store operation capabilities • Strengthening of partnerships • Construction and ongoing improvement of a highly competitive franchise system
Employees	We aim to realize workplaces where employees can participate actively and find satisfaction in their work. To this end, we will create working environments that are fair, just, and considerate of human rights. We will also create environments that protect privacy and safety, while helping workers to develop their capabilities and facilitate their work./td>	• Management policy briefings • Employee opinion survey • Employee training • Self-check systems and individual meetings • Internal portal website and Group newsletter • Employee Help Line	• Respect for human rights, diversity, and individuality • Creation of discrimination-free workplaces that consider human rights • Utilization of diverse human resources • Occupational health and safety and prevention of workplace accidents • Achievement of work-life balance • Preventative care for mental health • Promotion of employee health • Transparent and fair evaluations • Respect for rights, such as the right for employees to engage in collective bargaining • Support for development of employee abilities

Engagement with Stakeholders		Main Engagement Methods	Main Response Policy
Global Environment	Our business is dependent on the blessings of the earth's environment. Therefore, we will provide products and services taking into account the sustainability of the environment, while cooperating with customers, business partners, and employees to reduce the environmental impact throughout the entire supply chain.	• Inquiries to the customer feedback department • Dialogue with product and packaging materials suppliers • Dialogue with national and local governments, NPOs, and NGOs, and residents of store neighborhoods • Dialogue with equipment and maintenance companies • Waste disposal companies	• Reduced CO2 emissions • Reduced energy consumption • Environmental awareness among employees • Compliance with environmental legislation • Installation of energy saving and environmentally friendly equipment • Water-saving measures • Reduction of waste and promotion of recycling • Reduction of packaging materials • Preservation of biodiversity • Environmentally considerate products and services

Corporate Governance

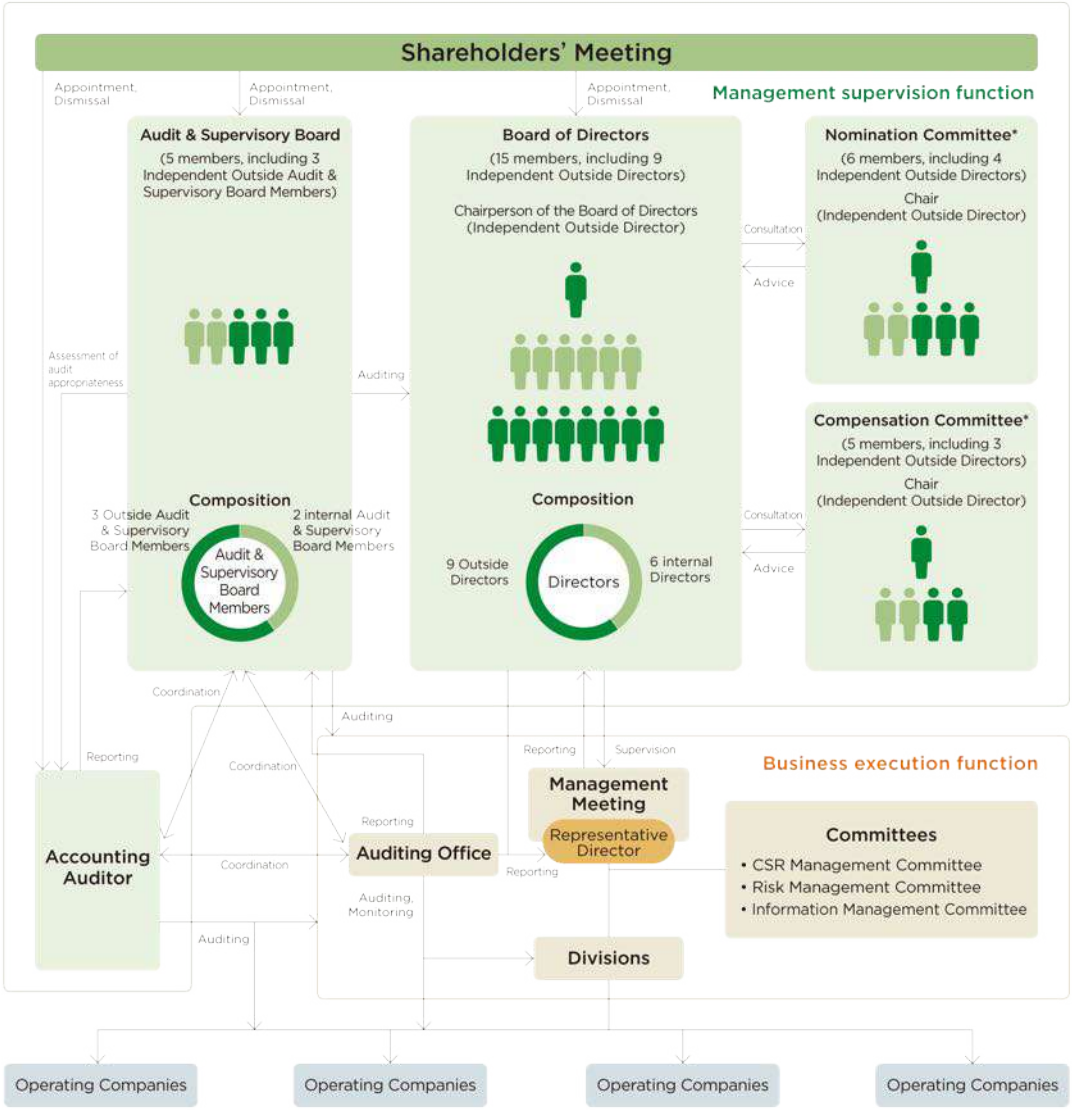
Seven & i Holdings Co., Ltd. is committed to strengthening corporate governance and maximizing the corporate value of the group as a holding company that supervises and oversees its subsidiary companies.

Basic Views on Corporate Governance

Seven & i Holdings considers corporate governance to be a system for sustainable growth by establishing and maintaining a sincere management structure and continuously increasing the Group's corporate value over the medium and long term in both financial and non-financial (ESG) aspects to ensure the trust and longstanding patronage of all stakeholders, including customers, business partners and franchisees, shareholders and investors, local communities, and employees, based on the Corporate Creed. Seven & i Holdings' mission as a holding company is to strengthen corporate governance and maximize the Group's corporate value, and Seven & i Holdings will strive to achieve this mission through the provision of support, oversight, and optimal resource allocation to its operating companies.

Seven & i Holdings ensures the effectiveness of its corporate governance by coordinating "audits" conducted by the Audit & Supervisory Board Members (Audit & Supervisory Board), including multiple Outside Audit & Supervisory Board Members who maintain their independence and have specialized knowledge in such areas as legal affairs and financial accounting, through their actively cooperating with the accounting auditor and the internal audit division, and "formulation of management strategies" and "supervision of business execution" conducted by the Board of Directors, including multiple Outside Directors who maintain their independence and have advanced management knowledge and experience. Seven & i Holdings has adopted this corporate governance structure because it judges the structure to be workable for realizing and ensuring Seven & i Holdings' corporate governance and for conducting appropriate and efficient corporate management.

Seven & i Holdings Corporate Governance System (as of May 31, 2024)



* The chair and committee members are selected by the Board of Directors.

Details about corporate governance can be found here ›

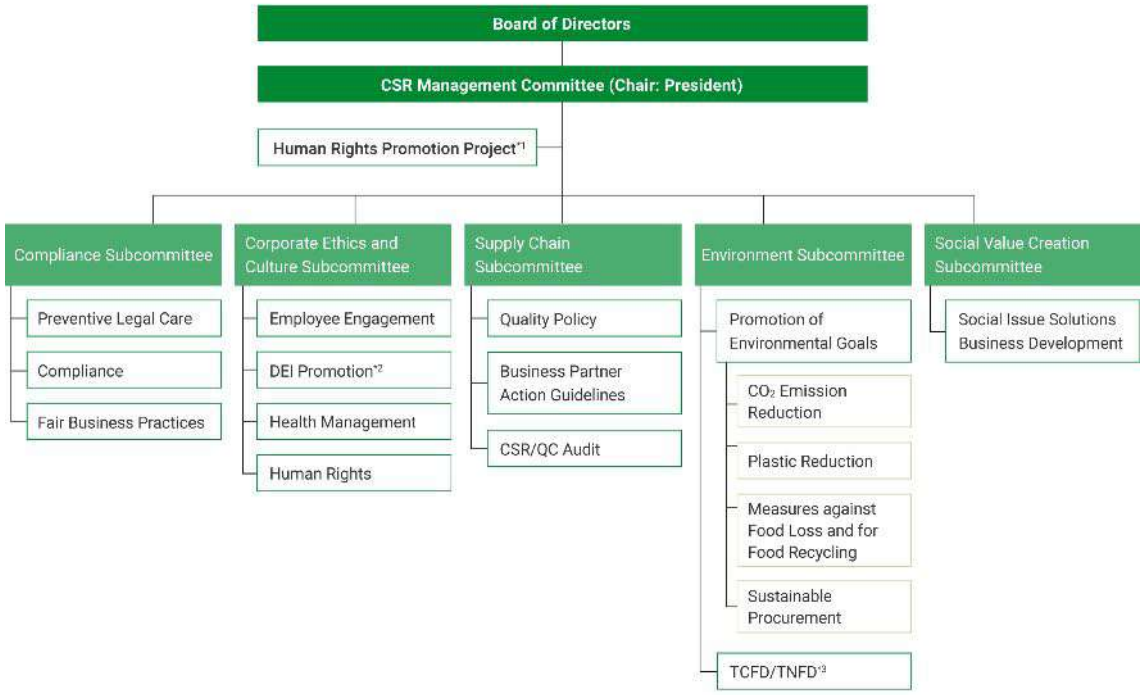
Sustainability Management

Seven & i Holdings works toward solving social issues in its core operations through promotion and development of businesses such as products and services. At the same time, we aim for sustainable development that creates value for both companies and society.

Sustainability Promotion Structure

Seven & i Holdings seeks to promote Group-wide sustainability activities that are effective and efficient. To this end, we hold regular, twice-yearly meetings of the CSR Management Committee, which is chaired by the President and Representative Director. At these meetings, we offer guidance and make improvements based on reports received from the five subcommittees. The meetings also help to strengthen the collaboration between the holding company and operating companies.

Organizational Structure of Sustainability Promotion



*1 Promoting human rights due diligence and responding to serious human rights incidents
*2 Diversity, Equity, and Inclusion. Promote a diverse organization that respects individual differences and emphasizes fairness
*3 Task Force on Climate-related Financial Disclosures/Task Force on Nature-related Financial Disclosures

Compliance Subcommittee

The Group employees complying with laws, regulations and social norms and practicing compliance including fair trade with customers and business partners is absolutely essential to realizing the Group's Corporate Creed "Trust and Sincerity." In addition to reinforcing thorough compliance at each Group company level, Seven & i Holdings established the Compliance Subcommittee in order for Seven & i Holdings, being the shareholding company, to support each Group company strengthen its compliance systems, as well as ensure effective supervision thereby. The Compliance Subcommittee is chaired by the Executive Officer and Head of the Corporate General Affairs & Legal Division of Seven & i Holdings. The division in charge of legal affairs at the Company manages the subcommittee to promote specific measures.

Corporate Ethics and Culture Subcommittee

The Group employees understanding the Group's Corporate Creed and rigorous implementation of the Corporate Action Guidelines are an essential and important foundation to realize the Group's Corporate Creed "Trust and Sincerity." The Corporate Ethics and Culture Subcommittee conducts initiatives based on rigorous implementation of the Corporate Action Guidelines, such as to improve Group employee awareness through education by making everyone aware of the Corporate Creed and the Corporate Action Guidelines. In addition to these initiatives, to create fulfilling workplaces, Seven & i Holdings have been conducting an Employee Engagement Survey. We are also working to improve work environments, such as by rectifying long working hours, making progress on promoting active roles for diverse human resources including women and people with disabilities, and helping employees balance work and family care responsibilities. Further, Seven & i Holdings is working to create an environment where all employees can work at ease, such as by encouraging employees to take days off on holidays and acquire leave. The Corporate Ethics and Culture Subcommittee is chaired by the Executive Officer and Chief Human Resources Officer (CHRO) and Head of the Human Resources Division of Seven & i Holdings. The division in charge of human resources at the Company manages the subcommittee to promote specific measures.

For details about the Seven & i Group Corporate Action Guidelines >

Supply Chain Subcommittee

It is one of the important corporate social responsibilities for companies and also a strong demand by stakeholders to promptly respond to the United Nations' "Guiding Principles on Business and Human Rights" and "Sustainable Development Goals (SDGs)," and to build a sound supply chain with human rights and the environment in mind. To improve product quality and ensure safety at each Group company, Seven & i Holdings aims to establish and strengthen the quality levels and control systems of each Group company based on the Group's Quality Policy. Furthermore, to ensure that Seven & i Holdings meets its social responsibilities regarding products and services across the entire supply chain, Seven & i Holdings asks business partners to understand and implement the Business Partner Sustainable Action Guidelines. Seven & i Holdings regularly verifies and shares their compliance through CSR audits to promote education, enlightenment and correction. The Supply Chain Subcommittee is chaired by the Executive Officer and Chief Merchandise Officer (CMDO) of the Seven & i Holdings Group Merchandise Strategy & Planning Division. The subcommittee is managed by the division in charge of product strategies at the Group to promote specific measures.

For details about the Quality Policy >

For details about the Seven & i Group Business Partner Sustainable Action Guidelines >

Environment Subcommittee

The Group uses products, raw materials and energy efficiently to combat challenges such as climate change and resource depletion, and the Group is working with customers and business partners to reduce the environmental impact throughout the supply chain. Seven & i Holdings believes this is an important factor that contributes to the sustainable development of society and will result in the sustainable growth of the Group. Therefore, based on the GREEN CHALLENGE 2050 approved by the Board of Directors in April 2019 and announced in May 2019, the Environment Subcommittee is working to promote initiatives to develop a decarbonized society, a circular economy, and a society in harmony with nature. Based on recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), it is analyzing the risks and opportunities of climate change and deepening the Group's initiatives. The Environment Subcommittee is chaired by the Executive Officer and Head of the ESG Development Division of Seven & i Holdings, and is managed by the division in charge of environmental measures of the Group to promote specific measures.

Social Value Creation Subcommittee

Based on an awareness that efforts to solve social issues will lead to new business opportunities as the Group expands its business domains and related social problems become increasingly varied, the Social Value Creation Subcommittee takes action to create business that generates social and economic value (creating shared value; CSV). Aiming to realize a sustainable society, the Seven & i Group has identified seven material issues that it must address through engagement with various stakeholders. In response, the Social Value Creation Subcommittee is working to plan and execute new businesses originating from social issues to be addressed through core businesses by leveraging business characteristics and management resources, including the Group's business infrastructure and expertise cultivated to date. Apart from this, the subcommittee will strive to deepen initiatives with a view to fostering external collaboration with business partners, social entrepreneurs, NPOs, and other partners. The Social Value Creation Subcommittee is chaired by the Director & Executive Officer and Head of the Corporate Planning Division of Seven & i Holdings, and is managed by the division in charge of management planning to promote specific measures.

Targets and Progress by Each Subcommittee

○: Achieved, △: Almost achieved, ×: Far from achieved

Major Plans for FY2023	Results for FY2023	Evaluation	Major Plans for FY2024
Compliance Subcommittee			
(1) Establishing fair business practices			
• Confirm the status of compliance with the Antimonopoly Act, the Subcontract Act, the Act against Unjustifiable Premiums, and take remedial measures as necessary FT project conference: held twice a year • Conduct FT training (e-learning) June: General labeling training (including food labels), 6,000 people underwent training November: Fair trade (abuse of superior bargaining position, Subcontracting Act), 6,000 people underwent training • Group education (including online) First half: 15 times, 600 people underwent training Second half: 15 times, 600 people underwent training • Conduct business partner questionnaires	• Information sharing at FT project conferences First half (May): 52 participants from 23 Group companies Second half (November): 38 participants from 15 Group companies • Conducted FT training (e-learning) June: Labeling training (including food labels), 6,362 people in total underwent training November: Fair trade (abuse of superior bargaining position, Subcontracting Act), 3,345 people in total underwent training • Group education (including online) First half: 17 times, 1,627 people in total underwent training Second half: 14 times, 2,144 people in total underwent training • Business partner questionnaires Number of implementing companies: 31 Approximately 10,900 responses	○	• Confirm the status of compliance with the Antimonopoly Act, the Subcontract Act, the Act against Unjustifiable Premiums, and take remedial measures FT project conference: held twice a year • Conduct FT training (e-learning) June: General labeling training (including food labels), 6,500 people underwent training November: Fair trade (abuse of superior bargaining position, Subcontracting Act), 5,000 people underwent training • Group education (including online) First half: 15 times, 800 people underwent training Second half: 15 times, 800 people underwent training • Business partner questionnaires Number of implementing companies: Approx. 30

Major Plans for FY2023	Results for FY2023	Evaluation	Major Plans for FY2024
(2) Enforcement of compliance			
• Interview on compliance issues and response status • Conduct compliance e-learning	• Implemented interviews and confirmed the occurrence of compliance issues, the status of responses, and improvements at operating companies (20 companies) • Compliance e-learning Number of course takers: 12,511 Number of courses: 7	○	• Interview operating companies on compliance issues and response status (19 companies) • Conduct compliance e-learning Planned number of courses: 9
(3) Enhancement of preventive legal functions			
• Interview on compliance issues and response status	• Implemented interviews and confirmed compliance system issues and countermeasures including preventive measures at operating companies (20 companies)	○	• Implement interviews on compliance issues and risk response status (19 companies)
(4) Strengthen the internal reporting system			
• Establish a system as necessary in accordance with the amended Whistleblower Protection Act • Conduct training using an outside instructor for Group company internal whistleblowing system staff (at least once a year)	• New operating company established operating rules and detailed rules and began operation of internal whistleblowing system in November (Peace Deli Co., Ltd.) • Conducted training using an outside instructor for Group company internal whistleblowing system staff: 111 people in June, 128 people in November	○	• Establish a system as necessary • Conduct training using an outside instructor for Group company internal whistleblowing system staff (at least once a year)

Major Plans for FY2023	Results for FY2023	Evaluation	Major Plans for FY2024
Corporate Ethics and Culture Subcommittee			
(1) Thoroughly ensure compliance with Corporate Action Guidelines			
• Focus on awareness and permeation of the Corporate Creed and Corporate Action Guidelines when educating employees • In the Employee Culture & Engagement Survey, regularly monitor status of compliance with the Corporate Action Guidelines	• Confirmed status of compliance with the Corporate Creed and Corporate Action Guidelines when conducting Employee Culture & Engagement Surveys Compliance with the Corporate Action Guidelines: 91% (down 1% from the previous year) (Fulltime employees)	△	• Focus on awareness and permeation of the Corporate Creed and Corporate Action Guidelines when educating employees • In the Employee Culture & Engagement Survey, regularly monitor status of compliance with the Corporate Action Guidelines

Major Plans for FY2023	Results for FY2023	Evaluation	Major Plans for FY2024
(2) Create fulfilling workplaces			
• Continue sharing information on examples of best practices to enhance engagement at Group companies • Conduct ongoing dialogue with employees to promote activities while repeatedly investigating, proposing, implementing, and verifying measures to enhance meaningful work and ease of work • Conduct Employee Culture & Engagement Survey (November)	• Diversified participants in opportunities for Group companies to meet at the same time, shared information on case studies, and encouraged and developed measures for improvement • Establishment of opportunities for dialogue with employees at Group companies and proposal and implementation of measures to enhance meaningful work and ease of work • Implemented the Employee Culture & Engagement Survey again in November of FY2023 with seven additional questions (including integrity, respect of autonomy, encouragement of taking on challenges, and cultural openness) to measure the status of culture at each worksite in addition to engagement at all companies (conducted annually in November) Target: 26 Group companies, about 67,000 people Engagement score: 50% (down 1 point from the previous year) * Scores are figures for monthly salary employees	△	• Continue sharing information on examples of best practices to enhance engagement at Group companies • Conduct ongoing and multi-layered dialogue with employees to promote activities while repeatedly investigating, proposing, implementing, and verifying measures to enhance meaningful work and ease of work • Conduct Employee Culture & Engagement Survey (November)

Major Plans for FY2023	Results for FY2023	Evaluation	Major Plans for FY2024
• Promoting employment of people with disabilities Promote support for recruitment activities and retention for operating companies that have not achieved statutory employment rate (support for individual interviews and consultations)	• Accepted workplace trainees from special support schools and employment transition support agencies mainly at Ito-Yokado (including York) and THE LOFT Number of trainees accepted: Total of 42	○	• Promoting employment of people with disabilities Promote support for recruitment activities and retention for operating companies that have not achieved statutory employment rate (support for individual interviews and consultations)
• Maintain and improve the statutory employment rate Maintain and improve the statutory employment rate for people with disabilities at the five applicable Group companies	• Maintained a 3.16% actual employment rate at the five applicable Group companies* (June 1, 2023) *Seven & i Holdings, Seven-Eleven Japan, Ito-Yokado, Seven & i Food Systems, Terube	○	• Maintain and improve the statutory employment rate Maintain and improve the statutory employment rate for people with disabilities at the five applicable Group companies
• Reinforce educational activities for Group companies and implement rank-based human rights training, hands-on normalization training, and other measures • Reinforce internal and external dissemination of information on normalization measures at Group companies	• Conducted human rights awareness training at Group companies (21 times with 584 participants) • Conducted hands-on normalization training (two times with 86 participants) • Conducted human rights e-learning (fundamentals and case study versions) Number of course takers: Approx. 39,000 • Held normalization events at stores that conducted Group sign language courses	△	• Reinforce educational activities for Group companies and implement human rights e-learning and human rights awareness training • Conduct hands-on normalization training and other events • Reinforce normalization promotion measures at Group companies and disseminate information internally and externally * Conduct sign language courses and normalization events

Major Plans for FY2023	Results for FY2023	Evaluation	Major Plans for FY2024
(3) Diversity & Inclusion Promotion Project			
• Confirm KPI and progress and implement measures at Group Companies each half to achieve the targets for the ratio of female managers • Conduct female employee empowerment measures throughout the Group (training for female employees, etc.)	• Confirmed progress toward achieving target values set by each Group company relating to the ratio of female managers, hiring, separation, and promotion and shared information including case studies with Group companies • Conducted women encouragement seminars (third term) (approximately 70 participants from 18 Group companies; approximately 15% of the participants in the first to third sessions have achieved career enhancements) • Implemented empowerment measures for female Executive Officer candidates • Percentage of female managers Executive Officers: 21.2% (as of end of May 2024) Section managers: 27.3% (as of end of February 2024) Team leaders: 35.3% (as of end of February 2024)	○	• Confirm KPI and progress and implement measures at Group Companies each half to achieve the targets for the ratio of female managers • Continue to conduct female employee empowerment measures throughout the Group (training for female employees, etc.)

Major Plans for FY2023	Results for FY2023	Evaluation	Major Plans for FY2024
• Continue to conduct educational and awareness-raising activities on D&I targeting employees including managers of Group companies • Encourage use of childcare leave among male employees	• Conducted D&I seminars for executives of Group companies • As a Group-wide initiative, continuously held Diversity Management Seminars to raise awareness concerning management of diverse human resources • Used mechanisms to identify personnel newly eligible to take childcare leave, provided information on systems and encouraged them to take leave • Posted opinions of men who took childcare leave on an internal portal site to promote understanding of the balance between childcare and work	△	• Continue to conduct educational and awareness-raising activities on D&I targeting employees including managers of Group companies • Encourage use of childcare leave among male employees
• Disseminate information related to diversity and inclusion internally and externally	• Created a page on Group websites accessible by Group employees to consolidate DEI information and continuously disseminated information	○	• Disseminate initiatives and figures related to DEI promotion internally and externally
(4) Promoting health management			
• Implement consistent measures as a Group based on the Health Declaration NEXT • Continue walking events and other measures to raise employee health awareness and expand participation • Implement measures for maintaining health and preventing illnesses	• Conducted walking events 16,401 participants from 22 companies • Conducted breast cancer screening and cervical cancer risk testing for employees who wish Number of people screened for breast cancer: 270 • Provided subsidies for comprehensive medical exams and cancer screenings	△	• Implement consistent measures as a Group based on the Health Declaration NEXT • Continue walking events and other measures to raise employee health awareness and expand participation • Implement measures for maintaining health and preventing illnesses

Major Plans for FY2023	Results for FY2023	Evaluation	Major Plans for FY2024
• Establishment of comfortable working environments where people can work with healthy minds and bodies and promotion of a good work-life balance	• Prevented mental illness by conducting mental health training (self-care)	△	• Establishment of comfortable working environments where people can work with healthy minds and bodies and promotion of a good work-life balance
Supply Chain Subcommittee			
(1) Improving product quality and ensuring safety			
• Continue sharing case studies within the QC project • Intensify measures while sharing information to prevent label display errors on food products	• Conducted QC project activities and held information sharing meetings conducted by quality control personnel from Group companies • Created a Labeling Error Prevention Working Group, shared information on examples of measures from Group companies, expanded best practices, reflected those practices, and continuously implemented measures throughout the Company	○	• Conduct QC project activities and hold quality control manager meetings • Continue sharing information on examples of improvement measures by Group companies within the Labeling Error Prevention Working Group
• Continue conducting audits with a focus on consignment manufacturers of PB products	• Conducted factory audits in conjunction with external organizations with a focus on manufacturing consignment factories of foods, apparel, and household goods	△	• Continue conducting audits with a focus on consignment manufacturers of PB products

Major Plans for FY2023	Results for FY2023	Evaluation	Major Plans for FY2024
• Continue training on quality control and product safety including on-site training	• Conducted e-learning for acquisition of fundamental knowledge on quality control and product safety Subjects: Quality control and merchandise departments Training participants: 1,430 people in total • Conducted supplier audit training to develop auditors at manufacturing factories Subjects: Quality control and merchandise departments Training participants: 12 × twice annually	○	• Continuously conduct e-learning for acquisition of fundamental knowledge on quality control and product safety • Continuously conduct supplier audit training for newly-appointed quality control and purchasing personnel
• Continue measures for all factories to obtain quality certification	• Made requests to Seven Premium product manufacturing consignment factories to acquire certification (99.9% of factories acquired certification as of March 2024)	△	• Continue measures for all factories to obtain quality certification
• Continue compliance with HACCP operations manuals • Conduct training by external organizations for acquisition of fundamental knowledge on HACCP to raise levels Persons eligible to participate: 30	• Confirmed the operating status of each company • Conducted a three-day HACCP course taught by an outside instructor, covering fundamental knowledge to practical application in factories Subjects: Quality control and merchandise departments Participants: 24	○	• Continue compliance with and confirmation of HACCP operations manuals • Conduct a three-day HACCP course for newly-appointed quality control and purchasing personnel

Major Plans for FY2023	Results for FY2023	Evaluation	Major Plans for FY2024
• Plan and conduct training by external organizations for the acquisition of specialized knowledge including insect and rodent prevention measures Persons eligible to participate: 30 each at two sessions	• Conducted training on insect and rodent prevention in food manufacturing factories taught by a specialized organization for Seven Premium quality control personnel Participants: 16	○	• Conduct lectures for quality control, purchasing, and manufacturing department personnel to acquire knowledge on insect and rodent prevention measures, safety culture, and more from outside experts
(2) Thorough implementation of Business Partner Action Guidelines			
• Continue briefings on the Business Partner Action Guidelines and CSR audits	• Live broadcast and on-demand distribution of Business Partner Action Guidelines and CSR audit briefings (for Japan and overseas business partners; approximately 400 companies participated in real-time) * Distributed on-demand through November	○	• Continue briefings on the Business Partner Action Guidelines and CSR audits • Report on CSR audit results and hold study sessions on audits at meetings attended by managers of departments in charge of product development and procurement at each Group company
• Continue compliance seminars • Translate content into multiple languages and reinforce explanations at overseas factories	• Conducted on-demand distribution of Business Partner Action Guidelines and CSR audit briefings to enable access at any time • Prepared content on eight topics including occupational safety and health as well as business and human rights (total of 16,274 page views)	○	• Translate content into multiple languages and reinforce explanations at overseas factories • Conduct e-learning on sustainable procurement for Group purchasing personnel

Major Plans for FY2023	Results for FY2023	Evaluation	Major Plans for FY2024
• Continue CSR audits	• Conducted CSR audits of those factories that manufactured Seven Premium products and private brand products of Group companies in China and Southeast Asia (13 countries) that conducted large-scale transactions and had high levels of importance Overseas: 254 factories in China and Southeast Asia Domestic: 527 factories	○	• Conduct CSR audits of those factories that manufactured Seven Premium products and private brand products of Group companies in China and Southeast Asia (13 countries) that conduct large-scale transactions and had high levels of importance Overseas: 250 factories in China and Southeast Asia Domestic: 500 factories • Provide support to business partners to establish audit systems at the raw material factories
Environment Subcommittee			
(1) Initiatives for achieving a decarbonized society			
• Conduct third-party verifications of CO2 emissions at 12 companies • Install solar power generation panels at more than 9,000 Group stores • Expand procurement of renewable energy through off-site PPA • Start demonstration tests on the use of renewable energy with supply chain companies to reduce CO2 emissions	• Conducted third-party verifications of CO2 emissions at 12 companies • Installed solar power generation panels at more than 9,000 Group stores • Expanded procurement of renewable energy through off-site PPA • Started demonstration tests on the use of renewable energy with supply chain companies to reduce CO2 emissions	○	• Conduct third-party verifications of CO2 emissions at 11 companies (changed to 11 companies with the merger of IY and YO) • Expand procurement of renewable energy through off-site PPA • Start demonstration tests on the use of renewable energy with supply chain companies to reduce CO2 emissions

Major Plans for FY2023	Results for FY2023	Evaluation	Major Plans for FY2024
(2) Initiatives for achieving a circular economy			
• Introduce trays with environmentally-friendly designs nationwide and simultaneously conduct measures to gain the understanding of customers	• Switched to containers that use less petroleum-derived inks and coloring used with Seven-Eleven boxed lunches and delicatessen items (switch completed at all stores at end of August 2024). Containers are designed to be easily recycled, and CO2 emissions in manufacturing processes were reduced by approximately 800 tons • Received a 2023 Good Design Award	○	• Plan to test containers that use a mass balance method while moving forward with the switch to environmentally friendly materials, for containers and packaging used with original products
• Further expand installation of PET bottle collection machines to encourage resource recycling • Plan demonstration tests for collection of plastic containers that are difficult to recycle with an eye toward chemical recycling	• In FY2023, installed PET bottle collection machines in 4,105 stores (in an increase of 1,016 stores from the previous year) and collected and recycled the equivalent of approximately 500 million PET bottles • Collaborated with R Plus Japan, which seeks to implement chemical recycling in Japan, to conduct a demonstration project in Japan to collect plastics that are difficult to recycle, such as boxed lunch boxes, natto containers, cooking oil bottles, and snack wrappers	○	• Further expand installation of PET bottle collection machines to encourage resource recycling • Plan to conduct new collection demonstration projects with the aim of recycling plastics other than PET bottles
• Expand Temaedori Project awareness-raising activities to 7-Eleven, Ito-Yokado, and York Benimaru stores nationwide	• Conducted Temaedori Project awareness-raising activities to 7-Eleven, Ito-Yokado, and York Benimaru stores nationwide	○	• Continue to conduct Temaedori Project awareness-raising activities to 7-Eleven, Ito-Yokado, and York Benimaru stores nationwide

Major Plans for FY2023	Results for FY2023	Evaluation	Major Plans for FY2024
• Form the mottECO Consortium, a collaborative initiative of local governments and multiple businesses that are overcoming competitive boundaries	• Formed the mottECO Consortium and held the mottECO FESTA 2023	○	• Conduct food drives at some Group stores as an initiative intended to solve social issues in cooperation with customers
(3) Initiatives for developing a society in harmony with nature			
• Acquire CoC certification at Peace Deli food manufacturing plants that process fresh foods such as fresh meat and fish and that manufacture meal kits	• Acquired CoC certification at Peace Deli food manufacturing factories	○	• Acquire MSC CoC certification
• Continue to conduct training, mainly for employees newly assigned to product procurement and employees who previously did not undergo training, and increase employees with JGAP trainer qualifications	• Approximately 40 employees involved in Group merchandiser and sustainability related operations acquired JGAP trainer qualifications	○	• Conduct training for Group MD on sustainable procurement in new sub-supply chains
(4) Raising employee environmental awareness			
—	—	—	• Develop and operate environmental training programs and an environmental application that can share information for Group employees • Increase the number of application registered employees • Continuously conduct environmental e-learning for all employees

Major Plans for FY2023	Results for FY2023	Evaluation	Major Plans for FY2024
Social Value Creation Subcommittee			
(1) Promote understanding of social issues			
● Hold SMiLE 2023, a social issue solving business plan contest ・Review seminar content ・Support qualitative improvement of submissions	● Held SMiLE 2023, a social issue solving business plan contest Seminar participants: 498 Submissions: 174 Fostered an innovation mindset that starts with solving social issues	○	● Hold SMiLE 2024, a social issue solving business plan contest ・ Promote recognition in the Group ・ Reinforce functions for following participants
(2) Create new CSV businesses			
● Regarding business proposals emerging from social business programs, in addition to continuation of one project, consideration of commercialization of two projects selected at SMiLE 2022	● In addition to one ongoing project, added two projects selected for SMiLE 2023 and commenced demonstration trials for a total of three projects ● Started a trial of paid service in one project	○	● In addition to the three ongoing projects, add two projects selected for SMiLE 2023 and investigate commercialization for a total of five projects

CSR Training for Employees

Seven & i Holdings provides employees with CSR training via group training when they join the company or are appointed to a new position through promotion or advancement in rank, in addition to using such means as company newsletters and the Sustainability Data Book.
Study groups, seminars, and the like are held regularly for specialized fields including compliance, diversity and inclusion, and the environment, and information about volunteering is communicated to employees through the internal portal site.
We have been conducting CSR training via e-learning for all employees at domestic Group companies. In the fiscal year ending February 29, 2024 as well, we implemented e-learning on the Antimonopoly Act (abuse of superior bargaining position), the Subcontracting Act, product labeling, and other topics for all employees who are associated with business partners. An e-learning about the Group's environmental declaration "GREEN CHALLENGE 2050" was also conducted.





Risks and Opportunities Related to Sustainability

Various problems and issues related to the environment and society constitute risks that threaten a company's sustainability, but the act of endeavoring to solve such issues leads to new business opportunities. Seven & i Holdings identifies risks and opportunities related to seven material issues, and works to reduce risk levels while striving to realize a sustainable society alongside sustainable corporate growth by creating new business models for solving social issues.
We have therefore created the Corporate Action Guidelines and other policies, and established the cross-group CSR Management Committee and its subcommittees, the Compliance Subcommittee, Corporate Ethics and Culture Subcommittee, Supply Chain Subcommittee, Environment Subcommittee, and Social Value Creation Subcommittee. Specific measures are considered through these committees.

Material Issues, and Main Risks and Opportunities

Material Issue 1

Create a livable society with local communities through various customer touchpoints

Risks

- Decline in sales opportunities from decrease in the infrastructure of daily life, leading to population decrease, depopulation, aging population
- Failure to open new stores as planned because of insuffi cient coordination with local communities resulting in inability to provide new value, etc.

Opportunities

- Gain stakeholder trust through expanded social role as infrastructure for daily life
- Increase sales opportunities through community revitalization, etc.

Material Issue 2

Provide safe, reliable, and healthier merchandise and services

Risks

- Loss of customers because of merchandise issues or in-store accidents
- Decline in trust due to violations of laws such as quality control and labeling
- Loss of customers from delayed development of health-related merchandise, etc.

Opportunities

- Increase customer loyalty through rigorous safety and quality control
- Expand sales opportunities by offering healthoriented merchandise and other new merchandise that matches customers' needs, etc.

Material issue 3

Realize decarbonization, circular economy, and society in harmony with nature, through environmental efforts

Risks

- Physical damage to stores/distribution network due to increase in natural disasters caused by climate change
- Sharp increases in purchasing prices due to changes in demand and supply or changes in prices of crude oil and other raw materials caused by unusual weather
- Loss of customers due to corporate image with a large environmental footprint in areas including food waste and greenhouse gas emissions, etc.

Opportunities

- Cut costs by saving energy, reducing waste, recycling, changing energy sources
- Create brand value as a company at the forefront of environmental measures, etc.

Material Issue 4

Achieve a society in which diverse people can actively participate

Risks

- Damage to corporate image, loss of customers, decline in employee engagement from tolerance of discrimination and prejudice
- Difficulty in retaining human resources, outflow of human resources, etc.

Opportunities

- Acquire future customers and develop new services through dialogue with and development of the next generation, the young generation, and people with various values, etc.

Material Issue 5

Improve work engagement and environment for people working in Group businesses

Risks

- Decline in employee engagement from lack of improvement in work environments
- Difficulty in retaining human resources, outflow of human resources, etc.

Opportunities

- Promote diversity to enhance competitiveness
- Increase productivity by enhancing employees' skills and autonomy
- Develop new businesses and acquire talented personnel, etc.

Material Issue 6

Create an ethical society through dialogue and collaboration with customers

Risks

- Inability to offer new value through merchandise and services from delayed response to changes in consumer lifestyles and diversifi cation of values, etc.

Opportunities

- Expand sales opportunities by offering merchandise and services addressing ethical consumption
- Work with customers to increase customer loyalty, etc.

Material Issue 7

Achieve a sustainable society through partnerships

Risks

- Interruption of merchandise supply, deterioration of merchandise quality, or boycotts associated with labor environment or human rights problems or compliance violations in the supply chain, resulting in loss of social trust, etc.

Opportunities

- Increase resilience through sustainable raw material procurement
- Provide new merchandise and services in cooperation with business partners, other industries, same industry, etc.

Compliance

Seven & i Holdings places absolute priority on compliance with laws and regulations and social norms. We also strive to ensure that its corporate governance is functioning soundly and secured by management.

Seven & i Holdings Corporate Action Guidelines

The Seven & i Holdings Corporate Action Guidelines present the behavior that each employee should practice in order to realize the spirit of "trust and sincerity" expressed in the Group's corporate creed. The guidelines call for employees to comply with laws, regulations, and social norms, to uphold laws and regulations such as the Act on Prohibition of Private Monopolization and Maintenance of Fair Trade as well as internal rules, conduct business under appropriate conditions in line with sound trading practices, and not to have any contact with antisocial groups.

Details of the Seven & i Holdings Corporate Action Guidelines can be found here >

Basic Policy

1. Provision of Safe and High-Quality Products and Services
2. Maintenance of Fair and Transparent Transactions
3. Cooperation with Local and International Communities
4. Respect for Human Rights
5. Respect for Diversity and Improvement of Job Satisfaction
6. Preservation of the Assets and Information of the Company
7. Contribution to a Sustainable Society
8. Dialogue with Stakeholders
9. Efforts Regarding Social Issues

Code of Corporate Conduct

1. Compliance (Legal Compliance)
2. Relationships with Customers
3. Relationships with Business Partners
4. Relationships with Shareholders and Investors
5. Relationships with Local and International Communities
6. Relationships between the Company, and Directors, Officers, and Employees
7. Preservation of Global Environment

Compliance System

Seven & i Holdings has a CSR Management Committee, chaired by the President, and four subcommittees - Compliance Subcommittee, the Corporate Ethics and Culture Subcommittee, Supply chain Subcommittee, and the Environment Subcommittee. These subcommittees work together with each Group company to promote the Seven & i Holdings Corporate Action Guidelines and to rigorously enforce compliance.



Internal Whistleblowing System

Seven & i Holdings has set up the Groupwide Employee Helpline, the Business Partner Helpline, and the Audit & Supervisory Board Hotline to prevent conduct that could result in loss of public credibility and to ensure early detection, early remediation, and recurrence prevention. The Groupwide Employee Helpline is for receiving reports from employees of operating companies in Japan, the Audit & Supervisory Board Hotline is for reports related to management, and the Business Partner Helpline is for reports from business partners.

The three internal reporting systems have a consultation desk operated by a third party under a service contract and a non-disclosure agreement to protect the privacy of people consulting or whistleblowing, and ensure that the content of their reports is not disclosed publicly or leaked. The consultation desk accepts reports via email, telephone, or post. (Reports via telephone are only accepted during service hours.)
Once a whistleblowing is received, the company subject to the whistleblowing quickly confirms the facts, corrects any violations that are found, and strives to prevent a recurrence. To create an environment that facilitates reporting, reports can be made anonymously, and our operating regulations stipulate that whistleblowers are not to be subjected to disadvantageous treatment for having made a report. The person is contacted at the end of the month following notification of completion of the case by the third-party consultation desk to check that they have not suffered retaliation or disadvantageous treatment.
Seven & i Holdings' Sustainability Development Department keeps track of the number and nature of the reports for each Group company, as well as the status of responses, to ensure that the actions taken by the operating companies are appropriate. In the event of a serious violation or other such incident, a report will be provided immediately to the Representative Director, responses will be discussed with the relevant divisions and companies, and the necessary response measures will be taken. In addition, the CSR Department reports on the operational status of the internal reporting system to Seven & i Holdings' Board of Directors.

Groupwide Employee Helpline (Internal Whistleblowing System for Employees)

The Groupwide Employee Helpline can be used by Group employees, Directors and Audit & Supervisory Board Members, and retirees and their families. To ensure that all employees are aware of the system and its contact points, it is explained in employee training and on the intranet, and posters are put up in every workplace and store. Additionally, employees' awareness of the Groupwide Employee Helpline is surveyed as part of the Employee Engagement Survey administered once every two years.

Procedural Flow for the Groupwide Employee Helpline



Number of reports for the fiscal year ended February 29, 2024



*For the Groupwide Helpline, some operating companies have their own internal reporting consultation desks in addition to third-party consultation desks.
*Operating companies in North America and China have their own internal reporting systems to receive reports and consultations from employees.

Audit & Supervisory Board Hotline (Internal Whistleblowing System for Matters Related to the Group Executives and the Members of Management)

The Audit & Supervisory Board Hotline has been in operation since February 2019 for the purpose of receiving reports independent of management related to actions that could potentially result in the loss of social trust in which the directors, members of the Audit & Supervisory Board, executive officers, and other members of management for Group companies in Japan are suspected of being involved, and investigating them. When the Company receives a report, it quickly confirms the facts, and the members of the Seven &i Holdings Audit & Supervisory Board work together with the members of operating company Audit & Supervisory Boards to correct any violations that are found and strive to prevent a recurrence.

Procedural Flow for the Audit & Supervisory Boad Hotline



Number of reports for the fiscal year ended February 29, 2024



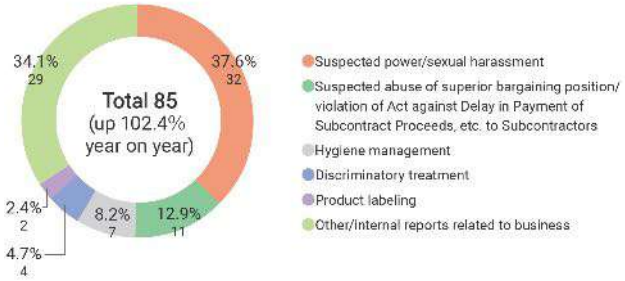
Business Partner Helpline (Internal Whistleblowing System for Subcontractors)

The Business Partner Helpline can be used by Directors and Audit & Supervisory Board Members, employees, and former employees of domestic Group companies' business partners. To ensure that business partners are fully aware of the helpline system and its points of contact, we explain it at briefings for business partners and distribute information in pamphlets.

Procedural Flow for the Business Partner Helpline



Number of reports for the fiscal year ended February 29, 2024



Compliance Education and Training of Employees

Seven & i Holdings and Group companies endeavor to promote and foster understanding of the Seven & i Holdings Corporate Action Guidelines among all employees. To this end they have prepared specific guidance for employees on how to put the guidelines into practice in line with the business characteristics of each company. In addition, when undertaking tier-specific group training for organizational levels ranging from new recruits to management, Seven & i Holdings provides training based on the themes of the Seven & i Holdings Corporate Action Guidelines and compliance. From the fiscal year ended February 29, 2016, compliance seminars have been held every year for executives, beginning with the presidents of Seven & i Holdings and each Group company. In addition, starting in the fiscal year ended February 28, 2017, training via e-learning (some employees viewed DVDs) has been periodically undertaken for Group employees in Japan. In the fiscal year ended February 29, 2024, 12,511 employees took the training.

Compliance Awareness Survey

Seven & i Holdings prepares questions related to compliance and periodically conducts the Culture & Engagement Survey, an anonymous annual survey designed to gauge the extent of understanding of the Corporate Creed and compliance awareness among employees. The survey includes questions that measure job satisfaction and the degree of acceptance of performance reviews. Groupwide initiatives are implemented to address common issues across the Group that have been identified by the survey results. Along with this, Group companies devise measures to tackle the issues faced by each company and strive to make improvements accordingly. In the fiscal year ended February 29, 2024, interviews were conducted with 20 Group companies to confirm the occurrence, response, and improvement status of compliance incidents.

For more details of the Culture & Engagement Survey >

Anti-corruption

Seven & i Holdings is a signatory to "the UN Global Compact." Based on the spirit of "Trust and Sincerity" set forth in the Corporate Creed, the Seven & i Holdings is working on anti-corruption, including extortion and bribery, in compliance with the laws and regulations of the regions in which it operates.
The Seven & i Holdings Corporate Action Guidelines states, "We conduct transactions based on appropriate conditions by following sound business practices. No transactions should be made for personal gain or benefit." We prohibit the provision of gifts, entertainment, and financial benefits to public officials or persons equivalent thereto in Japan and overseas. We also prohibit the receipt of private benefits from business partners, and do not engage in any form of corruption or fraud, including bribery, illegal political contributions, money laundering, and embezzlement. As a member of the international community, we pay close attention to countries, regions, organizations, and individuals subject to international economic and trade sanctions. Each the Seven & i Group company has provided specific guidance for implementing the Seven & i Holdings Corporate Action Guidelines in accordance with its business characteristics and educates its employees.
The Seven & i Group reports any suspected violation of compliance, including corruption, to its superiors, and accepts reports from employees through the Groupwide Employee Helpline, an internal reporting system, and from business partners through the Business Partner Helpline. If a serious violation occurs, we report it to the Board of Directors and take disciplinary action in accordance with internal regulations. The status of compliance with the Corporate Action Guidelines is confirmed in the "Employee Engagement & Culture Survey" which is held every year, and the "Business Partner Questionnaires" which are held every year.
In addition, we ask our suppliers to prevent corruption and conduct fair transactions in the "Seven & i Group Business Partner Sustainable Action Guidelines". We disseminate the guidelines at supplier briefings and confirm the progress of the guidelines through self-check sheets. In China and Southeast Asia, where CSR risks are high, we also conduct compliance training for suppliers of outsourced manufacturing of private-brand products.

Seven & i Holdings Corporate Action Guidelines can be found here >

Seven & i Group Business Partner Sustainable Action Guidelines can be found here >

System for Prevention of Noncompliance Regarding Business Practices

Seven & i Holdings, in its Compliance Subcommittee, is working to prevent violations by sharing information on the latest laws and regulations concerning business practices and measures to address cases of unfair business practices that have occurred at Group companies or other companies in the industry.
If a case of an unfair business practice occurs, or is suspected, the FT Information Sharing Committee and the Sustainability Development Department work together to check the facts with the department and business partners concerned. If any issues are found to exist, they are dealt with appropriately according to administrative guidance.

Prevention of Noncompliance at Group Companies

Each Group company has a division to rigorously ensure fair trading practices, such as the FT Committee headed by the company president. These divisions are responsible for training the personnel responsible for procurement as regards the laws and regulations related to contracts, such as the Antimonopoly Act and the Subcontract Act. The status of legal compliance at each Group company is confirmed through a monitoring survey of each Group company conducted by the FT Information Sharing Committee.

Prevention of Noncompliance Regarding Business Partners

In the final stage of negotiations with each business partner, to ensure there are no later disagreements between the personnel in charge of purchasing at each company and the representative of the business partner, the matters determined as a result of their discussions are recorded in a standardized format, with each party retaining a copy. Moreover, the Seven & i Group conducts individual employee interviews led by the employee's supervisor once every six months. At the individual interviews of personnel in charge of purchasing, their compliance with fair business practices is evaluated and reflected in their compensation package. From the fiscal year ended February 28, 2017, the Seven & i Group has conducted questionnaire surveys of business partners to confirm whether the speech and behavior of employees toward business partners follow the Seven & i Holdings Corporate Action Guidelines. In these surveys, business partners reply to questions anonymously. In the fiscal year ended February 29, 2024, a total of approximately 12,000 representatives of business partners responded to questionnaire surveys issued by the Group companies.



Protecting Personal Information and Appropriately Securing the Safety of Information Assets

Seven & i Holdings aims to be a sincere company that is trusted by its stakeholders, and it positions the safeguarding of personal information and the appropriate protection and security of information assets handled by the Group as an important priority and social responsibility of its management and operations and as mandatory for all executives and employees. Our company has established the Personal Information Protection Policy and the Basic Policy on Information Security, and it has made it mandatory for all employees to comply with relevant laws and regulations such as the Act on the Protection of Personal Information and internal rules to ensure appropriate business execution through the protection of personal information and the use of information assets.

Information Security and Personal Information Protection can be found here ›

Personal Information Protection Policy can be found here ›

Basic Policy on Information Security can be found here ›

Tax-Related Policies

The Chief Financial Officer (CFO) of Seven & i Holdings is responsible for tax management. Based on the Seven & i Holdings Global Tax Policy, Seven & i Holdings has a tax strategy that corresponds with its management strategies and carries out uniform company-wide tax management. In addition, we report significant tax-related issues to the Board of Directors.

Seven & i Holdings Global Tax Policy

Seven & i Holdings has a basic policy of establishing high-quality corporate governance systems at the Company and its Group companies, including overseas subsidiaries. The systems are designed to ensure sound, sustainable growth and to uphold public trust. To provide appropriate countermeasures for tax-related risks, including changes in the tax governance environment in Japan and overseas, reputational risk, brand value degradation, and corporate social responsibility, we have a tax strategy that corresponds with our management strategies, and we will carry out uniform company-wide tax management.
In line with the above, Seven & i Holdings has adopted the following global tax policy.

1. Legal Compliance

   Seven & i Holdings and its Group companies, including overseas subsidiaries, always comply with the taxation laws in the countries where they operate. Moreover, they also respect the intention of such laws by paying taxes appropriately as a way of contributing to the economic development of the countries.
   To ensure that our compliance with tax-related laws and our tax management are appropriate, we follow the guidelines for developing internal controls for financial reporting to build and develop internal control systems that ensure appropriate accounting procedures and financial reporting. We also operate these systems appropriately and have inside and Outside Audit & Supervisory Board Members check and assess the effectiveness of the controls.

2. Ensure Transparency

   Seven & i Holdings and its Group companies, including overseas subsidiaries, provide timely and appropriate disclosure of management data and tax payment status in accordance with the laws of each country where they have operations.
   Moreover, the Company and its Group companies, including overseas subsidiaries, do not engage in tax avoidance practices (tax havens), which are excessive tax-saving activities such as transferring value to low-tax countries, and transactions between operating companies are conducted according to the arm's length principle.

3. Relationship with Tax Authorities

   Seven & i Holdings and its Group companies, including overseas subsidiaries, strive to ensure transparency and reliability with regard to their tax obligations by responding in good faith to the tax authorities in the countries where they operate and international tax authorities.





Tax-Related Risks

Seven & i Holdings has evaluated the impact of tax obligation risks on future value creation. As a result, we recognize the risk from changes in accounting standards and tax systems, such as transfer pricing taxation as a financial risk, and the risk associated with M&A and business reorganizations as a business risk.

Financial Risks

The Group could encounter unforeseen introductions of new accounting standards or taxation systems, or changes to existing systems, which could affect its business performance or financial position.

Business Risks

The Group develops new businesses and reorganizes its Group businesses through M&As, business alliances with other companies, establishment of joint ventures, and so forth. However, if the Group's strategic investments do not achieve the initially anticipated effect and cannot meet their targets, its business performance and financial position could be affected.

Tax-Related Reports

Our Group is expanding new businesses and restructuring Group businesses through M&As, business tie-ups with other companies, the establishment of merged companies, and so on. However, if we are unable to attain the effects we originally hoped for from strategic investments and are unable to accomplish their objectives, there is a chance that this will have a negative effect on our Group's business results and financial situation.



Tax payment amount by country or region for the fiscal year ended February 29, 2024 (Millions of yen)

	Japan	US	Canada	China
Revenues from operations	2,915,628	8,138,259	356,586	67,608
Income before income taxes	28,001	248,062*	569*	▲556
Corporation tax	33,862	28,818	▲0	190
Tax payment	55,654	31,414	3	346

*The amount of income before income taxes in the US and Canada contains amortization of goodwill due to Japanese Generally Accepted Accounting Principles.

Information Security and Personal Information Protection

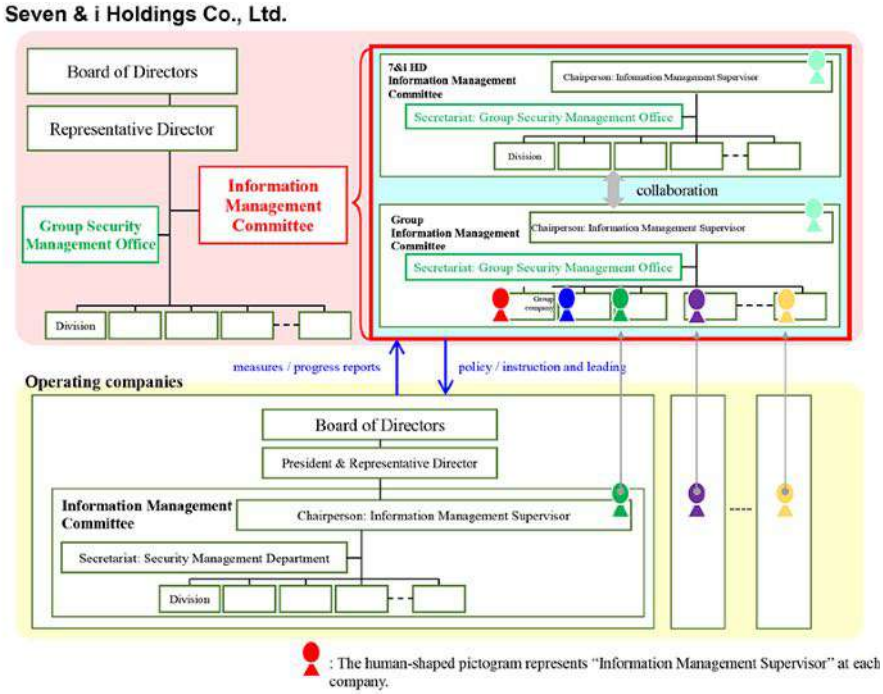
Seven & i Holdings and the Group companies recognize that it is an important management and business issue to protect customer information and other information assets held by the Group from various threats, including unauthorized access and cyber-attacks, and to ensure the information security of the entire Group.
Seven & i Group has established policies to ensure that all stakeholders involved in business operations, including executives, all employees, and contractors, handle and use information assets appropriately and correctly. The Group has built an information security management system and a personal information protection system, and aim to instill these practices through education and training for all executives and employees. Additionally, we have established a management system that responds to social demands, compliance, and changes in the information security environment, striving for the proper management and protection of personal and corporate information, and are committed to continuous improvement.

› More details about our Basic Policy on Information Security can be found here

› More details about our Personal Information Protection Policy can be found here

Development of Information Security Management System

Seven & i Holdings has established the Group Security Management Office directly under the President and Representative Director as an organization overseeing information security for the entire Group. This office develops policies, related regulations, and guidelines concerning information security and personal information protection, and disseminates them to Group companies. Additionally, it supports Group companies in building an Information Security Management System (ISMS), training security personnel, and establishing monitoring systems, thereby striving to strengthen overall information management.
The Group Information Management Committee of Seven & i Holdings, which oversees the Group, collaborates with the information management committees of each company to plan, promote, and manage information security measures. We establish a management system that responds to environmental changes and are committed to continuous improvement. Furthermore, we ensure thorough technical security measures through specialized subcommittees under our jurisdiction, promoting enhanced safety.
Risks related to information security and the status of these activities are regularly reported to the Board of Directors, where we receive advice and instructions.



Information security management system

Compliance with International Standards

Seven & i Holdings has established information security rules and regulations with reference to ISO 27001, an international certification standard related to information security, NIST (National Institute of Standards and Technology) Cyber Security Framework, CIS (Center for Internet Security) Controls, and so on.
Seven & i Holdings and its Group companies have established and are operating an information security management system (ISMS) based on these rules to control information security risks such as leakage, falsification, and service suspension of information assets. Through continuous improvement of this management system, we strive to maintain the confidentiality, integrity, and availability of our information assets. In addition, major locations and related departments of our operating companies that deal with customers' personal information have been assessed and certified by a third-party organization for their ISMS organizational structure, and we are in the process of expanding the scope of certification.

【ISO27001 Certified Major Companies】
・Seven & i Holdings Co., Ltd.
・Seven-Eleven Japan Co., Ltd.
・Ito-Yokado Co., Ltd.
・Seven Financial Service Co., Ltd.
・Akachan Honpo Co., Ltd.
・THE LOFT CO., LTD
・Seven & i Food Systems Co., Ltd.
・Seven & i Netmedia Co., Ltd.
・Seven Culture Network Co., Ltd.

Accident and Emergency Response Related to Information Security

Seven & i Holdings has established a reporting line among Group companies through the "Material Fact Reporting Guidelines," and has built a system to ensure the reliable communication of information and minimize damage and impact. In the unlikely event of an incident or suspicious event related to information security, we will strive to report it appropriately and without delay to the victim and all related parties in accordance with our reporting obligations under laws and regulations.
In the event of a serious incident, we promptly report it to the President and Chief Executive Officer and the Chief Information Management Officer.

Training to Raise Awareness of All Executives and Employees

Seven & i Holdings believes that to ensure the appropriate handling of personal information and confidential information in daily work, it is necessary for every executive and employee to understand the importance of information security, to raise their awareness of information security, and, on top of that, to have the knowledge required for accurate judgement and conduct.
Seven & i Holdings provides education several times a year about the latest trends in information security and personal information protection, management systems, and general information security measures for directors, managers, and general employees. These educational materials are also being rolled out to all Group companies as part of our efforts to ensure that all executives and employees of the Seven & i Group can acquire the same level of knowledge, and so that they are equipped with the ability to think and act on their own initiative.
In particular, the threat of cyberattacks by means of targeted email attacks is increasing day by day, meaning that regular training simulating responses to actual attacks is essential. Seven & i Holdings sends multiple patterns of mock email to all executives and employees of the Group and strengthen their ability to respond through actual experience of how to discern suspicious email and how to respond should such email be received.

Initiatives to Ensure Security for IT Services

IT services without appropriate security measures are at an increased risk of cyberattacks. In particular, a service that holds large amounts of personal data has the potential to lead to increased damage in the case that information leaks occur.
At Seven & i Holdings, the Group Security Management Office conducts security reviews prior to system releases to ensure prescribed levels of security quality are maintained for the information system.
In addition, vulnerability assessments are conducted while making use of external expertise before system releases or to coincide with modifications. These are performed under a mechanism to check for the presence of serious vulnerabilities with the potential to become the source of cyberattacks, with corrections implemented in advance of the release if vulnerabilities are found.

Strengthening of Cybersecurity Countermeasures

Seven & i Holdings has positioned cyberattacks, which are becoming more advanced and more sophisticated by the day, as a serious risk in management and is endeavoring to strengthen cybersecurity countermeasures, including the building of a multitiered defense network to guard against illegal hacking into networks, conduct proper access control, etc.; the establishment of a setup capable of responding to threats; the education and training of human resources; and collaboration with outside professional bodies.

Establishment of Special Organization and Outside Collaboration

As a special organization responsible for cybersecurity, we have set up the 7&i Computer Security Incident Response Team (7&i CSIRT), and have put systems in place designed to minimize impacts from security incidents by analyzing their causes and formulating responses in cooperation with the incident response contact points at Group companies.
We also collaborate with such outside organizations as the Japan Computer Emergency Response Team Coordination Center (JPCERT/CC) and the Nippon CSIRT Association, sharing information with them on cyberattacks, countermeasure trends, and related topics in order to be able to respond speedily to issues such as cyberattacks.
We implement education and training for incident response contact points at Group companies premised on a cybersecurity incident or accident at least twice per year, and are endeavoring to improve the capacity to respond to accidents for all Group companies, which includes reflecting the areas for improvement identified in accident response manuals.
We additionally aim to have in-house organizational mechanisms in place for the detection of issues such as cyberattacks and unauthorized logins and are creating systems to ensure efficient cybersecurity countermeasures are implemented at the Group.

Human Rights Initiatives

CSuO Message : Pursuit of a Society where Everyone Respects Human Rights

In the spirit of “Trust and Sincerity” as stated in our Corporate Creed, Seven & i Group believes that the human rights of all stakeholders including customers, business partners, shareholders, local communities, and employees, are of paramount importance. We respect the human rights of all activities and aim to realize a society where human rights are respected, without tolerating unjust discrimination or harassment based on social status, nationality, race, ethnicity, tenet, religion, age, gender, sexual orientation, gender identity, mental or physical disability, or any other reasons.

In order to understand the human rights of all people and fulfill our responsibility to respect human rights, we established the Seven & i Group Human Rights Policy on October 7th, 2021 based on international principles and standards on human rights*. This policy applies to all executives and employees, and we continuously encourage all of our business partners to support this policy and work together to respect human rights.

We establish a human rights due diligence mechanism in accordance with procedures set forth in the UN Guiding Principles on Business and Human Rights, and strive to prevent or mitigate any negative impact on human rights. In promoting this policy and implementing human rights due diligence, we establish a group-wide organization at Seven & i Holdings and promote initiatives to respect human rights under the supervision of its board of directors.

We operate grievance mechanisms appropriately, including an internal reporting system, to prevent human rights violations and to provide access to remedies for those who have been negatively impacted. We will not tolerate or tacitly condone human rights violations by the Group companies or business partners, and if we receive a report or allegation that human rights are not being respected, we will appropriately investigate the matter and take steps to correct it or encourage them to do so.

We continue to report publicly our efforts and activities to respect human rights to all our stakeholders as needed to ensure transparency and act responsibly to achieve a sustainable society where human rights are respected.

April 14th, 2023

Seven & i Holdings Co., Ltd.

Senior Managing Executive Officer

Representative Director

Chief Sustainability Officer

Junro Ito

* ・The International Bill of Human Rights　(consisting of the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, and the International Covenant on Economic, Social and Cultural Rights)

・The ILO Declaration on Fundamental Principles and Rights at Work

・The UN Guiding Principles on Business and Human Rights

・The OECD Guidelines for Multinational Enterprises

・The Ten Principles of the UN Global Compact

・The Children’s Rights and Business Principles

Seven & i Group Human Rights Policy

In the spirit of “Trust and Sincerity” as stated in our Corporate Creed*1, Seven & i Group*2 (hereinafter “we” or “us”) supported by all stakeholders including customers, business partners, shareholders, local communities, and employees, engages in business activities that contribute to the development of quality in the daily life and society. All our business activities rely on the people and society. To understand the human rights of all people and fulfill our responsibility to respect human rights, we set forth Seven & i Group Human Rights Policy in Octorber, 2021.

This policy, along with our Corporate Creed, is the foundation for all business activities of the Seven & i Group. We also believe that respect for human rights is inseparable from the preservation of the global environment, which should be shared with future generations. Through the implementation of this policy, along with our environmental declaration, “GREEN CHALLENGE 2050,” we work with our stakeholders to create sustainable society where human rights are respected.

*1 “Seven & i Group” refers to Seven & i Holdings Co., Ltd. and its consolidated subsidiaries collectively.

*2 Corporate Creed :

We aim to be a sincere company that our customers trust.

We aim to be a sincere company that our business partners, shareholders and local communities trust.

We aim to be a sincere company that our employees trust.

Seven & i Group Human Rights Policy >

Promotion Framework

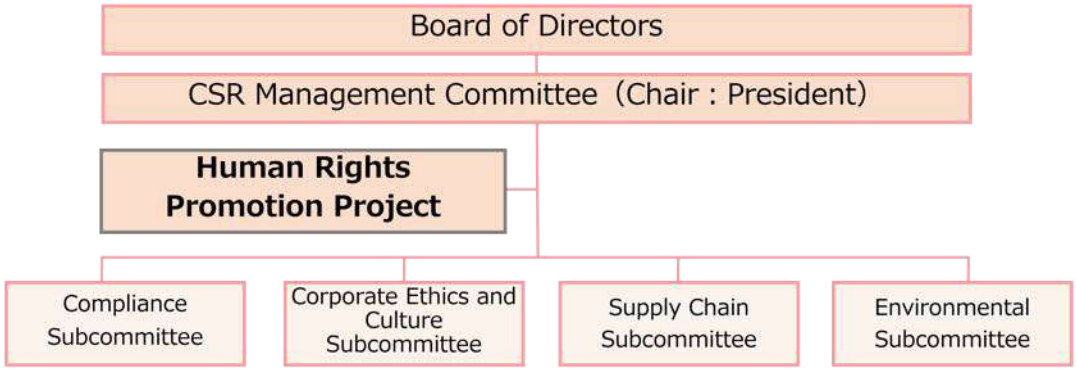
The Human Rights Promotion Project has been established as a cross-Group organisation to promote the Human Rights Policy in the Group, and ongoing efforts are being made to implement it. The project involves the chairpersons of each of the four subcommittees under the CSR Management Committee (the Corporate Ethics and Culture Subcommittee, the Supply Chain Subcommittee, the Compliance Subcommittee, and the Environmental Subcommittee), as well as the Human Rights Education Center. The project promotes human rights due diligence initiatives, including identification of business-specific human rights issues, corrective actions, regular monitoring, and information disclosure. Meetings of the Human Rights Promotion Project develop plans of human rights initiatives and review the progress.

The Corporate Ethics and Culture Subcommittee under the CSR Management Committee regularly shares the progress on efforts related to human rights education. It advances activities aimed at having all employees of Group companies correctly understand and recognize human rights, along with fostering a corporate culture free of discrimination or prejudice. The Supply Chain Subcommittee under the CSR Management Committee requests that suppliers understand the Seven & i Group's approach to human rights and implement ongoing initiatives. The Compliance Subcommittee promotes the practice of employees' words and actions that respect the human rights of our suppliers. The Environmental Subcommittee promotes procurement activities that respect human rights based on sustainable procurement principles and policies.

In addition, the Human Rights Education Center conducts various awareness-raising and educational activities in cooperation with the human resource departments and CSR promotion departments of each Group company.

These human rights initiatives are reported and shared at the biannual meetings of the CSR Management Committee.

Human Rights Promotion Project Organization Chart

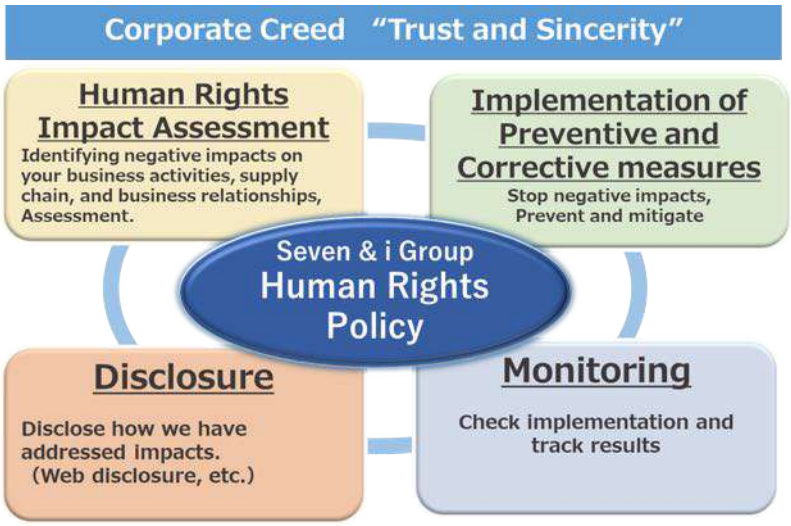


Human Rights Due Diligence

We have a human rights due diligence mechanism in accordance with procedures set forth in the UN Guiding Principles on Business and Human Rights and OECD Due Diligence Guidance for Responsible Business Conduct, and strive to prevent or mitigate any negative impact on human rights.

If it becomes clear that our business activities have caused or contributed to human rights abuse, we will work to correct and remedy the situation. Even if our business activities have not caused nor contributed to human rights abuse but if our products or services have been directly linked to the impacts through business relationships, we will encourage our business partners to correct and remedy the situation.

Human Rights Due Diligence Process



Human Rights Impact Assessment

We recognize that its business activities may have an impact on human rights. We are committed to identifying the causes of negative impacts on people and society, and to reduce and remedy the negative impacts we identify.

In 2022, we conducted an assessment of the potential negative human rights impacts of our operations and those of our business partners. We conducted interviews and surveys of our own company and supply chain to identify human rights issues. We evaluate human rights risks and mitigate the risks by calculating and mapping the severity and likelihood of occurrence of the identified human rights issues based on human rights risk indicators published by international organizations and others. The identification of such human rights issues is conducted with the support and advice of external experts.

Human Rights Risk Map (human rights issues identified in our corporate activities)



* For each human rights issue, " Possibility of Occurrence" and "Severity" were calculated and mapped.

* In calculating the possibility of the likelihood of human rights issues in each country, we used indicators published by international organizations such as BHRRC and ESG Data Model.

* For severity, scores were calculated based on scale, scope, and irremediability.

More detail of the Human Rights Risk Assessment can be found here >

Implementation of Preventive and Corrective measures

We identify human rights issues (and countries/regions) that we will focus on preventing and responding to. For those high-priority human rights issues identified we implement corrective measures within the group as well as education, training, and other activities aimed at prevention. For human rights issues in the supply chain, we continuously engage in dialogue and consultation with relevant stakeholders and disseminate guidelines to improve and enhance our efforts to respect human rights, and take corrective measures when risks become apparent.

Human Rights Awareness and Training

Seven & i Group offers a variety of educational activities and employee training with the aim of creating a corporate culture in which everyone respects the human rights of all customers, business partners, people in local communities, and colleagues, and in which people are aware of all types of discrimination and prejudices and do not discriminate against others or tolerate such behavior.

Since 1987, we have joined the Tokyo Human Rights Awareness Corporate Liaison Committee (name at the time of joining, “Tokyo Corporate Liaison Committee for the Dowa Issue”) which comprises of 122 companies (as of July 2024), mainly companies headquartered in Tokyo. Through participation in the monthly conferences, we are working to further enhance human rights education and our awareness-raising system while mutually studying with member companies. Additionally, we support *the Basic Guidelines for the Acceptance of Foreign Nationals* established by the Japan Federation of Consumer Organizations.

Further information about the activities of the Tokyo Human Rights Awareness Corporate Liaison Committee can be found here (Japanese) >

Provide Education and Training to Employees

Seven & i Group companies provide awareness training to employees, including managers and part-time employees, on a variety of human rights issues such as basic approaches to human rights and harassment prevention.

In the fiscal year ended February 29, 2024, we are conducting e-learning on human rights for all employees to raise awareness of respect for human rights within all stakeholders. In addition, Seven & i Holdings is working to promote employee understanding through the utilization of our human rights awareness handbook “Human Rights for Everyone —Let’s Start by Learning” and “Normalization Support Guide” to further support the education of Group companies.

* Human rights e-learning implemented in FY2023: approx. 40,000 participants

For example, Ito-Yokado conducts level-specific human rights awareness training when employees join the company or are assigned to a new store or local store, with training content matching job responsibilities. Employees come to recognize that human rights issues are easily happened in everyday life, and the training includes specific examples such as power harassment and sexual harassment as well as new developments and issues so that employees can apply what they learn to their daily activities. Seven-Eleven Japan and Seven & i Create Link also conduct basic human rights awareness training in a timely manner.

* Human rights awareness training conducted in FY2023: 5 companies, approx. 500 participants
* Harassment e-learning implemented in FY2022: 16 companies, approx. 11,000 participants

In addition, York educates all the employees on how to assist visually impaired persons and wheelchair users by using online video materials as they can access and learn at any convenient time.

We also conduct compliance training for suppliers and product development and procurement personnel of the Group companies to reduce and mitigate human rights issues in the supply chain. In the fiscal year ended February 29, 2024, we conducted online compliance training for suppliers and employees both internally and externally, with approximately 6,100 participants.

Further information about compliance training for suppliers can be found here ›

Further information about compliance training for the personnel in charge of product development and purchasing can be found here ›

Improvement of Workplace Environment and Systems

We have organized various working environments and implemented systems to reduce human rights risks within our group. We are proactively implementing initiatives for normalization, improvement of occupational health and safety, and diversity in order to create a pleasant and rewarding work environment for our employees.

Human Rights Slogan Contest

To create a corporate culture in which each employee's human rights are respected in accordance with the Corporate Action Guidelines, each year the Seven & i Group solicits human rights slogans from all employees, including part-time employees, and their family members. In the process of coming up with human rights slogans, opportunities are created for employees to think about human rights, which raises their awareness of human rights issues. The most excellent slogans selected from among those submitted are announced to the employees through the Group's internal newsletter and on the intranet website, and are awarded prizes. The contest was held for the 33th time in the fiscal year ended February 29, 2024, and 12,914 slogans were received, marking yet another year with a large number of submissions. The slogans emphasized reconsidering the importance of human rights, touching on everything from personal feelings in one's daily life to musings from a broader perspective.

Awareness-Raising Activities for Supply Chain

Seven & i Group places the highest priority on respecting and protecting human rights, and we ask our suppliers to understand and implement the Seven & i Group Business Partner Sustainability Action Guidelines. We hold briefing sessions on the Seven & i Group Business Partner Sustainable Action Guidelines and CSR audits in China and South East Asia, where CSR risks are considered to be high, only through live and on-demand distribution. In the fiscal year ended February 29, 2024, 618 participants from 416 companies took part in the live broadcast.

The Seven & i Group Business Partner Sustainable Action Guidelines can be found here ›

Monitoring

In order to identify negative human rights impacts of our corporate activities and to promote continuous improvement, we conduct monitoring both within the Group and the supply chain, as well as collect internal and external information.

Employee Engagement & Culture Surveys

Seven & i Group conducts an employee engagement survey targeting employees of the Seven & i Holdings as well as Group companies. The survey includes questions asking people if they respect diversity or have seen or heard about problematic employee behavior in the workplace, and checks whether the human rights are respected in line with the Corporate Action Guidelines. The survey conducted in the fiscal year ended February 29, 2024, targeted approximately 67,000 employees working at 26 Group companies in Japan.

More details of the Employee Engagement & Culture Survey can be found here >

Assessment of Suppliers by Self-Check Sheet

To ensure that suppliers understand the Seven & i Holdings Business Partner Action Guidelines, Seven & i Group administers a self-check sheet for suppliers that explains all of the specific requirements for compliance. The self-check sheet contains 61 questions, including human rights-related questions. For example, the questions ask whether or not factory employees have access to consulting desks and whether or not the company requests that its own suppliers comply with the Seven & i Holdings Business Partner Action Guidelines. Responses are entered into a database, and the data are used in the process for determining whether to continue doing business with the suppliers.

Further information about the self-check sheet for suppliers can be found here >

CSR Audits of Suppliers' Manufacturing Factories

In addition, Seven & i Group conducts CSR audits of end manufacturing factories of the suppliers who produce Seven Premium, group's private brand products, as well as Ito-Yokado's overseas direct import suppliers. The audits ascertain their level of compliance with the Seven & i Group Business Partner Sustainability Action Guidelines.

A third-party organization conducts the audits in line with Seven & i Holdings' original audit, which covers topics such as human rights and the work environment (16 categories and 117 check items). This was prepared by making reference to sources such as the ISO 26000 standard, the Japanese Business Federation's Charter of Corporate Behavior, and the OECD Guidelines for Multinational Enterprises. In the fiscal year ended February 29, 2024, CSR audits were conducted at 781 factories in 13 countries.

Further details about CSR audits of suppliers can be found here >

Questionnaire Survey for Suppliers

From the fiscal year ended February 28, 2017, the Seven & i Group has conducted questionnaire surveys of suppliers to confirm whether the speech and behavior of employees toward suppliers follow the Seven & i Holdings Corporate Action Guidelines. In these surveys, suppliers reply to questions anonymously. In the fiscal year ended February 29, 2024, a total of approximately 12,000 representatives of suppliers responded to questionnaire surveys issued by the Group companies.

More details of questionnaire survey for suppliers can be found here >

Disclosure of Information to our stakeholders

We regularly disclose our commitment to respect for human rights through our website, management reports, and other means of communication.

Further information about Seven & i Management Report (Integrated Report) can be found here >

Grievance Mechanism and Remedies

Seven & i Holdings has established the Groupwide Employee Helpline as an internal whistleblowing system for employees of our operating companies in Japan, their families, and retirees, to prevent conduct that could result in loss of public credibility and to ensure early detection, early remediation, and recurrence prevention. This is also a system that can be used in the event of human rights issues.

In addition, we have established a "Business Partner Helpline," as an internal whistleblowing system for consultation and reporting by directors, employees, and former employees of suppliers of domestic group companies. The helpline is operated by a third party with whom we have concluded an outsourcing agreement and a confidentiality agreement, thus the privacy of the person making the report or consultation is strictly protected. Upon receiving a report or consultation, we will confirm the facts and resolve the issue, if necessary, after obtaining the consent of the person consulting. In addition, the operation rules of the reporting desk stipulate that no disadvantageous treatment will be given to the person consulting or to those who cooperate in confirming the facts.

The Audit & Supervisory Board Hotline has been in operation since February 2019 for the purpose of receiving reports independent of management related to actions that could potentially result in the loss of social trust in which the directors, members of the Audit & Supervisory Board, executive officers, and other members of management for Group companies in Japan are suspected of being involved, and investigating them. When the Company receives a report, it quickly confirms the facts, and the members of the Seven &i Holdings Audit & Supervisory Board work together with the members of operating company Audit & Supervisory Boards to correct any violations that are found and strive to prevent a recurrence.

Further information about the Groupwide Helpline can be found here >

Further information about the Business Partner Helpline can be found here >

Further information about the Audit & Supervisory Board Member Hotline can be found here >

Human Rights Risk Assessment

Human Rights Risk Assessment Objectives

The Seven & i Group (hereinafter referred to as "we") respects the human rights of all people and engages in business activities that contribute to the development of society together with all stakeholders based on the spirit of "trust and integrity" set forth in our corporate motto. In order to respect the human rights of all people in our value chain, we established the "Group Human Rights Policy" in 2021 and are working to respect the human rights of all people through our core business activities. We support the Universal Declaration of Human Rights, the OECD Guidelines for Multinational Enterprises, the ILO International Labor Standards, the UN Guiding Principles on Business and Human Rights, and ISO 26000, and are a signatory to the UN Global Compact. We recognize that our business activities may impact human rights, and we are committed to establishing a system of human rights due diligence in accordance with procedures based on the UN Guiding Principles on Business and Human Rights, to resolve human rights issues, and to help realize a sustainable society. In resolving human rights issues, we have identified the human rights challenges of key stakeholders related to the Group's business activities.

› More details of the Seven & i Group Human Rights Policy can be found here

› More details of the Seven & i Group Human Rights Initiatives can be found here

Human Rights Risk Assessment Process

Step.1 Organize stakeholders in the value chain and human rights issues
While taking into account the Group's value chain and business activities, we identified human rights risks and organized human rights issues based on interviews with each of the Group's operating companies and the results of CSR audits.

Step.2 Human rights risk assessment within the Group and its supply chain
Human rights risk assessments were conducted for the businesses of major group companies (14 businesses) and business partners (122 businesses).

Step.3 Creating a Human Rights Risk Map
Based on the human rights risk assessment, a severity score and a likelihood of occurrence score were calculated for each human rights issue and mapped to each.

Step 4: Information Disclosure
The process and results of Steps 1-3 were made publicly available on the website.

■ External Review and Evaluation Criteria
Throughout the entire process, we exchanged views and obtained advice from experts in the field of human rights. In identifying and assessing negative impacts, we utilized the Business and Human Rights Resource Centre (BHRRC) database and conducted research on internationally identified human rights issues in the industry.

Forced labor: Walk Free Foundation, The Global Slavery Index
Child labor: Global Child Forum & UNICEF, Children's Right and Business Atlas
Discrimination: (1) World Economic Forum, The Global Gender Gap Report
(2) Minority Rights Group International, Peoples Under Threat
Freedom of association and the right to collective bargaining: International Trade Union Confederation, The Global Rights Index

Method for Calculating Score of Severity and Likelihood

A list of human rights issues related to the Group's major businesses was compiled and each human rights issue was mapped on an axis of severity and likelihood of occurrence.

■ Severity

As described below, a severity score was calculated for each human rights issue by examining and scoring three factors: (1) size, (2) scope, and (3) difficulty in remedying the issue.

●Process 1

1.Scale: severity of negative impacts that may occur -Possibility of multiple fatalities or injuries per accident if risk materializes

2.Scope: Number of people who may be negatively affected (or percentage of target stakeholders who may be affected) -The potential impact on employees, customers, local residents, and civil society if the risk materializes, and the number and percentage of such employees, customers, local residents, and civil society if the risk materializes.

3.difficulty of remedy: constraints in restoring the negatively affected person to the pre-affected state or to a state equivalent to the pre-affected state - if the risk has materialized, whether it is difficult to recover in time or whether monetary remedy is available.

●Process 2 The three elements are rated on a 5-point scale from Very Low to Very High for each human rights issue.

●Process 3 The average score of the factors was used as the severity score for each human rights issue.

■Likelihood

The likelihood of occurrence was calculated for each human rights issue as follows

●Process 1: Potential human rights challenges in each country Scope of countries: Countries where the company and its group companies are based and where 7-Eleven stores under license agreements are located (21 countries) Research the likelihood of each human rights issue occurring in each country based on the following information

・ Human rights risk indicators by country published by international organizations, etc.

・ For human rights issues not covered by the above indicators, the number of incidents of human rights violations by country for each human rights issue, as published by the Business and Human Rights Resource Center (BHHRC).

・ The likelihood of occurrence is converted into a score on a scale of 0 to 10 (0 being low risk and 10 being high risk).

●Process 2: Country-specific weighting

・The number of issues that are likely to occur in each country is further adjusted to our company's actual situation.

・ Weighting adjustments were made to achieve values

・ Weighting is based on total number of employees Scores are calculated by weighting the 10 scores by the above weights.

●Process 3: Fine-tuning for each human rights issue

・Adjustment of the potential/apparent occurrence of each human rights issue in the Group, based on business characteristics and interview results.

●Process 4: Calculation of likelihood score

・Sum the country-specific likelihood scores for each human rights issue, which have been adjusted for weight in Process 2, and the likelihood scores for each human rights issue in the supply chain, which have been organized in Process 3 to calculate the country-specific likelihood score.

Step.1 Organize Stakeholders in the Value Chain and Human Rights Issues

The following human rights issues are plotted on the risk map by stakeholder.

Employees	Customers	Local Community
Forced Labor/Human Trafficking	Ethical	Health of the Surrounding Residents
Child Labor	Responsible Marketing	Land Issues
Discrimination	Children's Rights (other than child labor)	Large-scale Resettlement
Inhumane Treatment	Right to Privacy	Access to Water, Sanitation
Freedom of Association and the Right to Collective Bargaining	Product Safety and Quality	Indigenous Rights
Working Hours		Human Rights Violations by Security Personnel, etc.
Wages		Responsible Mineral Procurement
Occupational Safety and Health		Situations other than the above
Immigrant Worker		
Treatment of Foreign Workers		
Right to Privacy		

Step.2 Human Rights Risk Assessment within the Group and its Supply Chain

	Human Rights Issue	Severity ※1		Likelihood ※2	
		7&i Group	Supply Chain	7&i Group	Supply Chain
Employees	Forced Labor/Human Trafficking	3.67	4.33	6.04	6.05
	Child Labor	4.00	4.33	4.04	4.26
	Discrimination	3.00	3.00	4.14	6.87
	Inhumane Treatment	4.00	4.00	3.67	3.32
	Freedom of Association & the Right to Collective Bargaining	3.00	3.00	6.06	7.35
	Working Hours and Wages	3.33	3.50	4.83	6.73
	Occupational Safety and Health	4.00	4.67	5.33	6.73
	Human Rights of Migrant Workers	3.00	3.67	6.28	4.59
	Right to Privacy (employees)	2.33	2.33	2.74	4.36
Customers	Ethical/Responsible Marketing	2.67		2.29	
	Children's Rights (other than child labor)	3.33		2.29	
	Right to Privacy (consumer)	3.33		2.74	
	Product Safety and Quality	4.33		3.00	
Local Community	Health of the Surrounding Residents	3.00	4.33	2.35	3.21
	Land Issues	2.33	3.67	1.52	3.34
	Access to Water, Sanitation	3.33	4.67	2.04	5.40
	Indigenous Rights	3.00	4.33	2.02	4.91
	Human Rights Violations by Security Personnel, etc.		4.00		3.59
	Responsible Mineral Procurement		4.00		1.54
	Other High-Risk Situations	4.33	4.33	2.52	2.92

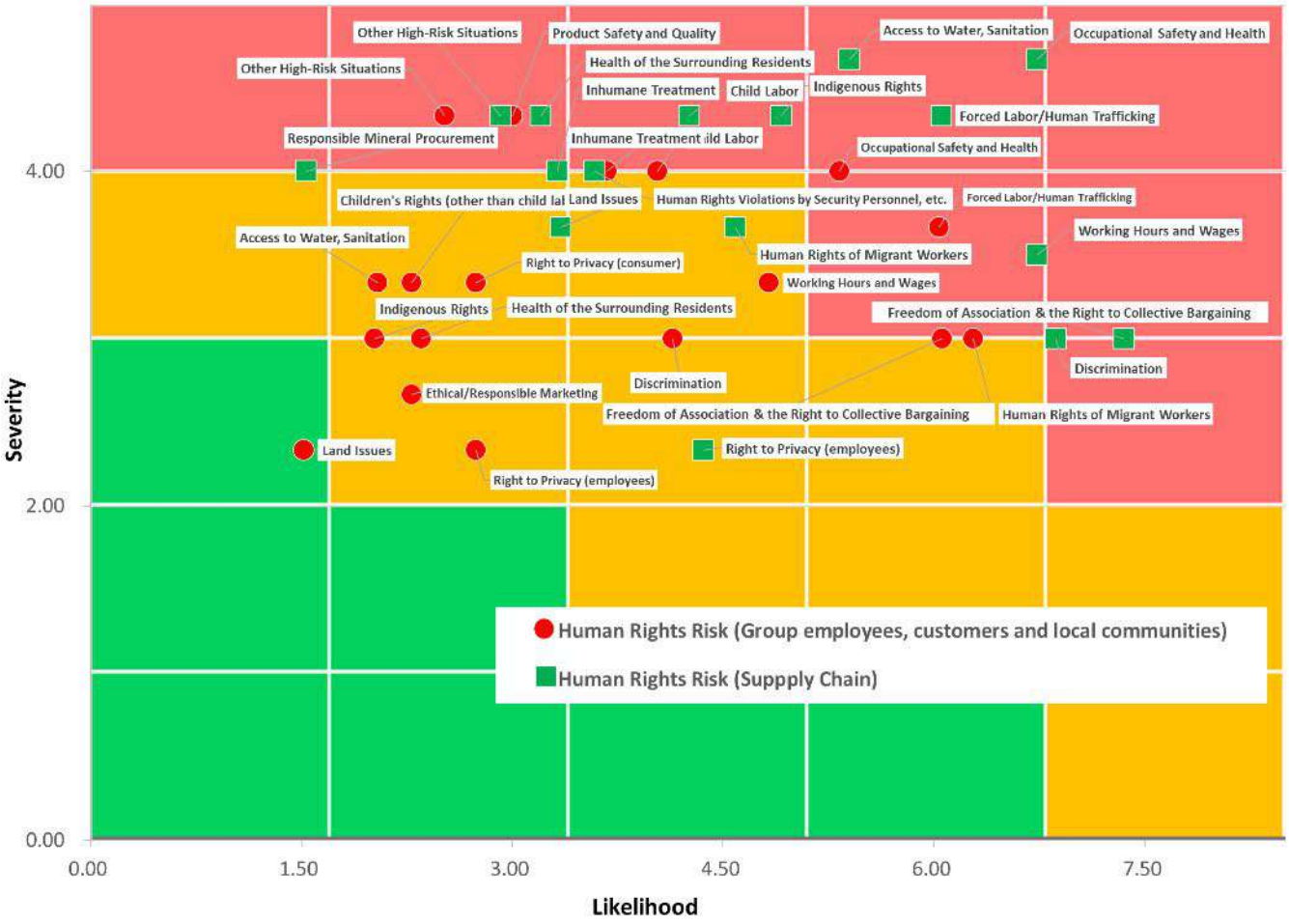
*1 The severity is converted into a score on a scale of 0 to 5 (0 being low risk and 5 being high risk)

*2 The likelihood is converted into a score on a scale of 0 to 10 (0 being low risk and 10 being high risk)

Step.3 Creating a Human Rights Risk Map

Each human rights issue was mapped for the company and its supply chain, with severity on the vertical axis and likelihood of occurrence on the horizontal axis.

For identified high-risk human rights issues, specific measures to reduce risk will be considered and implemented.



Human Capital Initiatives

Promoting Human Resource Measures for Further Global Growth

The Seven & i Group, guided by the spirit of trust and sincerity as stated in our corporate creed, has consistently viewed the ever-changing needs of society and our customers as new opportunities for growth. By continuously taking on challenges together with our stakeholders, including business partners and franchise owners, we have fostered innovation. Whether it is in store development, merchandise development, new service provision, or the logistics and systems that support these efforts, we have embraced numerous transformations. The key to this has been our talent—individuals who confront change head-on and are committed to exceeding customer expectations. The belief that such driven talent is the source of the Group's growth remains steadfast. As we move forward in a highly uncertain world, it is vital that we further focus on the growth of our talent, which will be essential for the Group's evolution into a world-class retail group.

In the Group, talent development has fundamentally centered around acquiring the basics of business through practical experience in stores, including sales and manufacturing. We believe that by encouraging each employee to independently form a hypothesis and verify the results in stores, they gain invaluable learning experiences, which in turn foster a sense of fulfillment in their work. This approach also helps in providing new, value-added experiences that exceed customer expectations. Additionally, we have made significant efforts to enhance various systems and training programs that foster the growth of employees and franchisees, along with supporting self-development initiatives.

Moving forward, it is crucial to further promote initiatives that help employees feel a sense of personal growth and accelerate the creation of a work environment where every employee, regardless of age, gender, gender identity, or nationality, can feel secure and comfortable working. We have been focused on fostering a workplace culture where diverse employees can experience both job satisfaction and ease of working, while also improving employee engagement and promoting diversity, equity, and inclusion (DEI). Aligned with the Group's growth strategy, we will further accelerate the development of systems that cultivate talent capable of thriving on a global scale.

Within the Group, we define our talent as individuals who embody the spirit of our corporate creed while working together with stakeholders to provide new experience and value from the customer's point of view, thereby contributing to local communities both in Japan and overseas. In other words, they are human resources who co-create value. As a Group, we will actively promote human resource measures to develop these individuals so they can excel in all workplaces, including at stores in Japan and overseas.



Human Resource Measures Linked to the Business Strategy

Direction of Human Resource Measures

In line with our future growth strategy, we have organized the key priorities for our human resource measures and decided to focus on three main areas: fostering a culture of continuous challenge and innovation, enhancing job satisfaction and ease of work, and developing and recruiting talent to realize our strategic goals. In particular, when it comes to developing and recruiting talent to realize our strategic goals, we will work with a sense of urgency to leverage the strengths of the Group for global business growth.

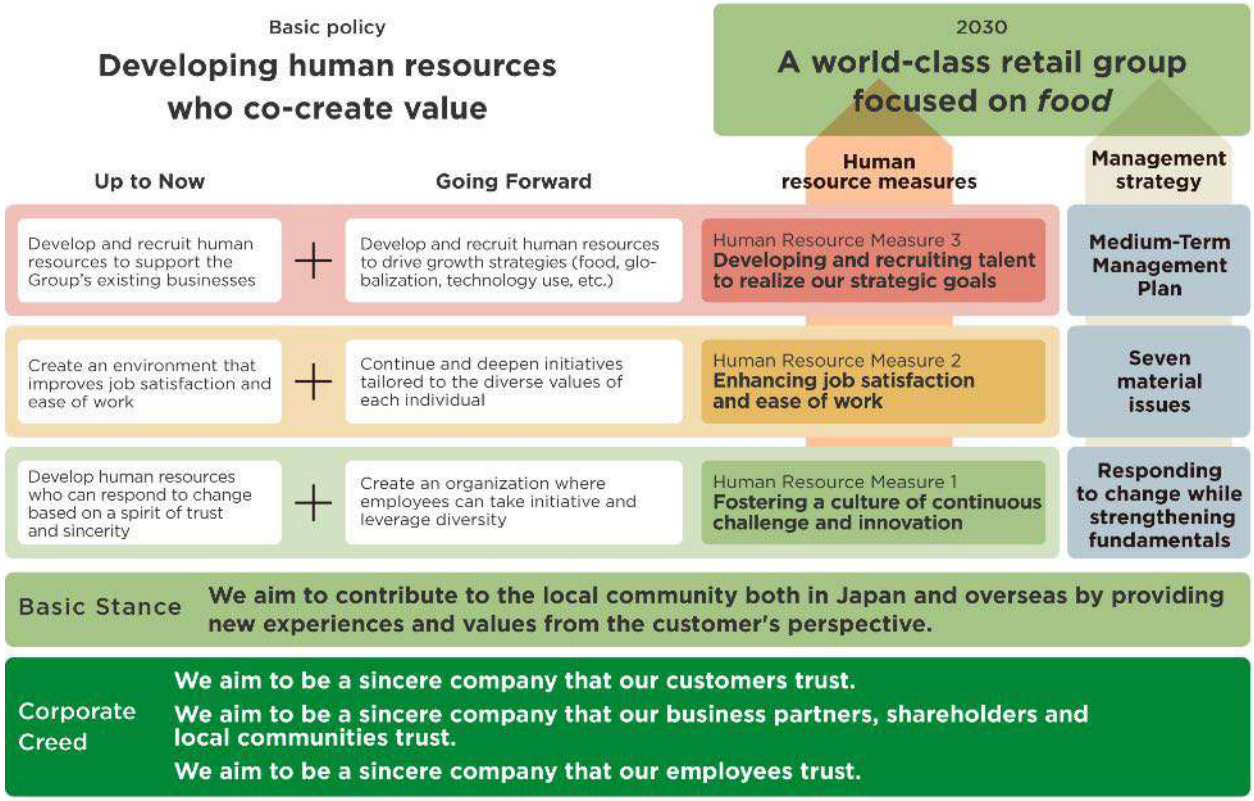
Basic Approach to Human Resource Measures

Since our founding, the Group has nurtured talent that co-creates new value through continuous challenge and innovation, rooted in the spirit of trust and sincerity. We believe this approach to talent development remains fundamental.

In addition, in an era of rapid and unpredictable change, it is more important than ever for each employee to take initiative and continue challenging themselves to meet customer needs. At the same time, companies must create an organizational structure that supports this effort. Therefore, while maintaining the founding spirit, we will foster a culture of boldly embracing change in order to strengthen and develop the core talent that drives the Group's growth (Human Resource Measure 1).

Next, we aim to create an environment where employees can fully exercise their autonomy and feel a sense of fulfillment and ease in their work. Achieving our growth strategy requires the active participation of diverse employees, which in turn necessitates tailored support and the expansion of systems that accommodate individual values and work-life balance (Human Resource Measure 2).

Furthermore, the growth of our Group has been supported by numerous employees who co-create value with our stakeholders. To become a world-class retail group, it is essential to foster a shift in employee mindset and promote the integration of talent with specialized knowledge and experience. As we expand globally, we will strengthen the development and recruitment of the talent that will lead the Group forward (Human Resource Measure 3).



Effect Measurement Mechanism

Key Metrics and Major Initiatives for Human Resource Progress

To continuously promote human resource measures and make the outcomes visible, we have established indicators to measure the degree of progress for each measure. Additionally, we have broken down the key elements necessary for advancing each measure into achievement factors and organized the major initiatives for each factor while formulating plans for 2030.

Moving forward, we will set specific goals for each initiative and regularly monitor progress to ensure they are carried out effectively.

Human resource measures	KGI	Achievement factors	Initiatives
Human Resource Measure 1 **Fostering a culture of continuous challenge and innovation**	Culture score from the Culture & Engagement Survey	• Instilling and implementing a culture of continuous challenge and innovation • Strengthening a culture of challenge through the active participation of diverse human resources	• Instilling values through philosophy training, on-site practice, and follow-up • Expanding opportunities for diverse human resources
Human Resource Measure 2 **Enhancing job satisfaction and ease of work**	Engagement score from the Culture & Engagement Survey	• Understanding and penetration of management strategy • Supporting self-growth and contributing to stakeholders • Supporting employees' independent career development • Creating an environment that allows for diverse work styles • Improving employee health	• Dialogue with management • Establishing a training system • Career development support • Health management • Personnel system and support to increase options
Human Resource Measure 3 **Developing and recruiting talent to realize our strategic goals**	Fulfillment of talent portfolio in key areas	• Formation and management of talent portfolio • Recruitment and training to fulfill talent portfolio	• Defining human resource requirements and skills • Follow-up after external recruitment to ensure diversity of knowledge and experience • Developing global human resources

Initiatives for Human Capital

- Culture & Engagement Survey
- Diversity, Equity, and Inclusion (DEI)
- Support for Enhancing the Abilities of Employees
- Achieving Work-Life Balance
- Consideration for Employee Health and Occupational Safety and Health
- Assuring Fair Assessment and Treatment of Employees
- Sound Labor-Management Relations
- Response to Customer Harassment

Responses to Climate Change (TCFD) and Nature (TNFD)

Approach to Disclosure of Environmental Management Information

The Seven & i Group issued “GREEN CHALLENGE 2050”, its environmental declaration, in 2019 and is taking action with the objective of achieving decarbonization, a circular economy, and a society in harmony with nature. To address climate change, a particularly pressing issue, we expressed out support for the Task Force on Climate-related Financial Disclosures (TCFD) recommendations in August 2019 and began analyzing business risks and opportunities and investigating countermeasures based on the TCFD recommendations. In FY2019–21 we first implemented a scenario analysis targeting domestic convenience store operations (Seven-Eleven Japan) and disclosed the analysis results, enabling us to gain certain suggestions regarding risks peculiar to the convenience store operations.

In the fiscal year ended February 28, 2023, as a domestic operation with the same geographical conditions, we implemented a scenario analysis of the superstore operations (Ito-Yokado, York-Benimaru, York) and disclosed the results. In the fiscal year ended February 29, 2024, judging that we could go ahead with an analysis of our overseas operation more effectively and efficiently by effectively utilizing the results of the scenario analyses in our domestic operations, we performed scenario analysis of 7-Eleven, Inc.

Through these analyses, we confirmed three key risks with significant financial impacts: imposition of carbon taxation, damage from natural disaster, and increased raw material costs. We are aware that these climate change risks are interrelated with the loss of nature and biodiversity. We believe that climate change will cause degradation of nature and that degradation of nature will result in increasingly severe natural disasters and difficulty procuring raw materials. In addition, conservation of nature including the conservation of forests can be considered to be a climate change mitigation measure in the form of protection of CO_2 sinks.

Based on this understanding and in light of the release of framework V1.0 by the Taskforce on Nature-related Financial Disclosures (TNFD) in September 2023, we will conduct analyses and investigate measures from the perspectives of responses to climate change and nature in order to implement integrated measures to address both.

Regarding the TNFD, we support the TNFD principles, participated in the TNFD Forum in January 2023, and the Science Based Targets Network (SBTN)’s Corporate Engagement Program in February 2023, registered with TNFD Adopters in March 2024, and have started analysis and disclosure based on the TNFD framework.

■ Progress of TCFD and TNFD responses and future plans

	TCFD		TNFD
	Seven & i Group	Financial services	
FY2019 to FY2021	• Endorsed the TCFD recommendations • Conducted scenario analysis (Domestic CVS operations) ⇒ Deepened analysis in FY2021 • Made first disclosure	• Endorsed the TCFD recommendations	
FY2022	• Updated disclosure content for domestic CVS operations (Website, Management Report) • Conducted scenario analysis for SST operations	• Conducted scenario analysis • Made first disclosure (Seven Bank website)	• Participated in TNFD Forum • Participated in SBTN Corporate Engagement Program • Started collecting data and taking necessary actions for disclosure in accordance with the TNFD
FY2023	• Disclosed transition plans (Website) • Disclosed results of SST operations analysis (Website, Management Report) • Updated scenario analysis and checked progress on countermeasures • Conducted scenario analysis for overseas CVS operations	• Disclose results of analysis (Integrated Report/Annual Report, Securities Report, website)	• Continued collecting data and taking necessary actions for disclosure in accordance with the TNFD
FY2024	• Disclose results of overseas CVS operations analysis (Website, Management Report, Securities Report) • Update scenario analysis and check progress on countermeasures	• Update scenario analysis and check progress on countermeasures	• Registered as a TNFD adopter • Analyzed the Group's dependencies and impacts on nature • consider approach to nature policy • Disclose results of analysis (Website, Management Report)

Examination of analyses and countermeasures integrating both climate change and nature perspectives

Governance

The Seven & i Group sees sustainability issues including climate change and nature as something that should be addressed Group-wide, and we have created governance structures centered on supervision by the Board of Directors and the CSR Management Committee.

The Board of Directors receives reports from the Sustainability Development Department that is a secretariat for the CSR Management Committee on our efforts for sustainability at least once a year, supervises their progress and the status of achieving the goal, and reviews our policies and efforts as appropriate.

The CSR Management Committee, chaired by Representative Director and President of Seven & i Holdings, meets twice a year, attended by CSR managers (e.g., representative director and president) of Group companies including the CEO of 7-Eleven, Inc. and managers from related divisions at Seven & i Holdings. Under the CSR Management Committee, the Environment Subcommittee has been established as a subcommittee to deal with climate change and natural capital issues.

■ Governance structure for sustainability



Risk and Impact Management

In accordance with the basic rules for risk management, the Company and Group companies establish, streamline, and manage comprehensive risk management systems, centered on the Risk Management Committee, in order to properly analyze, evaluate, and appropriately respond to risks associated with each business, with consideration for changes in the management environment and risk factors. Risks related to sustainability are managed under this comprehensive risk management system as well.

The Risk Management Committee receives reports on the risk management status of the respective companies from the departments responsible for the management of risks, to comprehensively identify, assess, and analyze risks and discuss measures, and to determine the future direction going forward. In principle, the status of risk management is reported to the Seven & i Holdings Board of Directors once annually.

In recent years, in addition to changes in the Group's internal environment, the impact of various changes in the external environment on business operations, including heightened risks related to sustainability such as CO_2 emission regulations, large-scale typhoons, and changes in growing regions and fishing grounds for product raw materials, has grown significantly.

In FY2023, to address these changes, the Company reviewed its risk management framework to not only account for short-term risks but also to consider medium- to long-term risks.

In the risk assessment process, in terms of the assessment perspective of the degree of impact on performance arising from the emergence of risk, by adding the qualitative factors such as business continuity, damage to the Group's brand image, and other factors to the quantitative factors previously considered, we seek to take a more multifaceted and sophisticated approach to assessment and analysis of all risks.

In addition, we are enhancing the effectiveness of risk management for the Group as a whole by identifying high-priority risks from the perspectives of significance, commonality, etc., and clarifying the roles and responsibilities of the Company and Group companies.

7-Eleven, Inc. also manages risks related to sustainability under the risk management of the Seven & i Group.

Risk Factors（Group risk management system） >

Targets and Metrics

The Group has set goals for reducing CO_2 emissions, measures against plastic waste, reducing food waste and food recycling, as well as sourcing sustainable raw materials in its “GREEN CHALLENGE 2050” environmental declaration and discloses the progress of these targets.

“GREEN CHALLENGE 2050” Seven & i Group's Environmental Declaration >

Disclosure of Climate Change and Nature Information

Detailed disclosures based on climate change (TCFD) and nature (TNFD) frameworks can be accessed from the following links.

TCFD >

TNFD >

Response Based on the Taskforce on Climate-related Financial Disclosures (TCFD)

Introduction: Our Vision of Society

Our Group has various points of contact with customers, including food, clothing, housing, and financial services. We have about 85,800 stores worldwide which are visited by more than 63.6 million people every day. Our business rests on the pedestal of our position as part and parcel of the daily lives of customers. To make local communities sustainable, we have identified, as material issues,[*1] social issues that should be solved in a priority manner through our main businesses. In our Medium-Term Management Plan 2021–25,[*2] we have committed ourselves to the promotion of sustainable management.

*1 Seven & i Group Material Issues >

*2 Medium-Term Management Plan 2021–25 >

Among the material issues, through our Response to Climate Change (3. Realize decarbonization, circular economy, and society in harmony with nature, through environmental efforts), we will undertake initiatives to prepare for and prevent climate change that threatens the daily lives of customers and local communities, such as natural disasters, which are increasing in number, and the procurement of product raw materials, which is becoming increasingly unstable. To accelerate these initiatives on material issues, in May 2019 we issued the “GREEN CHALLENGE 2050” environmental declaration,[*3] which outlines a roadmap for the society we are aiming for in the years 2030 and 2050.

*3 “GREEN CHALLENGE 2050” environmental declaration >

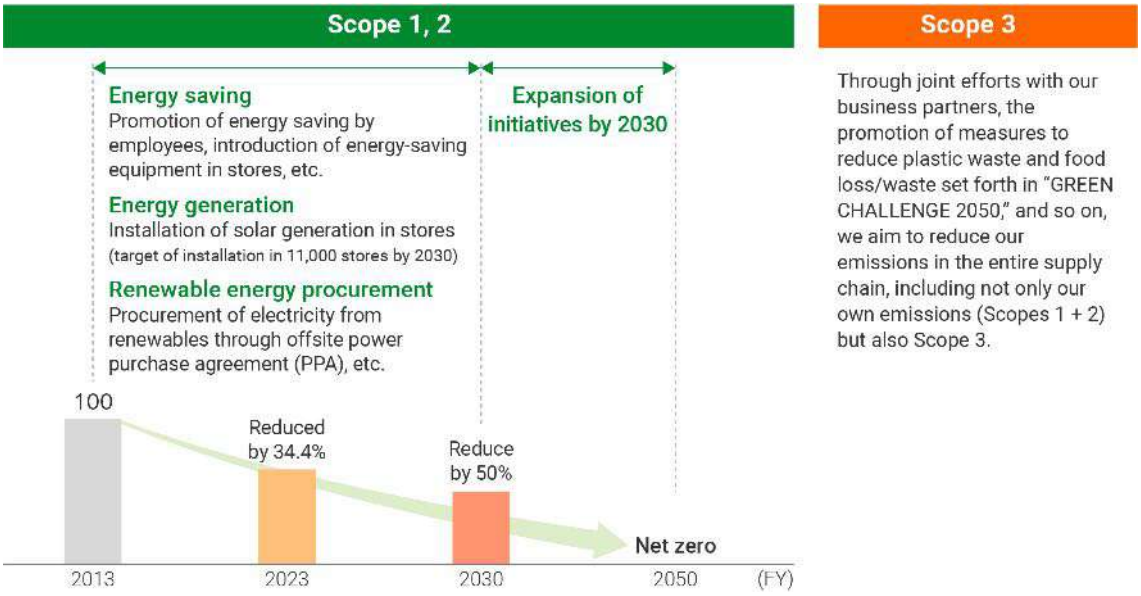
In this environmental declaration, we have set medium- to long-term goals in four fields—reduction of CO_2 emissions, measures against plastic, measures against food loss/waste and for organic waste recycling, and sustainable procurement—toward a transition to three forms of society, namely, a decarbonized society, a circular economy, and a society in harmony with nature.

In scenario analyses in line with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), we have identified the climate-change risks and opportunities relating to the realization of a transition to these three forms of society expected as of 2030 by business entity. We are studying measures to reduce the risks and maximize the opportunities and are promoting the linkage of these measures with management strategy. For details on analysis results, strategies based on these results, governance related to climate change, our risk management structure, and so on, please see the relevant sections on this page.

Transition Plan

Our Group announced the “GREEN CHALLENGE 2050” environmental declaration in 2019. In this declaration, we outlined a roadmap toward reducing CO_2 emissions from our store operations in Japan to net zero in 2050 and also our aim to reduce CO_2 emissions in the entire supply chain, including Scope 3. To promote these initiatives, we have incorporated environmental investment (expansion of solar panels, introduction of energy-saving equipment, etc.) in our management strategy in the Medium-Term Management Plan 2021–25.
We are scheduled to periodically update the roadmap relating to CO_2 emissions to take account of scientific progress, regulations, and so forth. (Targets were revised upward in 2020 and 2021.)

Roadmap toward a decarbonized society



TCFD-Related Background and Future Implementation Plans

The Seven & i Group expressed our agreement with the TCFD recommendation in August 2019 and also joined the TCFD Consortium, established so that companies, financial institutions, and others can work together to promote initiatives. In FY2019–21 we implemented a scenario analysis targeting domestic convenience store operations (Seven-Eleven Japan) and disclosed the analysis results, enabling us to gain certain suggestions regarding risks peculiar to the convenience store operations. In the fiscal year ended February 28, 2023, as a domestic operation with the same geographical conditions, we implemented a scenario analysis of the superstore operations (Ito-Yokado, York-Benimaru, York) and disclosed the results. In the fiscal year ended February 29, 2024, 7-Eleven, Inc. conducted scenario analysis in the overseas convenience store (overseas CVS) business.

Through the analysis, we identified three major risks with significant financial impacts: carbon tax imposition, damage from natural disasters, and rising raw material costs. We recognize that these climate change risks are interrelated with nature. Climate change can lead to the degradation of nature, which in turn can exacerbate natural disasters and make it more difficult to procure raw materials. Additionally, the conservation of nature, such as forest preservation, can serve as a mitigation measure for climate change by maintaining CO2 absorption sources.

With this understanding, and considering the release of the Taskforce on Nature-related Financial Disclosures (TNFD) Framework V1.0 in September 2023, we will integrate our responses to climate change and nature. Moving forward, we will analyze and develop countermeasures from both perspectives.

■ Progress of TCFD and TNFD responses and future plans

	TCFD		
	Seven & i Group	Financial services	
FY2019 to FY2021	• Endorsed the TCFD recommendations • Conducted scenario analysis (Domestic CVS operations) ⇒ Deepened analysis in FY2021 • Made first disclosure	• Endorsed the TCFD recommendations	TNFD
FY2022	• Updated disclosure content for domestic CVS operations (Website, Management Report) • Conducted scenario analysis for SST operations	• Conducted scenario analysis • Made first disclosure (Seven Bank website)	• Participated in TNFD Forum • Participated in SBTN Corporate Engagement Program • Started collecting data and taking necessary actions for disclosure in accordance with the TNFD
FY2023	• Disclosed transition plans (Website) • Disclosed results of SST operations analysis (Website, Management Report) • Updated scenario analysis and checked progress on countermeasures • Conducted scenario analysis for overseas CVS operations	• Disclose results of analysis (Integrated Report/Annual Report, Securities Report, website)	• Continued collecting data and taking necessary actions for disclosure in accordance with the TNFD
FY2024	• Disclose results of overseas CVS operations analysis (Website, Management Report, Securities Report) • Update scenario analysis and check progress on countermeasures	• Update scenario analysis and check progress on countermeasures	• Registered as a TNFD adopter • Analyzed the Group's dependencies and impacts on nature • consider approach to nature policy • Disclose results of analysis (Website, Management Report)
	Examination of analyses and countermeasures integrating both climate change and nature perspectives		

Below we explain the four disclosure categories recommended by the TCFD in the order of metrics and targets, strategy, governance, and risk management.

Metrics and Targets Related to Climate Change

In May 2019, the Group formulated its environmental declaration “GREEN CHALLENGE 2050.” In “GREEN CHALLENGE 2050,” we have set the following specific themes: reduction of CO_2 emissions, measures against plastic, measures against food loss/waste and for organic waste recycling, and sustainable procurement. The goals are to achieve decarbonization, circular economy, and society in harmony with nature.

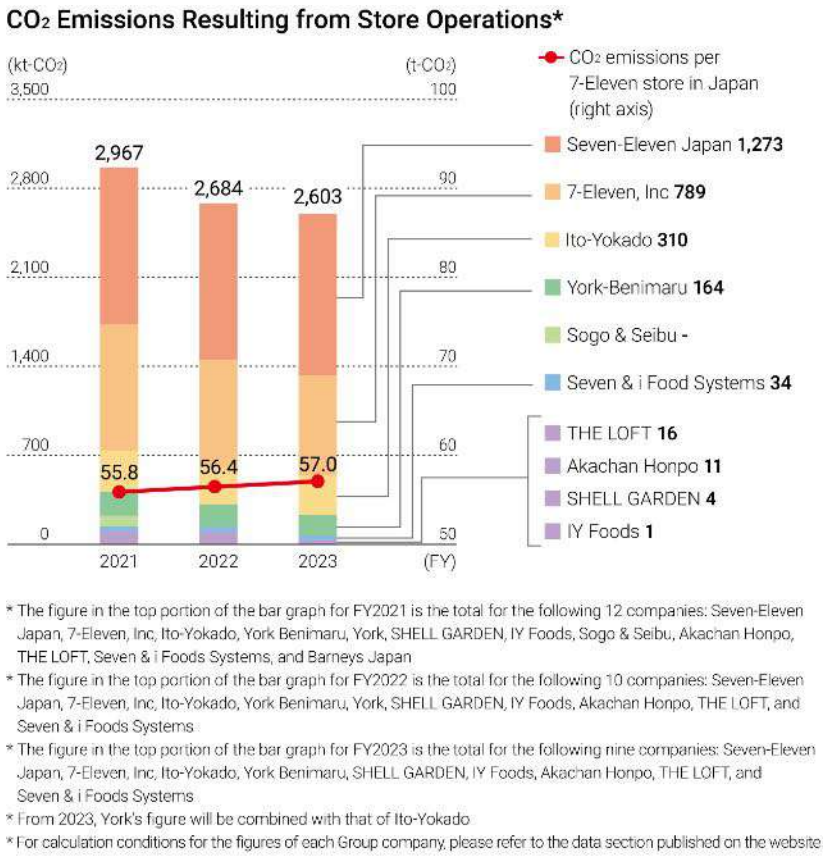
Toward the Paris Agreement’s goal for the world of limiting global warming to 1.5°C compared with pre-industrial levels, we have set the numerical targets of reducing CO_2 emissions stemming from the Group's store operations to 50% compared with the FY2013 level in 2030 and to achieve net zero emissions in 2050. We have also set detailed numerical targets for other themes, and we are promoting initiatives for achieving them and monitoring their progress.

In the scenario analysis for each business entity, the substantial scale of damage due to natural disasters has become clear. Already in Japan as well, abnormal weather conditions are occurring, such as increases in localized torrential rain and typhoon damage, and many local governments have issued climate emergency declarations. In order to curb the risk of natural disasters caused by climate change, once again we renew our determination to collaborate with local communities and other stakeholders to make efforts to limit global warming to 1.5 degrees Celsius compared with pre-industrial levels by achieving the targets of “GREEN CHALLENGE 2050.”

State of progress of “GREEN CHALLENGE 2050” by each of the four themes >

Environmental data of the Group and operation companies >

GHG emissions of scope 3 >



* The figure in the top portion of the bar graph for FY2021 is the total for the following 12 companies: Seven-Eleven Japan, 7-Eleven, Inc, Ito-Yokado, York Benimaru, York, SHELL GARDEN, IY Foods, Sogo & Seibu, Akachan Honpo, THE LOFT, Seven & i Foods Systems, and Barneys Japan
* The figure in the top portion of the bar graph for FY2022 is the total for the following 10 companies: Seven-Eleven Japan, 7-Eleven, Inc, Ito-Yokado, York Benimaru, York, SHELL GARDEN, IY Foods, Akachan Honpo, THE LOFT, and Seven & i Foods Systems
* The figure in the top portion of the bar graph for FY2023 is the total for the following nine companies: Seven-Eleven Japan, 7-Eleven, Inc, Ito-Yokado, York Benimaru, SHELL GARDEN, IY Foods, Akachan Honpo, THE LOFT, and Seven & i Foods Systems
* From 2023, York's figure will be combined with that of Ito-Yokado
* For calculation conditions for the figures of each Group company, please refer to the data section published on the website

*Calculated based on the Seven & i Holdings Environment-Related Data Calculation Report Manual stipulated in accordance with the Act on Rationalizing Energy Use and the Act on Promotion of Global Warming Countermeasures

Strategy: Implementation of Scenario Analysis

Scenario analyses based on the TCFD recommendations are implemented at the business entities of our Group.

<Analysis assumptions>

Scenario	Decarbonization scenario (1.5°C–2.0°C) / Warming scenario (2.7°C–4.0°C) * We set two scenarios with reference to reports on future forecasts issued by governments and international organizations, including STEPS, APS, and NZE2050, indicated in the World Energy Outlook of the International Energy Agency (IEA).
Analysis scope	In addition to the physical impact on stores, the analysis will cover costs in store operations and merchandise supply chain issues (raw materials, factories manufacturing merchandise, merchandise shipping) that significantly affect store operations, and customer behavior
Target year	Domestic CVS operations, SST operations: Impact as of 2030 Overseas CVS operations: Short term (0–5 years), medium term (5–10 years), and long term (10–30 years)

<Target business entities>

・Domestic CVS operations: Seven-Eleven Japan

・SST operations: Ito-Yokado and York-Benimaru

・Overseas CVS operations: 7-Eleven, Inc.

Scenario analyses at each business entity set two scenarios, a “decarbonization scenario (1.5°C–2.0°C)” and a “warming scenario (2.7°C–4.0°C),” with reference to reports on future forecasts and other materials issued by governments and international organizations, including STEPS*1, APS*2, and NZE2050*3, indicated in the World Energy Outlook of the International Energy Agency (IEA). We analyzed the impact of climate change taking account also of predicted business growth rates as of 2030.

*1 STEPS: Stated Policies Scenario. It is one of the scenarios shown in the IEA’s World Energy Outlook 2019 and reflects decarbonization policies and targets that had been publicized so far.
*2 APS: Announced Pledges Scenario. This scenario assumes that all climate-related commitments made by governments announcing long-term targets of net zero emissions are fulfilled in full and on time.
*3 NZE2050 : Net Zero Emissions by 2050. It is one of the scenarios shown in the IEA’s World Energy Outlook 2020. Surpassing the Paris Agreement target, this scenario aims for net zero CO_2 emissions before 2050 toward achievement of the1.5°C goal.

【Decarbonization scenario】

This scenario assumes a world in which various laws and regulations have been introduced toward the achievement of the 1.5°C target, whereby the cost of compliance with these laws and regulations increases store operations costs and requires a diversification of our portfolio. Under this scenario, consumer interest in sustainable products and services and electric vehicles is expected to increase, and sales of products that cater to this interest are expected to lead to business growth.

【Warming scenario】

This scenario assumes an increase in the occurrence or severity of natural disasters and the emergence of a marked change in weather patterns, with the potential to result in damage to stores and other facilities, impact on raw material procurement, and increase air-conditioning costs in stores due to higher temperatures.

■ Recognized climate-related risks and opportunities

We recognize climate change-related risks, opportunities, and countermeasures as common and partly specific to the Seven & i Group.

	Significant risks and opportunities identified	Measures
Decarbonization scenario	Risks • The global introduction of emissions regulations and carbon pricing, such as carbon taxes, resulting in a cost burden for CO_2 emissions from store operations and increased costs in the supply chain that will affect products and other items • Increased electricity payments due to higher electricity retail prices • Overseas convenience store operations: Especially in the decarbonization scenario, lower demand for petroleum-based fuels owing to changing consumer preferences, adoption of new technologies, and improved fuel efficiency, resulting in a decrease in revenues from petroleum-based fuels (long-term) • Overseas convenience store operations: Increase in costs related to Extended Producer Responsibility (EPR) due to product waste regulations (medium-term) Opportunities • Increased consumer interest in sustainable products and services • Increased demand for EV charging due to tighter regulations and changing consumer preferences • (Overseas convenience store operations) Reduction in overall energy use by investing in measures to improve energy efficiency (medium-term)	• Promote measures to reduce CO_2 emissions in accordance with the "GREEN CHALLENGE 2050" environmental declaration (aiming for a 50% reduction in 2030 from the FY2013 level and net-zero emissions in 2050) • Promote initiatives and investments to save energy and improve energy efficiency in stores • Aggressively increase the percentage of renewable energy use in stores • Increase sustainable products and services (low-carbon products, environmentally friendly containers and packaging, PET bottle collection and recycling, certified products, etc.) • Promote measures to reduce the amount of food waste generated (reduce the amount of food to be incinerated) in accordance with measures against food loss and for food recycling set in the "GREEN CHALLENGE 2050" environmental declaration • Promote various measures against product packaging in accordance with measures against plastic set in the "GREEN CHALLENGE 2050" environmental declaration • Expand EV charging services at stores (Overseas convenience store operations: Plan to increase EV fast-charging ports for the "7Charge" EV fast-charging network throughout the U.S. and Canada in the future)
Warming scenario	Risks • Increased frequency and intensity of severe natural disasters, resulting in store damage, merchandise damage, supply chain disruptions, blocked store access, lost in sales due to store closures, and increased losses due to restoration costs and others Changes in precipitation and weather patterns, resulting in higher merchandise costs due to reduced harvest of merchandise raw materials, water stress, and supply chain disruptions • Rising air conditioning operating costs due to soaring global temperatures Opportunities • Customers seldom going out during summer season due to high temperatures, which will boost demand for delivery and e-commerce services	• Develop a contingency plan to be followed during severe weather events such as floods and storms • Establish a system for information gathering and early recovery in the event of a disaster (such as "7VIEW") • Ensure stable procurement by expanding procurement sources, such as vegetable plants and land-based fish farms • Promote energy saving and install energy-saving equipment in stores • Expand delivery and e-commerce services

Significant transition risks and countermeasures: Decarbonization scenario (1.5°C–2.0°C)

【Significant transition risk: The carbon tax impact】

Transition risks were considered based on the decarbonization scenario in which various regulations and other measures are introduced to achieve the 1.5°C target. Of these, for each business entity we analyzed the impact of the carbon tax through the introduction of carbon pricing, which is projected to have the biggest impact. The following is an explanation of the expected impact on the domestic convenience store operations and superstore operations.

● **Carbon tax impact (2030)**

Item	Business impact
Domestic CVS operations	¥12.6 billion
Overseas CVS operations	¥13.3 billion
SST operations	¥7.4 billion
Total amount of business impact	¥33.3 billion

Assumption:

Carbon tax: $135/ton-CO2 (Maximum amount given in the IEA's World Energy Outlook 2022)

Foreign exchange rate: ¥131.62/$ (Rate used in financial statements for the term ended February 2023)

For our estimate, with reference to the IEA's World Energy Outlook 2022, we calculated the impact of carbon tax at the maximum amount of $135/ton-CO2 as of 2030. By putting our shoulders to the wheel to promote initiatives based on the targets outlined in our "GREEN CHALLENGE 2050" environmental declaration, we can substantially reduce the carbon tax burden in 2030. Furthermore, by achieving our 2050 target of net zero CO2 emissions, we expect that eventually the carbon tax burden will be eliminated altogether.

【Main countermeasures for a decarbonization scenario】

As approximately 90% of the Group's CO2 emissions are attributable to electricity use from store operations, the three initiatives of energy savings, energy generation, and procurement of renewable energy are being pursued to reduce emissions. We also aim to reduce emissions throughout the supply chain, including Scope 3 emissions.

(1) Energy savings

Reduction of electricity use through employees' efforts to save energy and the adoption of energy-saving equipment

(2) Energy generation

Onsite solar panels have been installed, with the electricity thus generated also consumed in-house. Solar panels have been installed at more than 9,000 Group stores and will be installed in 11,000 Group stores by 2030.



Rooftop solar panels (Ario Ichihara store)

After reducing CO2 emissions at stores as much as possible through energy savings and energy generation, we will use procurement of renewable energy from offsite sources to further reduce emissions.

(3) Procurement of renewable energy

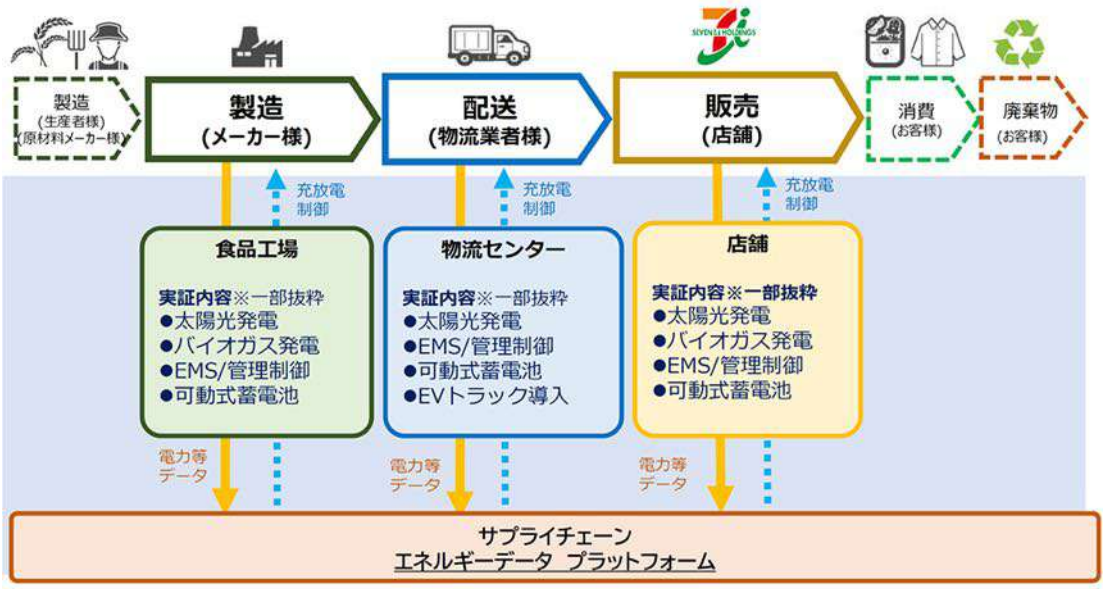
We are expanding cooperation with various electric power companies, including an offsite power purchase agreement (PPA) with the Hokuriku Electric Power Group.



Offsite PPA with the Hokuriku Electric Power Group

In addition, we have established the business scheme of a “Circular Model Project for Retail Supply Chain Decarbonization in the Use of Renewable Energy*” in collaboration with food product manufacturers, logistics companies, and others, and have commenced demonstration experiments, as an initiative to reduce CO2 emissions.

*Selected for the “Technology Development Support Project for the Promotion of New Energy,” implemented by the Tokyo Metropolitan Government and the Tokyo Environmental Public Service Corporation, this project will demonstrate energy management using “renewable energy,” including EV trucks, solar power, and biogas power generation, based at Seven & i Group stores in Tokyo as well as at food-processing factories and logistics centers of business partners.



【Website and other information related to countermeasures】

Climate Change Countermeasures (CO2 Emissions Reduction Initiatives) >

(2024.6) Next-generation environment-friendly store “7-Eleven Fukuoka Momochi store” utilizing local timber—construction commenced toward opening this summer (in Japanese) >

(2024.9) AI will transform air conditioning! Full deployment in stores of the Ito-Yokado and Kobe University joint “AI Smart Air-Conditioning System” (in Japanese) >

Significant physical risks and countermeasures: Warming scenario (2.7°C–4.0°C)

【Significant physical risks: Damage from natural disasters】

In terms of physical risks, natural disasters caused by extreme weather pose the greatest risk. It is difficult to predict when and where natural disasters will occur, and once they do, they can cause extensive damage. We are basing countermeasures for each business on the premise that weather phenomena such as heavy rainfall and flood will occur with greater frequency and intensity and cause increasingly worse natural disasters such as flooding, so we estimate the impact of losses due to store and merchandise damage, loss of sales due to store closures, restoration costs, etc., to inform those countermeasures.

Impact on Seven-Eleven Japan stores (domestic convenience store operations)

Assumption: The amount of damage is estimated for flood damage to stores in the Tokyo metropolitan area (assuming flooding of the Arakawa River) as of 2030

* Estimated based on past flood damage

* To ascertain the extent of damage, estimates are made without considering insurance coverage

Item	Business impact
Store damage, merchandise damage, loss of sales due to closures, restoration cost, etc.	¥11.2 billion

Impact on Ito-Yokado and York-Benimaru (superstore operations)

Assumption: The amount of damage as of 2030 is estimated assuming a disaster of similar scale to 2019 (Typhoon No. 19).

* Estimates are based on actual damage from the 2019 disaster and forecasts of an increased frequency of disasters and floods

* To ascertain the extent of damage, estimates are made without considering insurance coverage

Item	Business impact
Store damage, merchandise damage, loss of sales due to closures, restoration cost, etc.	¥5.5 billion

【Main countermeasures to damage from natural disasters】

Seven & i Holdings will strive to quickly reopen its stores and establishments in the event of a natural disaster as part of enhanced disaster response to continue serving as regional relief bases for local customers offering infrastructure, evacuation locations, etc. The following measures are being taken to address the increasing risk of natural disasters.

・Establish early recovery systems (such as 7VIEW)

・Continue operations in the event of a disaster with “Phase Free (a concept of securing an adequate quality of life, regardless of phases such as daily life and emergencies)” facilities, including improved performance of storage batteries and preparation of fuel reserves for emergency supply delivery

・Create a strategy and stores that anticipates flooding (preventing flood damage by expanding the installation of watertight panels and guard pipes)

・Establish disaster-resilient logistics bases and supply networks

・Develop disaster bases utilizing store infrastructure through disaster management agreements, etc.



7VIEW (system for sharing information in the event of a disaster)

Number of comprehensive alliance agreements with local governments (by operating company)

	End of February 2022	End of February 2023	End of February 2024
Seven-Eleven Japan	223	230	235
Ito-Yokado	77	78	80
York-Benimaru	11	14	16
Seven & i Food Systems	3	3	3
Total	**314**	**325**	**334**

【Website and other information related to countermeasures】

Initiatives as Social Infrastructure (7VIEW: Seven-Eleven Japan website) (in Japanese) ›

Disaster Assistance (Seven & i website) ›

We shall not forget: 10 years after the Great East Japan Earthquake (Seven & i website) (in Japanese) ›

【Significant physical risks: Increase in raw material cost due to changes in weather patterns】

Assuming that climate change will lower harvest yields for raw materials and increase the purchase price accordingly, we foresee a significant financial impact on our business entities. For both domestic convenience store and superstore operations, the raw materials selected for analysis were chosen on the basis of the composition of purchase price and availability of future information. (Targets of analysis will be expanded in the future.)

Impact on Seven-Eleven Japan stores (domestic convenience store operations)

Item	Business impact
Domestic convenience store operations Raw materials cost increase for rice, laver, and livestock products	**¥5.7 billion**

Assumption: Estimated increases in raw material costs as of the fiscal year ending February 28, 2031 due solely to lower yields resulting from climate change

* Yield changes are estimated from data provided by the Ministry of Education, Culture, Sports, Science and Technology; the Ministry of the Environment; the Japan Meteorological Agency; the National Institute for Environmental Studies; the National Agriculture and Food Research Organization, etc.

【Main countermeasures to increase in raw material costs due to changes in weather patterns】

Under our environmental declaration “GREEN CHALLENGE 2050,” we set sustainable procurement as a specific theme—ensuring that food ingredients used in our original products are guaranteed sustainable, and we are taking the following measures with our suppliers to work toward a society that is in harmony with nature.

・Expand the lineup of eco-certified marine products (MSC, ASC, MEL, etc.) and eco-certified agricultural products (GAP, etc.)

・Disperse and consolidate production sites of raw materials

・Utilize digital technology and AI

・Ensure stable procurement through the expansion of raw material procurement from weather-resistant sources, such as vegetable factories, land-based aquaculture, etc.



Indoor vegetable factory exclusively for Seven-Eleven Sagamihara Vegetable Plant by Prime Delica Co., Ltd.

【Website and other information related to countermeasures】

Sustainable Sourcing of Raw Materials >

＜Business opportunities and main countermeasures for both scenarios＞

【Business opportunities for the decarbonization scenario】

In this scenario, we see changes in consumer awareness as a major business opportunity. As consumers develop a strong interest in sustainable products and services in line with government policy and trends toward carbon neutrality, we believe that our current efforts will lead to opportunities and further accelerate those efforts. For example, we are promoting related initiatives as part of our environmental declaration “GREEN CHALLENGE 2050.”

・Initiatives in consideration of the environment with “Seven Premium”

“Seven Premium,” the private brand for the entire Group, is engaged in developing products that are both high in quality and environmentally friendly. We are actively promoting eco-friendly products at the Group’s stores to generate awareness of such products and create opportunities for customers to consider the environment with us in a way that may lead to action.

【Website and other information related to countermeasures】

(2024.10) Promoting environmental initiatives with the “Seven Premium” (in Japanese) >

Climate Change Countermeasures (CO2 Emissions Reduction Initiatives) >

Introduction of Environmentally Friendly Packaging (Seven & i website) >

Effective Use of Resources (Initiatives for Effective Use of Plastics) >

Measures against Food Loss and for Food Recycling >

Sustainable Sourcing of Raw Materials >

【Business opportunities for the warming scenario】

In this scenario, we see changes in customer preferences and consumer behavior due to rising temperatures as business opportunities in the following ways.

・Consumers’ heightened awareness of disaster mitigation will increase demand for disaster preparedness products

・Increased sales of products that people wish to have in hot weather (cooling products)

・The frequency of outings will decrease caused in hot weather, so e-commerce services such as delivery business and Net Supermarkets will flourish



Ito-Yokado Net Supermarket, Shin-Yokohama Center (opened in August 2023)

Governance Related to Climate Change

The Seven & i Group considers the issue of climate change to be one of the most important issues to be tackled across the Group companies. We have therefore established a governance structure centered on the CSR Management Committee and supervised by the Board of Directors.

The Board of Directors receives reporting from the Sustainability Development Department that is a secretariat for the CSR Management Committee on our efforts for sustainability including climate change issues at least once a year, supervises their progress and the status of achieving the goal, and reviews our policies and efforts as appropriate. In December 2020 and May 2021, the Board of Directors made a resolution to revise our CO_2 emission reduction target in our environmental declaration “GREEN CHALLENGE 2050” to 50% by 2030 and zero emission by 2050 in line with

current international trends aiming at the 1.5 °C target and the decision of the Government of Japan for the net zero goal in 2050. In addition, we have added a target of reducing CO_2 emissions set in the environmental declaration "GREEN CHALLENGE 2050" that was formulated in May 2019 to the key performance indicator (KPI) for stock-based compensation as a non-financial indicator in compensation of Directors since fiscal year ended February 28, 2021. In addition, in order to accelerate decarbonization efforts, the Board of Directors decided in 2023 to invest in the public-private fund "Japan Green Investment Corp. for Carbon Neutrality （JICN）."

* For the target level of the amount of CO_2 emissions for each fiscal year as the KPI for the stock-based compensation, it will be the target level for each fiscal year calculated based on the assumption of the actual amount of emission for the fiscal year ended February 28, 2019 to be equally reduced for each fiscal year to achieve the target level for the fiscal year ending February 28, 2031 (reducing emissions from Group store operations by 50% compared to the fiscal year ended February 28, 2014).

The CSR Management Committee, chaired by Representative Director and President of Seven & i Holdings, meets twice a year, attended by CSR managers from Group companies (Representative Director and President, etc.) and managers from related divisions at Seven & i Holdings. Under the CSR Management Committee, the Environment Subcommittee has been established as a subcommittee to deal with climate change issues. The Environment Subcommittee consists of managers from the environmental departments of operating companies. In addition, when we announced the environmental declaration "GREEN CHALLENGE 2050" in May 2019, we established CO_2 Emissions Reduction Team to create innovations across the Group to reduce CO_2 emissions. This team is headed by executive officers or higher from responsible departments at our main operating companies.

The CSR Management Committee receives reports on trends in indicators related to climate change issues, such as CO_2 emissions, and on initiatives mainly for mitigation measures. The Committee approves measures implemented by the subcommittees and each group company, and provides necessary advice. The progress of such sustainability-related initiatives, including those related to climate change, is reported to the Board of Directors at least once a year.

Sustainability promotion framework >

Governance structure for sustainability



●Meetings and roles related to climate change

Meeting	Role	Member
Board of Directors	・Receive reports at least once per year regarding progress on climate change issues and achievement of targets; supervise efforts ・Review and decide on policies and important matters	・Directors ・Audit & Supervisory Board Members Members include internal and Outside Directors with extensive knowledge and experience in sustainability
CSR Management Committee	・Meet twice a year ・Share trends in climate change-related indicators (such as CO_2 emissions), and mitigation and adaptation measures ・Approve and advise on initiatives implemented by the Environment Subcommittee and Group companies	・Chair: Director and President of the Company ・Members: CSR managers from Group companies (Representative Director and President, etc.) and managers from CSR-related divisions of the Company
Environment Subcommittee	・Subcommittee of CSR Management Committee ・Meet twice a year ・Promote response to climate change issues ・Promote response to TCFD recommendations	・Chair: Executive Officer in charge of Sustainability Development Department of the Company ・Members: CSR department managers and managers of departments involved in climate change response measures at Group companies

Risk Management

In accordance with the basic rules for risk management, the Company and Group companies establish, streamline, and manage comprehensive risk management systems, centered on the Risk Management Committee, in order to properly analyze, evaluate, and appropriately respond to risks associated with each business, with consideration for changes in the management environment and risk factors. Risks related to climate change are managed under this comprehensive risk management system as well.

The Risk Management Committee receives reports on the risk management status of the respective companies from the departments responsible for the management of risks, to comprehensively identify, assess, and analyze risks and discuss measures, and to determine the future direction going forward. In principle, the status of risk management is reported to the Seven & i Holdings Board of Directors once annually. In recent years, in addition to changes in the Group's internal environment, the impact of various changes in the external environment on business operations, including heightened risks related to climate change such as CO2 emission regulations, recent large-scale typhoons, and changes in growing regions and fishing grounds for product raw materials, has grown significantly.

In FY2023, to address these changes, the Company reviewed its risk management framework to not only account for short-term risks but also to consider medium- to long-term risks.

In the risk assessment process, in terms of the assessment perspective of the degree of impact on performance arising from the emergence of risk, by adding the qualitative factors such as business continuity, damage to the Group's brand image, and other factors to the quantitative factors previously considered, we seek to take a more multifaceted and sophisticated approach to assessment and analysis of all risks.

In addition, we are enhancing the effectiveness of risk management for the Group as a whole by identifying high-priority risks from the perspectives of significance, commonality, etc., and clarifying the roles and responsibilities of the Company and Group companies.

7-Eleven, Inc. also manages risks related to sustainability under the risk management of the Seven & i Group.

Risk Factors（Group risk management system） ›

Future Responses to TCFD Recommendations

Going forward, we will update our scenario analyses in line with the state of the world and increase the number of operating companies subject to analysis, both domestically and overseas. We will take into account the entire supply chain as we continue to quantitatively identify risks and opportunities and develop and implement practical countermeasures.

We will work on initiatives to limit the global temperature increase to less than 1.5°C by 2100, thereby leaving a prospering planetary environment to future generations.

Domestic Convenience Store Operations (Seven-Eleven Japan) ›

Superstore Operations (Ito-Yokado, York-Benimaru) ›

* Our superstore operations were reorganized in September 2023, with York merging into Ito-Yokado.

Financial Services (Seven Bank) ›

*Presented on the Seven Bank website

Taskforce on Nature-related Financial Disclosures (TNFD)

Introduction: Our Vision of Society

The Seven & i Group has various points of contact with customers, including food, clothing, housing, and financial services. We have about 22,800 stores in Japan, which are visited by more than 22.2 million people every day. Our business rests on the pedestal of our position as part and parcel of the daily lives of customers. To make local communities sustainable, we have identified, as material issues,[*1] social issues that should be solved in a priority manner through our main businesses. In our Medium-Term Management Plan 2021–25,[*2] we have committed ourselves to the promotion of sustainable management.

*1 Seven & i Group Material Issues >

*2 Medium-Term Management Plan 2021–25 >

Among the material issues, through our Approach to Nature and Biodiversity (3. Realize decarbonization, circular economy, and society in harmony with nature, through environmental efforts), we will undertake initiatives to prepare for and prevent issues that threatens the daily lives of customers and local communities, such as natural disasters, which are increasing in number, and the procurement of product raw materials, which is becoming increasingly unstable. To accelerate these initiatives on material issues, in May 2019 we issued the “GREEN CHALLENGE 2050” environmental declaration,[*3] which outlines a roadmap for the society we are aiming for in the years 2030 and 2050.

*3 “GREEN CHALLENGE 2050” Seven & i Group's Environmental Declaration >

In this environmental declaration, we have set medium- to long-term goals in four fields—reduction of CO_2 emissions, measures against plastic, measures against food loss/waste and for organic waste recycling, and sustainable procurement—toward a transition to three forms of society, namely, a decarbonized society, a circular economy, and a society in harmony with nature.

Regarding the TNFD, we support the TNFD principles, participated in the TNFD Forum in January 2023, and the Science Based Targets Network (SBTN)’s Corporate Engagement Program in February 2023. By March 2024, we signaled our intent to adopt the TNFD Recommendations (TNFD Adopters) and began analysis and disclosure.



TNFD Adopters >

Strategy (Implementation of evaluation based on the TNFD framework)

The Seven & i Group utilizes and has impacts on nature, both directly, and indirectly, throughout its supply chains. For example, the retail food business relies on various benefits from nature, such as abundant water resources used for cultivation and pollinators, centered on the procurement of raw materials in upstream supply chains. Also, excessive extraction of resources and over application of agricultural chemicals and fertilizers may have negative impacts on nature.

There are concerns that changes in nature will have impacts on business, including difficulty procuring and using raw materials. To maintain business over the medium to long term, it is crucial that we understand and manage the relationships between business and nature so that we can minimize the negative impact that business has on nature.

Therefore, our group promotes business activities that take nature into consideration to stop and restore the loss of nature and biodiversity (nature-positive).

The Seven & i Group recognizes these dependencies and impacts on nature, as well as the associated risks and opportunities, and by promoting sustainable procurement and utilization as a group, we aim to contribute to achieving nature-positive outcomes.

Implementation of *LEAP Approach*

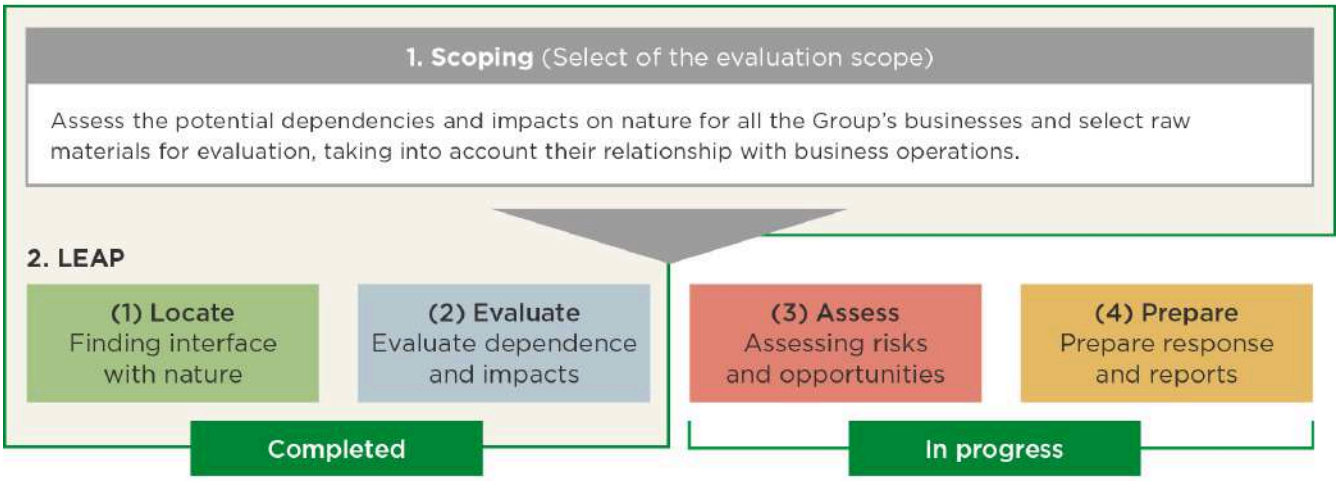
We conduct evaluations of the Group's nature-related dependencies and impacts[*1] as well as nature-related risks and opportunities[*2] in accordance with *Scoping* and the *LEAP Approach*[*3], evaluation methods recommended by the TNFD. In the first half of fiscal 2024, we evaluated the direct operations as well as upstream and downstream supply chains of all Seven & i Group operating companies in the phase of *Scoping* (selection of the evaluation scope) and set the scope of the evaluation. We then identified key raw materials in upstream supply chains and performed analysis with a focus on Locate (finding interfaces with nature) and Evaluate (evaluate dependencies and impacts).

*1 Dependencies refer to the benefits (ecosystem services) that an organization receives from nature in the course of its business activities.
Impacts refers to changes caused to nature through the business activities of organizations.

*2 Nature-related risks refers to threats that have potential financial impacts on organizations based on the dependencies and impacts on nature.
Nature-related opportunities refers to financial opportunities that organizations can acquire from beneficial impacts on nature through the avoidance and mitigation of nature-related risks.

*3 The *LEAP Approach* is an integrated approach developed by the TNFD to identify and assess nature-related issues, such as interfaces with nature, dependencies and impacts on nature, and the associated risks and opportunities.

Progress of LEAP approach



***Scoping* (Selection of the Evaluation Scope)**

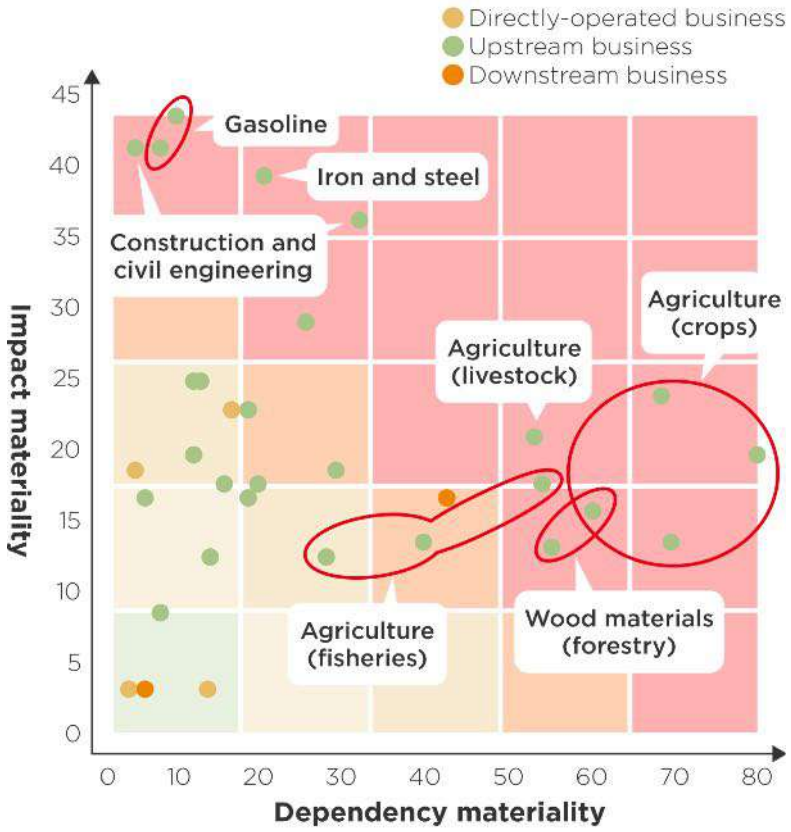
We started by surveying all Group operating companies about how their business is related to nature. When performing the evaluation, we used ENCORE,[*1] a tool recommended by the TNFD, to identify general dependencies and impacts within those companies' industries and scored[*2] the results and mapped them along two axes: dependencies and impacts.

The mapping results revealed that the upstream activities of gasoline retail and real estate development, specifically 'gasoline extraction' and 'construction and civil engineering,' have significant impacts on nature. In the food-related business, it was found that the upstream supply chain, particularly 'agricultural production,' has a high dependency on and significant impact on nature.

■ Main Group businesses and their supply chains

	Upstream (procured materials, etc.)	Direct operation	Downstream (disposal)
Food retail	• Production of raw materials (including agricultural, forestry, and fishery products) • Merchandise production and distribution • Packaging	• Sale of merchandise	• Waste processing • Management of food waste and food recycling • Processing and recycling of containers and packaging • Wastewater treatment
Specialty retail			
Food processing		• Processing and manufacturing of foods	
Restaurants		• Operation of restaurants, etc.	
Gasoline retail	• Gasoline extraction an distribution	• Sale of merchandise	
Financial services		• Financial services	
Real estate	• Production of raw materials (wood materials, iron and steel, etc.) • Construction and civil engineering	• Real estate operation and management	
e-commerce and digital		• Digital and internet businesses	
License management		• Consulting	

■ Main Group businesses and their dependencies and impacts on nature



Even in businesses with high dependence and impact on nature, the Group set a target of “being one of the world’s leading retail groups with a focus on food” by 2030 in our Medium-Term Management Plan, and accordingly, we focused on agricultural products for our fiscal 2024 evaluation.

In particular, we selected coffee, soybeans, and rice as key raw materials, as they are handled in large volumes by the Seven & i Group as a whole and have been indicated*3 as having impacts on nature. Then we evaluated the dependencies and impacts on nature for each of these raw materials. As a result, for this fiscal year 2024, we decided to conduct more detailed evaluations concerning coffee, which have been identified, as having a particularly large impact in accordance with the *LEAP Approach* recommended by the TNFD. Since coffee is one of the forest-risk commodities*4, we considered it necessary to analyze it further.

In addition to coffee, we have also selected 'soybeans' and 'rice' as important raw materials and will implement measures to reduce their impact on nature. Furthermore, as a group that primarily operates in the food distribution sector, we plan to extend our evaluations to include 'livestock products' and 'marine products.

*1 A tool developed by the UNEP-WCSC and others to ascertain the scale of a company’s impacts and dependencies on nature.

*2 Based on the ENCORE output results, we calculated the totals for dependencies and impacts for each process with Very high = 5, High = 4, Medium = 3, Low = 2, and Very low = 1.

*3 Included in the High Impact Commodity List issued by the SBTs for Nature, a list of raw materials that are considered to have high impacts on nature.

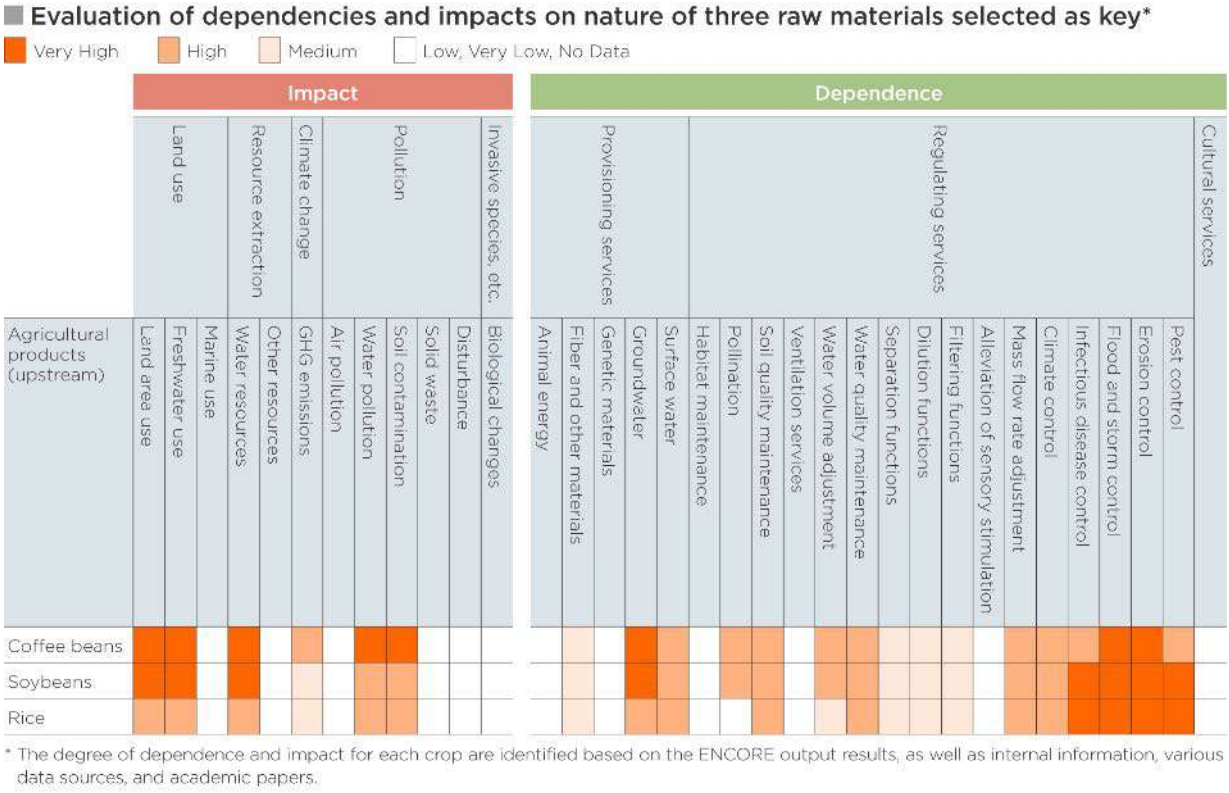
*4 Commodities identified by the World Resources Institute (WRI) as being significant factors in deforestation. They are also subject to the EU Deforestation Regulation (EUDR).

Raw Materials Subject to *Scoping* Analysis and Evaluation

Coffee	Soybeans	Rice	Cacao	Chicken	Beef	Dairy
Pork	Eggs	Wheat	Sugar cane	Fruits & vegetables	Seaweed/aquaculture products	Palm oil

* When selecting raw materials, we made reference to the SBTs for Nature high-risk raw materials list and the EU Deforestation Regulation (EUDR) list, compared them to Group operating companies' procurement results in FY2023, and made selections.

* ENCORE*1 was used for the raw material *Scoping* analysis.



LEAP (1)Locate (Finding Interfaces with Nature)

In the Locate phase, we identified the sourcing countries and regions for coffee procured by 'Seven-Eleven Japan,' '7-Eleven, Inc.,' and private brand products 'Seven Premium,' and evaluated their relationship with nature and biodiversity.

When performing the valuation, the results were organized based on five criteria defined by the TNFD (criteria relating to the importance of conservation, ecosystem intactness, rapid degradation of ecosystem intactness, importance of ecosystem services, and water stress). We also took into consideration procurement ratios and selected priority regions from among the major procurement sources.

■ Major coffee bean sourcing countries and regions



■ Evaluation of the relevance of nature in primary procurement countries

Procurement region	Main procurement countries	Importance of conservation*1	Ecosystem intactness*2	Rapid degradation of ecosystem intactness*3	Importance of ecosystem services*4	Water stress*5
South America	Brazil					
South America	Colombia					
Central America	Guatemala					
Africa	Tanzania					

Note: Darker colors indicate a higher level of priority.

*1 Evaluated whether the region is adjacent to areas of high conservation importance, such as protected areas and key biodiversity areas (KBAs) using IBAT.
*2 Assessed the intactness of ecosystem composition, structure, and functions using the Biodiversity Intactness Index.
*3 Evaluated the rapid loss or degree of degradation of ecosystem composition, structure, and functions based on a measure of pressure on biodiversity provided by the WWF Biodiversity Risk Filter.
*4 Assessed proximity to Indigenous Peoples and Local Communities (IPLCs) using LandMark, confirmed with data from Global Forest Watch.
*5 Surveyed the percentage of extraction relative to available surface and groundwater supplies (water stress) using Aqueduct based on Baseline Water Stress.

LEAP (2)Evaluate (Evaluate your dependencies and impacts)

In the Evaluate phase, we dug deeper into the evaluation results obtained during the *Scoping* phase and identified general dependence and impact items in coffee production. Based on the results, there are concerns regarding the impacts including deforestation due to the conversion to farmland, the decline in water resources in conjunction with the use of ground and surface water, and soil contamination and water pollution caused by the use of agricultural chemicals and fertilizers.

At the same time, there is a high degree of dependence on the functions of nature, such as the abundant provision of water, controlling flooding and inundation and preventing landslides by covering and solidifying soil with vegetation and so on. Looking to individual regions, in South America, which has high procurement volumes, the risks associated with identified dependencies and impacts are high, and we recognize this as a region where responses should be prioritized.

Additionally, coffee has a high dependency on water and there are concerns about its impact on surface and groundwater pollution. In Central America, where water scarcity is significant, addressing water-related issues is considered a high priority. In the future, based on the results from the (1) Locate and (2) Evaluate phases, we will identify risks and opportunities relating to coffee and evaluate their scale (the (3) Assess phase in *LEAP* analysis), and based on that we will investigate countermeasures (the (4) Prepare phase in the *LEAP* analysis).

Evaluation of Dependencies and Impacts on Nature Relating to Coffee Beans

Evaluation of dependencies and impacts on nature relating to coffee beans

Item		Degree*	Details
Impact	Land use	High	• Deforestation due to expansion of production regions
	Direct extraction	High	• Reduction or depletion of water resources from use of ground and surface water
	Climate change	High	• GHG emissions from use of fuel, fertilizer, etc. in land development, cultivation, and use, etc
	Pollution	High	• Water pollution and soil contamination from use of agricultural chemicals and fertilizers, etc

Item		Degree*	Details
Dependence	Provisioning services	High	• Ground and surface water
	Regulating services	High	• All forms of protection from flooding, inundation, and storms • Erosion control using vegetation and surrounding ecosystems
		Medium	• Pollinators that support coffee pollination • Fertile soil needed for crop growth • Water volume adjustment • Treatment of contaminated water generated during production using plants, microorganisms, etc. • Climate control and maintenance of humidity • Control of natural disease such as infectious diseases • Insect control using insects, birds, small mammals, etc.

* Items rated "High" or above in the Scoping analysis are extracted and reassessed for their impact and dependency.

Introduction of Initiatives for Coffee-Producing Regions

Seven-Eleven Japan supports the production areas of its representative product, "Seven Cafe." The support program is determined after confirming the issues that each production countries facing

Details of Seven Cafe's Production Area Support Initiatives (in Japanese) >

Governance

The Seven & i Group sees sustainability issues including climate change and natureal capital as something that should be addressed Group-wide, and we have created governance structures centered on supervision by the Board of Directors and the CSR Management Committee.

The Board of Directors receives reports from the Sustainability Development Department that is a secretariat for the CSR Management Committee on our efforts for sustainability at least once a year, supervises their progress and the status of achieving the goal, and reviews our policies and efforts as appropriate.

The CSR Management Committee, chaired by Representative Director and President of Seven & i Holdings, meets twice a year, attended by CSR managers (e.g., representative director and president) of Group companies including the CEO of 7-Eleven, Inc. and managers from related divisions at Seven & i Holdings. Under the CSR Management Committee, the Environment Subcommittee has been established as a subcommittee to deal with climate change and natural capital issues.

■ Governance structure for sustainability



Risk and Impact Management

In accordance with the basic rules for risk management, the Company and Group companies establish, streamline, and manage comprehensive risk management systems, centered on the Risk Management Committee, in order to properly analyze, evaluate, and appropriately respond to risks associated with each business, with consideration for changes in the management environment and risk factors. Risks related to sustainability are managed under this comprehensive risk management system as well.

The Risk Management Committee receives reports on the risk management status of the respective companies from the departments responsible for the management of risks, to comprehensively identify, assess, and analyze risks and discuss measures, and to determine the future direction going forward. In principle, the status of risk management is reported to the Seven & i Holdings Board of Directors once annually.

In recent years, in addition to changes in the Group's internal environment, the impact of various changes in the external environment on business operations, including heightened risks related to sustainability such as CO2 emission regulations, large-scale typhoons, and changes in growing regions and fishing grounds for product raw materials, has grown significantly.

In FY2023, to address these changes, the Company reviewed its risk management framework to not only account for short-term risks but also to consider medium- to long-term risks.

In the risk assessment process, in terms of the assessment perspective of the degree of impact on performance arising from the emergence of risk, by adding the qualitative factors such as business continuity, damage to the Group's brand image, and other factors to the quantitative factors previously considered, we seek to take a more multifaceted and sophisticated approach to assessment and analysis of all risks.

In addition, we are enhancing the effectiveness of risk management for the Group as a whole by identifying high-priority risks from the perspectives of significance, commonality, etc., and clarifying the roles and responsibilities of the Company and Group companies.

7-Eleven, Inc. also manages risks related to sustainability under the risk management of the Seven & i Group.

Risk Factors（Group risk management system） ›

Targets and Metrics

The Group has set goals for reducing CO_2 emissions, measures against plastic waste, reducing food waste and food recycling, as well as sourcing sustainable raw materials in its “GREEN CHALLENGE 2050” environmental declaration and discloses the progress of these targets.

“GREEN CHALLENGE 2050” Seven & i Group's Environmental Declaration ›

Seven & i Group Material Issues

Seven & i Holdings has conducted dialogue with various stakeholders and in 2014 determined material issues that should be addressed so that the entire Group can respond to the expectations and demands of stakeholders. Over the seven years since the Group identified the material issues, social issues related to our business activities and society's demands have become more diverse. To address these issues appropriately, the Group has revised those material issues in March 2022 through dialogue with various stakeholders. (Approved by the Board of Directors of Seven & i Holdings on March 30, 2022). We introduce the revision process here.

Purpose of Material Issues Revision

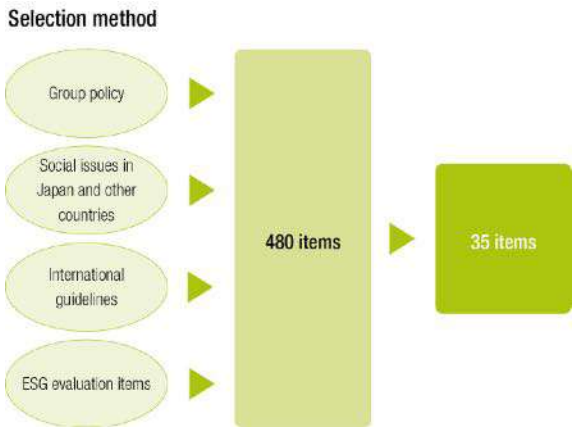
- Concentrate on material issues that Seven & i Group should address in particular, and respond appropriately as the scope of its business expands and related social issues and social demands become more diverse.
- Maximize group synergy by clearly defining the direction for the creation of social and economic value for the entire group.
- Promote sustainability management and information disclosure in line with global standards.

Steps for Revising Material Issues (for the revision in March 2022)

STEP 1

Selection of social issues

As part of our review of material issues, we selected social issues to be considered. In addition to summarizing and consolidating the social issues in the previous identification of material issues, we added related items including the SDGs, the Global Risks Report, the SASB Standards and other international frameworks, issues raised in U.S.-Japan governmental and other discussions, the consideration of the external environment in the Medium-Term Management Plan, and evaluation items used by ESG rating agencies.



STEP 2

Survey of more than 5,000 stakeholders

After selecting 35 items from the possible 480 social issues, we carried out a survey of stakeholders on the issues the Group should address. The survey was expanded from the time the material issues were initially identified in 2014 to cover nine companies*, including the overseas operating companies and SEVEN-ELEVEN JAPAN franchise store owners. More than 5,000 surveys were completed and returned, and these included more than 1,000 comments.

* Seven-Eleven Japan, 7-Eleven, Inc., Ito-Yokado, York-Benimaru, York, Sogo & Seibu, Seven & i Food Systems, Seven Bank, Seven & i Holdings

Stakeholders	Scope
Customers	Customers of operating companies
Business partners	Operating companies' business partners
Shareholders and investors	Shareholders, investors, and sell-side securities analysts covering Seven & i Holdings
Franchisees	SEVEN-ELEVEN JAPAN franchise store owners
Employees	Employees of Seven & i Holdings and operating companies

STEP 3

Dialogue with experts

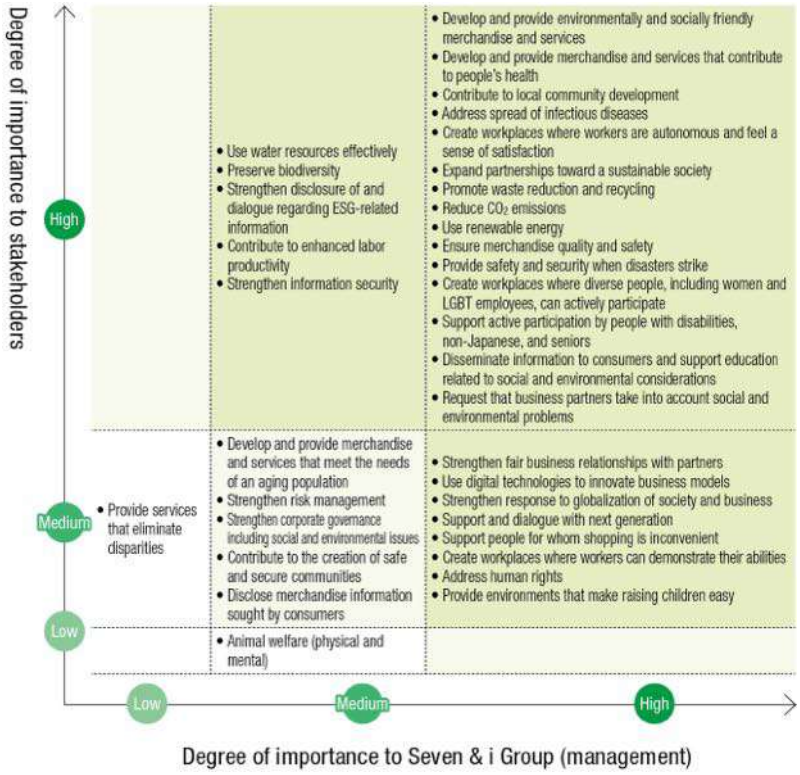
The Group's three flagship operating companies (SEVENELEVEN JAPAN, Ito-Yokado, and Sogo & Seibu) and Seven & i Holdings engaged in dialogue with knowledgeable experts as representatives of stakeholders. From the survey results, we identified their unreserved opinions about the Group's role in society and the social issues that the Group should address. (The photo shows the dialogue at Seven & i Holdings: positions as of the end of December 2023)



STEP 4

Identification of new material issues, taking into account opinions of stakeholders and the Group management

Using the stakeholder survey results, we created a matrix for each of the nine companies, using the degree of importance to stakeholders as the vertical axis and the degree of importance to the companies as the horizontal axis. We then consolidated these into a Group matrix and identified seven material issues, taking into account the survey comments, dialogues with experts, and interviews with management of other operating companies. We have adopted the new material issues using wording that makes it easy to understand their correlation with concrete initiatives, so that Group employees can pursue them “on their own.”



STEP 5

Risks and opportunities related to material issues

As we identified the material issues, we also consolidated the related risks and opportunities based on opinions including the survey of stakeholders and dialogue with experts. In addition to creating new initiatives to address the material issues, we are striving to reduce risks with the aims of achieving a sustainable society and sustainable corporate growth.

STEP 6

Incorporation into action plans

To place the newly identified material issues as a basis of management and ensure their effectiveness, the Group is formulating concrete initiatives to address the material issues through each operating company's business. Using a process similar to that of the SDG Compass*, we are integrating the new material issues into management by formulating action plans to achieve our targets and working to realize those issues through our businesses.

*SDG Compass: A guide for how companies can work toward achieving the SDGs prepared jointly by the Global Reporting Initiative, the United Nations Global Compact, and the World Business Council for Sustainable Development

Seven & i Group Material Issues



Material Issue 1 >

Create a livable society with local communities through various customer touchpoints



Material Issue 2 >

Provide safe, reliable, and healthier merchandise and services



Material Issue 3 >

Realize decarbonization, circular economy, and society in harmony with nature, through environmental efforts



Material Issue 4 >

Achieve a society in which diverse people can actively participate



Material Issue 5 >

Improve work engagement and environment for people working in Group businesses



Material Issue 6 >

Create an ethical society through dialogue and collaboration with customers



Material Issue 7 >

Achieve a sustainable society through partnerships

Material Issue 1 Create a livable society with local communities through various customer touchpoints

Approach to the Material Issue

The Seven & i Group operates approximately 22,800 stores nationwide and has other diverse touchpoints with customers, including home delivery and outside sales. We believe it is important to leverage the strengths of the Group to provide a livable society together with local communities and neighborhoods through all customer touchpoints, including our stores. Resolving issues such as aging and shrinking populations is an important social role that we are constantly called upon to play, as well as a business opportunity in the form of new customer needs. We continue to make efforts to be close to each and every one of our customers as their most familiar company.

Background to the Material Issue

Aging Population, Depopulation Leading to the Hollowing Out of Living Bases, and Changes in Shopping and Other Services Due to the Advancement of the Digital Society

In Japan, where aging and depopulation are progressing, it is estimated that the total population will fall below 100 million by 2056 and further drop below 90 million by 2067, with the population aged 100 and over reaching 500,000[*1].

Additionally, the number of elderly people living alone is increasing year by year. In 2010, the proportion of those aged 65 and over living alone was 11.1% for men and 20.3% for women, but it is predicted to increase to 20.8% for men and 24.5% for women by 2040[*2]. Furthermore, the hollowing out of living bases due to depopulation is becoming a significant social issue in Japan. The number of elderly single-person households who find it inconvenient to shop due to the lack of stores selling fresh food within walking distance is also increasing year by year.

On the other hand, with the spread of digital devices and the improvement of communication environments, customers' shopping habits and the services they require, such as ordering methods, payment methods, and delivery methods, are also changing.

*1 Source: "Population Projections for Japan (2023)," National Institute of Population and Social Security Research

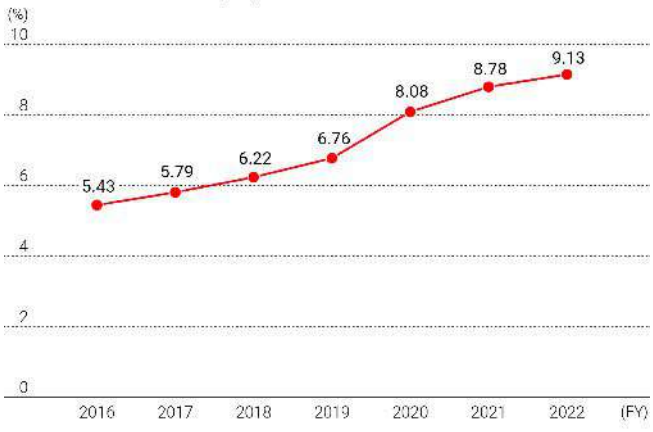
*2 Source: "Annual Report on the Aging Society: 2023" Cabinet Office

Trends in Persons Aged 65 or over Living Alone

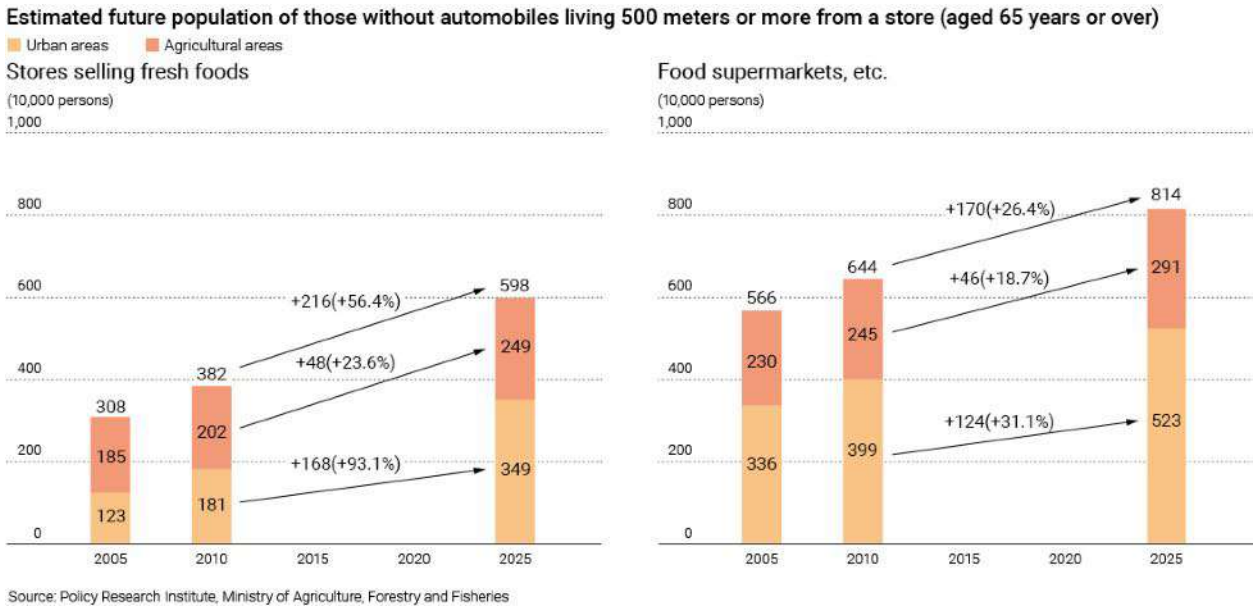


Source: Annual Report on the Aging Society FY2023 (Cabinet Office, Government of Japan)

Trends in e-Commerce (EC) Ratios over Time



Source: FY2023 E-Commerce Market Survey (Ministry of Economy, Trade and Industry)



Source: Policy Research Institute, Ministry of Agriculture, Forestry and Fisheries

Contribution to SDGs

By addressing this material issue, the Seven & i Group aims to create a more livable society by developing easily accessible stores and addressing various regional challenges such as aging and depopulation. This effort contributes to the achievement of Sustainable Development Goals (SDGs) 9 and 11.





Seven & i Group's Initiatives

Shopping Support >

Reducing Housework >

Providing Services to a Wide Range of Customers >

Implementing Crime Prevention Measures for Local Communities >

Shopping Support

Seven & i Group is working to support people who feel inconvenience when shopping by utilizing the infrastructure it has developed, such as store networks and logistics and information systems, to create new services for shopping support.

Store Product Delivery Service

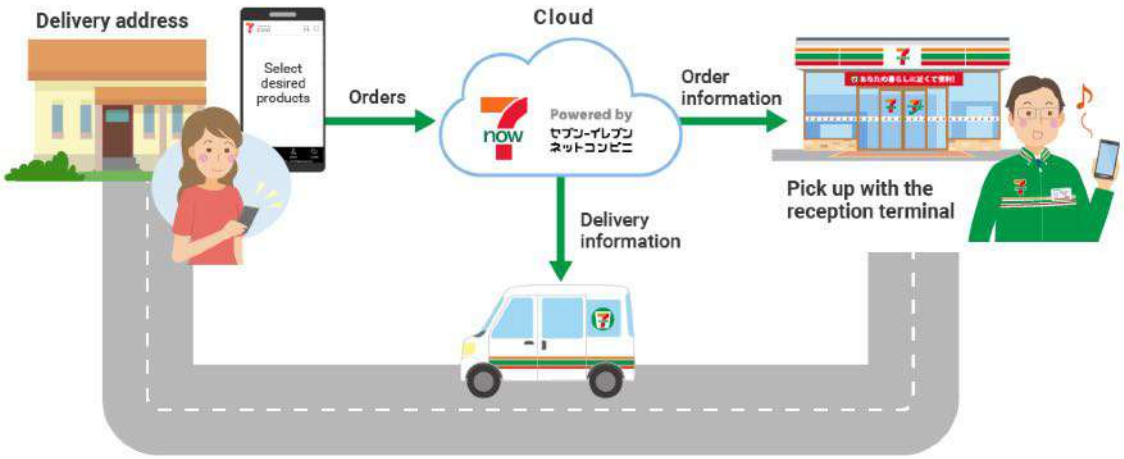
Seven & i Group provides a service in which products ordered online or by telephone are delivered to specified locations as well as in-store sales to help local residents do their everyday shopping more comfortably.

"7NOW" Seven-Eleven Online Convenience Stores

Seven-Eleven Japan offers "7NOW," a service that aims to realize "anytime," "right now," and "anywhere." When customers place an order from their smartphones, they can choose from approximately 3,000 items available in-store, and have their desired products delivered to a specified location in as little as 20 minutes.

Number of stores offering 7NOW

End of February 2022	End of February 2023	End of February 2024
approx. 1,300 stores	approx. 5,000 stores	approx. 12,000 stores



Online Supermarkets

For food and household goods, Ito-Yokado has launched an online supermarket, by which products that are ordered on PCs or smartphones are delivered from nearby stores within specified time slots. In December 2014, Ito-Yokado started offering a service to support parents raising children. Parents who present their maternity notebook issued within the last four years and register for the online supermarket can use a discounted delivery fee for four years from the registration date.
Furthermore, in order to improve the efficiency of deliveries as well as meet the diversifying needs of our customers for pick-up options, Ito-Yokado also enhanced its non-contact delivery and drop-off services.

Number of stores offering online supermarket services

End of February 2022	End of February 2023	End of February 2024
105 stores	105 stores	46 stores・1 center



Quick Commerce with OniGO

Ito-Yokado has partnered with "OniGO," a delivery-only supermarket, to assist customers who find it inconvenient to go shopping due to distance and time constraints. In March 2022, it launched a service at the Comfort Market Nishimagome store, delivering products ordered online directly to customers' homes. It is currently expanding the number of stores offering this service.

Number of stores partnering with 'OniGO'

End of February 2022	End of February 2023	End of February 2024
1 stores	4 stores	67 stores

Mobile Store Service

In recent years, as the birthrate falls, society ages, and nuclear families become more prevalent, retail stores and elsewhere that sell such things as fresh food have decreased, and this has led to a growing number of people who feel that everyday shopping is inconvenient. Seven & i Group has launched a mobile store service in order to solve these kinds of social issues.

Seven Anshin Delivery

Seven-Eleven Japan operates its Seven Anshin Delivery mobile store service. Moving mainly through areas that are inconvenient for everyday shopping or have a large number of seniors who find it difficult to use transportation, these uniquely developed light trucks equipped with store facilities carry about 300 items that include food and household goods and range from frozen products to those at room temperature. Plans call for this service to be expanded further in the future to fulfill the needs of customers.

Number of Seven Anshin Delivery Vehicles in Operation

End of February 2022	End of February 2023	End of February 2024
109 vehicles	117 vehicles	125 vehicles

* Implemented in 41 prefectures

Ito-Yokado Tokushimaru

In collaboration with TOKUSHIMARU inc., Ito-Yokado started operating vehicle No. 1 of the mobile store named Ito-Yokado Tokushimaru from the Minami Osawa store in April 2020. Ito-Yokado is supporting customers who feel inconvenience by shopping through its mobile supermarket initiative, in which about 400 products totaling 1,200 items are loaded into mobile store vehicles and sold near the residences of customers. Additionally, Ito-Yokado has partnered with local communities and has signed "watch-over agreements" with a total of 19 municipalities and 3 organizations, promoting watch-over activities through its operations.

Number of "Ito-Yokado Tokushimaru" vehicles in operation

End of February 2022	End of February 2023	End of February 2024
75 vehicles	103 vehicles	104 vehicles



Seven Anshin Delivery



Ito-Yokado Tokushimaru

Store Pick-Up Service

Seven-Eleven Pick-Up Service is a service in which products ordered online can be picked up at the 7-Eleven store of your choice. Whether it is near your residence or workplace, at a business trip destination or elsewhere, late at night or early morning, pick-ups can be made whenever you like at 7-Eleven stores nationwide (some stores do not provide this service).
In addition, with the expansion of the electronic commerce market and other factors, there is an increasing trend in the volume of parcel deliveries, and at the same time, labor shortage in the transport industry is growing more severe. Allowing ordered products to be picked up at nearby 7-Eleven stores also contributes to the reduction of redeliveries and the CO_2 emitted through these deliveries.

Reducing Housework

In order to respond to customer demand for saving shopping time and reducing the hassle of housework, Seven & i Group is developing and selling cooked meal products for those who feel it a burden to prepare meals. These products are based on the concept of individual servings, small portions, and easy-to-preparing.

Developing Products and Services that Make Meal Preparation Easy

Ito-Yokado sells the Chef's RECIPE series, which can be easily prepared using a frying pan or microwave, at the fresh meat and fish sales sections. The selection for cooking with a frying pan* offers meat and fish that have been cut and seasoned. These meals can be easily cooked with a frying pan in a short time. Customers can also cook them in considering nutritional balance, such as frying them with different vegetables of one's preference. The frozen delicatessen series Frozen Deli, which is convenient for customers when they are busy, is also available at the delicatessen sales section. For frozen foods, EASE UP series are offered as authentic individual-sized meals that can be enjoyed just by microwaving.

※The menu changes according to the seasons.



EASE UP "Kalbi Gukbap"

Providing Services to a Wide Range of Customers

The Seven & i Group is expanding services and supporting shopping to enable easy use by all customers, including senior citizens, people with disabilities, and foreign residents whose numbers are increasing yearly.

Training Dementia Supporters

The Seven & i Group supports the creation, localities where it has opened stores, of neighborhoods where residents who suffer from cognitive impairment and their families can live with security. To this end, each Group company holds training courses for “dementia supporters” and encourages its employees to attend the training courses.

Number of Dementia Supporter Training Course Takers

	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024 (Taget)
Cumulative participants	37,550	38,383	41,284	55,986	57,907	58,000

※1 Cumulative total of 18 Group companies

In March 2022, Ito-Yokado was the only retailer to announce the “Declaration of Dementia Barrier-free by the Japan Public-Private Council on Dementia” indicating policies and guidelines for promoting dementia barrier-free. The purpose of this declaration is to provide a store environment where persons with dementia and their families can use products and services with peace of mind when they visit our stores, and to foster momentum for a dementia barrier-free society by promoting joint initiatives with corporations and organizations. In addition, in the declaration for dementia barrier-free, Ito-Yokado has set the goal of increasing the percentage of “dementia supporters” among all employees to “50% by FY2022, 75% by FY2023, and 100% by FY2024.”
We will continue to strengthen our efforts to develop “dementia supporters.”

Ito-Yokado Dementia Supporters

	End of February 2023	End of February 2024
Number of Dementia Supporters	14,571	18,152
Ratio of total employees	55.9%	58.9%



Dementia supporter training

Meetings for People with Early-Stage Dementia

Seven & i Food Systems has been pouring its energies into training dementia supporters. In July 2019, dementia supporters were posted to nearly all Denny's locations, where they have been engaged primarily in providing help to customers who suffer from cognitive impairments and their families.
Against this backdrop, around spring 2020, following consultation from Tokyo's Chiyoda City about the possibility of holding " Meetings for People with Early-Stage Dementia"* at one of our locations, we held the first such meeting at the Denny's Nibancho restaurant in the city in September 2020. Having the meeting in the at-home atmosphere of a family restaurant while being able to enjoy Denny's desserts and other offerings allowed for the lively exchange of ideas and the meeting has won great reviews. Since then, Seven & i has been working in parallel to expand the number of locations where these meetings are held, such as by cooperating with the cities of Shinagawa, Ota, Edogawa, and Toshima in Tokyo, Sakai City in Osaka Prefecture, the cities of Tsurugashima, Kawaguchi, and Fujimino in Saitama Prefecture, as well as the cities of Chiba and Ichihara in Chiba Prefecture and Seto City in Aichi Prefecture, to hold meetings at Denny's locations opening in those respective localities.Seven & i Food Systems will continue to expand the areas in which these Meetings for People with Early-Stage Dementia are held and contribute to those local communities.
Seven & i Food Systems will continue to expand the areas in which these Dementia Meetings by People with Early Dementia are held and contribute to those local communities.
*Meetings for People with Early-Stage Dementia: These meetings are an initiative being undertaken by many local governments. By providing the opportunity for information exchange to people who have been diagnosed with a cognitive impairment as well as those with concerns about impairments, they serve as a venue for helping to convey their thoughts and for studying what services are needed and community development based on a range of viewpoints.

Marketing Products that Support Senior Lifestyles

According to the Statistics Bureau, Ministry of Internal Affairs and Communications, as of September 15, 2023, the share of the total population of persons aged 65 years old and over (elderly ratio) was estimated 36.23 million, accounting for 29.1% percent of Japan’s population. In addition, it is forecast that this percentage will reach 36.3% by 2045. In this context, Seven & i Group is promoting the development and retail of products, and proposing lifestyle solutions, aimed at the elderly.

Development of “Anshin Support Shop”

Ito-Yokado is developing the Anshin Support Shop, which carries an extensive selection of apparel, daily essentials, and foods, including products that support the health and lifestyles of seniors and care products. In addition to explanations of products features by sales staff with specialized knowledge on caring including counselors specialized in welfare equipment, these staff are also able to deal with consultations regarding nursing care and welfare issues in general.
In addition, Ito-Yokado is working to develop products in response to customer opinions and comments. Products such as the “Petite Size Pajamas” with specifications tailored to the height of the elderly, and the “Triangular-fit Walking Stick” which prevents finger pain with its triangular grip customized to fit the palm and its original-design curved arm, have been well-received by customers.
› For more details about Anshin Support Shop (in Japanese)

Anshin Support Shop

	End of February 2022	End of February 2023	End of February 2024
Number of Stores	96	91	86
Number of Sales Staff with Specialized Knowledge in Caregiving	approx. 250	approx. 250	approx. 230

Financial Services for Foreign Residents

The financial services that Seven Bank provides incorporate multilingual guidance in a variety of setting to make more accessible to foreign customers.
For example, when foreign residents with Seven Bank accounts make deposits or withdrawals or use its overseas remittance service, they are supported by ATM screens that handle nine languages. Furthermore, when they make inquiries about their Seven Bank account, it has the contact center staff to handle 10 languages. Also, foreign nationals visiting Japan on vacation or other reasons who wish to obtain Japanese yen can use cash cards and credit cards issued overseas at its ATMs. The ATM screen in these instances is available in 12 languages.

Development of ATMs Easy to Use Even for Customers with Disabilities

Seven Bank is making daily progress on the ATM functions and services so that all customers can use them with confidence. With its voice guidance service, which is mainly for customers with visual disabilities, users can make a transaction by following voice instructions delivered through an intercom phone installed on the ATM to operate the buttons on the phone. Currently, customers with the cash cards of over 500 affiliated partner financial institutions can use this service. The system of voice guidance was developed after soliciting feedback from people with visual disabilities and testing its operability.
Given how the living environment for people has changed greatly in the 15 years since it was developed, in the fiscal year ended February 28, 2022, it conducted a needs assessment of people with visual impairments through interviews and questionnaires. In order to achieve the SDGs goal of "Leave No One Behind," Seve Bank is working to improve its ATM services based on the opinions it has received and develop them further.



Voice guidance service

Implementing Crime Prevention Measures for Local Communities

Seven & i Holdings cooperates in local crime prevention initiatives in line with the operational characteristics of each Group company so that its facilities can provide customers and locals with safety and security.

Safety Station Activities

7-Eleven stores take advantage of the fact that they stay open 24 hours a day every day of the year to conduct Safety Station activities (SS activities). These involve looking out for the safety and security of the community through such activities as providing a place for women and children to seek assistance, protecting seniors, preventing robberies, shoplifting, and designated fraud, responding to accidents and disasters, and helping in the case of a sudden illness. 7-Eleven stores work to promote a healthier environment for young people by not selling alcohol and tobacco products to those under the age of 20 years, for example, and Seven-Eleven Japan also provides information to raise awareness of compliance and crime prevention at franchised stores through “SS Activity Notices” issued monthly.



Activities are publicized using posters

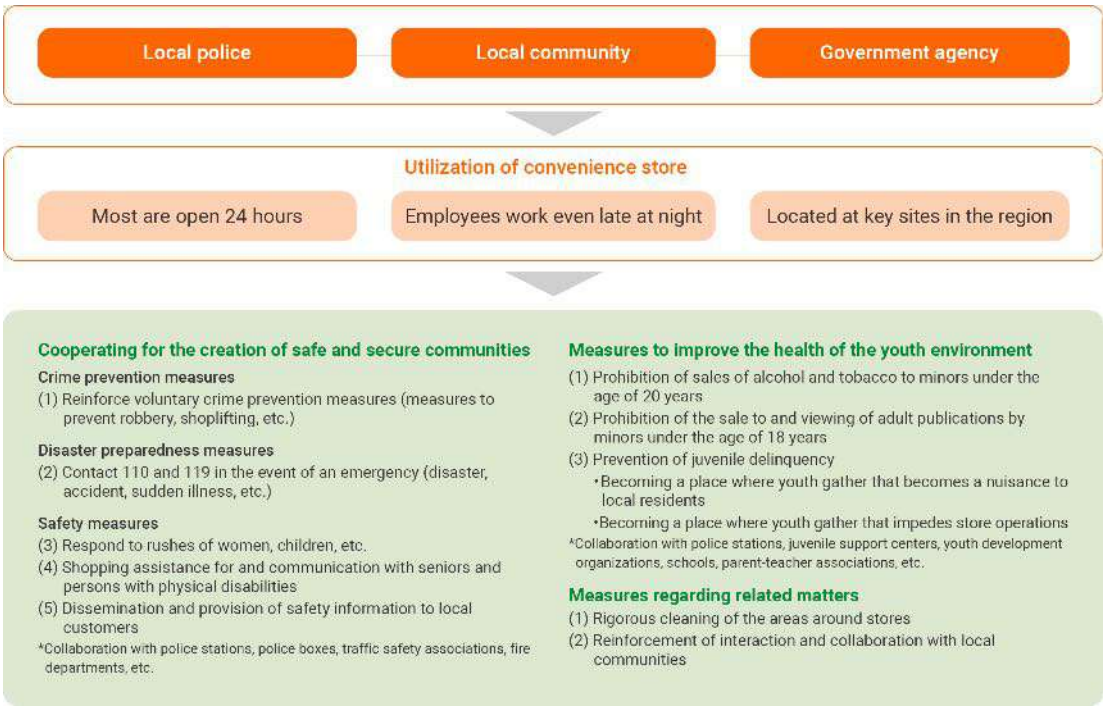


Preventing the sale of alcohol and tobacco to those younger than 20 years old



Safty Station (SS) Activity Notice

Safty Station (SS) Activity Notice



> The “SS Space” on the Japan Franchise Association (JFA) website (in Japanese)

Material Issue 2 Provide safe, reliable, and healthier merchandise and services

Approach to the Material Issue

The Seven & i Group handles a broad range of products at each company's stores, and also develops a variety of products as private brands. Because of this, we are committed to ensure the quality of our products, including their safety and reliability. We also recognize that it is significant to always put ourselves in the customer's shoes and to take into consideration the health of our customers by providing nutritionally balanced products, using reliable raw materials, and reducing the use of additives. These efforts not only earn the trust of our customers but also create new business opportunities to meet customers' needs. As a Group that handles many of the necessities of our customers' lives, we continue to promote these initiatives.

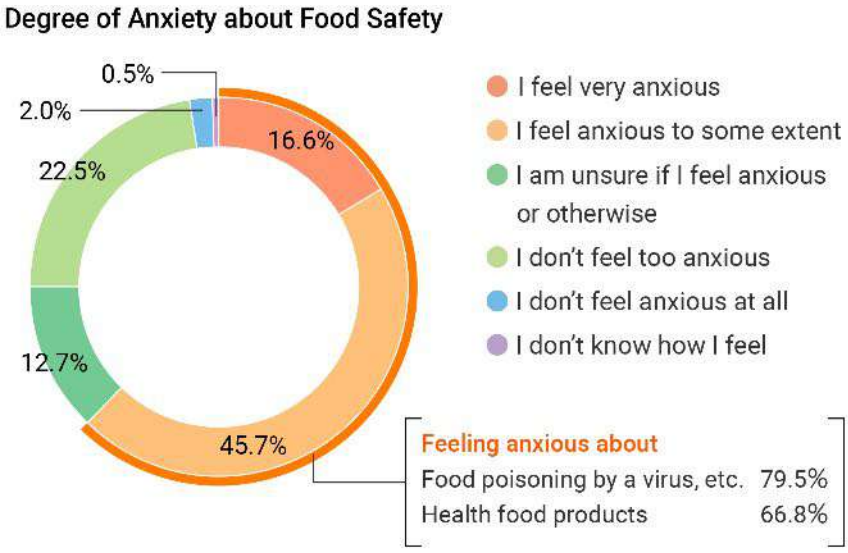
- Relevant policy

  Quality Policy >

Background to the Material Issue

Food safety

With the globalization of food and recent incidents and accidents that threaten food safety and security, there has been growing interest in food safety, including the issues of controlling raw materials, food additives, and displaying information about allergens. Answers to a survey by the Cabinet Office showed that more than 60% of people feel uneasy about food safety, and there is a need to further strengthen their quality control systems for companies.

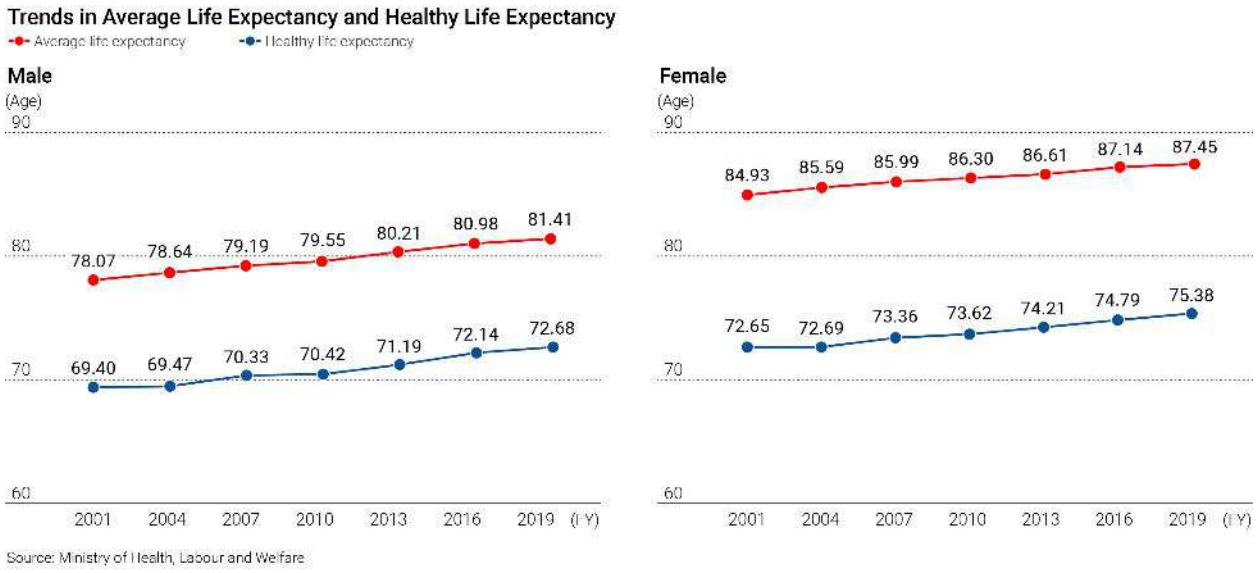


Source: Results of the 2022 report entitled "Awareness About Food Safety" (Cabinet Office, Government of Japan)

Gap between average life expectancy and healthy life expectancy

Although the average life expectancy is increasing year by year, there is a gap of about 10 years between healthy life expectancy, which is the period during which people can live without being limited in their daily lives by health problems, and the average life expectancy. It is important to extend healthy life expectancy and narrow the gap between healthy life expectancy and average life expectancy.

* Source: 2023 Edition of the Health, Labour and Welfare White Paper



In response to this material issue, the CSR Management Committee and its subordinate Supply Chain Subcommittee, work together with the Group companies and related departments to provide safety and reliability through products and stores. These activities are supervised by the Executive Officer and head of the Group Merchandise Strategy & Planning Division of Seven & i Holdings.

Contribution to SDGs

By addressing this material issue, the Seven & i Group will provide products and services that support safe, secure, and healthy lifestyles and contribute to achieving goals 2 and 3 of the Sustainable Development Goals.





Seven & i Group's Initiatives

Building a Quality Control System >

Food Safety and Reliability >

Health and Nutrition >

Building Quality Control Systems

Seven & i Holdings is working to introduce international management system standards and management methods regarding quality and hygiene in order to provide safe and reliable products to customers.



Establishing a Foundation for Quality Control in Each Group Company

Each company in Seven & i Group handles products whose safety has been ensured through checks by the quality control department before purchasing them. Seven & i Holdings is working to establish quality control systems, recognizing that a product incident at one Group company affects the entire Group. Quality control managers at the development division for the Seven Premium line of Group private brand products, 10 Group companies that handle food products, and 6 that handle apparel and household items meet regularly to share their policies and information. These activities are designed to prevent incidents and strengthen the Group's ability to respond rapidly when incidents occur. Specifically, Group companies have established the following foundation for quality control.

Establishing a Foundation for Quality Control

1. A system in which specialized quality control departments can objectively determine responses to incidents
2. A system for reporting a serious incident quickly to the Representative Director and President
3. Guidelines for judging whether to recall products or continue sales if a serious incident occurs

Quality Control Training for Employees

The Seven & i Group conducts regular employee training on quality control for product development and procurement staff, as well as sales floor staff, to prevent product accidents. In the fiscal year ended February 29, 2024, with the goal of nurturing future leaders in quality control, we are developing an educational curriculum utilizing external organizations and instructors. This curriculum aims to provide basic knowledge training and a wide range of quality control skills.

Results of training held by Seven & i Holdings in the fiscal year ended February 29, 2024

Training details	Participants	Target
HACCP 3-day training	22	Those handling procurement of food, those in charge of quality control
Supplier auditor training	24	Those handling procurement of food, those in charge of quality control
Beginner level Food poisoning (1)	71	Those handling procurement of food, those in charge of quality control
Beginner level Food poisoning (2)	60	Those handling procurement of food, those in charge of quality control
Food labeling (1)	27	Those handling procurement of food, those in charge of quality control
Food labeling (2)	26	Those handling procurement of food, those in charge of quality control
Food labeling (3)	24	Those handling procurement of food, those in charge of quality control
Food labeling (4)	26	Those handling procurement of food, those in charge of quality control
Beginner level Allergies	12	Those handling procurement of food, those in charge of quality control
Food incidents	9	Those handling procurement of food, those in charge of quality control
(1) Regulations for apparatus and containers and packaging (2) Regulations on Internet advertising (3) Quality labeling of products made from recycled fiber	99	Those handling procurement of apparel and household goods, those in charge of quality control
(1) Criteria for inspecting garment factories (2) Criteria for inspecting sewn products (3) Labeling of the country of origin and Household Goods Quality Labeling Act for bags, shoes, and umbrellas	105	Those handling procurement of apparel and household goods, those in charge of quality control
(1) Basic knowledge of daily necessities made of plastic (2) Basic knowledge of materials used for tableware (3) Criteria for inspecting the cause of textile products	108	Those handling procurement of apparel and household goods, those in charge of quality control

Acquiring Quality Management Certification

Seven & i Group has sought and attained various quality management certification in order to strengthen quality management for products such as foodstuffs, clothing, and household goods.

Participation in the Japan Food Safety Management Association

Seven & i Holdings became one of the founders of the Japan Food Safety Management Association (JFSM)*1, established in 2016 as the primary Japan-created operating body for food product safety management standards, along with food product manufacturers both in Japan and overseas. We did this in partnership with food-related companies, the Ministry of Agriculture, Forestry and Fisheries, and university researchers with the goal of responding to the increased handling of imported foods (globalization) in Japan and improving domestic food safety management. By utilizing the JFS standard*2 developed by this association, we aim to improve food quality as a retail group that is building a supply chain.
Currently, eight Group companies*3 that handle food products have become JFSM members and are promoting the improvement of food safety management levels within the Group. In addition, we are proceeding with the acquisition of JFS standard certification and conformance certification for factories that manufacture the Group's “Seven Premium” private brand products and fresh foods such as Seven-Eleven’s boxed lunches, rice balls, sandwiches, delicatessen items, noodles, and bread.

*1 An organization that creates and operates a Japanese food safety management standard (the JFS standard) and its certification/conformance certification system.

*2 A Japanese food safety management standard developed by JFSM that conforms to international standards that include Codex HACCP.

*3 Seven-Eleven Japan, Ito-Yokado, York Benimaru, York, SHELL GARDEN, Sogo & Seibu, Gottsuobin, Seven & i Food Systems

Obtaining Certification of Food Safety Management Standards that Conform to International Standards

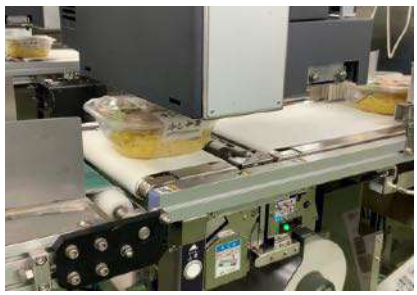
Fresh Food, our original products such as boxed lunches and delicatessen items sold at Seven-Eleven stores, are made by daily manufacturers who are members of Nihon Delica Foods Association (NDF)*1. In October 2018, NDF revised the NDF-HACCP Certification System to the NDF-FSMS certification system*2 in response to the institutionalization of HACCP for the international standardization of food sanitation management. In addition, in March 2020, all NDF member daily manufacturers obtained certification and conformance certification. (Number of the factories as of the end of February 2023: 172)
Similarly, we are working on obtaining certification and conformance certification related to food safety management standards that conform to international standards that include Codex HACCP, such as ISO 22000, FSSC 22000, and the JFS standard, at all manufacturing factories that produce the Group's “Seven Premium” private brand products. (As of the end of March 2024, 100% of the manufacturing factories have acquired certification.)

*1 The NDF was formed in 1979 to improve hygiene quality management levels at Fresh Food manufacturing facilities and to eliminate region-based quality differences.

*2 FSMS: The Food Safety Management System (FSMS) is a system designed to manage potential food safety hazards in order to ensure delivery of safe and reliable foods to consumers.

› For more details about Seven-Eleven Japan initiatives (in Japanese)





Acquisition of GAP Certification

Ito-Yokado is recommending the acquisition of Good Agricultural Practice (GAP) certification, an agricultural production process management method, in order to further improve the level of our quality management of its private brand “Traceable Vegetables with Producer's Faces” and “Traceable Fruits with Producer's Faces." GAP certification sets standards that should be implemented in day-to-day farm management to improve safety and protect the environment. Certification has been acquired by 307 producers as of the end of February 2023, and efforts will be made for further certification going forward.

Number of GAP Certification Holders

End of February 2022	End of February 2023	End of February 2024
226	307	359

› For more details about Ito-Yokado initiatives (in Japanese)

Acquisition of ISO 22000 Certification

York-Benimaru Co., Ltd. acquired certification under ISO 22000, an international food safety management system, at its Otsuki Store in Koriyama City, Fukushima Prefecture in March 2018. Certification has since been expanded to the York-Benimaru Head Office. Going forward, York-Benimaru is committed to expanding the scope of certification to include delicatessen factories of the former Life Foods Co., Ltd., which merged in March 2022. In addition, York-Benimaru will use the experience of acquiring ISO 22000 certification to introduce HACCP systems at all stores while training store employees. The company will also work to provide greater safety and confidence to local customers regarding food products and enhance product quality in all stages from procurement to sale.
In addition, at York, in April 2020, the York Mart Nerima Heiwadai store passed the one-year renewal of the Tokyo Metropolitan Food Sanitation Meister System, considered a step toward ISO certification.
IY Foods, a Group food manufacturer, acquired ISO 22000 certification in August 2016.





Hygiene Management Based on ISO 9001

Seven & i Food Systems' QC Office, the hygiene management department, has acquired the ISO 9001 international standard concerning quality management. Utilizing this system, the company is working to boost both hygiene management and employee training (application scope: Planning and Provision of Food Hygiene Management Systems in Stores).
In hygiene management, priority is placed on freshness management that is easy to understand and can be performed by anyone. The QC Office and others conduct checks at stores, and random checks of store hygiene are also conducted by a third-party hygiene inspection organization (wipe inspections). Store employees undergo periodic hygiene management training to raise hygiene management levels.

› For more details about Seven & i Foods Systems initiatives (in Japanese)





Audits of Processes at Apparel and Household Goods Manufacturing Factories

Seven & i Group sells apparel and household items, such as the Group's “Seven Premium” private brand products, while Group companies sell their own private brand products as well. To ensure the safety of these products, we conduct audits of our processes at our manufacturing factories both in Japan and overseas.
Since there is no official certification for manufacturing factories that guarantees a level of quality control for apparel and household items, Seven & i Holdings has established its own standards, and each Group company carries out external audits through specialized external institutions based on these standards. Seven & i Holdings issues a process audit “Compliance Certificate” to factories whose audit results have cleared certain standards.



Compliance certificate

Response to Product Incidents and Implementation of Exercises

Seven & i Holdings assumes the occurrence of product incidents and product defects within the Group. By conducting regular exercises, Seven & i Holdings and each Group company mutually confirm the flow from the occurrence of an incident to investigations, reports, and corrections, and confirm the effectiveness of the incident response system. Should a product incident occur, the company promptly reports to the president, deliberates and makes decisions on any corrective actions, and the department specializing in quality control confirms the implementation and completion of corrective actions.

External Recognition for Initiatives Addressing Quality Control

Ito-Yokado received the METI Minister Award at the Minister of Economy, Trade and Industry Product Safety Awards*1 three times, and was also certified as a gold product safety company*2 in the fiscal year ended in February 29, 2016—a first for a general supermarket. In March 2021, Ito-Yokado was again certified as the gold product safety company upon undergoing a follow-up audit, earning the single star Gold PS Award mark.

*1 The Ministry of Economy, Trade and Industry has been conferring this award since fiscal 2007 to raise awareness of corporate product safety and establish a culture of product safety that spreads the important value of product safety beyond the boundaries of companies to create a society where product safety is protected everywhere.

*2 Every five years after certification, the review committee will follow up to see if the efforts being made at the time of certification are still being maintained.

- Ito-Yokado received the METI Minister Award at the Minister of Economy, Trade and Industry Product Safety Awards in 2011, 2013, and 2015.
- Ito-Yokado was certified as a gold product safety company in 2015.
- Ito-Yokado was certified again (follow-up) as a gold product safety company in 2020.
- Ito-Yokado was once again certified as a gold product safety company in 2021.



single star Gold PS Award mark

Food Safety and Reliability

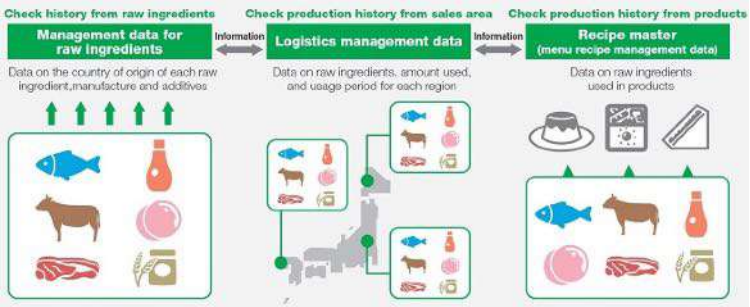
Seven & i Group is working on a variety of measures to emphasize safety and reliability at all stages from raw materials procurement through to sales.

Centralized Management of Production Records

Seven-Eleven Japan manages various daily food product items, which includes rice and delicatessen items. To accurately identify which factories produce them and what materials are used in which areas, Seven-Eleven Japan manages information from all its factories that make daily items by using a database system and links to the POS (point-of-sale) data at its stores to precisely manage the production history of its products, from the production region of the materials used to the stores where the products are sold. This allows us to immediately respond to any problems that may occur with raw materials. It also checks for the presence of allergic substances and additives in its products to ensure that they are sold with the utmost care.
In addition, Seven-Eleven Japan is also able to precisely track the volume of food materials, packaging, and containers used at every factory, which helps it reduce waste by limiting excess production, for instance. Moreover, the company voluntarily conducts DNA testing on rice to prevent the admixture of other varieties as well as testing for radioactive substances.

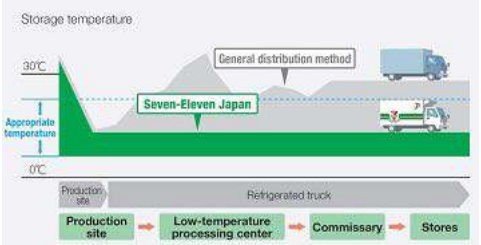
> For more details about Seven-Eleven Japan initiatives (in Japanese)

Seven-Eleven Japan's Raw Material Production Record Management Framework



Introduction of Cold Chains

Various leafy vegetables are used in 7-Eleven's original daily foods (rice balls, sandwiches, stuffed bread, salads, delicatessen items, noodles, and so on). We began introducing cold chains (low-temperature distribution networks) in 2005 for low temperature transportation and processing in order to maintain high levels of freshness of produce from harvesting in the field to delivery to stores. Harvested vegetables are consistently maintained at low temperature in delivery vehicles, at sorting centers and processing factories, and until placement on store shelves. In addition, the active use of domestic produce in regions close to where it was harvested reduces energy use in transportation.



Cold chains (low-temperature logistics networks)

Providing Reliable Products

Fresh Foods with Traceability (Traceable Fresh Foods with Producers' Faces)

Ito-Yokado sells products under its private brand Fresh Foods with Traceability, where it achieves an accurate understanding of production sites, production methods, and distribution channels and communicate these to customers. For these products, its procurement officers check with producers at the production sites to ensure that they are using appropriate cultivation and stock-raising management. Before the products are sold, various tests are conducted, including agricultural chemical residue tests, as well as soil, feed, and water quality tests, and third-party confirmation is obtained. Products are also inspected for radioactive substances. As of June 1, 2024, the Fresh Foods with Traceability brand offers a selection of 80 items of vegetables and fruits, 30 items of fresh meat, 11 items of fresh fish, and 6 items of processed foods, totaling 127 items.

> For more details about Ito-Yokado initiatives (in Japanese)

Producer Information Disclosure Methods (Example from Ito-Yokado)



Products with Visible Production Areas

York-Benimaru has established a section called "The Secrets of Deliciousness, Safety, and Reliability" on its website, providing information on the production site, characteristics, production process, producers, and other aspects of the fresh food that the company has carefully selected.

> For more details about York-Benimaru initiatives (in Japanese)

Approach toward the Use of Food Additives

Seven-Eleven Japan aims for fresh, homemade taste for fresh foods such as boxed lunches, and when using food additives, uses the minimum amount and types necessary. Further, we have set voluntary standards for food additives and make every effort to minimize the use of food additives that are of deep concern to our customers. In addition, with regard to labeling on use of additives, we conform to the Consumer Affairs Agency’s “additive free and not-used guidelines” and promote labeling that does not mislead customers.

> For more details about Seven-Eleven Japan initiatives (in Japanese)

Reducing Trans-Fatty Acids

It is said that excessive trans-fatty acids increase bad cholesterol in the blood and reduce good cholesterol, heightening the risk of coronary heart disease among other things. In Japan, where intake is low compared to other countries such as Europe and the United States, there is currently no obligation to display trans-fatty acids and no upper limits have been set. Seven-Eleven, however, has been voluntarily making improvements since 2005 to reduce the total amount of trans-fatty acids. In addition, from 2007 we have improved frying oil in order to reduce trans-fatty acids produced in the process of processing fats and oils.

› For more details about Seven-Eleven Japan's initiatives for the reduction of trans-fatty acids (in Japanese)



Reduction of Trans Fatty Acids

(Example) Amount per 100 g of Honokana Amami Strawberry Jam Margarine

FY2005	FY2007	FY2012	FY2019	FY2022
1.86g	0.18g	0.15g	0.11g	0.09g

Labeling of Food Allergy Information

Seven & i Group, in addition to displaying information about seven specified ingredients (egg, milk, wheat, shrimp, crab, buckwheat, and peanuts) that are required to be labeled under the Food Labeling Law, also recommends displaying information about 21 equivalent items※ so that people with food allergies can choose products with confidence.
Further, due to the Consumer Affairs Agency adding almonds to the “equivalent items” category in September 2019 in light of the increase in the number of people with allergies caused by almonds, Seven-Eleven Japan and Ito-Yokado have been proactively displaying information about almonds as well.

※Items recommended for the “equivalent items” category: abalone, squid, salmon roe, oranges, cashew nuts, kiwifruit, beef, walnuts, sesame, salmon, mackerel, soybean, chicken, banana, pork, matsutake mushrooms, peaches, yam, apples, gelatin, and almonds

Display on all Fresh Foods

Seven-Eleven Japan displays specified ingredients and equivalent items on all fresh foods, including boxed lunches, rice balls, sandwiches, delicatessen items, noodles, bread, and pastries. Additionally, for in-store cooked products (hot snacks, oden, Chinese steamed buns), the use of specified ingredients is displayed on in-store POP, and information on specified ingredients and equivalent items is disclosed on the website.

› For more details about allergy information of in-store cooked products (in Japanese)

Display on Products Cooked In-store

At Ito-Yokado, in-store cooked sushi, delicatessen items, etc. are labeled with "specific raw materials" and "equivalent items (excluding almonds)." The food products in the container have allergy information on their labels. For the products sold separately without packaging, a list of allergens contained in each product is posted at the store.

Display on menu book and terminal tablet

Ever since the menu revision in September 2018, Denny's of Seven & i Food Systems has printed information about the use of allergens (specified ingredients and equivalent items) to all menus for all time zones. In addition, a list of allergy information is available on the website, and customers can also search the menu name by allergen only in Denny's in-store menu.

› For more details about Denny's initiatives (in Japanese)

Sales of Products with Food Allergy Considerations

Seven & i Group offers a low-allergen menu to make meals delicious and enjoyable, regardless of food allergies or not.

Sales of "Low-Allergen Menu and Low-Allergen Cake”

At the Denny’s restaurant chain managed by Seven & i Food Systems, there is a low-allergen menu and low-allergen cake for children that do not include any of the seven specified allergens (eggs, milk, wheat, buckwheat, peanuts, shrimp, and crab), created out of consideration for children who have food allergies. When the meals are prepared at the restaurants, employees cook and arrange the food in an area separate from the regular cooking line, and the tableware is individually washed and stored to prevent secondary contamination by allergens.

› For more details about Denny’s initiatives (in Japanese)



Low-allergen menu



Low-allergen cake

Conducting Food Allergy Workshops

As part of its initiatives to understand food allergies, Seven-Eleven Japan has been co-hosting workshops since 2021 with the Atopicco Network for Children of the Earth, an authorized NPO. The workshops targeted people in their 10s and 20s with food allergies, and their guardians. At discussions held in February 2024, participants shared their experiences of accidental ingestion, talked about how they chose actual products, and provided other information, thus deepening mutual understanding. Seven-Eleven Japan is committed to continued efforts to make display of allergens more accessible by referring to the opinions from the workshops.



Workshop on food allergies 1



Workshop on food allergies 2

Regarding Handling of Genetically Modified Foodstuff

Seven & i Goup labels genetically modified foodstuffs in accordance with relevant domestic regulations. In addition, genetically modified ingredients are not used for the main ingredients—for which labeling is obligatory—of products under the Group's private brand Seven Premium (excluding certain products such as soy sauce and oil which use genetically modified potatoes, corn, soy beans, and other products which are permitted to be imported by the Japanese government).

Inspection for Radioactive Substances

In response to an increase in inquiries about radioactive materials since the Great East Japan Earthquake, Seven & i Group voluntarily conducts inspections to complement the monitoring conducted by the government, and we have posted details on our website. Inspections for radioactive substances are conducted for Ito-Yokado's Traceable Foods with Producers' Faces and the results are published on its website.
Further, York-Benimaru, has also been posting the results of the inspection of radioactive materials conducted by its business partners and government agencies on its website.

> For more details about York-Benimaru initiatives (in Japanese)

Health and Nutrition

In a rapidly diversifying society characterized by declining birthrate and aging population, rise of single-person households, and advancement of women in society, Seven & i Holdings is striving to provide nutritionally balanced food products in consideration of customers' further health-consciousness amid the growing focus on health and nutrition.
In May 2020, in order to create new value for the Group's “Seven Premium” private brand products, the “Seven Premium Connect Declaration” was formulated. It consists of four pillars: eco-friendliness, health-consciousness, high-quality products, and global compatibility. Specific measures included displaying sugar and dietary fiber content on nutrition labels (since September 2019) and developing products with reduced salt and sugar. In development of Seven Premium products, the optimal supplier and Group product development division form a team for the product, and specialists from both sides contribute their information and expertise in a process called “team merchandizing.” The teams include suppliers who have nutrition and health experts or R&D centers of their own.

Example of health food products



“Seven Premium Zero Cider Triple Fiber 500ml”
Zero-calories, zero-sugar, and zero-fat carbonated beverages with dietary fiber

Sales of Healthy Food Products

In light of the need for plant-derived protein, we have the lineup of products that use soy-based meat in the Group's Seven Premium line of private brand products. Ito-Yokado offers boxed lunches supervised by national registered dietitians, with attention given to nutritional balance. We sold 340,000 packages in the fiscal year ended February 29, 2024. By adding dietary fiber, vegetables, and so on, reducing salt and sugar content, and using fewer additives, we will provide customers with healthier products that meet their specific needs



Seven Premium "Soy Meat - Minced"



Seven Premium "Tofu Sweets Bar - Gateau Chocolat"



Ito-Yokado's boxed lunch supervised by dietitians

Labeling of Nutritional Components

In addition to the five components* of energy, protein, fat, carbohydrates, and salt equivalents stipulated by the Food Labeling Law, the Seven & i Group displays two items often requested by customers: sugars (available carbohydrates) and dietary fiber. Sugar and dietary fiber content are displayed on the Group's “Seven Premium” private brand products, fresh foods such as 7-Eleven's boxed lunches, rice balls, sandwiches, delicatessen items, and noodles, and sushi and delicatessen items cooked in Ito-Yokado stores.
In addition, for certain products of “Seven Premium,” we also provide labelling of components subject to voluntary labeling such as saturated fatty acids, trans-fatty acids, and cholesterol. Calorie counts are printed on the front of many products to make it easier for customers to find when selecting a product.
In addition, icons colored in orange or green are displayed on the front of the packaging so that it is easier to understand the product features. The green icon is used to indicate nutrients like sugar and salt that should not be consumed in excess of what is necessary, while the orange icon indicates nutrients like protein and dietary fiber that should be supplemented.

* Excluding some products with discretionary labeling and small surface area



Example of nutritional labeling showing sugars and dietary fiber: Seven Premium "Potato Salad"



Example of nutritional labeling showing saturated fatty acids, trans fatty acids, and cholesterol: Seven Premium Gold "Golden Bread"



Example of green icon (nutrients that should not be consumed more than necessary) labeling: Seven Premium "Four Types of Unsalted Roasted Mixed Nuts"



Example of orange icon (nutrients to be supplemented) labeling: Seven Premium Edamame and Hijiki Tofu Bar

Conducting Dietary Education Events for Children

Seven & i Holdings conducts dietary education events* primarily for children of elementary school age or younger as part of its social contribution activities through food. The activities were started in 2022, and by September 2024, a total of six events had been organized with more than 100 customers in total. We are committed to continually enriching the deitary habits of local customers and making them enjoyable through menu suggestions and events.

* Events that aim to help children gain accurate knowledge of food and develop desirable eating habits



Material Issue 3 Realize decarbonization, circular economy, and society in harmony with nature, through environmental efforts

Approach to the Material Issue

The Seven & i Group has grown to operate approximately 85,800 stores worldwide, serving over 63.6 million customers daily as of the end of February 2024. To ensure that the development of such businesses does not lead to an increase in environmental negative impact, we are working in collaboration with various stakeholders in the value chain to reduce CO_2 emissions from energy consumption, reduce waste, and promote recycling.
In May 2019, we announced the "GREEN CHALLENGE 2050" Environmental Declaration, in which we establish Seven & i Group's ideal society as one that is decarbonized, has a circular economy, and is in harmony with nature. We established goals for 2030 and 2050 related to CO_2 emission reduction, plastic countermeasures, food loss and waste / organic waste recycling countermeasures, and sustainable procurement. We believe that reducing waste of energy, resources, and raw materials to achieve our goals will lead to cost reductions.

- Relevant Policies

  Seven & i Group Nature Policy >

  "GREEN CHALLENGE 2050" Environmental Declaration >

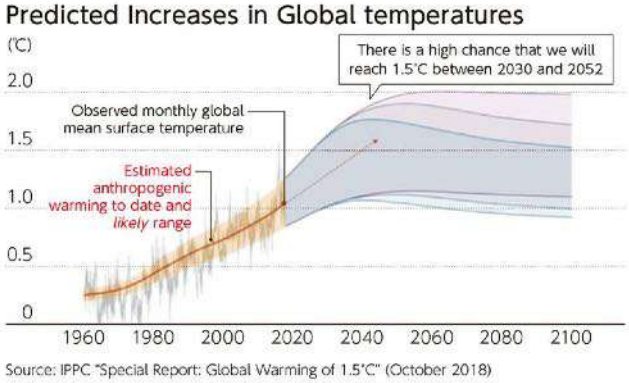
  Seven & i Group Sustainable Sourcing Principles and Policies >

  Business Partner Sustainable Action Guidelines >

Background to the Material Issue

Climate Change

Climate change is a significant threat that affects future generations, leading to sea level rise, an increase in extreme weather events, and impacts on agriculture and fisheries. According to the "Sixth Assessment Report" released by the Intergovernmental Panel on Climate Change (IPCC) in 2022, human activities have contributed to an average temperature increase of approximately 1.0°C compared to pre-industrial levels. To limit the temperature rise to 1.5°C, it is necessary to achieve net-zero emissions of greenhouse gases, including CO_2, by 2050.



Source: IPPC "Special Report: Global Warming of 1.5°C" (October 2018)

Food Loss and Waste

While one in nine people worldwide suffers from malnutrition, Japan generates 22.32 million tons of food loss and waste annually. Of this, 4.72 million tons is food that is still edible but gets discarded, which is equivalent to each person in the country throwing away a bowl of rice every day.



* Source : "Food Loss and Waste & Recycling" Updated as of November 2024 (Ministry of Agriculture, Forestry and Fisheries)

Resource Circulation

Plastics, which are highly convenient, are used in various situations in our lives, and over 8.3 billion tons* of plastic have been produced since 1950. Meanwhile, 9% of plastic is recycled and 79% is sent to landfills or disposed of in nature. At this rate, it is estimated that 12 billion tons of plastic will be sent to landfills or disposed of in nature by 2050, and there are reports that the amount of plastic in the ocean exceeds the amount of fish*. The issue facing us is to build a recycling-oriented economic society that makes effective use of existing resources without waste.

* From Plastics Smart, Ministry of the Environment, "The State of Plastic in Japan and Overseas <5th collection of reference materials>" (in Japanese) [PDF:11.2MB]

Contribution to SDGs

In addressing this material issue, Seven & i Holdings contributes to achieving goals 2, 6, 7, 12, 13, 14, and 15 of the Sustainable Development Goals (SDGs) by reducing CO_2 emissions and waste of food products, and so forth.



Seven & i Groups' Initiatives

Environmental Management >

Climate Change Measures >

Introduction of Environmentally Friendly Packaging >

Effective Use of Resources >

Measures against Food Loss/Waste and for Organic Waste Recycling >

Sustainable Procurement of Raw Materials >

Supply Chain Management (Environment) >

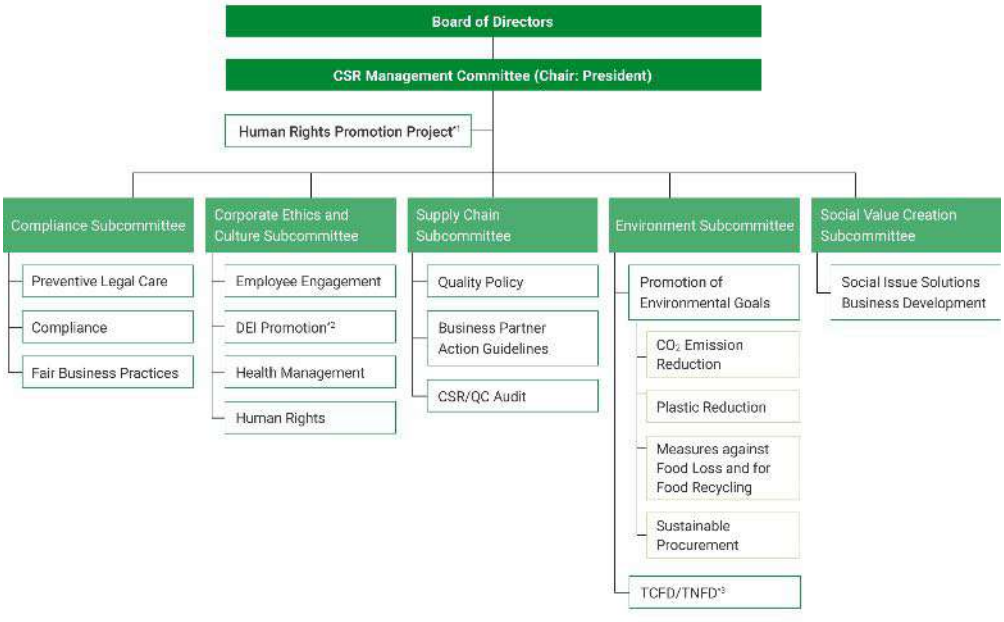
Environmental Management

Seven & i Group is actively working to reduce its environmental impact in order to contribute to the creation of a sustainable society and leave a prosperous planet to future generations. In May 2019, we announced the “GREEN CHALLENGE 2050” environmental declaration, which sets out our vision for society and our goals for 2030 and 2050.
We are moving ahead with environmental initiatives by way of the Seven & i Holdings Environment Subcommittee, which is attended by the supervisors of the Environment Divisions at our Group companies, as well as through our Innovation Teams established for the purpose of implementing initiatives falling under the environmental declaration “GREEN CHALLENGE 2050.”
In addition, each Group company has established an environmental management system appropriate to its line of business.

Promotion Framework

Seven & i Group CSR Management Committee meets twice a year. The Committee, chaired by our company President, is attended by CSR managers from the Group companies—who serve as those companies' President and Representative Directors—and managers of their CSR promotion divisions, as well as managers from divisions from Seven & I Holdings engaged in work related to CSR promotion. The CSR Management Committee has established an Environment Subcommittee as a subordinate organization to deal with climate change issues. It consists of managers from the environmental departments of the Group companies.
In addition, when we announced the environmental declaration “GREEN CHALLENGE 2050”in May 2019, we established the Environmental Innovation Team, the goal of which is to alleviate environmental load working from four different perspectives, including CO_2 emission reduction and plastic reduction strategies. This is a company-wide initiative. The CSR Management Committee receives reports on trends in indicators and on initiatives mainly for mitigation measures. The Committee approves measures implemented by the subcommittees and each Group company, and provides any necessary advice. Progress reports on these initiatives are submitted to the Board of Directors of Seven & i Holdings at least twice a year, at which time policies and initiatives are reviewed as necessary.

Organizational Structure of Sustainability Promotion



*1 Promoting human rights due diligence and responding to serious human rights incidents
*2 Diversity, Equity, and Inclusion. Promote a diverse organization that respects individual differences and emphasizes fairness
*3 Task Force on Climate-related Financial Disclosures/Task Force on Nature-related Financial Disclosures

Environmental Management System

With a view to boosting the effectiveness of Group-wide environmental management, the Seven & i Group is putting forth initiatives to acquire the ISO14001 international standard in environmental management. By way of regular internal audits, which include observation, assessment, and analysis, environmental management systems are evaluated with a view to ascertaining the efficiency of improvement initiatives. We also conduct reviews of management personnel in order to ensure smooth implementation of improvement initiatives. Additionally, Seven-Eleven Japan is taking steps to acquire the Ministry of the Environment's Eco Action 21 certification at dedicated factories, working together with the Nihon Delica Foods Association (NDF).

ISO 14001 Acquisition

Seven & i Group strives to maximize the effectiveness of its environmental management strategies. To this end, we are moving ahead with steps to acquire the international-standard ISO 14001 Sogo & Seibu became the first in the department store sector to achieve ISO 14001 certification in 1999, and has successfully maintained it continuously at all business sites. Subsequently, Seven-Eleven Japan acquired certification at the end of February 2015 for its offices and directly-managed stores throughout Japan. Meanwhile, Seven & i Food Systems attained certification in February 2015 for its Head Office and some Denny's restaurants. All in all, the Group companies achieving certification are carrying out initiatives to reduce environmental footprint, working through the ISO 14001 certification framework. They also conduct annual environmental audits to ascertain both the appropriateness and effectiveness of the management system. The sales ratio of the operating companies that have obtained ISO 14001 certification is approximately 31% of the Group's net sales.

Eco Action 21 Certification Acquired

In collaboration with the Nihon Delica Foods Association (NDF), Seven-Eleven Japan conducts information sharing on examples of initiatives that have substantial energy-saving effects at biannual NDF nationwide CSR promotion conferences. High value is placed on creating a system that can respond to a variety of environmental issues including compliance, energy-saving measures, and the reduction of CO_2 emissions and food loss and waste. Based on the results confirmed above, Seven-Eleven Japan has declared that it will utilize an environmental management system, and with regard to the acquisition of Eco Action 21, established by the Ministry of the Environment, it is taking proactive measures such as holding briefings.

	End of February 2022	End of February 2023	End of February 2024
Number of daily product manufacturing factories	177	176	172
Number of Eco Action 21 Certified Factories	137 (approx. 77%)	152 (approx. 86%)	157 (approx. 91%)

Third-Party Audit of CO_2 Emissions

To correctly assess and verify the initiatives taken to reduce environmental impact, each year since 2015, Seven & i Group has undergone third-party audits of CO_2 emissions from store operations. In 2023, audits of 11 companies*1 were conducted. The sales of the 11 companies covered about 98% of the Group's total sales. The CO_2 emissions from store operations of the 11 companies in the fiscal year ended February 29, 2024 were 106,818 tons for Scope 1, and 2,497,963 tons for Scope 2. Moreover, by undergoing a third-party audit of the data for the Category 1*2 emissions of Seven-Eleven Japan, which accounted for about half (10,552,453 tons) of the Scope 3 emissions, we improved the accuracy and reliability of the quantitative data internally and externally.

*1 The 11 companies are: Seven & i Holdings, Seven-Eleven Japan, 7- Eleven, Inc., Ito-Yokado, York-Benimaru, SHELL GARDEN, IY Foods, Akachan Honpo, THE LOFT, Seven & i Food Systems, and Seven Bank

*2 The CO_2 emissions associated with "purchased products and services" (procurement of raw materials, outsourcing of packaging, procurement of consumables, etc.) from among the 15 categories of Scope 3.


GREENHOUSE GAS EMISSIONS VERIFICATION STATEMENT

Third-Party Verification Report

› Third-Party Verification Report

Management of Water

At each store of Seven & i Group, in addition to the daily efforts made to conserve water, water-conserving faucets and energy-saving flushing toilets are also being introduced. Furthermore, through utilizing rainwater and so forth, we are working to reduce the volumes of water used. In the fiscal year ended February 29, 2024, water usage in conjunction with store operation was reduced to 20,854,000 m^3*, and water consumption per million yen in sales decreased as in the previous fiscal year.

Additionally, treatment of wastewater from store locations is similarly managed by each of the Group companies in an environmentally friendly manner. By strictly observing national laws as well as the municipal laws and ordinances of the areas in which the stores are located, and by implementing appropriate wastewater treatment and purification for the specific region, we take the necessary steps to prevent contaminated water from flowing into ocean or river waters.

* Seven companies included: Seven-Eleven Japan, Ito-Yokado, York-Benimaru, SHELL GARDEN, Akachan Honpo, THE LOFT, and Seven & i Food Systems

	FY2019	FY2020	FY2021	FY2022	FY2023
Water consumption (1,000㎥)	23,606	20,537	20,893	19,424	20,854
Water consumption per million yen in sales (㎥/million yen)	3.1	2.9	2.9	2.9	3.0

Management of CFCs

At Seven & i Group's stores, devices using CFCs are replaced with ones using CFC alternatives during remodeling and so forth. Moreover, to prevent leakage of CFCs, devices undergo regular inspections and leakage assessments required by the government in compliance with the April 2015 Act on Rational Use and Appropriate Management of Fluorocarbons. Devices using CFCs are disposed of by professional companies in compliance with the law, and stores receive collection certificates from these contractors as proof of appropriate disposal. Substitute CFCs include HCFC (hydro chlorofluorocarbon), production of which is to be banned in developed countries by 2020. As this will require a changeover to another type of substitute, we also plan to further promote the introduction of non-CFC devices in freezing and refrigeration equipment used for product display at our stores.

Stores with CO_2 Refrigerant Freezing and Refrigeration Equipment

	End of February 2022	End of February 2023	End of February 2024
Seven-Eleven Japan	359 stores	769 stores	1,262 stores
Ito-Yokado	4 stores	4 stores	4 stores

Climate Change Countermeasures

Seven & i Group recognizes that the issue of climate change exerts a negative impact on the stable society that is essential for the sustainable development of companies. We would like to contribute in achieving the greenhouse gas reduction targets set forth in the Paris Agreement. In the “GREEN CHALLENGE 2050” environmental declaration formulated in May 2019, we identified the decarbonized society as the ideal that we should be aiming for. We are promoting energy conservation and the expanded use of renewable energy, with the goal of reducing CO_2 emissions generated from store operations by 50% compared to FY2013 by 2030 and down to net-zero by 2050.



Managing Climate Change Risks

The Seven & i Group companies conduct a risk identification process based on a common group risk classification twice a year. Along with quantifying risk assessments considering the impact and likelihood of risks, they compile countermeasures for each risk into a risk assessment sheet and submit it to the Seven & i Holdings Corporate Governance Department (Risk Management Committee Secretariat). This risk assessment sheet includes not only quantitative risks but also qualitative risks such as CO2 emission regulations, business continuity risks due to recent large typhoons, and changes in the production areas and fishing grounds of product raw materials.
The Risk Management Committee, which is held twice a year, comprehensively grasps the group's risk situation based on the risk assessments and countermeasures submitted by each group company.
From the perspectives of severity and urgency of improvement, the committee monitors the risk management and improvement efforts of each company. The status of such risk management is, in principle, reported to the Seven & i Holdings Board of Directors once a year. Seven & i Holdings and its group companies analyze and evaluate risks appropriately in each business, considering changes in the business environment and risk factors. To respond accurately, they have established, maintained, and operated an integrated risk management system centered on the Risk Management Committee based on the basic regulations of risk management. Risks related to climate change are also managed under this integrated risk management system.
The Risk Management Committee receives reports on the risk management status of each company from the respective risk management departments, discusses comprehensive risk identification, evaluation, analysis, and countermeasures, and determines future directions. Additionally, the status of such risk management is reported to the Seven & i Holdings Board of Directors once a year, in principle.
In recent years, in addition to changes in the internal environment of the Seven & i Group, the impact on business activities due to various changes in the external environment, such as CO2 emission regulations, large typhoons, and changes in the production areas and fishing grounds of product raw materials, has been increasing. In the fiscal year 2023, to respond to these changes, the risk management system was reviewed to consider not only short-term risks but also medium- to long-term risks. In the risk evaluation process, qualitative elements such as business continuity and damage to the group's brand image were added to the traditional quantitative elements as evaluation perspectives for the impact on performance if risks materialize. This aims to diversify and enhance the evaluation and analysis of various risks. Furthermore, by identifying high-priority risks from the perspectives of importance and commonality, and clarifying the roles and responsibilities of Seven & i Holdings and its group companies, the effectiveness of risk management across the group is being enhanced.

› Response to TCFD Recommendations

Measures for Adaptation to and Mitigation of Climate Change Risks

All Seven & i Group stores are committed to an enduring concern around weather and temperature change and this is reflected in our daily ordering and sales floor organization. In product development and lineups as well, we strive to provide products that meet customers' needs by establishing a hypothesis based on weather changes over several months. At the same time, we will respond carefully to changes in customers' purchasing behavior driven by abnormal weather and temperature changes affected by climate change.
The "Seven Farm" environmental recycling-oriented agriculture initiative of Ito-Yokado buys the entire quantity of harvested produce, including imperfect shape/size items. This enables us to procure and sell vegetables steadily regardless of market trends. In this way, we are also addressing the aspect of stable product procurement.
In addition, Seven & i Holdings is establishing systems to prepare for disasters associated with sudden weather phenomena, such as the numerous incidents of heavy rain and landslides that have occurred recently in Japan. For example, we have distributed booklets to employees summarizing how to respond in an emergency, and we have also been holding regular simulation drills using teleconferencing systems and so forth. Furthermore, Seven & i Holdings is constructing 7VIEW (Seven Visual Information Emergency Web), a system that not only consolidates Group-internal information but also enables the provision, sharing, and joint use of disaster information in collaboration with business partners. The system gathers information from the Group and through cooperation with business partners.
Measures to mitigate climate change include various initiatives related to reducing our environmental impact, such as energy conservation and use of renewable energy at stores, along with forest maintenance and related activities throughout Japan.

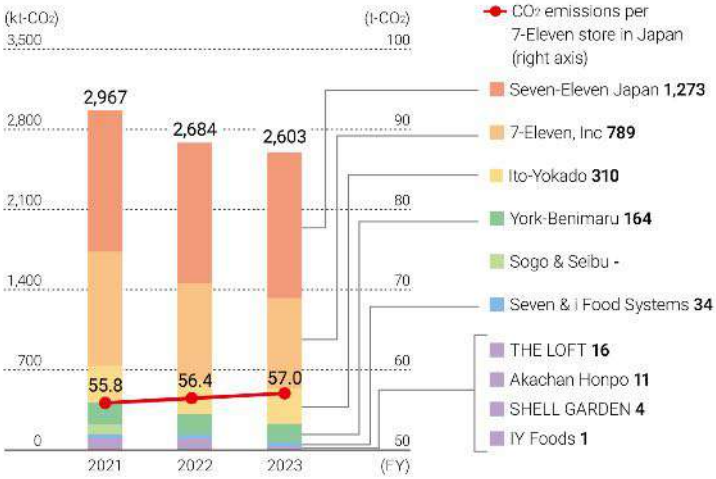
Operational Status of Seven Farm (in Japan)

End of February 2022	End of February 2023	End of February 2024
12 places (approx. 250 ha in total)	11 places (approx. 250 ha in total)	11 places (approx. 250 ha in total)

Reduction Targets for CO_2 Emissions

Approximately 90% of the CO_2 emissions by each Seven & i Group company are from the energy use for store operations. For this reason, we set a target of reducing CO_2 emissions from store operations to net-zero by 2050 so that CO_2 emissions may not increase in conjunction with the expansion of business and increases in the number of stores.

CO_2 Emissions Resulting from Store Operations*



* The figure in the top portion of the bar graph for FY2021 is the total for the following 12 companies: Seven-Eleven Japan, 7-Eleven, Inc, Ito-Yokado, York Benimaru, York, SHELL GARDEN, IY Foods, Sogo & Seibu, Akachan Honpo, THE LOFT, Seven & i Foods Systems, and Barneys Japan
* The figure in the top portion of the bar graph for FY2022 is the total for the following 10 companies: Seven-Eleven Japan, 7-Eleven, Inc, Ito-Yokado, York Benimaru, York, SHELL GARDEN, IY Foods, Akachan Honpo, THE LOFT, and Seven & i Foods Systems
* The figure in the top portion of the bar graph for FY2023 is the total for the following nine companies: Seven-Eleven Japan, 7-Eleven, Inc, Ito-Yokado, York Benimaru, SHELL GARDEN, IY Foods, Akachan Honpo, THE LOFT, and Seven & i Foods Systems
* From 2023, York's figure will be combined with that of Ito-Yokado
* For calculation conditions for the figures of each Group company, please refer to the data section published on the website

Promotion of energy conservation by employees

Seven & i Group companies are promoting energy-saving activities in stores together with their employees to reduce electricity consumption in stores and to promote environmental education and awareness among employees.
For example, Seven-Eleven Japan has established "Six Priority Energy Conservation Actions" for its stores, and has developed a system for employees to take the initiative in energy conservation. Ito-Yokado conducts initiatives tailored to the business characteristics of each company, such as raising awareness among employees about energy-saving activities through posters and other means.
We are promoting the reduction of CO_2 emissions by placing the highest priority on reducing electricity consumption in our stores.

Energy Saving Contest

Seven companies* have participated in the group-wide energy-saving contest to promote energy-saving at stores/offices and to expand good energy-saving practices within the group since FY2023. The CSR Management Committee, chaired by the president of Seven & i Holdings, presented awards in February 2024 to the stores and employees that received the President's Award.

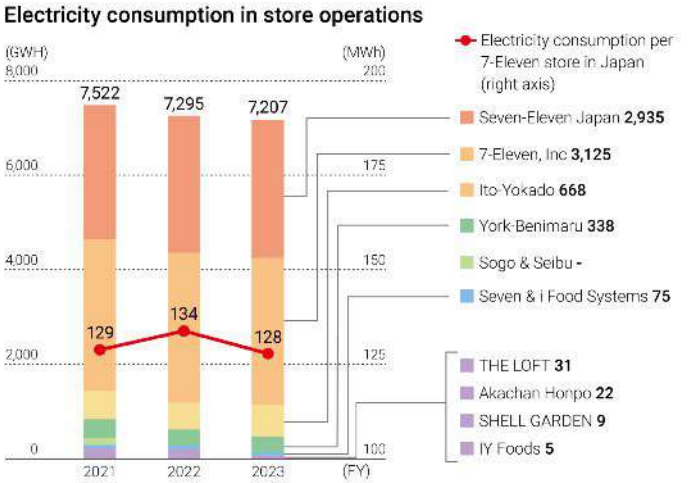
*Seven-Eleven Japan, Ito-Yokado, York-Benimaru, Seven & i Food Systems, THE LOFT, Akachan Honpo, Seven & i Create Link

Promoting the Introduction of Energy-Saving and Energy-Creation Equipment at Stores

To curtail the increase in environmental negative impact proportionate to the increase and enlargement of stores and the expansion of products and services, each Seven & i Group company is installing energy-saving and energy-creation equipment such as LED lighting and solar panels when opening new stores and refurbishing existing ones. Conserving energy at stores also leads to lower costs for energy use.
For example, at Seven-Eleven Japan stores, we are promoting environment-friendly store development by converting all types of lighting to LED, including store signage, sales area lighting, and sign poles. In 2014, we introduced new specification LED lighting that can further reduce electricity usage in stores by approximately 50%. In addition, we have made progress in installing solar panels. Ito-Yokado is committed to the installation of LED lighting and setting up of solar panels at all its stores. Additionally, York-Benimaru has also expanded the number of stores installed with solar panels.
The Group operating companies are promoting the wider use of renewable energy.

Number of Stores with Solar Panels

	End of February 2022	End of February 2023	End of February 2024
Seven-Eleven Japan	8,775	8,823	8,962
Ito-Yokado	19	23	23
York-Benimaru	21	42	85



* The figure in the top portion of the bar graph for FY2021 is the total for the following 12 companies: Seven-Eleven Japan, 7-Eleven, Inc., Ito-Yokado, York Benimaru, York, SHELL GARDEN, IY Foods, Sogo & Seibu, Akachan Honpo, THE LOFT, Seven & i Foods Systems, and Barneys Japan
* The figure in the top portion of the bar graph for FY2022 is the total for the following 10 companies: Seven-Eleven Japan, 7-Eleven, Inc., Ito-Yokado, York Benimaru, York, SHELL GARDEN, IY Foods, Akachan Honpo, THE LOFT, and Seven & i Foods Systems
* The figure in the top portion of the bar graph for FY2023 is the total for the following nine companies: Seven-Eleven Japan, 7-Eleven, Inc., Ito-Yokado, York Benimaru, SHELL GARDEN, IY Foods, Akachan Honpo, THE LOFT, and Seven & i Foods Systems
* From 2023, York's figure will be combined with that of Ito-Yokado
* For calculation conditions for the figures of each Group company, please refer to the data section published on the website



LED lights



Solar panels

Introduction of Large-Scale Solar Power Generation

As part of efforts to reduce CO_2 emissions from store operations based on Seven & i Group's "GREEN CHALLENGE 2050" environmental declaration, a large-scale solar panel generation system went into operation in July 2020 at Ito-Yokado's Ario Ichihara store. As an effective utilization of Ario Ichihara's space, solar panels were placed on the roof and are being used to generate some of the electricity consumed by the store. It is now possible to provide about 25% of the total electricity used by Ario Ichihara from the solar panels, as a result of which CO_2 emissions from electricity use can be reduced by about 25%. It is one of the largest generation systems of its kind at a commercial facility in Japan.



Large-scale solar panels at Ario Ichihara store

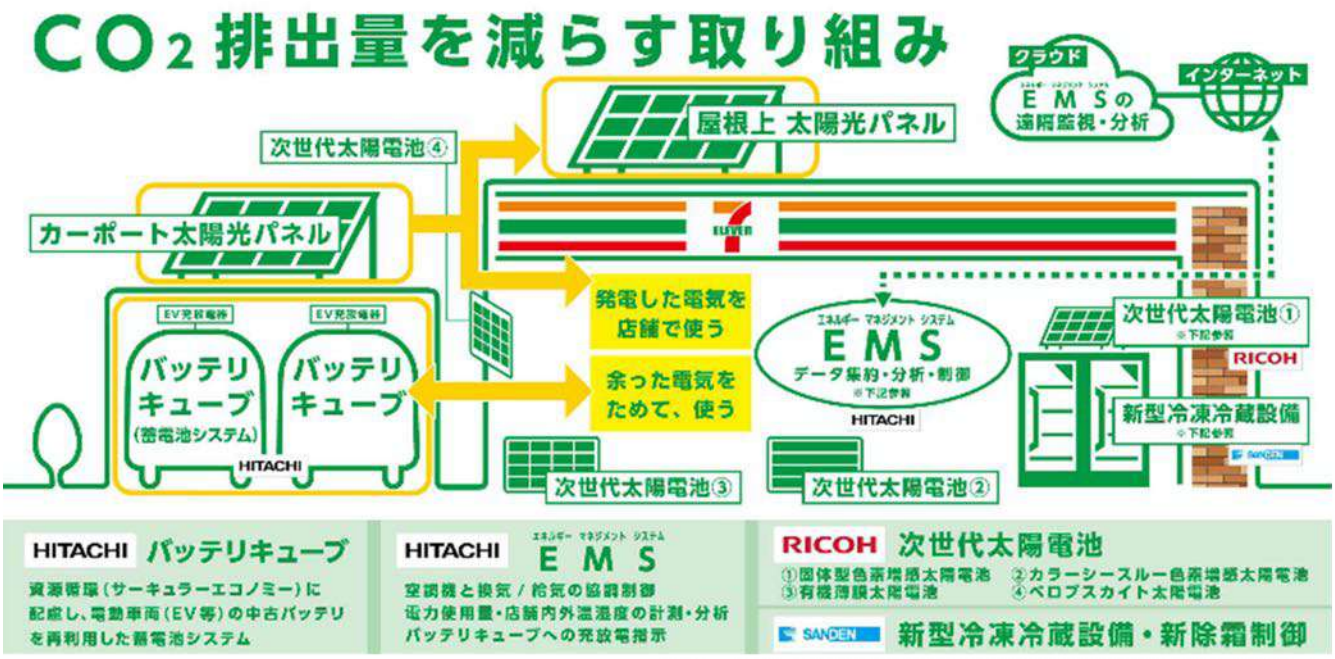
Start of Energy-Saving Store Demonstration Test

Seven-Eleven Japan opened the Ome Shinmachi 7-Eleven store as a test store for energy saving using state-of-the-art equipment and technology. As part of our efforts to reduce CO_2 emissions from store operations based on the Group's "GREEN CHALLENGE 2050" environmental declaration, this store has introduced various energy-saving※1 structures and equipment and energy-creation and -storage systems, including highly efficient solar panels and architecture with efficient air conditioning.

In addition, the 7-Eleven store at Misato Hikonari 2-chome store launched a demonstration project as an environmental impact reducing store in June 2023. New initiatives include installation of new refrigeration and freezer devices, an air supply system that draws in outside air to reduce the load of refrigeration and freezer devices and air conditioning equipment, and an energy management system (EMS) that monitors and controls the usage conditions of energy-saving equipment and air conditioning systems.

We will investigate using these trials and demonstrations at stores as a first step for expansion to other stores throughout Japan where possible.

※1 The store has introduced various energy-saving equipment, including revised LED lighting, changed walk-in door specifications, an in-store positive-pressure system, improved performance of chilled-case air curtains, and auto clean filters for refrigerators and freezers.



セブン-イレブン三郷彦成2丁目店の例（2023年6月:実証実験開始時）

Commencement of Trial Test on 100% Renewable Energy Store Operation

In September 2019, as an initiative based on the Agreement on Cooperation and Collaboration in Promoting SDGs between Seven & i Holdings and Kanagawa Prefecture as well as Seven & i Group's "GREEN CHALLENGE 2050" Environmental Declaration, Seven Eleven Japan started a trial test at 10 7-Eleven stores in Kanagawa Prefecture; all electric energy related to store operation is procured using renewable energy.

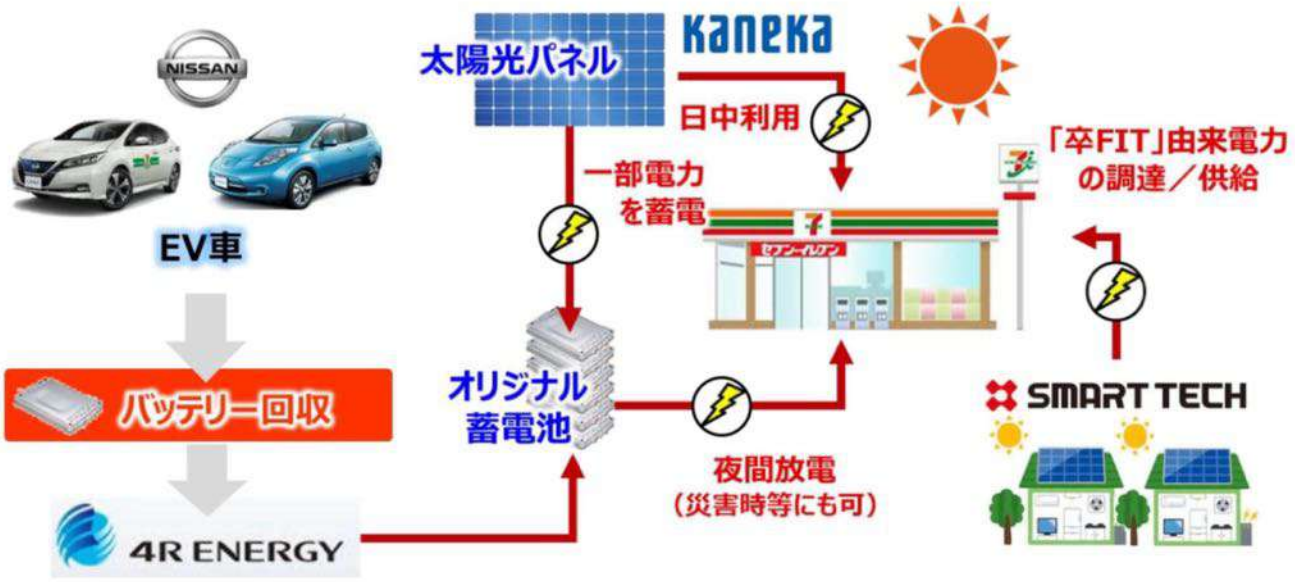
4R Energy Corporation's original batteries—which uses reused batteries from the Nissan LEAF electric vehicle produced by Nissan Motor Corporation—and solar panels with significantly improved electric power generation efficiency made by Kaneka Corporation are installed at stores undergoing the trial. Electric power is used efficiently through in-house power generation. In addition, since November 2019, the procurement of electric power beyond what in-house generation is being supplied by SMART TECH Corporation based on post-FIT※1, which allowed an actual renewable energy rate of

100%※2 when combined with in-house power generation. The electricity generated during the day will be stored and used at night to save energy in stores and strengthen their function as regional infrastructure in the event of a disaster. In addition to initiatives such as “people- and environment-friendly stores” made thus far, we aim to significantly reduce CO_2 emissions through this initiative.

※1 In addition to initiatives undertaken so far, such as people- and environment-friendly stores, Seven & i aims to significantly reduce CO_2 emission through this initiative. It is an assistance scheme that fixes the buyback price of energy produced. Post-FIT is expected to gradually occur from November 2019 as the scheme ends for solar energy.

※2 Achieve an actual renewable energy rate of 100% by combining the use of electric power generated/stored by stores with that of electric power originating from post-FIT.

Overview of Initiative



Stores with Hydrogen Stations

Seven-Eleven Japan has signed a comprehensive agreement with Iwatani Corporation regarding the installation of hydrogen stations at stores. In March 2017, the companies opened a store with a hydrogen station in Sendai, Miyagi Prefecture, bringing the total number of hydrogen-station stores to three with the existing stores in Ikegami, Ota-ku, Tokyo and Kariya City, Aichi Prefecture (as of the end of February 2023). The 7-Eleven stores with hydrogen stations have installed pure hydrogen fuel cells to examine the potential for the using hydrogen at retail stores. The aim is to build sites that can serve as community-based social infrastructure capable of supplying products, services, and clean energy at a single point.



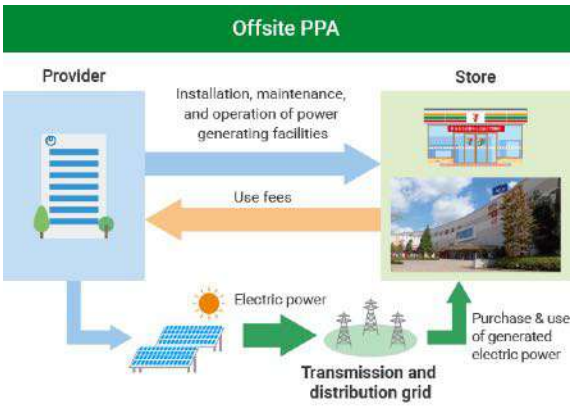
7-Eleven store with a hydrogen station at Ikegami 8-chome, Ota-ku, Tokyo

Introduction of Green Electricity in Stores, Including Japan's First Offsite PPA

With the aim of realizing 100% renewable energy use in store operations of Seven & i Group, Seven & i Holdings and Nippon Telegraph and Telephone Corporation (NTT) have been steadily introducing electricity procurement based on Japan's first※1 offsite power purchase agreement (PPA) and electricity from NTT group-owned green power generation plants in some stores, since April 2021. This initiative means that 40 7-Eleven stores of Seven & i Group and the Ario Kameari store now aim to use 100% renewable energy in store operations.
The off-site PPA model refers to power generation facilities that are installed away from demand locations with the power generated being supplied to demand locations. This time, NTT Anode Energy Corporation will set up two solar power generation plants and engage in electricity supply※2 via the transmission and distribution grid. In an offsite PPA, the project developer sets up an offsite renewable energy generation plant specially for companies and local governments who are electricity consumers, and provides long-term supply of electricity. This was Japan's first offsite PPA. When the electricity from the PPA is insufficient, the rest comes from green electricity generation plants owned by the NTT group, so the electricity used in store operations is 100% renewable energy.

※1 Based on research by NTT Anode Energy Corporation through hearings with RTS Corporation, etc.
※2 ENNET Corporation, a subsidiary of NTT Anode Energy Corporation, is the agency providing this electricity supply.

Offsite PPA Diagram



Installation of Electric Vehicle Chargers

Seven & i Group has installed chargers for electric vehicles (EVs) and plug-in hybrid vehicles (PHVs) at stores, including 7-Eleven, Ito-Yokado, and Ario to provide a fee-based charging service. The initiative aims to increase the convenience of the commercial facilities and establish a pattern for using EVs and PHVs that can be charged while shopping. It also aims to contribute to the realization of a decarbonized society by promoting the spread of environment-friendly, next-generation cars.

Number of Installed EV Chargers

	End of February 2023	End of June 2023	End of February 2024
Number of stores installed	Approx. 110 stores	Approx. 140 stores	Approx. 130 stores
Number of units	Approx. 2,800	Approx. 2,400	Approx. 2,300



Electric Vehicle Chargers

Environmental Consideration in Leased Vehicles

Seven-Eleven Japan Operation Field Counselors (OFCs), who support franchised store management, use leased vehicles to visit franchised stores. Seven-Eleven Japan has been phasing in hybrid vehicles for these leased vehicles.

Switch to Hybrid Vehicles

	End of February 2022	End of February 2023	End of February 2024
Number of vehicles switched to hybrid	102	362	883
Total number of hybrid vehicles	3,818	4,180	3,941



Example of leased vehicle

Reduction in CO_2 Emissions with the Introduction of 4th Generation ATMs

Seven Bank has been sequentially introducing new ATMs (fourth-generation ATMs) that consume even less power than conventional ATMs since September 2019. The fourth-generation ATMs can reduce power consumption by approximately 40% compared to the third-generation ATMs, which already reduced power consumption by 48% compared to the second-generation ATMs. When all approximately 26,000 Seven Bank ATMs nationwide are replaced with fourth-generation ATMs, it will result in an annual reduction of about 10,000 tons of CO2 emissions. The introduction will continue sequentially.

※1 Conversion of CO_2 emission factors at 0.000500t-CO_2/kWh

Number of New ATMs (Fourth-Generation ATMs) Installed

	End of February 2022	End of February 2023	End of February 2024
Number of New ATMs (Fourth-Generation ATMs) Installed	Approx. 10,000	Approx. 13,400	Approx. 19,700



Changes in power consumption by ATMs

Effective Use of Resources

In response to such trends as the sharp increase in the world's population and its continued urbanization along with the rapid economic growth of emerging and developing nations, the depletion of natural resources essential for living has become an issue. Seven & i Group is working toward achieving a circular economy that makes effective use of resources by working with customers and business partners to reduce waste, collect recyclable resources at stores, promote recycling, and reuse materials.
With regard to the reduction of plastic shopping bags that has been attracting increased attention lately, Seven & i Group's "GREEN CHALLENGE 2050" environmental declaration sets the goal of replacing 50% of containers and packaging used in our original products by 2030, and 100% by 2050, with environmental-friendly materials. In addition, with regard to the reduction of plastic bags, we aim to reduce the use of plastic shopping bags to zero by 2030, and adopt sustainable, natural materials such as paper for shopping bags.



Collection of Recyclable Resource at Stores

Seven & i Group is promoting an important initiative to recover and recycle empty containers and other materials from its products. Every Group company cooperates with customers and local governments to collect recycling resources such as bottles, cans, polystyrene, paper cartons, and PET bottles at stores in accordance with local waste disposal sorting rules. Recently, some stores of the Group have also been cooperating with local governments to collect small electrical appliances, which have been drawing attention as "urban mines."
Ito-Yokado Hikifune store has been developing new initiatives to promote a circular economy, such as providing a place for demonstration of recycling experiments jointly conducted by Kao and Lion since October 2020. Also, in September 2023, Ito-Yokado Yokohama Bessho store launched a demonstration project in collaboration with R Plus Japan Ltd.* to collect food containers with the aim of using them in chemical recycling.

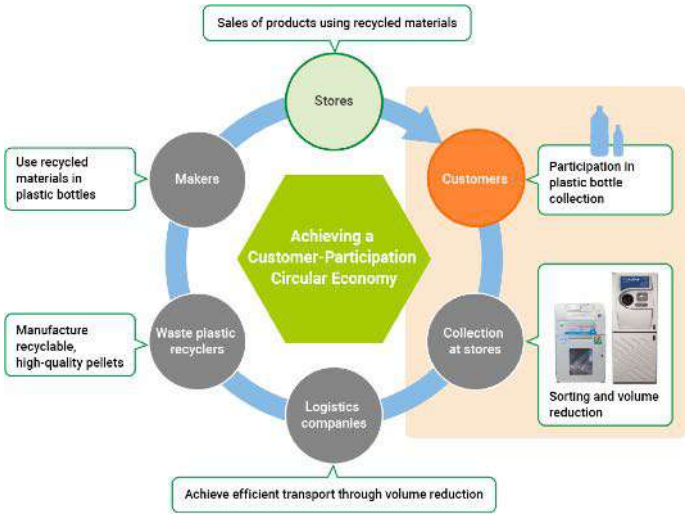
* R Plus Japan, a joint venture established by 40 companies, is working on the development and practical application of recycling technology that is efficient and has little environmental impact with the aim of recycling used plastic.

Installing Reverse Vending Machines for Collecting PET Bottles for Recycling

Ito-Yokado and York-Benimaru have installed PET bottle collection machines at stores since 2012. Since PET bottles inserted into the machines undergo an automatic process of foreign-matter removal and volume-reduction (by either compression or crushing), large volumes of bottles for recycling can be sent to recycling plants at a time, which allows reductions in the frequency of deliveries from stores to be achieved. Moreover, utilizing Seven & i Group logistics routes facilitates more efficient transportation and reductions in CO2 emissions volumes accompanying deliveries.
The collected PET bottles are made into new PET bottles and other products for the domestic market. This "closed-loop recycling" system of recycling PET bottles into new PET bottles is the first attempt by a major retail chain in Japan to be implemented on such a large scale.
Seven-Eleven Japan conducted trials of PET bottle collection machines at five stores in Koto-ku, Tokyo starting in December 2015. Later, the program was expanded in stages to stores in Tokyo and Saitama Prefectures starting in December 2017. In addition, since June 2019, Seven-Eleven Japan has been partnering with Higashiyamato City, the Higashiyamato City Cleaning Business Cooperative, and the Nippon Foundation to gradually install PET bottle collection machines to promote bottle-to-bottle recycling at all 7-Eleven stores in Higashiyamato City. Moreover, in September 2019, the installation of PET bottle collection machines began at stores in Okinawa Prefecture, and in January 2020, installation

began in Yokohama City, making it the first among ordinance-designated cities. As of the end of February 2024, 3,673 PET bottle collection machines have been installed in 34 prefectures.
We also sell the “bottle-to-bottle” private products made from recycled plastic bottles collected at stores. Through these products, we are working on promoting understanding and awareness of the circular recycling system.

PET Bottle Recycling System Using Reverse Vending Machines





Small-sized reverse vending machine system for convenience stores

FY	2019	2020	2021	2022	2023
Collection volume (tons)	9,740	8,700	10,800	12,400	13,100
Number of installed machines	820	1,001	2,098	3,174	4,187

Number of PET bottle reverse vending machines installed and collection volume (Group total*)

* Seven-Eleven Japan, Ito-Yokado, York-Benimaru, Seven & i Food Systems

Achieving Complete Bottle-to-Bottle PET Bottle Recycling

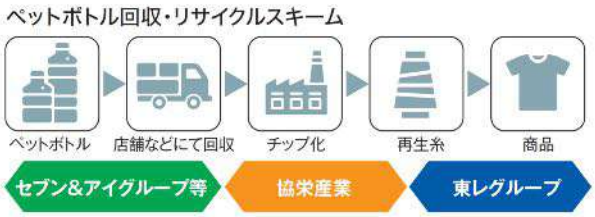
From June 2019, Seven & i Group began selling “Seven Premium Hajime Ryokucha Ichi-nichi Ippon” in recycled bottles made by using 100% of the PET bottles collected by reverse vending machines at stores. It is the first initiative of its kind in the world that recycles PET bottles collected from specific distribution groups as raw materials and sells them as a product again in the same distribution group.*

* As of June 5, 2019. Study by Coca-Cola Japan and Seven & i Holdings.

Using Recycled PET Material for Clothing

Seven & i Group is making efforts to expand the use of recycled PET materials while promoting the collection of PET bottles. In February 2020, “Seven Premium Lifestyle Body Cooler,” an underwear that utilizes PET bottles collected by PET bottle reverse vending machines installed at the Group stores and uses recycled yarn made from the PET bottles, went on sale at Ito-Yokado and York-Benimaru stores nationwide.
As of the end of February 2024, Ito-Yokado carries approximately 250 clothing items that use these recycled materials, accounting for about 14% of the sales mix for Ito-Yokado’s underwear category. We plan to continue developing products that use recycled PET bottle materials moving forward

PET Bottle Recycling Scheme



Reducing the Use of Disposable Plastic Bags

Seven & i Group has promoted the reduced use of disposable plastic bags by asking customers whether they need a bag at the register, displaying posters and POP signs, and holding events to encourage customers to bring their own shopping bags when shopping at stores. In July 2020, we commenced usage fees for plastic shopping bags, and as of the end of February 2023, the rate of decline in use of plastic shopping bags for the entire Group was just under 80%.
Seven-Eleven Japan has recommended that 21,000 stores nationwide use plastic shopping bags containing 30% plant-derived biomass polyethylene to further reduce usage fees for petroleum-derived plastics. As plastic shopping bags started to cost money, the turn-down rate at Seven-Eleven Japan, which was about 30% before the charge was applied, has grown to be about 70% (as of the end of February 2024). The "equivalent headquarters revenue" from the sale of plastic bags in FY2023 amounted to approximately 880 million yen. This revenue is being utilized in part to cover the costs of installing PET bottle reverse vending machines and other related expenses.

Reducing Waste

In Japan, approximately 100,000 tons of discarded food oil from households is generated annually, most of which is disposed of as combustible waste without being reused. In response to this situation, from February 2023, the Ito-Yokado Nishi-Nippori store online supermarket commenced an initiative to collect used or unused discarded oils generated in households and recycle these into soap, ink solvents, and other resources. As of September 1, 2024, 30 stores have implemented this initiative. Additionally, collecting these oils in dedicated returnable bottles distributed to customers allows these bottles to be cleaned and reused repeatedly, thereby constituting a further initiative to mitigate the generation of waste.



Dedicated Bottles for Collecting Used Cooking Oil

Ito-Yokado is working to curtail the generation of waste and to promote reuse and recycling with a view to reducing waste disposal. For example, in product deliveries, Ito-Yokado utilizes reusable containers and hangers for delivery of apparel as a way of cutting down on the use of packaging and cardboard. At stores, Ito-Yokado promotes understanding of recycling, and store employees are encouraged to rigorously sort waste for recycling purposes.



Shipping work at a distribution center



Reusable containers for store deliveries

Reuse of Fixtures and Building Materials from Closed Stores

Seven-Eleven Japan collects in-store equipment, such as refrigerated cases, from closed stores and, after cleaning, refurbishing, and inspecting them, promotes their reuse in new stores.



Introduction of Environmentally Friendly Packaging

Product containers and packaging play important roles including preserving products and displaying information about ingredients, but after product use, these items become waste. In the “GREEN CHALLENGE 2050” Environmental Declaration,” Seven & i Group is promoting the reduction of the environmental impact associated with containers and packaging by pledging to make 50% of the containers and packaging used in original products (including Seven Premium) consist of environmentally conscious materials by 2030, and 100% by 2050.



Plastic Usage Reduction Initiatives

At Ito-Yokado and York-Benimaru, we have devised sales methods for fresh food and delicatessen items that reduce the amount of containers and packaging used, such as selling by weight or selling individual loose items. In our delicatessen items sales areas, we are increasingly using paper bags rather than plastic containers for selling items such as croquettes and deep-fried chicken. In some other stores, some products sold in fresh meat sales areas have adopted the method of packing meat for sale in plastic bags without a polystyrene tray.
At Seven-Eleven Japan, the lids on containers of the “Cup Deli” line of salad products have been changed to top-seal types, and the amount of plastic used per container has been reduced by about 30% compared to conventional containers. Moreover, aside from initiatives for product containers, we reduced the amount of oil-based plastic by about 12% compared to conventional materials through our original manufacturing process and the addition of plant-derived biomass resin to some of the plastic promotional display items in 7-Eleven stores.

Plastic Reduction* in Cup Deli: Seven-Eleven Japan

FY2021	FY2022	FY2023
483 tons	529 tons	667 tons

* Comparison with the lids on conventional Cup Deli items



Example of packaging without trays (poultry)



“Cup Deli” products with top-seal lids

Shifting to Recyclable Packaging

In July 2015, we changed the paper cartons used for Seven Premium alcohol products from the previous aluminum carton material to a non-aluminum carton material. This change enables the cartons to be recycled as paper cartons. Moreover, the volume of CO_2 emissions per carton from the raw material procurement and manufacturing process is around 12% lower compared with the aluminum cartons. Therefore, this initiative has resulted in a reduction in CO_2 emissions of approximately 250 tons per year, the equivalent of the CO_2 absorbed by approximately 18,000 cedar trees.



The identification mark also changed from the Paper Mark to the Paper Carton Mark

Use of Biomass Raw Materials

In the fiscal year ended February 29, 2016, Seven-Eleven Japan replaced the original Salad Cup Container sold in the chilled cases of its stores with containers that use environmentally friendly PET made from recycled or biomass PET rather than oil-based PET. Ito-Yokado also uses bioplastics that make partial use of plant-based oil materials for the containers in its cut fruit and boxed lunches.



Example of Salad Cup Container using environmentally friendly PET



Bioplastic container



Cut fruit inside a bioplastic container

Adopting "Rice Ink" for Package Printing

In April 2016, Seven-Eleven Japan introduced rice ink for printing the packaging of rice balls sold at its stores. Rice ink is made from rice bran oil, a non-edible part of the plant extracted from rice bran. This ink reduces the Company's annual CO2 emissions by around 60 tons compared with conventional petroleum-based inks and is therefore aiding in reducing environmental impact (botanical ink is used on some paper packaging). Moreover, the packaging is also contributing to our efforts to promote local production for local consumption by using domestically produced rice bran oil, which is one of the raw materials.

In December 2016, Seven-Eleven Japan changed to plant-based packaging film and ink for its original bakery products. Compared with the previous oil-based packaging, this has therefore reduced the Company's annual CO_2 emissions by approximately 108 tons.



Product packaging made from plant-derived raw materials and rice ink prints

Introducing Paper Containers

Since June 2020, Seven-Eleven Japan has switched from conventional plastic to paper containers for "chilled boxed lunches." In addition, by combining paper material for the parts of sandwich packaging that had used film material, we reduced our use of plastic by about 40%.

Plastic Reduction in Chilled Boxed Lunches

FY2021	FY2022	FY2023
826 tons	848 tons	886 tons

* Comparison with conventional containers incorporating plastics



Paper container for chilled boxed lunches



Packaging that combines paper material within the red frames

Use of Forest Thinning Materials

Certain Seven Premium cup soups and yoghurt drinks have containers made with Seven Forest thinning materials. Japan has a large number of unmaintained man-made forests that have been left unattended. With many such forests currently not fulfilling their potential as carbon sinks, use of forest thinning materials can contribute to the creation of healthy forests and prevention of global warming.

> See here for further information about Seven Forest (in Japanese)

Introduction of Recycled Materials

Ito-Yokado is introducing recycled trays manufactured by suppliers that have received Eco Mark certification. In addition, some of the Group's "Seven Premium" private brand products use recycled PET materials as part of the packaging film.

Reducing CO2 Emissions with the Use of Recycled Trays

FY2021	FY2022	FY2023
Approx. 2,500 tons	Approx. 2,500 tons	Approx. 2,700 tons



再生トレイ



ペットボトルのリサイクル素材を採用したパッケージ

Introduction of Environmentally Friendly Containers Designed for Easy Recycling

Seven-Eleven Japan has completed the switch to containers that use less petroleum-derived inks and colorants for its boxed lunches and delicatessen items. This is expected to reduce CO2 emissions associated with the containers themselves as well as from the manufacturing processes for containers by approximately 800 tons per year. In addition, by not using colorants, these containers are designed to be environmentally friendly and easy to recycle.



Environmental Efforts of SEVEN CAFÉ

Many customers support SEVEN CAFÉ, which is promoting environmental considerations in various ways. For example, forest thinning material is used for the outer sleeves for hot beverages. Cups for iced beverages use a compound material that includes recycled PET. We are also working to cut down our use of limited resources, for example by making cups lighter and thinner. We strive to make SEVEN CAFÉ environmentally-friendly.
In the fiscal year ended February 28, 2018, we also developed an antibacterial deodorizer that uses recycled coffee grounds collected from some of our stores. The new product is being used for cleaning at 7-Eleven stores.
Moreover, in November 2019, we introduced straws for use at SEVEN CAFÉ that use the biopolymer “PHBH®” from Kaneka Co., Ltd., which is 100% plant-derived and biodegradable. Environmental measures currently being promoted by SEVEN CAFÉ include an initiative to reduce the amount of petroleum-derived plastic straws in circulation by introducing wooden stirrers in approximately 20,000 outlets by February 2023.



Environmental Initiatives of SEVEN CAFÉ


Antibacterial deodorizer that uses recycled coffee grounds

Introduction of Environmentally Friendly Cutlery to All Stores Nationwide

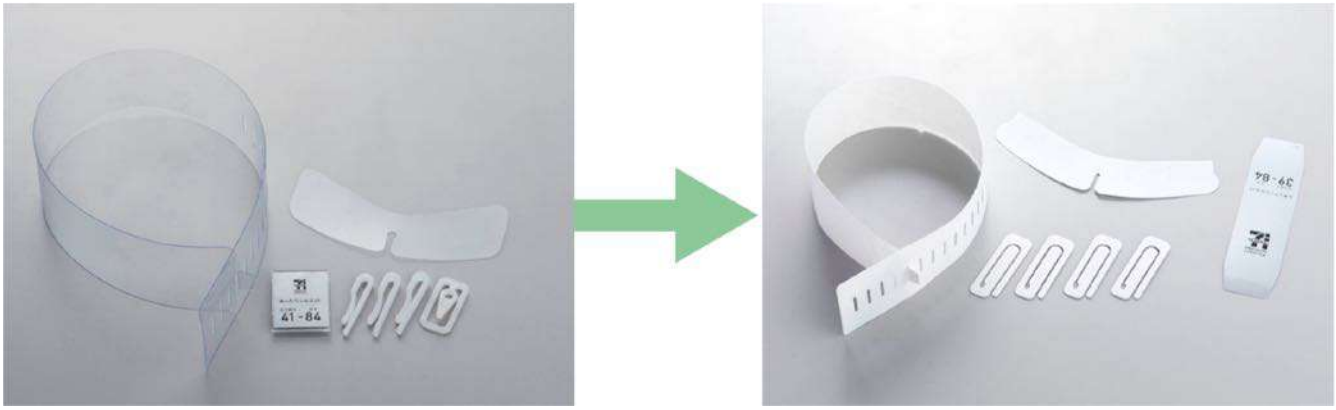
As a means of curbing the distribution of unnecessary cutlery, such as spoons and forks, for same time 7-Eleven stores have been asking customers whether they require cutlery with their purchases. Furthermore, beginning with all stores in Okinawa Prefecture, Seven-Eleven Japan introduced cutlery that is 30% comprised of plant-based materials (biomass). This environment-friendly cutlery introduced in Okinawa Prefecture has been adopted at 7-Eleven stores nationwide in conjunction with the Plastic Resource Circulation Act, which went into effect on April 1, 2022. Going forward, we will further strengthen our efforts to check whether or not customers require cutlery and also work on curtailing petroleum-derived plastics.
Ito-Yokado is working to reduce petroleum-derived plastics with the use of plastic cutlery made with 25% biomass, including the runcible spoons and forks distributed at checkout counters.

Changing the Plastic Materials Attached with Shirts to Fiber Paper

Ito-Yokado in March 2022 refreshed the popular, ultra-shape-holding dress shirts under the Group's Seven Premium Lifestyle private brand products. In order to promote plastic-free, plastic shirt packaging clips other than the outer packaging were changed to fiber paper. This is equivalent to 110,000 plastic bottles*1 per year*2. Fiber paper is a special reinforced paper as strong as plastic that is produced using a distinct paper making method. In addition to being highly biodegradable due to the nature of paper, its papermaking method is also environmentally friendly and sustainable. Going forward, we are working to make it so that all Seven Premium Lifestyle products can be changed over to use fiber paper.

*1 PET bottle reference value: Group's private brand products (January 2022 survey, top 10 average values)

*2 Excluding outer packaging



Changing plastic materials to fiber paper

Introducing Packaging for Underwear with Green Nano*

The Seven & i Group is changing the packaging for the underwear in the Group's "Seven Premium" private brand products to a green nano material in an effort to reduce CO2 emissions when they are incinerated.

* "Green nano" is a technology developed in Japan to greatly reduce the amount of CO2 emitted during incineration just by adding a small amount of it to the raw materials for plastic

Usage Quantity of Packages Containing Green Nano

FY2021	FY2022	FY2023
Approx. 5.0 million	Approx. 4.8 million	Approx. 4.5 million

Usage of Environmentally Friendly Containers and Packaging Materials for Original Products

【Usage of Paper and Glass】

Material	FY2021	FY2022	FY2023
Paper	20,257t	19,982t	22,550t
- Percentage of certified paper	46.5%	52.5%	39.6%
Glass	6,441t	6,108t	5,178t
- Percentage of recycled glass	69.0%	73.4%	75.4%

*1 Calculated from the annual report of the Japan Containers and Packaging Recycling Association

*2 Percentage of recycled glass is calculated from the annual report of the 3R Promotion Council for Glass Bottles

*3 Total of six companies: Seven-Eleven Japan, Ito-Yokado, York-Benimaru, IY Foods, Akachan Honpo, and Seven & i Food Systems

【Usage of Plastics made from eco-friendly materials】 (Unit: t)

Material type	FY2021	FY2022	FY2023
Biomass	901	1,016	1,172
Biodegradable	1	9	5
Recycled	11,110	17,363	25,429
Total	12,012	18,389	26,607

*1 Total of six companies: Seven-Eleven Japan, Ito-Yokado, York-Benimaru, IY Foods, Akachan Honpo, and Seven & i Food Systems

*2 Totals may not add up due to rounding of numbers

Measures against Food Loss / Waste and Measures for Organic Waste Recycling

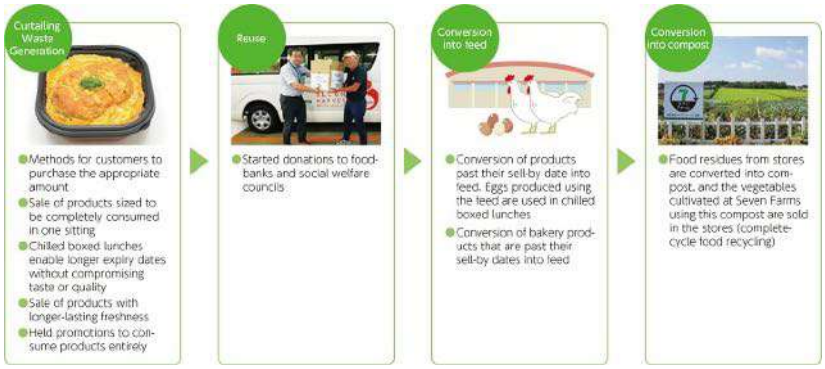
Food accounts for about 60% of Seven & i Group's sales, and the "GREEN CHALLENGE 2050" Environmental Declaration has established food loss and waste / organic waste recycling countermeasures as one of its themes and is promoting initiatives. The "GREEN CHALLENGE 2050" aims to raise the organic waste recycling rate to 70% by 2030 and 100% by 2050, and the amount of food loss and waste* will be reduced by 50% by 2030 and 75% by 2050 compared to 2013.

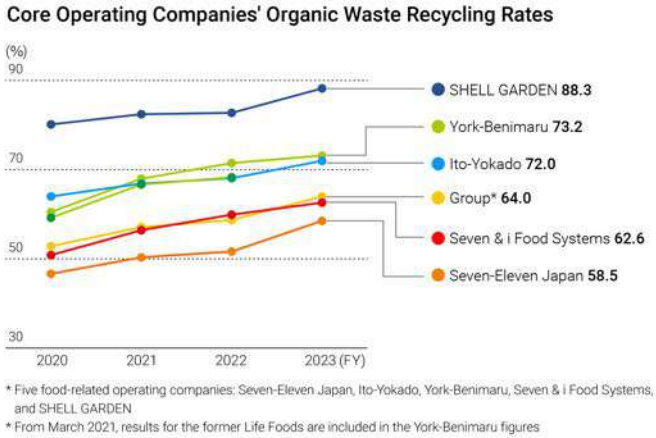
*Amount generated per one million yen in sales

* Covering five food-related operating companies: Seven-Eleven Japan, Ito-Yokado, York-Benimaru, SHELL GARDEN, and Seven & i Food Systems

Our Approach to Reducing Food Waste

Initiatives to mitigate actual food waste generation are vital to addressing the societal challenge of reducing food waste. This theme is also positioned as the foremost priority in the fundamental principles of the Basic Act on Establishing a Sound Material-Cycle Society, and the Seven & i Group is also taking the initiative in mitigating the generation of waste as a foremost priority. We are additionally making efforts to ensure that we can recycle any food waste that is generated.





* Five food-related operating companies: Seven-Eleven Japan, Ito-Yokado, York-Benimaru, Seven & i Food Systems, and SHELL GARDEN
* From March 2021, results for the former Life Foods are included in the York-Benimaru figures

Amount of Food Waste Generation

	FY2019	FY2020	FY2021	FY2022	FY2023
Amount generated per million yen of sales (kg)*	22.35kg	21.01kg	20.28kg	19.83kg	17.68kg

* Five food-related operating companies: Seven-Eleven Japan, Ito-Yokado, York-Benimaru, SHELL GARDEN, and Seven & i Food Systems

Initiatives Across the Entire Supply Chain

Seven & i Group continues to implement initiatives to reduce food loss / waste throughout the entirety of its supply chain. As one example, we are relaxing product delivery deadlines at Seven-Eleven Japan, Ito-Yokado, and York-Benimaru. Until now, our business practice was to use the “1/3 rule,” which entailed delivering products to stores before a third of the period between the date of manufacture and the expiration date had passed. Since 2012, as an initiative for reducing food loss, we have revised this to a “1/2 rule,” which relaxes delivery deadlines by allowing deliveries before half of the period between the date of manufacture and the expiration date has passed, for certain categories of products. In the fiscal year ended February 28, 2023, the target categories for this rule were expanded to include all non-refrigerated processed foods. In addition, for the Group's Seven Premium private brand products, we initiated the modification of expiration date labeling from the previous “date” to a “year and month” in the fiscal year ended February 29, 2020, and had rolled this out to encompass approximately 70% of all products by the fiscal year ended February 28, 2023.



Image showing relaxed delivery deadlines

Initiatives of Each Group Company to Reduce Food Waste

Each Seven & i Group company is implementing various innovations to reduce food waste in areas including sales methods and products.
For example, Seven-Eleven Japan is promoting the "Temaedori" initiative in collaboration with the Consumer Affairs Agency, the Ministry of Agriculture, Forestry and Fisheries, the Ministry of the Environment, the Japan Franchise Association, and the four major convenience store chains. The Temaedori Project is an initiative aimed at reducing food loss by encouraging customers purchasing food items that they plan to eat soon to choose from products placed in an immediately accessible location. This activity has also been expanded to Seven & i Group stores.
In addition, Seven & i Food Systems’ Denny's restaurants provide menus offering dishes with smaller servings that can be finished comfortably without leftovers. It also provides take-out containers, mottECO, for customers to take the leftovers home, when they wish.
In this way, Seven & i Group is also taking the initiative to reduce the generation of waste as a foremost priority, as well as stepping up recycling of food waste already generated. For example, York-Benimaru is converting fish ilium bones discarded by stores into feed. Moreover, 100% of waste oil, such as that generated from the frying oil used to cook delicatessen items at the stores of each Group company, is recycled.

Extending Expiration Dates of Original Daily Products

Seven-Eleven Japan has made technological innovations at the manufacturing factories. Reviewing the manufacturing processes and temperature / hygiene management has made it possible to ensure safety and security as well as improve taste and quality, such as by not using preservatives, along with extending expiration dates (developing products with longer-lasting freshness). Starting with chilled boxed lunches in 2009, Seven-Eleven Japan has extended the freshness of products such as gratin and doria, pasta dishes, sandwiches, and delicatessen items. As of the end of April 2024, about 85% of our original daily products have a sales deadline that is over 24 hours away.

Donations to Food Banks

Since 2017, Seven-Eleven Japan has been donating inventories to food banks* of processed foods left over as surplus when shops are closed or refurbished. As of the fiscal year ended February 28, 2019, it also entered into the “Agreement Pertaining to Social Welfare Activities through Product Donation” with local social welfare organizations and municipalities and launched similar initiatives. The donated products are distributed through social welfare organizations to organization and facilities that support people such as seniors, persons with disabilities, children, and the needy. As of the end of February 2024, it has concluded collaboration agreements with 44 partners.
In addition, Ito-Yokado has been donating pre-expired foods from some stores to food banks since the fiscal year ended February 28, 2018.

* Organizations engaged in the distribution, to those in need of support, of foods which, despite no quality concerns, could not be put to market or are surplus to households.

Donations to Food Banks (Ito-Yokado) (Cumulative Total)

FY2021	FY2022	FY2023
Approx. 4,473kg	Approx. 4,984kg	Approx. 5,000kg

Deployment of Eco Distribution

Seven-Eleven Japan has been promoting “Eco Distribution*” since 1994 as a system for appropriate processing and recycling of organic waste. As part of this system, we are endeavoring to recycle food products that have passed their sales deadlines into feed or compost.

* Eco Distribution: Seven-Eleven’s original waste recycling system
A recommended waste disposal provider for franchisees in each region collects all of the waste from Seven-Eleven stores for appropriate processing and recycling.

Circular Economy in Agricultural Inititatives

Establishment of Seven Farm

In August 2008, with the aim of enhancing recycling rates and revitalizing local agriculture, Ito-Yokado established “Seven Farm Tomisato” as an agricultural production corporation in Tomisato City, Chiba Prefecture, thereby becoming the first player in the retail sector to engage in “Circular economy in agriculture.” “Circular economy in agriculture” is an initiative for composting food residues (garbage) generated by Ito-Yokado stores and using it as fertilizer at Seven Farms. The produce that is grown at the farms is then harvested and sold at the stores from which the food residues were generated. As of the end of March 2023, Seven Farm had expanded to 11 sites nationwide, Seven Farm is actively working to acquire certification under Japan Good Agricultural Practice (JGAP), an agricultural production process management technique, and all the 11 Seven Farm locations (as of the end of February 2024) have acquired JGAP certification.



Seven Farms



Seven Farms’ Circular Economy Model

> More details on Seven Farm can be found here (in Japanese)

Awareness-Raising Activities for Reducing Food Loss and Waste

In light of the fact that approximately half of food waste is generated by households, the Seven & i Group is conducting educational activities to reduce food waste at home. For example, some Seven & i Group stores conduct “food drives,” which involve customers bringing surplus food from their households to participating stores, with this food then donated to food banks. Food brought to the stores is distributed to people in need through food banks and social welfare organizations.

Ito-Yokado began installing permanent food drive collection boxes in its stores in June 2020. The foods collected at each store are centralized at distribution centers with the cooperation of contracted logistics companies, and then delivered to food canteens for children and persons in need of support through food banks. In addition, we implemented a food drive to raise employee awareness at venues including the Head Office of each Seven & i Group company and selected district offices of Seven-Eleven Japan.

Number of Stores with Food Drive Collection Boxes

FY2021	FY2022	FY2023
44	75	83

Seven & i Food Systems is promoting initiatives to encourage finishing meals as part of its responsibility as a food service company. For example, at the end of February 2023, 38 local municipals nationwide have registered as stores that promote food waste reduction, such as stores that encourage customers to finish their meals. Additionally, since October 2019, Denny's menu has made it clear that there is a small-serving option for rice that is easy to finish, and it has displayed the “Loss Non” symbol used by the national movement to promote food loss and waste reduction.

Furthermore, the *mottECO Project*, an undertaking to reduce food loss implemented by Denny’s restaurants, was selected by the Ministry of the Environment as a model business for reduction of food waste over the four consecutive years from 2021. In the fiscal year ended February 29, 2024, the scope of this initiative has been expanded to become a seven-organization joint undertaking of public and private sector entities by also involving Royal Holdings Co., Ltd., SRS Holdings Co., Ltd., Nippon Hotel Co., Ltd., Keio Plaza Hotel Co., Ltd., Aleph Inc., and the municipal governing body of Suginami City, Tokyo. In this way, we are engaging in new activities of this kind which are of a nature unique to the food and beverages business. These activities are intended to facilitate the spread of a “culture of taking the initiative to bring home one’s leftovers,” by making available dedicated takeaway containers made using environmentally friendly materials, and thus allowing customers who wish to do so to bring home any unfinished food.



mottECO poster

Sustainable Sourcing of Raw Materials

Seven & i Group has established the Sustainable Sourcing Principles and Policies that includes traceability, conservation of biodiversity, response to climate change issues, and consideration of human rights, and we have promoted initiatives with the aim of co-existing with nature as set forth in the GREEN CHALLENGE 2050 Environmental Declaration. In addition, in the GREEN CHALLENGE 2050, it is stipulated that we make 50% of food ingredients used in our original products (including Seven Premium) sustainable by 2030, and 100% by 2050.

Seven & i Group Sustainable Sourcing Principles and Policies >

“GREEN CHALLENGE 2050” Seven & i Group's Environmental Declaration >

Approach to Marine Product Sourcing

Seven & i Group is working to sell products for which sustainability is guaranteed, such as those certified by the MSC*, to pass on the rich blessings of the sea to future generations. Further, to fulfill our responsibility as a retail business that connects producers and customers, we are also focusing on conveying the value of these products and the producers’ desires to customers through our stores and websites.

*MSC : Marine Stewardship Council

An organization that operates and manages a system for certifying sustainable and environmentally friendly fishing practices.

https://www.msc.org/en-us/

Sales of MSC-Certified Products

Since October 2018, the Seven & i Group has been selling MSC-certified seafood products under its private brand "Seven Premium" at various group stores. These products are wild-caught seafood that have been harvested through fisheries that consider marine resources and the marine environment. They are produced by companies that have obtained certification for their management systems in the processing and distribution stages. In October 2022, Seven & i Holdings obtained the 'CoC Certification,' which is a certification for the distribution management of MSC-certified seafood caught through environmentally conscious fisheries. As a result, it has become possible to sell MSC-certified seafood processed in the group's supermarkets (Ito-Yokado, York-Benimaru, York) as certified products.

The ratio of MSC-certified products in Seven Premium's seafood products

FY2021	FY2022	FY2023
8.2%	8.1%	9.2%



MSC-certified marine product



Ocean Eco-Label : MSC-C-59602

Sales of ASC-Certified Products

At the fresh fish sections of Ito-Yokado, York-Benimaru, and York, we sell products that have obtained ASC* certification, which is awarded to responsible aquaculture practices that consider the environment and society. In October 2022, Seven & i Holdings obtained the 'CoC Certification,' a certification standard for the distribution management of ASC-certified seafood that considers the natural environment. As a result, it has become possible to sell ASC-certified seafood processed in the group's supermarkets (Ito-Yokado, York-Benimaru, York) as certified products.

*ASC: Aquaculture Stewardship Council

An organization that administers and maintains an international certification system related to aquaculture.

https://www.asc-aqua.org/

The ratio of ASC-certified products in Seven Premium's marine products

FY2021	FY2022	FY2023
3.7%	3.0%	15.7%



ASC-certified marine product



ASC-certified label: ASC-C-03754

Sales of MEL-Certified Products

Ito-Yokado is the first major Japanese retailer to obtain MEL* certification, a certification system for eco-friendly catching and cultivation of marine products. From April 2020, 4 original “Fresh Fish with Traceability” products—yellowtail, amberjack, red sea bream, and flatfish—were given the MEL mark. With the further certification given to wakame seaweed and ginzake salmon, certified products of a total of 9 varieties of fish are now being sold at 123 Ito-Yokado stores nationwide as of the end of February 2024. Further, to convey the value of these certified products to customers, some stores have installed point-of-purchase ads in fish sections that explain the certifications.

*MEL: Marine Eco-Label Japan

This marine product eco-label certifies fisheries and aquaculture producers that are actively managing fishery resources with consideration for their sustainable use and conservation of the environment and ecosystems, as well as businesses that process and distribute marine products from such producers.

https://www.melj.jp/



MEL-certified marine product



Point-of-purchase ad that explains marine product certifications



MEL mark

Sales of Alaska Seafood Products

Seven & i Group stores actively sell and convey to customers the quality of Alaska Seafood products, which are sourced through environmentally friendly fishing practices. Alaska Seafood is all-natural marine products, and strictly manages resources and fisheries in the region of product origin of Alaska, to ensure that no damage results to the ecosystems which conserve the natural marine resource.
In the fiscal year ended February 29, 2024, Ito-Yokado's food sections sold Alaskan seafood products such as salted red salmon, salmon roe, kinki (rockfish), and menuke (rockfish). Additionally, since November 2022, Alaskan seafood has been used in the hand-wrapped rice balls sold at Seven-Eleven, with the logo mark displayed on the packaging.



Hand-wrapped rice ball made with Alaskan seafood

Alaska Seafood logo

› Alaska Seafood (Alaska Seafood Marketing Institute) website

Approach to Agricultural Product Sourcing

Seven & i Group is promoting the acquisition of GAP (Good Agricultural Practice) certification for safe farm and aptitude management to promote the sourcing of sustainable agricultural products. We also procure certified ingredients, such as those produced with reduced use of pesticide and those made from organic and fair trade ingredients.

Promotion of GAP Certification Acquisition/Sales of Reduced-pesticide Products

At Ito-Yokado’s Seven Farms, which are engaged in recycling-oriented agricultural operations, and under Ito-Yokado’s original Fresh Vegetables with Traceability and Fresh Fruits with Traceability products, Ito-Yokado aims to ensure safe agricultural produce, correct farm management, and so forth. Therefore, Ito-Yokado has recommended the acquisition of Good Agricultural Practice (GAP) certification.
GAP is an agricultural production management method recommended by the Ministry of Agriculture, Forestry and Fisheries of Japan. It provides a set of standards to be followed in daily farm management to increase food safety and ensure environmental conservation. The minimum necessary levels of agricultural chemicals are used as GAP includes initiatives relating to food safety and environmental conservation.
Moreover, Ito-Yokado and York-Benimaru sell original products that use fewer agrichemicals than the values regulated by law. Examples include the original Fresh Vegetables with Traceability and Fresh Fruits with Traceability products sold at Ito-Yokado. They are grown with fewer agrichemicals and assure traceability of the growing region and growing history. Sales of all foods in the Traceability series including these products in the fiscal year ended February 29, 2024 at Ito-Yokado topped ¥21.6 billion.
Furthermore, the methods and frequency of use of agricultural chemicals vary by region and crop. The Fresh Vegetables with Traceability category and certain other products comprise foods grown with the goal of applying agrichemicals with half or lower of the usual frequency of each growing area (the average number of applications for each crop stipulated by local government organizations and other public bodies).
To expand the range of GAP-certified products, we are promoting the acquisition of JGAP instructor qualifications among the group's product development staff and strengthening collaboration with our suppliers and producers.

Number of GAP-certified instructors in the Seven & i Group

	FY 2021	FY 2022	FY 2023
Number of certified instructors*	62	139	100

* Employees of Seven-Eleven Japan, Ito-Yokado, York-Benimaru, Seven & i Food Systems, IY Foods, and Seven & i Holdings

* Total of JGAP fruits, vegetables, and livestock

Ito-Yokado Sales of Fresh Foods with Traceability

	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Sales* (100 million yen)	228	246	243	248	216

* Approximate number



Fresh Vegetables with Traceability (traceable fresh vegetables with a face of the producer)

Five Promises of Fresh Vegetables with Traceability and Fresh Fruits with Traceability

1. These lines deal with only domestically grown agricultural products.
2. Producers who properly grow vegetables on suitable land are carefully selected from all over Japan.
3. Products are delivered to customers under the name of each individual producer.
4. Discerning techniques and personalities are introduced on the website and on sales floors.
5. Agrichemical reduction targets are set and continuous checks are performed on agrichemicals and radioactive materials.

GAP Initiatives (Excerpt)

Food safety (create and implement rules to maintain food safety)

- Measures for preventing and reducing pollution caused by heavy metals and mycotoxins derived from the environment
- Proper storage and use of pesticides, personal health and hygiene management of workers
- Safe storage and handling of agricultural machinery, etc.
- Prevention of foreign matter intrusion, storage methods for harvested crops, etc.

Environmental conservation (create and implement rules to protect the safety of farms and surrounding environment)

- Prevention of environmental contamination due to pesticides
- Appropriate soil management
- Proper waste/wastewater treatment methods
- Cutting down on unnecessary and inefficient energy consumption
- Creation of measures to mitigate damage due to harmful birds and wildlife, etc.

Sale of Organic JAS-Certified Foods

Under Seven & i Group's Seven Premium private brand, we sell organic JAS-certified products such as bamboo shoots and other agricultural products, as well as coffee and other processed foods. Ito-Yokado also sells organic JAS-certified products as original Fresh Vegetables with Traceability products.

Soybean Sourcing

While the demand for soybeans is increasing due to health-conscious trends and the development of soy meat, there are numerous challenges associated with soybean sourcing. These include deforestation and ecosystem destruction for farmland expansion, soil contamination from pesticides, and human rights issues for farm workers. Soybeans are also subject to the European Union Deforestation Regulation (EUDR). Additionally, an analysis based on the TNFD framework conducted by the Seven & i Group in the fiscal year ended February 29, 2024, identified soybeans as a critical raw material, alongside coffee beans and rice, due to their significant dependence on and impact on nature, as well as the large procurement volume within the group.

Starting in 2023, the Seven & i Group began using SSAP (Sustainability Assurance Protocol) certified materials from the U.S. Soybean Export Council (USSEC) for the "TOFU BAR" series of the group's original product line, Seven Premium. The SSAP certification sets standards from various perspectives, including traceability to producers, environmental conservation, biodiversity preservation, and consideration of workers' human rights.

In the fiscal year ended February 29, 2024, approximately 9,000 tons of soybeans were used in Seven Premium products made primarily from soybeans. Of this amount, 13.5% were SSAP-certified soybeans.



TOFU BAR made with SSAP-certified soybeans

SUSTAINABLE U.S. SOY®

SSAP certification logo

THE U.S. SOY SUSTAINABILITY ASSURANCE PROTOCOL DIRECTIVES

1. Biodiversity and High Carbon Stock Production Control Measures and Regulations

1.1 Land Use, Sensitive Habitats & Biodiversity

2. Production Practices Control Measures and Regulations

2.1 Soil Health & Productivity

2.2 Crop Health & Agricultural Best Management Practices

2.3 Waste & Pollution

2.4 Greenhouse Gas Emissions, Fossil Fuel Use & Air Quality

3. Public and Labor Health and Welfare Control Measures and Regulations

3.1 Water Quality & Quantity

3.2 Plant Protection & Nutrient Management

3.3 Working Conditions & Labor Relations

3.4 Worker & Public Safety

3.5 Community Relations

4. . Continuous Improvement of Production Practices and Environmental Protection Control Measures and Regulations

4.1 Continuous Improvement

› the website for the U.S. Soybean Export Council (USSEC) SSAP certification

Cacao Sourcing

Under Seven & i Group's Seven Premium private brand, we sell cacao and other products that have acquired International Fair Trade Certification, a system that supports the sustainability and living of producers in developing countries.

Furthermore, in January 2024, we joined the Platform For Sustainable Cocoa In Developing Countries, administered by the Japan International Cooperation Agency (JICA), to collaborate and cooperate with various stakeholders involved in cocoa raw materials. This initiative aims to address issues related to human rights and child labor in the supply chain, as well as challenges such as deforestation and land conversion.



Chocolate made with internationally Fair Trade certified cocoa



Mark of the Platform For Sustainable Cocoa In Developing Countries

› The website for the Platform For Sustainable Cocoa In Developing Countries (in Japanese)

Sourcing of Coffee Beans

In the Seven & i Group, coffee beans are used in a wide range of product categories, from counter coffee in convenience store operations to coffee-related products under the Seven Premium brand. On the other hand, like soybeans and palm oil, coffee beans are considered "forest risk commodities" under the European Union Deforestation Regulation (EUDR), due to the high risk of deforestation and land-use change associated with them. Therefore, in accordance with the recommendations of the Taskforce on Nature-related Financial Disclosures (TNFD), the Seven & i Group has selected 14 key raw materials through scoping, evaluated their dependence and impact on nature, and conducted a LEAP approach analysis for coffee bean sourcing, disclosing LOCATE and EVALUATE.

› The LEAP approach analysis based on the Taskforce on Nature-related Financial Disclosures (TNFD)

* Additionally, concerning TNFD, the Seven & i Group plans to implement initiatives to reduce the impact on nature for other key raw materials selected alongside coffee beans, such as soybeans and rice. As a group that develops businesses centered around "food," we also plan to extend our evaluations to include livestock products and marine products.

Palm Oil Sourcing

Palm oil is widely used in various processed foods as well as in household goods such as detergents, but problems have been indicated, such as destruction of the environment in countries where it is produced and the use of child labor and forced labor on farms. Seven & i Group joined the Roundtable on Sustainable Palm Oil (RSPO) in January 2020. Palm oil that is guaranteed to be sustainable is being used for some of the Group's "Seven Premium" private brand products.

The annual report on the Seven & i Group's procurements of RSPO-certified palm oil may be viewed at the official RSPO website.

› Annual Communication of Progress (ACOP)

Sourcing of Organic Cotton

In response to growing interest in products that are safe and secure for our customers, and environmentally friendly, Seven & i Group has promoted the sourcing of organic cotton for underwear and bedding as part of its sustainable sourcing efforts. Starting February 2020, to convey the value of organic cotton to customers in an easy-to-understand manner, we started selling products with a common symbol displayed that satisfy certain conditions, such as being internationally certified through the American Organic Content Standard (OCS) or Global Organic Textile Standard (GOTS).

Organic cotton symbol 1

Organic cotton symbol 2

Sale of Organic Cotton Products

Seven & i Group sells women’s 100% Organic Cotton Innerwear products that have cleared strict organic production standards under the Seven Premium private brand. These products are sold at 94 Ito-Yokado stores throughout Japan (as of the end of February 2024) and its online shop. Only organic cotton that meets U.S. Organic Content Standards (OCS) is used as a raw material in these products. It also sells towels made of organic cotton.



Seven Premium Lifestyle 100% Organic Cotton Innerwear

Animal Products Sourcing

Ito-Yokado's original product "Fresh Meat with Traceability" is designed to deliver safe and reliable products to customers. In cooperation with the producers, Ito-Yokado is committed to providing quality rearing environments, environmentally-friendly feeding, minimizing the use of antibiotics, hormones, and other pharmaceuticals; keeping all the administration record is mandatory.
For the product, our procurement officers/merchandisers check with producers at the production sites to ensure that they are applying appropriate feeding and rearing management. Before the products are sold, various tests are conducted, including agricultural chemical residue tests, as well as soil, feed, and water quality tests, and third-party certification is obtained.
Ito-Yokado also promotes the acquisition of JGAP (livestock) certification in the production area of "Fresh Meat with Traceability." JGAP (Livestock) audit standard consists of 113 items that are important for sustainable farm management, including food safety, considerations for the health of animals (animal hygiene) and a comfortable environment for raising the animals (animal welfare), measures for ensuring the safety of workers, and environmental protection.

Five Promises of Fresh Meat with Traceability

- These lines deal with only domestically grown animal products.
- Producers who focus on quality feed and rearing environments are carefully selected from all over Japan.
- Products are delivered to customers under the name of each individual producer.
- Discerning techniques and personalities are introduced on the website and on sales floors.
- Antibiotics are used as little as possible, and substances and radioactive materials are checked continuously.

Seven initiatives for the Sustainability of Agriculture (GAP)

- Trustworthy Farm Management
- Securing Food Safety
- Ensuring Environmental Protection
- Securing Worker Safety
- Workers' Human Rights and Welfare
- Ensuring Animal Hygiene
- Animal Welfare considerations

> JGAP (Basic - Fruits and Vegetables) can be seen here
> JGAP (Livestock and Livestock Products) can be seen here
> Japan GAP Foundation website can be seen here

*Animal welfare: Rearing of an animal in consideration of its comfort
(Source: Control Points and Compliance Criteria (for Farms) Livestock and Livestock Products 2017)
One of the criteria for JGAP certification is to take measures based on the "Guidelines for Animal Feeding Management Based on the Concept of Animal Welfare."
The "Guidelines for Animal Feeding Management Based on the Concept of Animal Welfare" states that it is important to conduct livestock feeding management with consideration for comfort, comprehensively taking into account the "five freedoms" (i.e. (1) freedom from hunger, thirst and malnutrition, (2) freedom from fear and distress, (3) freedom from physical and thermal discomfort, (4) freedom from pain, injury and disease, and (5) freedom to express normal behavioral patterns) mentioned in the introduction of the OIE (The World Organisation for Animal Health).

Sale of Cage-Free Eggs

An increasing number of customers are concerned about the environment in which animals are raised. In our "Seven Premium Fresh" line, we are mindful of the environment in which chickens are raised. We sell "Traditional Cage-Free Eggs" sourced from hens raised in a free-range environment where they can move around freely. As of the end of February 2024, these eggs are available at all our supermarket stores.



Seven Premium Fresh "Traditional Cage-Free Eggs"

Approach to Usage of Forest Resources

Seven & i Group is making efforts to use wood and paper products produced from properly managed forests.

Use of FSC®-Certified Paper and PEFC-Certified Paper

Seven & i Holdings is promoting use of paper with FSC® certification and PEFC certification, which leads to forest preservation. In March 2017, we started using FSC®-certified paper for paper board boxes in our Seven Premium private brand. As of February 29, 2024, FSC®-certified paper is used for 433 items including ice cream containers, and PEFC-certified paper is used 31 items.
Furthermore, we use FSC®-certified paper for the cash envelopes available at Seven Bank ATMs, all manner of leaflets, the Bonolon, Warrior of the Forest magazine, and Denny's mottECO containers. At Seven & i Food Systems, as a food services company we have been promoting the mottECO initiative to both encourage customers to eat everything they have ordered and to also make them feel free to take home any leftovers. We use FSC®-certified paper containers at our Denny's locations specifically for taking home leftovers.



* FSC®N002571
* FSC® certification is an international certification system for certifying the proper processing and distribution of wood harvested from forests which are certified to be properly managed.

› For more details about mottECO initiatives

Supply Chain Management (Environment)

Seven & i Group is making efforts to reduce its own environmental impact as well as working together with its business partners to reduce environmental impact across the entire supply chain. Besides requesting that our contractors that are manufacturing original products to comply with the Business Partner Sustainable Action Guidelines, we are also working to save energy at factories and introduce eco-friendly vehicles.



Applying the Business Partner Sustainable Action Guidelines

To ensure that it meets its social responsibilities on matters such as reducing its impact on the environment, Seven & i Holdings formulated the Business Partner Action Guidelines in 2007 and asks business partners to comply with them. In December 2019, to clarify our intention to build a sustainable society together with our business partners, we enhanced items related to human rights and labor issues. Thus we changed the name of the guidelines to “Seven & i Group Business Partner Sustainable Action Guidelines.”
“8. Global Environmental Conservation” in the Seven & i Group Business Partner Sustainable Action Guidelines defines items such as compliance with environmental laws and regulations, appropriate handling of wastewater and waste, consideration of biodiversity, and proactive use of energy-efficient equipment and eco-friendly technologies, as well as items related to the “GREEN CHALLENGE 2050” environmental declaration.
For our business partners to understand these guidelines for sustainable behavior and take effective action, we are carrying out the following activities, which are primarily aimed at the original products manufactured by the Group companies. In the fiscal year ending February 29, 2020, due to the global spread of COVID-19, we cancelled the on-site briefing sessions on the Seven & i Group Business Partner Sustainable Action Guidelines and CSR audits, but from June 2020 we began explaining the Seven & i Group Business Partner Sustainable Action Guidelines to business partners with overseas production bases via on-demand distribution, and encouraged them to put them into practice. In addition, from August 2020, we made it possible to view materials in Chinese and five other Asian languages, and from October, we began distributing videos explaining CSR audits with Chinese narration for our business partners in China. In fiscal 2023, we held explanatory meetings on the Seven & i Group Business Partner Sustainable Action Guidelines and CSR audits, which were broadcast live and on demand, and 618 people from 416 companies watched the live broadcast. In addition, 1,181 people watched the recording, and 4,653 people viewed the explanatory meeting materials.

- ◆Awareness and spread: Organizing of briefings
- ◆Confirmation of implementation: Administering of self-check sheet
- ◆Support for implementation: Organizing of compliance training
- ◆Validation of implementation: Conduct of CSR audits and encouraging the taking of corrective action

› For details about the Seven & i Group Business Partner Sustainable Action Guidelines

CSR Audits and Corrective Measures

Since the fiscal year ended February 28, 2013, the Seven & i Group has had CSR audits conducted by third-party inspections organizations at the manufacturing factories of our private brand suppliers in developing countries. The CSR audits include everything from items related to human rights and labor issues to inspections of environmental aspects, such as compliance with environmental laws and regulations, management of effluent and chemical substances, and promotion of energy-saving and environmental protection activities.
If the business partner is found to be in conformance upon completion of the audit, we issue a Certificate of Conformity. However, if items not in conformance with the audit items (nonconforming items) are found, the third-party auditing organization will indicate the nonconforming items to the business partner in question. If the audit finds items that do not comply with the audit program (unacceptable items), the external audit organization provides guidance to the business partner concerned. The business partners must submit a corrective action plan (CAP) to the auditing organization within 10 days of the audit being completed, and must take immediate action to improve the items. After receiving a report on the completion of improvements for the relevant items, the completion of improvements is confirmed based on the submission of photos showing the improvements, guarantee documents (evidence) and other materials. However, for factories that exceed certain standards, such as when numerous serious unacceptable items are found, the resolution of issues is confirmed through another visit to perform a re-audit. When correction of the non-compliant items is completed or the third-party auditing organization and Seven & i Holdings judge that the plan contained in the CAP is valid, a Certificate of Conformity is issued to the relevant business partner.
The issuance of a “Certificate of Conformity” is a prerequisite for a business relationship to continue. In addition, when a new transaction is requested, we ask that you understand and comply with the “Seven & i Group Business Partner Sustainable Action Guidelines” and begin the transaction after a “Certificate of Conformity” has been issued through a CSR audit.

› Further details about CSR audits of business partners can be found here

Promoting Environmental Information Management at Manufacturing Factories

Seven-Eleven Japan has its original daily products manufactured by several contract manufacturers. These manufacturers have organized the Nihon Delica Foods Association, which reports on the CO_2 emissions, waste emissions, and the food recycle rate. It works to ascertain the environmental information of our contract manufacturers and hold study seminars through the “Environmental Promotion Team” (held monthly) under the CSR Promotion Committee of the Nihon Delica Foods Association, where it shares and spread examples from each manufacturer.
221 factories in Japan that are tasked with manufacturing the Group's “Seven Premium” private brand products have acquired ISO 14001 certification for their environmental management systems.

Scope 3*1 Calculation

Seven & i Holdings is working to reduce CO_2 emissions and evaluate its environmental impact at every stage from the supply chain through to sales and consumption, as stated in its Fundamental Policies Relating to Measures to Contribute to the Prevention of Global Warming. To this end, the Group has calculated the CO_2 emissions (“Scope 3”) throughout the entire supply chain following the “Basic Guidelines on Accounting for Greenhouse Gas Emissions throughout the Supply Chain Ver. 2.4.” of the Ministry of the Environment. For the fiscal year ending February 29, 2024, we calculated emissions for 10 major Group companies.*2 The Seven & i Group, supports the comfortable lives of its customers. On the other hand, some aspects place a burden on the environment. We will actively work to expand the supply of renewable fuels and the installation of EV chargers. 7-Eleven, Inc., which sells gasoline, is advancing a sustainable future through targeted priorities, including increased access to alternative fuels, an overall reduction in CO_2e emissions and a continued investment in renewable energy.

* 1. “Scope 3”: CO_2 emissions other than those from the company, emitted from its procurement of raw materials and products, transportation, and product use, together with CO_2 emissions from waste disposal processes
* 2. The following 10 companies: Seven-Eleven Japan, 7-Eleven, Inc., Ito-Yokado, York-Benimaru, SHELL GARDEN, IY Foods, Akachan Honpo, THE LOFT, Seven & i Food Systems, and Seven Bank

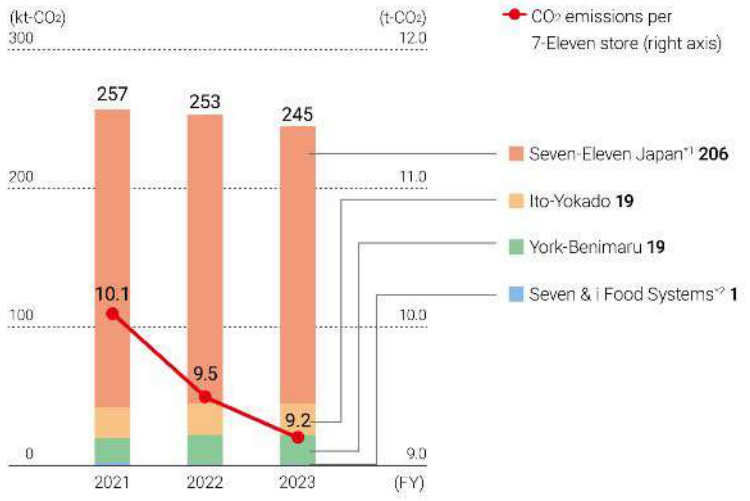
Breakdown of Greenhouse Gas Emissions throughout the Supply Chain in the Fiscal Year Ending February 29, 2024 (Totals for 10 companies)

Categories	Amount of emissions (t-CO_2)	Composition ratio (%)
Category 1 (Purchased goods and services)	45,125,615	26.0%
Category 2 (Capital goods)	870,075	0.5%
Category 3 (Fuel- and-energy-related activities not included in Scope 1 or 2)	580,766	0.3%
Category 4 (Upstream transportation and distribution)	836,633	0.5%
Category 5 (Waste generated in operations)	593,096	0.3%
Category 6 (Business travel)	27,210	0.02%
Category 7 (Employee commuting)	492,645	0.3%
Category 8 (Upstream leased assets)	-	-
Category 9 (Downstream transportation and distribution)	51,844	0.03%
Category 10 (Processing of sold products)	-	-
Category 11 (Use of sold products)	118,151,843	68.1%
Category 12 (End of life treatment of sold products)	436,817	0.3%
Category 13 (Downstream leased assets)	93,710	0.1%
Category 14 (Franchises)	6,262,307	3.6%
Category 15 (Investments)	-	-
Total of Scopes 3	173,522,561	100.0%

Reducing CO_2 Emissions from Deliveries

Seven & i Holdings is asking its partners who deliver products to stores to cooperate with efforts to introduce eco-friendly vehicles, improve fuel efficiency, and reduce store delivery frequencies. Furthermore, progress is also being made in fitting trucks with drive-data terminals that record driving status. Data collected from the terminals is used to provide driver instruction and eco-driving seminars.

CO_2 Emissions by Delivery Trucks



*1 The values include CO_2 emissions from delivery trucks of business partners and distribution center operations
*2 The values are from Denny's only

Introduction of Eco-Friendly Vehicles

For its delivery vehicles that convey products to stores, Seven-Eleven Japan is introducing clean diesel engines, compressed natural gas (CNG), hybrid vehicles, and EV trucks and hydrogen-powered fuel cell trucks that do not emit CO_2, with the goal of reducingCO_2 emissions to achieve a decarbonized society. Of the total of 6,205 delivery vehicles, 5,688 are environmentally friendly vehicles (as of the end of February 2024).

Since March 2018, Seven-Eleven Japan has been cooperating with a project being conducted by Ehime Prefecture to encourage the use of biodiesel fuel produced from used frying oil. Seven-Eleven Japan has been refining bio diesel fuel from oil collected from households, fryers in 7-Eleven stores, and production of fried foods at specialized factories in Ehime Prefecture. Seven-Eleven Japan projects that approximately 300,000 liters of bio diesel fuel will be used each year and that emissions from deliveries will be reduced by about 40 ton kg-CO_2 per year.

In March 2018, Seven-Eleven Japan introduced three EV trucks from Mitsubishi Fuso Truck and Bus Corporation, with the scope for introduction of EV trucks currently being further expanded for store deliveries.

Additionally, in April 2019, it introduced two light fuel cell trucks developed by Toyota Motor Corporation. These trucks run on a fuel cell (FC unit) that uses hydrogen to generate electricity, has a maximum loading capacity of three tons, a cruising range of approximately 200 kilometers, and does not emit environmentally hazardous substances during operation. Also, the electricity generated by the FC unit is used to power the refrigeration unit. As of 2023, three small fuel cell trucks are in operation in Tokyo and Fukushima Prefecture.



Delivery vehicle which runs on biodiesel fuel



Small fuel cell truck



EV truck

In February 2023, York-Benimaru commenced deliveries to its stores utilizing “small hydrogen fuel cell trucks.” Going forward, retail, logistics, infrastructure, and vehicle manufacturers will actively work together on managing operations for hydrogen fuel cell trucks and on building energy management systems (creation of optimum hydrogen station operations). As of the end of February 2024, two vehicles were in operation in Koriyama City.



Small hydrogen fuel cell truck

Promoting Introduction of Eco-Friendly Tires

Seven-Eleven Japan is promoting the introduction of eco-friendly tires with low rolling resistance for delivery vehicles. As of the end of February 2024, it have installed ecofriendly tires on 6,107 delivery vehicles, representing approximately 99% of the total fleet.
Moreover, Seven-Eleven Japan has also introduced retread tires. These tires are made from tires that have finished their service life, by removing a certain amount of the rubber surface that makes contact with the road and applying new rubber and tread. In this way, they can be re-used as rear tires for delivery vehicles. Seven-Eleven Japan will promote the use of retread tires to contribute to resource conservation and waste reduction by reusing them.



Retread tires

Introduction of Energy-Saving Equipment at Distribution Centers

Seven-Eleven Japan is promoting efforts to reduce wasteful power usage at its distribution centers by introducing “demand controllers” that monitor the electricity usage of each unit of equipment and apply controls to the equipment in use to ensure that the usage does not exceed a certain range at 65 of 164 distribution centers (as of the end of February 2024).

Participation in Initiatives and Collaboration with External Organizations

Seven & i Holdings is actively supporting and participating in external organizations/initiatives both domestically and internationally such as the industry-government-academia collaborations and consortiums. We actively collect information on advanced technologies and know-hows on sustainability through initiatives, participate in regular/irregular seminars and study groups, as well as dispatch our information by discussions and presentations at symposiums/seminars/gatherings. By working to further reduce the environmental impact of the Group through collaborative and cooperative activities with suppliers and other stakeholders, we advance our efforts to realize our prosperous and sustainable society together.

Collaboration and joint research :

Name	Status of Participation	Remarks
Japan Business Federation	Member (LINK: Japanese)	We support the "Challenge Zero" initiative toward carbon neutrality by 2050.
Task Force on Climate-related Financial Disclosures (TCFD) Consortium	Member (LINK)	We have expressed our support for the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). In addition, we are committed to our participation in the TCFD Consortium, which was established to promote joint initiatives by Japanese companies and financial institutions that support the recommendations of the TCFD. We are considering ways to improve information disclosure and engage in dialogue with stakeholders.
RE100	Member (LINK: Japanese)	In order to meet the CO_2 emission reduction target which constitutes one of the key themes of our environmental declaration "GREEN CHALLENGE 2050", we are participating in RE100, an international initiative that aims to use 100% renewable energy for the electricity used in our business activities.
Japan Climate Initiative: JCI	Member (LINK)	We are committed to supporting and participating in the goals of this initiative, "joining the front line of the global push for decarbonization from Japan." In 2021, we endorsed the following policy recommendations. ・Ambitious 2030 Target to realize the Paris Agreement in Japan (April 2021) ＜Support of JCI Policy Recommendations＞ ・Ambitious 2030 Target to realize the Paris Agreement in Japan (April 2021) (in Japanese) ・Renewable energy power target to 40-50% in FY2030 (January 2021) (in Japanese)
Japan Climate Leaders Partnership (JCLP)	Member (LINK)	We agree with and support the idea that industry should have a healthy sense of crisis and start taking proactive initiatives in order to realize a sustainable decarbonized society, In April 2021, we endorsed the following policy recommendations. ＜Support for JCLP policy ＞ ・JCLP welcomes Japan's new 2030 GHG Emissions Reduction Target (April 2021)
Japan Clean Ocean Material Alliance (CLOMA)	Member (LINK)	We have set targets for countermeasures to plastic in our environmental declaration "GREEN CHALLENGE 2050," and our participation is grounded in our conviction that it is necessary to promote joint public-private initiatives toward the resolution of the issue of marine plastics.

Japan Hydrogen Association (JH2A)	Member (LINK: Japanese)	The purpose of the association's activities is aligned with the initiatives to reduce CO_2 emissions in the environmental declaration "GREEN CHALLENGE 2050," and our participation in the project is based on our commitment to study the use of hydrogen to build a decarbonized society.
Kyoto Beyond SDGs consortiums, Kyoto University	Member (LINK: Japanese)	We are committed to participation in the consortium's initiatives toward resource recycling, energy conservation, and energy creation, as well as initiatives aimed at implementing the SDGs in local communities. Our participation is grounded in our conviction that the initiatives are aligned with the society we are aiming for and can contribute to the creation of an SDGs community in Kyoto City.
Sustainable Future Society Creation Platform, Tokyo University	Member (LINK: Japanese)	This platform pursues the creation of a sustainable society mainly from the perspective of energy systems. The platform contributes to the reduction of CO_2 emissions and the construction of a sustainable society, which is the goal of the environmental declaration "GREEN CHALLENGE 2050."
SBTN Corporate Engagement Program	Member (LINK)	The SBTN is a collaborative organization of non-profit organizations and businesses that develops and provides methods and resources for setting science-based targets for a sustainable global system based on the activities of the SBT initiative. The SBTN Corporate Engagement Program aims to work with a number of partners, including businesses, to develop a scientific approach to setting targets for the use of natural capital by businesses.
30by30 Alliance for Biodiversity	Member (LINK)	Hosted by the Ministry of the Environment, this is an alliance that aims to achieve the goal of effectively conserving more than 30% of the land and sea as healthy ecosystems by 2030, with the goal of becoming nature-positive by 2030.

Material Issue 4 Achieve a society in which diverse people can actively participate

Approach to the Material Issue

The Seven & i Group believes it is significant to realize a society in which diverse people with various backgrounds and values, including race, nationality, gender, age, religion, disability, and sexual orientation, can participate actively.

Promoting cross-cultural understanding and supporting the next generation who will create the society of the future will lead not only to the development of society as a whole but also to the provision of products and services demanded by society. We continue to promote initiatives that enable the entire society, as well as our group, to respect various values and lifestyles.

- Relevant policy

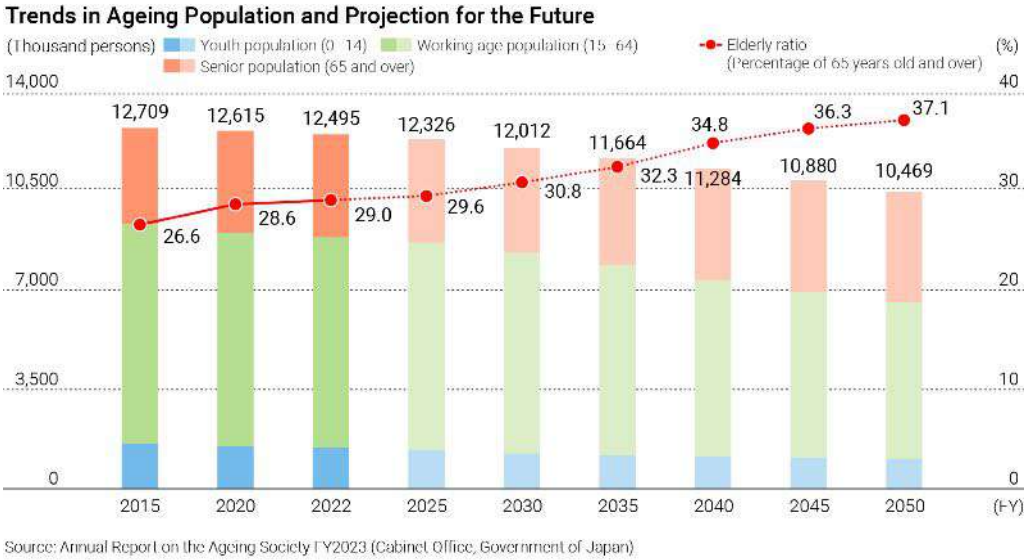
  Seven & i Group Corporate Action Guidelines >

  Seven & i Group Human Rights Policy >

Background to the Material Issue

Aging Population and Decline in Productive-Aged Population

Japan is experiencing a decline in birth rates along with an aging population, leading to a decrease in the working-age population. While the elderly population continues to grow, it is projected that by 2050, the working-age population will decrease to approximately 55.4 million (a 25.3% decrease from 2022). Supporting the development of the next generation is crucial for realizing a better society.

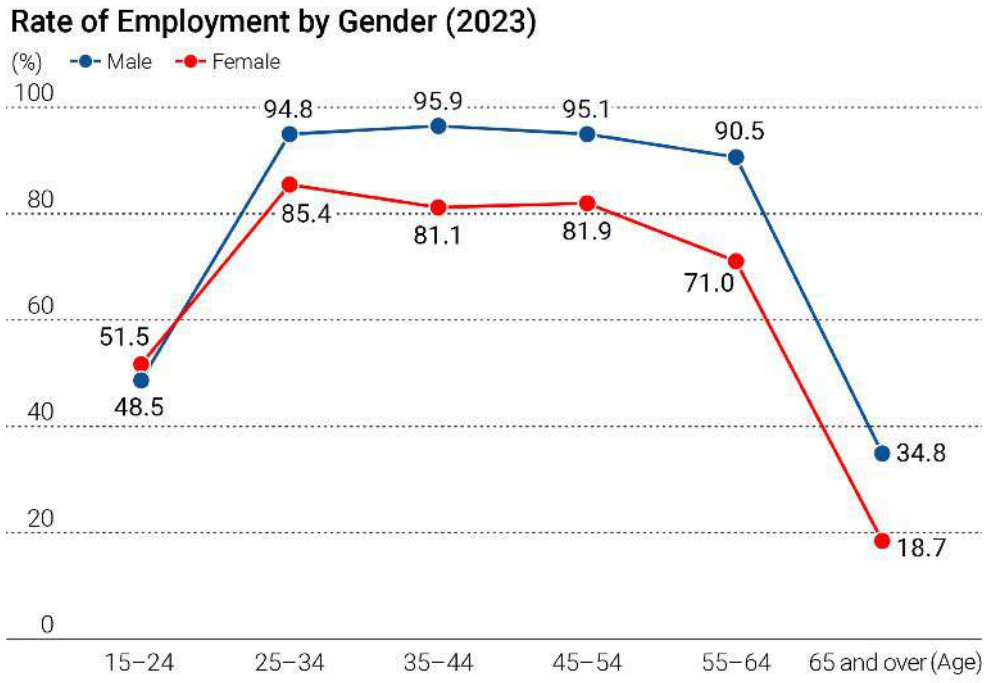


Source: Annual Report on the Ageing Society FY2023 (Cabinet Office, Government of Japan)

Supporting Active Participation of Women

As the working-age population decreases, promoting the active participation of women is essential. However, many women who wish to work are unable to do so for various reasons, such as the inability to balance childcare and work, or the difficulty in finding employment after raising children. Additionally, in Japan, the percentage of women in managerial positions is low compared to the global average: 21.1% for executives, 8.0% for department heads, 11.6% for section chiefs, and 18.7% for assistant managers. Therefore, creating a society where highly capable women can thrive remains a challenge.

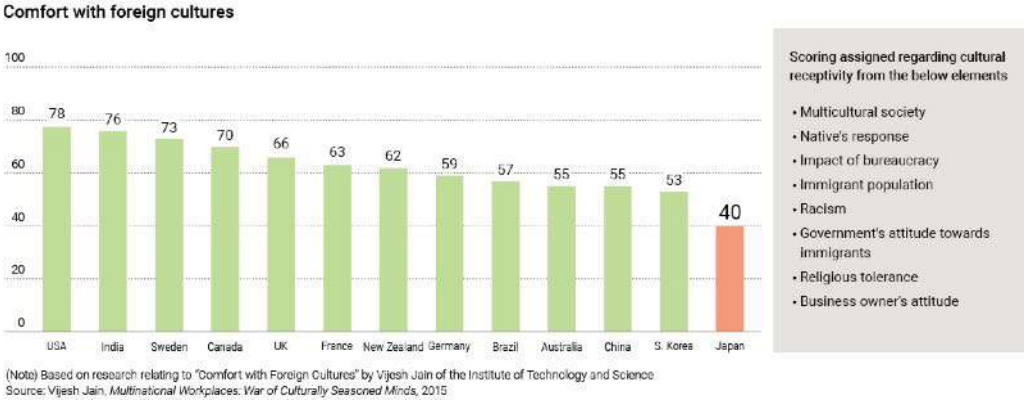
* Source: "Basic Survey of Gender Equality in Employment Management for FY 2022" (Ministry of Health, Labour and Welfare)



Source: 2023 Yearly Average Results, Labour Force Survey (Basic Tabulation) (Ministry of Internal Affairs and Communications)

Receptivity to Other Cultures

Compared to multiple countries, Japan's receptivity to cultures different from one's own is particularly low. To create a society in which diverse people can participate actively, we must respect other cultures as well.



(Note) Based on research relating to "Comfort with Foreign Cultures" by Vijesh Jain of the Institute of Technology and Science
Source: Vijesh Jain, *Multinational Workplaces: War of Culturally Seasoned Minds*, 2015

Contribution to SDGs

By addressing this material issue, the Seven & i Group will support the active participation of diverse people, including gender equality, and contribute to achieving goals 5 and 10 of the Sustainable Development Goals (SDGs).





Seven & i Group's Initiatives

Support the Development of the Next Generation >

Support the Development of the Next Generation

Amid the trend toward nuclear families, there are often fewer people whom parents can easily turn to with questions about raising their children. In light of this, Seven & i Group offers various types of support through its stores.

Maternity and Childcare Counseling Service

Ito-Yokado has placed maternity and childcare consultation offices. Here, consultants certified as public health nurses and midwives provide free consultations on health during pregnancy and childcare. Each of these facilities offers restrooms equipped with such conveniences as diaper-changing tables, private spaces for breastfeeding, water heaters for milk formula, and toilets for children. In addition, the consultants also collect information on the types of assistance offered by local governments and provide this information to users.

Number of Stores with Maternity and Childcare Consultation Offices

End of February 2022	End of February 2023	End of February 2024
100	98	95



Childcare consultation office

Number of Ito-Yokado Childcare Consultations (Users)

FY2019	FY2020	FY2021	FY2022	FY2023
224,552	111,326*	137,559	146,210	145,815

* The number of consultations per store has continued to rise since the fiscal year ended February 28, 2022, regardless of the impact of voluntary stay-at-home practices, temporary closures as determined by stores, and permanent closures due to the spread of COVID-19, as well as closures due to structural reforms.

Supporting Pregnancy, Childbirth, and Child-Rearing through Co-Creation with Various Companies

Akachan Honpo is promoting the “with akachanhonpo” co-creation project, an initiative undertaken with various companies to solve social issues related to pregnancy, childbirth, and child-rearing. For example, the project established a community site on X (formerly Twitter) that enables anyone to feel free to ask questions to midwives and provides free specialized content prepared under the supervision of midwives about physical and mental well-being. The project continues to provide new value by solving issues related to meals and offering support for creating memories for parents and children. By transcending the boundaries of companies in this way, new products and services are created, providing unprecedented value.

Childcare Support Events

Ito-Yokado holds various events to provide childcare advice and encourage mutual interaction among parents/guardians. The company also actively takes part in events in collaboration with universities, municipalities, and several product manufacturers to maintain and promote the health of mothers, offer techniques for relaxation and rejuvenation, and provide helpful childcare-related information. The overarching theme of the events is “enjoyment at home through public-private-academic partnerships.” Through these events, it is helping to expand community childcare support networks.
Since 2021, Ito-Yokado has also started holding Kids Workplace Experience Tours, where parents and their children can enjoy learning. These tours are events where they can join workplace experience programs at Ito-Yokado and learn about such matters as store development that seeks customer satisfaction and initiatives that are considerate of hygiene management and the environment from the perspective of SDGs.
In the fiscal year ended February 29, 2024, these tours were offered at 125 Ito-Yokado stores, for a total of approximately 2,500 people, including parents/guardians and children.





Kids Workplace Experience Tour, where they learn from the perspective of SDGs

Supporting Career Education

To support career education at elementary schools, junior and senior high schools, and universities, Seven & i Group cooperates with requests from schools by sending out employees to each school, providing workplace tours, and holding workplace experience programs at its Group stores, where participants have the chance to take part in conducting familiar retail store operations.

7-Eleven Store in Shinagawa Student City

Seven-Eleven Japan has a store in Shinagawa Student City, which has been run jointly by Shinagawa-ku and Junior Achievement Japan since 2003. The concept of Shinagawa Student City is to create a virtual town inside an elementary school, with various companies setting up shops and providing experience of working and society. The children working in the 7-Eleven store experience customer service, store shelf organization, and other operations to learn about the systems of society.



Shinagawa Student City

› More details about the Student City economic activity experience can be found here (in Japanese)

Workplace Experience at Stores

Ito-Yokado accepts workplace experience programs for children, students, and pupils from educational institutions. In addition to providing opportunities to observe food processing operations and experience product display in stores, participants can also engage in activities such as sampling and sales promotions. Through these experiences, they can enjoy the process of thinking and expressing their own ideas, and understand the importance of adhering to basic safety and security measures.

Workplace Experience at Training Center

Seven & i Group training facility, Ito Training Center, provides store shelf organization and food processing experiences, as well as opportunities to provide service from various customer perspectives, such as helping customers in wheelchairs. Through these experiences, students can feel the value of working and the joy of interacting with customers.



Learning about cash registers through hands-on experience at Ito Training Center

Outreach Classes for Company-School Exchange

Seven-Eleven Japan holds outreach classes at an elementary school as a part of the Yomiuri Education Network, which seeks to increase interactions between companies and schools. Through the group work, the children come to understand in a fun way the roles that 7-Eleven plays in society. At the same time, they learn about how the products and services of 7-Eleven, which aims to build stores that are convenient and close to people, have changed (CRM strategy* and response to SDGs) in accordance with changes in society (changes in customers' needs). The class provides a good opportunity for children to think about their society from the everyday perspective of a convenience store. Additionally, through the familiar 7-Eleven stores located across the country, Seven-Eleven Japan conducts unique outreach classes that provide children, who will shape the future, with opportunities to learn about social issues related to the SDGs, think about solutions, and take action. Applications from elementary schools and other institutions nationwide are accepted through its company website.

*CRM strategy: Customer Relationship Management strategy
This is a management strategy/method aimed at expanding sales and improving profitability through improving customer satisfaction and loyalty.




Outreach class in progress

Support through Free Picture Book, Bonolon, Warrior of the Forest

Since 2005, Seven Bank has cosponsored the publication of Bonolon, Warrior of the Forest, which is a free picture book created with the hope that such qualities in the heart-warming world of Bonolon as kindness and courage will help future generations grow to have enriched minds. The bank also publishes about 3 million picture books annually and distributes them free of charge,* produces large-size picture books, holds storytelling sessions for children, and conducts other programs, promoting communications between parents and children and contributing to the healthy development of children over the 18 years since its launch.

＊ With the aim of making them readily available for children, parents, and grandparents all over Japan, copies are issued on the 15th day of every even month and distributed free of charge at 7-Eleven stores and Denny's restaurants throughout Japan as well as Akachan Honpo stores.



Storytelling session led by employee volunteers

Support for Dietary Education

Seven & i Group promotes dietary education activities for children through various experiences in order to prepare them to be people who can convey knowledge about foods and practice sound and healthy dietary habits.
For example, some Denny's restaurants operated by Seven & i Food Systems regularly hold dietary education classes for children. These classes are opportunities for children to learn about how to use chopsticks, knives, forks, and spoons as well as proper table posture and other basic etiquette. They are also opportunities to learn in an enjoyable way through explanations using ingredient-themed panels and quizzes on seasonal vegetables, and more. While stores have refrained from holding face-to-face classes to prevent the spread of COVID-19 since 2020, it holds dietary education classes via online meeting tools.
In addition, some Ito-Yokado stores regularly carry out dietary education events. At this event, participants learn the importance of well-balanced food through cooking demonstrations and menu suggestions in cooking areas set up in-store, as well as traditional culture such as the Doll Festival through food.



Dietary education class

D&I Training Conducted to Teach the Key Points of Communicating with Diverse People

Seven-Eleven Japan conducted D&I training for employees who work at stores as an opportunity to learn the key points of communciating with diverse customers and employees including seniors, persons with disabilities, and foreign residents and employees. Seminars and group sessions deepen participants' understanding. Part of the training included incorporating the Job Supporter for Persons with Mental Developmental Disabilities training held by the Ministry of Health, Labour and Welfare, which was attended by 255 persons through the end of February 2024. In the future, the company will continue to support interactions by personnel with diverse people, efforts aimed at better communciations, and the creation of a society where all people can live comfortably.

Material Issue 5 Improve work engagement and environment for people working in Group businesses

Approach to the Material Issue

In the entire Seven & i Group, more than 160,000 people work. Workplaces include part-time employees, foreign nationals, and employees working short hours due to childcare and family care responsibilities. With this diverse workforce, we recognize that we have a duty as a corporation to support diverse working formats. We support the careers of our diverse employees and strive to create appealing workplaces that make work worthwhile. This enables us to steadily acquire diverse human resources, and also drives us to incorporate completely new ways of thinking and generate new value. It is therefore a source of competitiveness.

- Relevant policy

  Seven & i Group Corporate Action Guidelines >

  Seven & i Group Human Rights Policy >

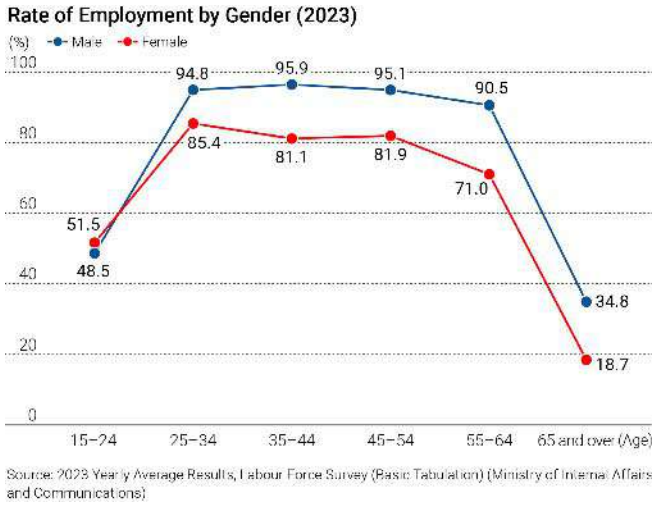
Background to the Material Issue

Supporting Active Participation of Women

With the productive-aged population in decline, it is essential to promote active participation by women. However, many women are denied the opportunity to work, for example, because it is not possible to balance work with childcare, or because they have been unable to return to work after childcare.

In Japan, the percentage of women in managerial positions is 21.1% for executives, 8.0% for department heads, 11.6% for section chiefs, and 18.7% for assistant managers. These figures are low compared to the global average, highlighting the challenge of creating a society where highly capable women can thrive.

* Source: "Basic Survey of Gender Equality in Employment Management for FY 2022" (Ministry of Health, Labour and Welfare)



Source: 2023 Yearly Average Results, Labour Force Survey (Basic Tabulation) (Ministry of Internal Affairs and Communications)

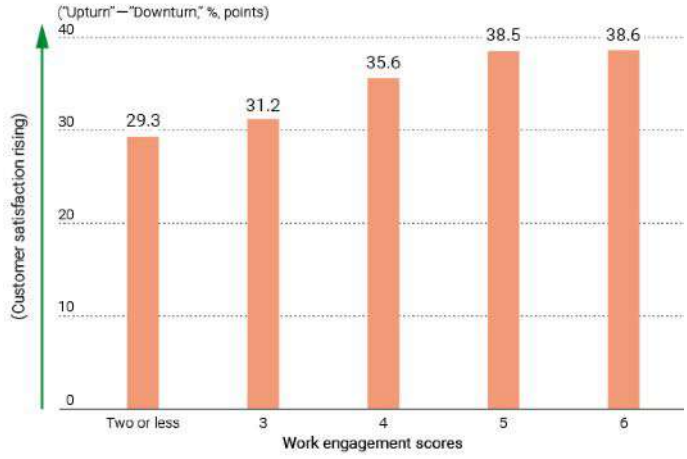
Improve Workers' Motivation

Most workers spend much of their day working at their companies. However, it is said that the motivation to contribute to the company is lower in Japan than in the rest of the world, and the challenge is how to make workers feel more motivated.

Improve Work Engagement

It is believed that there is a positive correlation between the Work Engagement Score, in which people feel pride and satisfaction in their work and are lively and enthusiastic about it, and customer satisfaction. Improving work engagement and environment for people working in Group businesses will lead to higher satisfaction not only for the Group itself, but also for its customers.

Company awareness relating to customer satisfaction levels indicated by respective work engagement scores (all companies)



Source: Independent aggregation by the Policy Planning Division assistant to the Director-General for Policy Planning and Evaluation, Ministry of Health, Labour and Welfare from individual data in the Japan Institute for Labour and Policy Training "Survey on current circumstances surrounding personnel shortfalls and related issues and workstyles etc." (2019)

Contribution to SDGs

By addressing this material issue, the Seven & i Group will contribute to achieving goals 5, 8, and 10 of the Sustainable Development Goals (SDGs) by improving work engagement and environment for people in the Group's businesses regardless of gender or age.







Seven & i Group's Initiatives

Human Capital Initiatives >

Culture & Engagement Survey >

Diversity, Equity, and Inclusion (DEI) >

Support for Enhancing the Abilities of Employees >

Achieving a Work-Life Balance >

Consideration for Employee Health and Occupational Safety and Health >

Assuring Fair Assessment and Treatment of Employees >

Sound Labor-Management Relations >

Response to Customer Harassment >

Culture & Engagement Survey

Seven & i Group considers employees to be an important human resource asset supporting the enhancement of corporate value. We believe that employees' heightened engagement and desire to contribute leads to our organization's vitalization and strengthened competitiveness. Therefore, we conduct employee engagement & culture surveys with the aim of creating employee-friendly workplaces with job satisfaction.

Outcomes of the Culture & Engagement Survey

In the fiscal year ended February 29, 2024, we implemented the Culture & Engagement Survey for approximately 67,000 employees at 26 companies in Japan (including monthly salaried full-time and hourly wage full-time employees as well as part-time employees). Survey scores on unique survey items inquiring into cultural statuses (covering integrity, respect for autonomy, encouragement for taking on challenges, cultural openness, etc.) and scores relating to engagement are tallied to create a visualization of the various statuses. The result was an average percentage of positive assessments in questions dealing with cultural statuses of 70% and an engagement score of 50% (both for monthly salaried full-time employees).
The survey is conducted once every year with the next survey scheduled to take place in the second half of the fiscal year ending February 28, 2025.

Number of Employees Targeted under the FY2023 Culture & Engagement Survey

	FY2023
No. of targeted employees	approx. 67,000

FY2023 Results of the FY2023 Culture & Engagement Survey



*Surveys conducted simultaneously to gauge cultural statuses at each workplace (covering integrity, respect for autonomy, encouragement for taking on challenges, cultural openness, etc.) and engagement at all companies.

*The culture scores and engagement scores are the results from monthly salaried full-time employees, which are given as one example.

*Employees were asked multiple questions about their sense of belonging to the company and desire to contribute, and required to identify one of six levels. This is the ratio of employees who gave affirmative replies in the top three levels.

*Employee engagement is defined as employees' feelings about doing one's best and not giving up until delivering results above expectations with the "feeling that each and every employee is always playing a leading role," and "pride and passion in everyone's work." This is ascertained via four questions incorporating the two perspectives: 1. Whether employees strongly wish to remain at the company; and 2. Whether they will work harder than what is expected of them in the course of their duties. A concurrent analysis of factors toward improving engagement is also implemented. We used an external research organization in conducting the survey, and are currently implementing measures for improvement following a comparison with other companies globally.

Promoting Improvement Activities

Seven & i Group is committed to improving engagement by endeavoring to create workplace environments conducive to working comfortably and which provide job satisfaction and motivation for diverse human resources. The employee engagement survey has been implemented since 2018 to visualize the statuses of the organization and, from 2022, this survey was developed into the Culture & Engagement Survey, which is used to identify challenges faced by companies and their employees and to carry out improvement activities. We believe that fostering a culture of continuous challenge and innovation and enhancing the engagement levels of individual human resources as well as their willingness to contribute will promote organizational vitality and strengthen our competitiveness as a company.
In the fiscal year ended February 28, 2022, we established Engagement Improvement Committees at each of our Group companies. These committees are chaired mainly by the heads of personnel departments, with members selected from a diverse pool of human resources. They conduct analyses and identify and collate the issues from the outcomes of the Culture & Engagement Survey to formulate measures for the fostering of culture and improving engagement, while regularly monitoring the implementation of these measures and reporting to the Board of Directors of Seven & i Holdings as well as the Management Councils at each Group company. Additionally, we are continuously implementing measures while actively using feedback received from employees, encompassing dialogues between management and employees at Group companies, refurbishment of the employee canteen at the Seven & i Holdings Head Office, adoption of systems to support both employee's work and lifestyles, and other measures towards improving engagement. In conjunction with these efforts, we are leveraging the sharing of case studies of good practices and promotion of mutual understanding through these committees to promote further activities.
We will actively endeavor to work toward fostering corporate cultures in which companies and employees can grow in a sustainable manner, where employees are satisfied and engaged with their jobs and work in comfort, and where diverse opinions are respected.

Cooperation with Members of the Engagement Promotion Committee

Ito-Yokado are working toward a shared awareness and recognition of engagement with each employee around a core of 50 members who promote engagement and involve the members around them. As part of this, senior management, store managers, and headquarter leaders clearly define the management philosophy and vision, and embody the management philosophy, while holding meetings by area to instill job satisfaction and motivate employees. In this way, they are training personnel with the capacity to think and act on their own initiative and leveraging employee diversity to create environments that reflect the various feedback received, while strengthening the foundations to improve engagement.

Promotion of Dialogues with Management

Each Group company place great emphasis and importance on venues for direct communication between management and employees to ensure that each and every employee understands the future orientation they are aiming for and has a clear and distinct vision of their aspirations.
Seven & i Holdings actively provides opportunities for direct dialogues between management and employees, with 65 such meetings held in the fiscal year ended February 29, 2024.



Hosting of Town Hall Meetings

Seven Bank holds Town Hall meetings, at which employees, the President, and executive officers engage in dialogues on a variety of topics. All employees, including those at subsidiaries, are eligible to participate in these meetings, which involve groups of around eight employees per Town Hall meeting exchanging frank views with the President and executive officers on ongoing initiatives to realize the Seven Bank Purpose and on the challenges faced by those working on the frontline. In the fiscal year ended February 29, 2024, a total of around 70 meetings were held, at which around 350 persons participated.
This initiative is providing opportunities for employees to put into words their feelings about their work and to share these with the President and other members of the company and is thereby successfully facilitating increased motivation among employees.



Revision of Personnel Evaluation System

Based on the results of the engagement survey, Akachan Honpo is focusing on opinion exchange meetings and dialogue sessions to expand communication with employees.
As a company-wide initiative, it provides opportunities for HR managers to have direct dialogues with employees, and the values and ideas gathered from these interactions are reflected in company policies. By creating an environment where candid opinions can be freely exchanged, it aims to enhance systems that contribute to individual work-life balance under the common goal of "making the company even better."
Additionally, to promote dialogue within each store department, it conducts training for department heads on how to interpret engagement scores and share best practices. This training helps make engagement more relatable, creating opportunities to incorporate it into daily actions and tasks. Department heads lead efforts to understand the current state of their departments and implement improvement actions within their teams.
Moving forward, it will continue to spread these initiatives throughout the departments and the entire company to further enhance employee engagement.

Diversity, Equity, and Inclusion (DEI)

Seven & i Group is building an organization in which diverse human resources are motivated to demonstrate their abilities and in which the company and employees can grow together by strengthening the linkage between management strategy and human resource policy. Employees with a diverse range of attributes, experience, and knowledge work at each of the Group's workplaces. Seven & i Holdings supports the activities of this diverse workforce and strives to build work environments that enable employees to work with satisfaction. We also recognize that such an approach leads to improved productivity and the securing of human resources and in turn to the improvement of customer satisfaction and generation of innovation, as well enhancing our competitiveness.



Targets and Steps for Promoting DEI

To promote DEI, Seven & i Holdings established the Diversity Promotion Project in 2012 and set five targets, including for the ratio of female managers. Thus, after establishing the promotion structure in FY2012, we have pursued various initiatives, such as those for the empowerment of women, a revision of personnel system operations, as well as initiatives to raise the awareness of management-level employees, support the balancing of work and family care responsibilities, and promote understanding of LGBTQ+ issues. To strengthen our DEI activities, and especially initiatives relating to the promotion of the activities of women, in May 2021 we joined the 30% Club Japan and set a new target of raising the ratio of female executive officers to 30% by the end of February 2026. At the same time, we have also reviewed working formats for greater productivity, focusing on rectifying long working hours, which have been a barrier to the further advancement of diverse human resources, and on achieving employee work-life balance.

Diversity Promotion Targets

1. Ratio of female executive officers: Raise to 30% (by the end of February 2026) *1
   Ratio of female managers: Raise to 30% (by the end of February 2026)*2
2. Encourage male employees to participate in housework and childcare
3. Eliminate retirements resulting from need to provide family care
4. Promote normalization
5. Encourage understanding of LGBTQ+

*1 Totals are for four companies: Seven & i Holdings, Seven-Eleven Japan, Ito-Yokado, and York-Benimaru

*2 Totals are for eight companies: Seven & i Holdings, Seven-Eleven Japan, Ito-Yokado, York-Benimaru, Akachan Honpo, Seven & i Food Systems, THE LOFT, and Seven Bank

System to Promote DEI

Based on the commitment of top management, Seven & i Holdings established the "Seven & i Group DEI Promotion Project" (initially the Diversity Promotion Project) within the Corporate Ethics and Culture Subcommittee under the CSR Management Committee in 2012. This project is responsible for formulating policies for the group's DEI promotion activities, planning and executing cross-group initiatives, and setting individual goals tailored to the characteristics of each group company. Since 2022, the group companies have set target values for metrics such as the ratio of female hires and registrations, and the ratio of female managers. They have also started using action plan sheets to regularly check achievements, progress, and challenges. Additionally, the DEI Promotion Liaison Meeting, which gathers diversity promotion officers from the nine major group companies, is held regularly to share the group's DEI policies, the progress and challenges of each company's promotion activities, and to horizontally deploy best practices across the group.
Since 2023, DEI Information Sharing Meetings have also been held to strengthen collaboration among HR and DEI administrative personnel within the group companies. The content of these activities is regularly reported to the Corporate Ethics and Culture Subcommittee, which gathers HR managers from each group company, and the CSR Management Committee, which includes the presidents of each group company, aiming to permeate and materialize DEI activities throughout the entire group.

› Website for the Declaration on Action by a group of male leaders who will create “A Society in which Women Shine” (Gender Equality Bureau, Cabinet Office)

Supporting Active Participation of Women

Career Development Support for Women

Seven & i Holdings continues to undertake initiatives that support women’s career development as part of positive action. As a recent initiative, in 2021 we launched the Women Encouragement Seminar to provide Group-wide training aimed at fostering female manager candidates. Female employees from about 20 Group companies take part in the seminar. During this seminar, the president and other members of management speak on such topics as the Group’s management policy and philosophy, and convey messages of support to participants, who subsequently discuss these with their fellow participants. Holding the seminar in an entirely online format allows participation from all regions of Japan, regardless of area, and female employees working shorter hours due to childcare responsibilities can also participate. This initiative, whereby participants hear accounts from perspectives and frames of reference differing from those encountered in their everyday work serves as an opportunity to enhance their desire for growth. At the same time, the discussions among fellow employees with diverse academic and career backgrounds and jobs serve as an opportunity for participants to think about their own careers, with the copious feedback received including such comments as “I was encouraged by the words of women working in the same Group” and “I was inspired.”
In addition, we launched Women Leader Empowerment Sessions as a means to promote appointments of female executive officers from 2022. At these sessions, which target female management employees as executive officer candidates, we reinforce the type of leadership that suits each individual, empowering these women for future growth and challenges. Another goal is to forge connections between attendees.



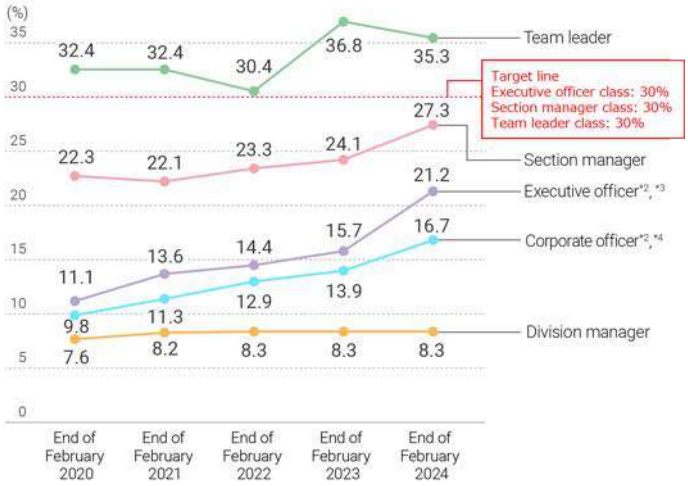
Women Encouragement Seminar

› For DEI initiatives in North America, please refer here.

Changes in the Ratio of Female Managers

Seven & i Group is working to promote women and further bolster personnel training to meet the goal of a 30% ratio of female managers, one of our targets for diversity promotion. As of the end of February 2024, the ratio of female managers is 35.3% at the Team leader level and 27.3% at the section manager level. There has also been progress in changing awareness, and there are now many managers playing an active part while raising children, as well as those who participate in the short working hours program. We are continuing to nurture and promote women at the Group companies through training for managers and executive candidates and the sharing of career plans with supervisors during individual meetings.

Trends in the Ratio of Female Managers*1



*1 Total for eight Group companies: Seven & i Holdings, Seven-Eleven Japan, Ito-Yokado, York-Benimaru, THE LOFT, Akachan Honpo, Seven & i Food Systems, Seven Bank. However, the figures through FY2022 include Sogo & Seibu, and exclude THE LOFT
*2 The total for four Group companies (Seven & i Holdings, Seven-Eleven Japan, Ito-Yokado, York-Benimaru) as of May 31 of each year. However, the figures through FY2022 include Sogo & Seibu and York
*3 Excluding directors who are executive officers
*4 Corporate Officer is the total of directors, auditors, and executive officers

General Employers Action Plan pursuant to the Act on the Promotion of Women's Participation and Advancement in the Workplace (in Japanese)

- Seven & i Holdings
- Seven-Eleven Japan
- Ito-Yokado

Gender Pay Gap

Seven & i Holdings has no gender gap in its personnel system, and in its wage program, compensation reflects the role and contribution of each individual regardless of gender. However, the average age and percentage of management positions at each group company are higher for men than for women, and more women choose to work shorter hours or work in limited regions in order to balance work and family life, such as childcare. In order to eliminate the differences, we are continuing our efforts to create a comfortable working environment for employees by encouraging male employees to take childcare leave and reducing long working hours, as well as to support and develop the careers of female employees and actively promote them to management positions.

Gender pay gap (Year ended February 29, 2024)

Name	Gender pay gap(%) *1, 2		
	All employees	Regular employees	Part-time workers Fixed-term workers
Seven & i Holdings	78.0	76.8	88.4
Seven-Eleven Japan	56.7	76.8	82.0
Ito-Yokado	64.4	71.2	101.4
York-Benimaru	57.7	71.4	124.5
Seven Bank	71.3	74.8	53.9
Akachan Honpo	57.0	73.2	108.5
Seven & i Food Systems	66.9	72.8	100.2
THE LOFT	67.7	75.9	117.1

*1 Calculated in accordance with the provisions of the “Act on the Promotion of Women’s Active Engagement in Professional Life” (Act No. 64, 2015).

*2 Gender pay gap represents the ratio of women’s wages to men’s wages. There is no difference in treatment based on gender in the wage system.

Fostering a Culture Where Diverse Human Resources Can Play an Active Role

Seven & i Group is working to foster a culture where women and other diverse human resources can play active roles by conducting community activities and training targeting various levels within the Group.

Training and Awareness-raising for Management

Seven & i Holdings has continued to hold the DEI Seminars since 2014 as a Group-wide initiative to emphasize the importance of diversity, equity, and inclusion and to raise awareness on the management of diverse human resources. At the outset, these seminars primarily targeted people in management positions, but were later expanded to include other employees. As of 2021, they have also been offered online. A cumulative total of 7,100 people from all Group companies had participated in the seminars up to the end of February 2024. Seminars led by outside lecturers, covering themes including diversifying work styles, unconscious bias, organizational development, and leadership have been held to date, to provide the opportunity for participants to think about diversity from a number of different perspectives. We have established a section on our internal site to showcase information on advancement of DEI, which is intended to facilitate regular awareness-raising initiatives.
At our Group companies, we are promoting understanding among managers of the significance of DEI as well as a diverse array of work styles, including balancing work with childcare and family care responsibilities to further train managers to make good use of their diverse human resources. For example, starting in 2021 Seven-Eleven Japan has been inviting outside lecturers to begin training on the subjects of diversity and unconscious bias with the goal of encouraging understanding among managers. It has also been providing training for managers since July 2021 on normalization support. This aimed at creating opportunities to deepen managers' understanding of colleagues and subordinates with disabilities and to learn about how to deal with customers who have disabilities or cognitive impairments.
In its level-based executive training, Ito-Yokado is implementing sessions on the management of diverse subordinates, including the importance of workplaces where diverse employees can apply themselves, the understanding of programs for supporting the balance between childcare and family care with work, and the evaluation of employees in the short working hours program.

No. of Diversity Management Seminar Participants (Cumulative Total)

End of Feb. 2022	End of Feb. 2023	End of Feb. 2024
Approx. 5,700	Approx. 6,300	Approx. 7,100

Awareness-raising of LGBTQ+ Rights

Seven & i Holdings revised the Corporate Action Guidelines in 2016, to expressly specify the “Forbidding of Discrimination Due to Sexual Orientation or Sexual Identity.” A variety of educational and awareness-raising activities aimed at promoting understanding of LGBTQ+ issues are also ongoing. These include the hosting of seminars for Group company employees and the production of a booklet with basic information on LGBTQ+ issues.
In March 2024, Seven & i Holdings and Seven-Eleven Japan instituted a partnership system that provides same-sex partners with the same celebratory/bereavement and vacation benefits as those of straight couples. In addition, as of 2024, the Chief Human Resource Officer (CHRO) at Seven & i Holdings and the leader of Seven & i Group DEI Promotion Project became supporters of the “Pride 1000,” an ally network of corporate management.





Support for Active Participation of Seniors and Non-Japanese Employees

Seven & i Group companies have a system for rehiring employees after mandatory retirement, providing an opportunity for experienced workers to use their skills and abilities.
For example, in response to employees who wish to continue working after retirement, Ito-Yokado introduced the "Reemployment System after Retirement" in 1995, which allows employment to be extended until the age of 65. The system is designed to accommodate diverse working styles, allowing employees to choose from three different patterns of working days and hours based on their preferences. In April 2006, a system was introduced that allows part-timers to work until the age of 65, with 9,100 senior part-timers currently active. Furthermore, in May 2017, the system was expanded to allow employment to continue until the age of 70. Additionally, 1,078 foreign employees are also actively working.
Amid the low birthrate, aging of society, and shrinking working-age population, Seven-Eleven Japan is creating employment opportunities for seniors who want to work. For seniors recruited by stores, including franchised stores, head office instructors give careful and considerate explanations of how to handle equipment and deal with customers to allay their fears about operating the cash registers. The ratio of employees of non-Japanese nationality working at stores, including franchised stores, is also increasing. As of September 2020, we have implemented a program known as our “Hospitality Training,” which provides lectures to foreign students and other non-Japanese employees on the basics of Japanese culture and customer service.

No. of Senior Part-Timers/Non-Japanese Employees: Ito-Yokado

	End of Feb. 2022	End of Feb. 2023	End of Feb. 2024
Senior part-timers	7,359	7,269	9,100
Non-Japanese employees	1,038	1,273	1,078



Job Seminar for Seniors (Seven-Eleven Japan)



Hospitality Training (Seven-Eleven Japan)

Promotion of Foreign Nationals and Mid-career Hires

The Seven & i Group has long actively promoted overseas employees to local management positions. Our new Medium-term Management Plan announced in July 2021 calls for the strengthening of global strategies, leading us to hire external personnel with the specialized knowledge and experience (experienced personnel). Further, in response to changes in labor markets occurring in tandem with rapid social developments, our Group companies are revising current personnel systems to enable a diverse array of employees to appropriately utilize their knowledge and experience in any given situation.
The Seven & i Group works to create an environment where our diverse range of employees of various backgrounds, regardless of their nationality or initial employment status (new graduate or mid-career hire), etc., can demonstrate their abilities. We evaluate their abilities and achievements fairly and promote them to management positions where appropriate.

Number of Experienced Hires

End of Feb. 2022	End of Feb. 2023	End of Feb. 2024
205	183	293

* Totals are for eight companies: Seven & i Holdings, Seven-Eleven Japan, Ito-Yokado, York-Benimaru, Akachan Honpo, THE LOFT, Seven & i Food Systems, Seven Bank. Also, the figures through the fiscal year ending February 28, 2023, include Sogo & Seibu, and exclude THE LOFT.

Promoting Employment of People with Disabilities

Seven & i Holdings is assisting people with disabilities to demonstrate their abilities at their workplaces based on its commitment. Providing an environment where everyone can play an active role, each Group company consults with employees with disabilities to determine the workplaces, jobs and working hours that are suitable in consideration of the level and details of their disability and their own preferences. In this way, people with disabilities work in various divisions. In recruitment, we coordinate with special-needs schools to provide onsite training in stores and participate in job interviews organized by local employment agencies and partner with vocational schools. Furthermore, all Group companies are provided with the Seven & i Holdings Normalization Support Guide, which contains basic knowledge and practical recruitment methods when employing people with disabilities, to ensure that all recruitment and training personnel of the Group companies understand disabilities and that they considerate to employees with disabilities.

Promotion of the Employment of People with Severe Disabilities

In 1994, Terube, Ltd. was established with joint funding of five companies (Seven & i Holdings, Seven-Eleven Japan, Ito-Yokado, York-Benimaru, and Seven & i Food Systems) and the city of Kitami in Hokkaido. Terube is a special subsidiary founded to promote the employment of people with severe disabilities. As of June 1, 2024, Terube employed 20 people with disabilities, and the Group's employment rate of people with disabilities*, including Terube, was 3.26%. The target for the fiscal year ending February 28, 2025, is for all Group operating companies to meet the statutory employment rate for people with disabilities.
In recognition of its efforts in the 23 years since its founding to practice normalization with the aim of creating workplace environments amenable to people with disabilities, Terube became the commemorative first company to be certified as the Employer Promoting the Active Roles of Persons with Disabilities in 2017, the first year that certifications were issued by the Japan Association of Employers of Persons with Disabilities.

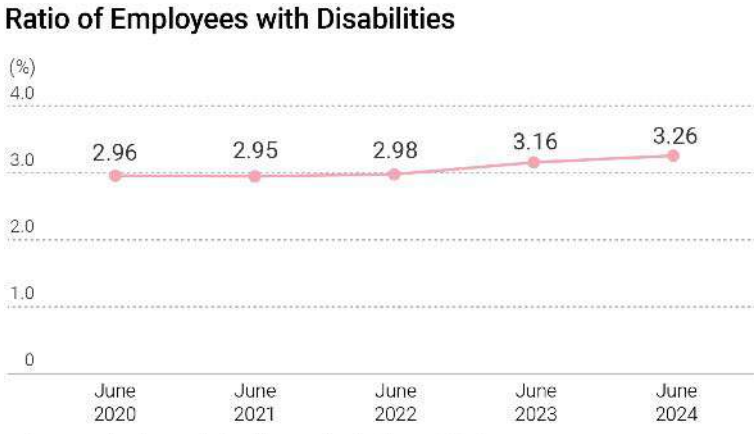
* The Group's employment rate of people with disabilities covers the five companies of Seven & i Holdings, Terube, Seven-Eleven Japan, Ito-Yokado, and Seven & i Food Systems.



Special subsidiary, Terube Ltd.



Certification No.1 : Employer Promoting the Active Roles of Persons with Disabilities



* The ratio of workers with disabilities is for the five qualified Group companies: Seven & i Holdings, Terube (special subsidiary for severe disabilities), Seven-Eleven Japan, Ito-Yokado, and Seven & i Food Systems.

Implementation of Employment Support Training in Collaboration with Administrative Authorities to Promote the Employment of People with Disabilities

Seven-Eleven Japan conducts employment support training in some areas involving “Seven-Eleven Work Experience,” “Customer Relations Training,” and “Classes on Learning from Graduates to Prepare to Become a Working Adult” for teachers and students at special-needs schools as part of its support for the employment of people with disabilities in collaboration with administrative authorities throughout Japan.



Employment support training “Seven-Eleven Work Experience”

Support for Employment Stability of Employees with Disabilities

Seven-Eleven Japan promotes the acquisition of qualifications specified by the Ministry of Health, Labour and Welfare under the "Act on Employment Promotion, etc. of Persons with Disabilities" as a measure to retain employees with disabilities in the workplace. Various initiatives have been promoted, with 95 employees having been certified as “Employment Counselors for People with Disabilities” and 22 employees certified as “Job Coaches (in-house workplace adjustment supporters)” as of the end of February 2024. These job coaches (in-house workplace adjustment supporters) with specialized knowledge provide training on how to support oneself in daily life and on how to behave as a working adult, conduct interviews over the internet, they have been endeavoring to create great places to work.
In addition, the company has introduced a voice-recognition system that can allow hearing-impaired employees to participate in remote meetings, and it is striving to create an environment where communications among all employees will be smooth. In October 2022, the company received the Governor of Tokyo Award in the Excellent Company Awards for Employment of Persons with Disabilities presented by the Tokyo Metropolitan Government, in recognition of this series of initiatives.

External Recognition

Seven & i Holdings has established specific targets for promoting the active role of women, and the entire Group has worked together to make progress on the targets. The Group’s initiatives and the proactive appointment of female managers have received high recognition by outside parties.

Major recognition by outside parties

- 2014 Empowerment Award (Japan Productivity Center)
- 2015 Prime Minister’s Award at the Leading Companies Where Women Shine Awards (Cabinet Office)
- 2015 Corporate Activity Award (Tokyo Stock Exchange Inc.)
- 2017 Chosen as the “2017 Nadeshiko Brand” by the Ministry of Economy, Trade and Industry and Tokyo Stock Exchange, Inc.
- 2019 Chosen as “Semi- Nadeshiko 2019” by the Ministry of Economy, Trade and Industry and Tokyo Stock Exchange, Inc.

The Seven & i Group companies have been recognized as excellent companies for promoting women's participation and advancement based on the Act on Promotion of Women's Participation and Advancement in the Workplace, and have obtained the "Eruboshi" certification. Seven & i Holdings, Ito-Yokado, Seven Bank, Seven Card Service, and Seven

Financial Service have obtained the "Eruboshi" third level certification, while Seven-Eleven Japan, Seven & i Food Systems, and Akachan Honpo have obtained the second level certification (as of the end of February 2024).



3 stars (the highest level)



2 stars

“L-boshi” certification

Support for Enhancing the Abilities of Employees

Seven & i Group believes that human resources are the wellspring for enhancing corporate value and that human resources capable of thinking and acting for themselves are essential for further growth. The Group constantly places importance on human resources, such as the training and education of employees, on the basis of our Corporate Creed of “Trust and Sincerity,” which was our founding philosophy, and the Group companies conduct human resources development to match their respective business characteristics.
In 2020, Seven & i Holdings split the educational function from the Personnel Planning Department and newly established an independent body, the Human Resources Development Department, to promote skill development and human resource development in the Group. We are making efforts to improve the human resource development setup to support the skill development and autonomous learning of individual employees, the standard bearers of value creation.

Autonomous Learning Support and Capacity Building

Based on the Medium-Term Management Plan announced in July 2021, Seven & i Group aims to build an organization in which both companies and employees can grow together and to build workplaces that are pleasant for everyone. We are undertaking initiatives to improve job satisfaction through means including enabling each and every one of our employees to develop their capabilities and supporting for autonomous learning, as well as initiatives to create workplaces where employees can feel truly comfortable working through workstyle reforms, improving productivity, and promoting diversity, equity, and inclusion (DEI).
As part of these efforts, we opened the Ito Training Center, an educational base of the Group to develop the next generation of human resources in 2012. The training center is equipped with an archive room, where employees can learn about the essence of the Group's founding philosophy of “Trust and Sincerity” and its history of challenge and innovation, with 22 training rooms of various sizes and accommodation rooms tailored for use in training camps also available for use at the center, by means of which we accommodate various forms of training. The center also provides a positive learning environment for employees, with training rooms established for the acquisition of specialized skills in store operations, sales, cooking, and other areas, aligned to the business characteristics of each Group company, with a total of approximately 480,000 employees having used the Ito Training Center to date.
Seven & i Group companies have established a training system based on business characteristics, including various level-specific training programs for managers to improve their leadership and management skills, as well as job-specific skill and technical training and self-development training, in an effort to develop the skills and career development of each individual, including part-time employees. We are also working to develop the skills and career development of each individual, including part-timers. The Group's per capita training cost for the fiscal year ended February 29, 2024, is approximately 120,000 yen and 40 hours* of training per person.

* For monthly salaried employees of the three Group companies (Seven & i Holdings, Seven-Eleven Japan, and Ito-Yokado)



Ito Training Center

Seven & i Holdings holds Group Philosophy Training at the Ito Training Center. In 2023, approximately 300 employees from Seven & i Holdings and some Group companies as well as new employees participated in the Training.



Scene from the Group Philosophy Training

› Further details about the Ito Training Center can be found here (in Japanese)

Providing a Variety of Growth Opportunities

The Seven & i Group provides regular opportunities to reflect on their careers toward the realization of each and every employee's individual aspiration. This includes offering a variety of training programs by respective Group company according to the characteristics of its business. We additionally promote support for proactive career development by employees themselves through self-assessment mechanisms and interviews with superiors and others.

Leadership Development

Seven & i Holdings conducts an annual program to develop next-generation management leaders. Selected executives from each group company participate in this program, learning management theory and practice from renowned lecturers and engaging in discussions.The program was launched in 2012, and by the end of February 2024, approximately 300 employees had participated. Seven & i Holdings is also promoting the introduction of 360-degree feedback at each Group company. The program is regularly implemented in order to obtain multi-rater feedback from superiors, colleagues, and members on the actions of management personnel, to understand their own strengths and challenges, and to promote behavioral change and open communication.

Developing Global Human Resources

The Seven & i Group is promoting a global growth strategy rooted in our 7-Eleven business under a vision, or Ideal Group Image for 2030, to take on the challenge of increasing the value of our brand on a global scale.
To realize this, we are enhancing and expediting various measures to develop global human resources and to formulate and operate a human resources portfolio. For example, we offer short-term study abroad programs in addition to having maintained the "Seven English Training" English language training program since 2021. Further, respective Group companies have put arrangements in place for measures to support growth such as in-house training and self-development support programs, to actively promote the development of global human resources.

Holding Customer Service Training for Franchise Store Employees

Seven-Eleven Japan holds a “new employee training” program for new hires at stores, and a “shift leader training” program aimed at nurturing the “shift leaders” who will serve as models for franchise store employees. Those who undergo shift leader training are presented with a certificate of completion and a business card holder. Through the training, Seven-Eleven Japan lends support to the franchise store owner’s work to teach their employees, while also improving both work satisfaction for many employees and the level of customer service in the stores.



Shift leader training

Implementation of Job-Oriented Training

Ito-Yokado holds new employee training for all employees, including part-time employees, to teach company policies, retail fundamentals, and skills and knowledge required for work. Furthermore, training leading to on-the-job training at stores is continuously held to provide basic knowledge of products handled by affiliated section and to improve skills related to customer service and fresh food preparation. In this way, the company assists employees in upgrading their skills. Additionally, training is held for everyone from new recruits to sales floor staff, sales floor managers, division managers, and store managers, to provide knowledge of sales floor management and management skills in stages and in line with their respective positions. Advance training is also implemented to encourage employees to keep on learning and to improve their skills in preparation for their next positions.



Employees in training

IY Training System

Position	Training content		
Part-time employee	Training for new employees	• Fundamentals of the Company, fundamentals of sales	Personal development support (correspondence courses, Eco Test etc.)
	Fresh food preparation training	• Food safety and acquisition of fundamental preparation techniques	
New employees	Training for new employees	• Fundamentals of the Company, fundamental of sales, employee attitudes	
	Cash register & service training	• Fundamentals of register and service counter operations	
	Item-by-item management training	• Approaches to hypotheses, execution, verification, and correction concepts	
	Divisional training	• Basic knowledge and fundamental technologies of each division	
Floor staff	Fresh food preparation training	• Acquisition training according to technical items	
	Step-up training	• Fundamental knowledge of management required for executives	
Floor managers	New manager training	• Management as a sales floor manager, quantitative analysis, and approaches to training	
	Fresh food preparation training	• Confirmation and acquisition of priority category technologies	
	Step-up training	• Business department management necessary for division managers	
Division managers	New manager training	• Knowledge and management needed for store operation	
	Step-up training	• Store operational management necessary for store managers	
Store managers	New manager training	• Knowledge and management necessary for store operation from the perspective of management	
	Store manager school	• Re-learning the basics of problem solving and human resource development, leading to behavior changes	
	IY management school (Yogajuku)	• Learning human resource utilization and organizational strengths through experience and discussion	
	Corporate management philosophy training	• Linking to the spread of the corporate management philosophy and physical action	

Operation of "Targets Setting Chart"

York-Benimru uses target setting charts to assess the individual employee’s current skills and abilities as well as skills to be acquired and training targets between individual employees and their managers. The target setting charts include detailed items necessary for job performance, such as customer service, sales area management, ordering, and food preparation techniques, with the skills and abilities of the employee assessed on a six-step scale from 0 to 5. In the “skills version” for staff members and part-time employees, items are determined for each division depending on duties, job characteristics, and products handled for each analysis item. There is also a “management version” for store managers, assistant store managers, customer service managers and section managers that is intended to help raise and standardize management abilities. Based on the chart, employees confirm their skill levels with their supervisors and twice a year share the progress they have made with their supervisors and establish the next set of goals. This enables them to check their own growth, helping to boost motivation.

Online Training for New Part-time Employees

Akachan Honpo's headquarters training department holds an “Online Store Induction Training” for newly hired part-timers. After joining the company, they take a class involving three hours of video materials, which is followed by an hour and a half of online supplementary training and review of the video content. This is an opportunity for all new hires to learn about company policies and the basics of the business. Furthermore, on-the-job training is conducted in stores based on the training plan, and basic knowledge is established over a period of three months.
Akachan Honpo also holds a “3-month follow-up sharing meeting” to resolve any concerns they may have after joining the company, thereby providing a support system that enables them to continue working for a long time after joining the company.

Self-Development Training

To provide opportunities for employees to engage in independent study, Seven & i Group subsidizes fees, and so on for those employees who are taking correspondence courses and e-learning related to business skills, knowledge, etc.

Support for Taking Correspondence Courses

Ito-Yokado proposes 306 correspondence courses to all employees, including part-time employees, and subsidizes part of the tuition fees of employees completing a course. In the fiscal year ended February 29, 2024, 366 employees took correspondence courses.

Holding of Self-Development Courses

Seven Bank supports "self-directed learning" by providing an environment for employees to acquire the knowledge and skills necessary to perform their jobs, including correspondence courses (English, financial knowledge, etc.), online courses (business knowledge, IT/DX), and commuter courses (MBA, etc.). The number of courses is approximately 240, and many employees are taking them.

Open Recruitment System for Human Resources

Seven & i Group implements the “Career Challenge System (Inter-Group Open Recruitment System” to facilitate employees in taking on challenges across Group company boundaries, with each of these companies also having adopted internal open-recruitment systems. These systems have as their aim supporting each and every Group employee to develop their diverse careers. In the fiscal year ended February 29, 2024, 712 employees took on the challenge to avail of these systems, with 206* of these subsequently transferring to jobs of their choice.
Group companies have also instituted internal recruitment systems. For example, at Ito-Yokado, employees who have worked at the company for at least one year can become candidates for managerial positions and jobs regardless of business experience or seniority. In the fiscal year ended February 29, 2024, 156 people applied through this system and 15 people were appointed to their preferred positions or jobs.

* The data is the total for 8 companies: Seven & i Holdings, Seven-Eleven Japan, Ito-Yokado, York-Benimaru, THE LOFT, Akachan Honpo, Seven & i Food Systems, and Seven Bank.

Achieving Work-Life Balance

Seven & i Group is promoting the concept of “work-life synergy,” which aims to create synergies by utilizing the perspective of a consumer in work while simultaneously leveraging the lessons of work in life. We have a range of assistance systems that exceed minimum legal requirements to enable diverse employees work with peace of mind. To make it even easier for employees to work, we are also taking steps to curb long working hours and encourage the use of paid leave.



Enhancing Systems for Diverse Workstyles

Seven & i Group has implemented various systems that go beyond legal minimums to enable employees, including part-timers, to continue working comfortably while engaging in childcare or nursing care. For example, there are childbirth and childcare programs and a family care program available for employees, both men and women, who have worked at the company for at least a year; the programs are also available to part-time employees. The programs are freely selected by individual employees, and combining a leave program with a reduced work hours plan is also possible.
Further, we have introduced the Work-Life Support Plan (commonly referred to as the Waraou [“Smile”] Plan), which aims to support employees’ diverse life events and learning experiences and, in addition to childcare and nursing care, are accommodating the needs of a diverse array of work styles by means including support for employees who are continuing to work while receiving treatment for infertility, kidney disease, and cancer.

Childcare and Family Care Assistance Systems (Ex. Ito-Yokado)

	Childcare Assistance System	Family Care Assistance System
Reduced work hours	Employees can work reduced hours until April 15 of the year their child starts junior high school. *Can be combined with other leave programs.	Employees can work reduced hours for up to three years following the initial reason. *Can be combined with other leave programs.
Work until 7:00 p.m.	Full-time employees can end their workday by 7:00 p.m. through March 31 of the year their child graduates from junior high school	None
Leave	Employees can return to work after taking leave for up to two years. *Up to three years depending on the circumstances (Can be combined with short working hours).	Employees can take up to a one year of leave following the initial reason. The leave can also be split up and taken at different times. *Can be combined with short working hours.
Reemployment	Employees resigning to focus on childcare are given priority in hiring within three years.	Employees resigning to focus on family care are given priority in hiring within three years.
Limitations on/exemption from overtime work Exemption from late night work	Exemption from/limitation on overtime work and exemption from late night work until April 15 of the year in which the employee’s child reaches 1st year junior high school allowed	When providing nursing care for a family member, employees may have limitations on or be exempted from overtime work. They may be exempt from late night work
Child nursing care /nursing care leave	When giving nursing care to a child of pre-school age, employees may take up to five days off per year for one child or 10 days off (paid) for two children or more in half day units	When providing nursing care for a family member, employees may take up to five days off per year for one family member or 10 days off (paid) for two family members or more in half day units
Day-off for childcare	If an employee has a pre-school aged child, they may take up to five days off per year (paid) for childcare	—

Childcare Support for Employees

Seven & i Group implements various initiatives to provide childcare support to the Group employees.

Operation of Seven Nanairo Nursery Schools

Since October 2017, Seven-Eleven Japan has been operating on-site Seven Nanairo Nursery Schools for the owners and employees of 7-Eleven stores, local residents, and employees of Seven-Eleven Japan. A total of six facilities have been opened in Tokyo (Ota-ku, Setagaya-ku, and Machida), Sendai, Kyoto, and Hiroshima to provide work-friendly environments.



Seven Nanairo Nursery School

Introduction of Daycare Facilities in Stores

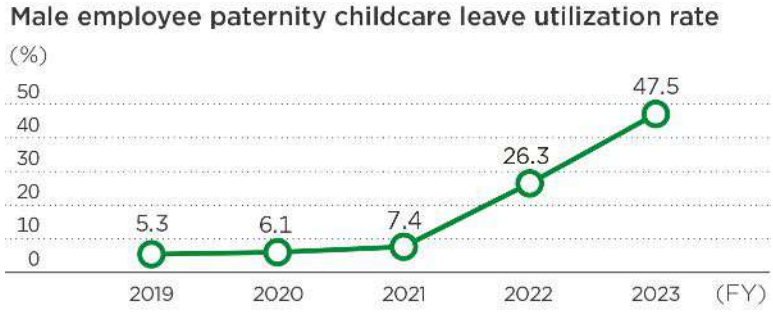
Ito-Yokado has introduced six daycare facilities comprising authorized daycare centers and corporate-led nurseries as tenants in its shopping centers in Tokyo and three other prefectures. These facilities are used by employees and local residents.

Return-to-Work Support after Childcare Leave

The Seven & i Group companies provide guidance to employees returning to work after taking childcare leave and implement community activities aimed at building networks and allaying the anxieties of child-raising and pregnant employees.
York, for example, shares internal information with employees on childcare leave via mail every two months and provides updates on their current status. Additionally, to promote the use of childcare and nursing care support systems, York is also engaging in awareness activities through video education tools.

Promotion of Participation in Housework and Childcare by Men

The Seven & i Group have established various systems that exceed minimum legal requirements to ensure that employees can continue to work with peace of mind even in the case of life-changing events and obligations such as childbirth, childcare, and nursing care. As a unique childcare leave system within the group, we have established a special system that allows employees with preschool children to take five days of paid leave per year on a per-day basis. This day-off can be taken for general childcare reasons, such as attending a child's entrance or graduation ceremony or sports day, and has been widely used by many employees since its introduction.
In addition, we are implementing various measures to encourage male employees to play their part in housework and childcare, including online seminars at Group companies.



* Totals are for eight companies: Seven & i Holdings, Seven-Eleven Japan, Ito-Yokado, York-Benimaru, Akachan Honpo, THE LOFT, Seven & i Food Systems, and Seven Bank. Additionally, the figures for FY2022 and before include Sogo & Seibu and exclude THE LOFT.

External Evaluation Related to Childcare Support

Ito-Yokado received “Platinum Kurumin Plus” certification from the Ministry of Health, Labour and Welfare as a company that supports the raising of children. Companies that have previously received “Kurumin” and “Platinum Kurumin” certification are eligible to be awarded “Platinum Kurumin Plus” certification when certain requirements are met in relation to initiatives to support the balancing of work and fertility treatment.
In addition, Seven & i Holdings, Seven-Eleven Japan, York-Benimaru, Seven & i Food Systems, Seven Bank, and Seven Financial Service have received the “Kurumin” certification (as of August 31, 2024).



Platinum Kurumin Plus Mark

Support for Balancing Work with Nursing Care

A survey on employees' caregiving situations revealed that approximately 70% of employees may need to balance work and caregiving in the near future, indicating that this will become a significant issue. Therefore, the Seven & i Group regularly holds "caregiving seminars" by inviting external experts to support employees who may need caregiving. Additionally, we have created a "Work and Caregiving Balance Support Handbook" which is utilized in training sessions across group companies. We also focus on publicizing consultation services and introducing examples of balancing work and caregiving in the company newsletter, striving to create an environment where balancing work and caregiving is easier.

Work-from-Home

The Seven & i Group companies have established a telecommuting system that allows for flexible working arrangements, effectively utilizing time and location, particularly in the headquarters departments.
Seven & i Holdings used to designate the employee's home as the workplace for telecommuting. However, starting in 2022, under certain conditions, employees are allowed to work from locations other than their home for purposes such as childcare, caregiving, or securing a focused work environment.

Curbing Long Working Hours Through the Utilization of Diverse Workstyles

Seven & i Group believes it is important to establish proper work environments to create comfortable workplaces. We work to curb long working hours and raise the percentage of paid leave taken. Specifically, as well as promoting the visualization of overtime work, Group companies promote the review of operations at departments with a lot of overtime work and work allocation and endeavor to foster a corporate culture of seeking to improve the work environment through the implementation of no overtime work days, display of posters, and other measures. Furthermore, the Group has set a target of achieving at least 70% for the percentage of annual paid leave taken. Group companies are taking steps to promote the acquisition of leave, such as by encouraging employees to take long periods of leave twice a year and visualizing leave acquisition plans.

Introduction of Staggered Working Hours

Seven & i Holdings, Seven-Eleven Japan, Seven Bank, and other Group companies have introduced staggered working-hour systems enabling employees to choose their working hours. The aim is to realize environments in which individuals can select their workstyles to suit their jobs and individual circumstances and work flexibly. Companies are seeking to promote more active and efficient workstyles by bringing forward or delaying start and finish times. At Seven & i Holdings, employees who had been working shorter hours for reasons of childcare obligations are now able to work full time using staggered working hours, which is contributing to support for housework and childcare by employees in households where both parents are working.

Implementation of Variable Working Hours System

Since 2017, Seven & i Food Systems has introduced a one-month variable working hours system that allows work to be planned according to busy and lull periods. Through the introduction of this system, the number of days of paid leave taken by full-time employees increased and the average monthly overtime work also decreased, thereby improving employees' work-life balance.

Consideration for Employee Health and Occupational Safety and Health

Seven & i Holdings is promoting the enhancement of employee health and ensuring the maintenance of a safe and comfortable work environment where everyone can work with peace of mind. In particular, regarding health, Seven & i Holdings views it not only as a means to improve the quality of life for each employee but also as a way to increase the vitality of the company and enhance management efficiency, thereby promoting health management.



Seven & i Health Declaration NEXT

<Message from the President>

Seven & i Holdings thinks that promoting the health of employees will bring vitality to the entire Company, and in addition, contribute toward improving society's quality of life (QOL). We support each employee's proactive initiative to promote health. Therefore, in October 2014, we started the Seven & i Health Declaration 2018 that sought to improve employee health and QOL, and enhance our corporate vitality. Through conducting a variety of initiatives related to health, we have reaped certain results.

In view of this, we formulated the Seven & i Health Declaration NEXT which states three new goals that seeks to further strengthen our initiatives, and are starting on those initiatives.

This declaration sets themes related to individual employees, the Company, and society respectively, and aims to improve results through specific measures.

Promoting the health of employees will be the foundation for improving individual QOL, widen opportunities for further participation by each person at work, and become the source of our Group's sustainable growth.

In addition, based on the basic principle of providing safe and reliable products, we will work to support the health of the customers who use our Group's stores and products on a regular basis, and also contribute toward promoting the health of local communities through measures such as product development that works on reducing additives while being particular about taste and quality; being thorough in the labelling of food ingredients which is of high concern to customers; development and provision of products supporting health; and support for healthy dietary habits and dietary education.

Going forward, Seven & i Holdings will deepen our initiatives contributing to the healthy growth and development of people's lives and society from the viewpoint of being close to daily lives, and aim to be a Company that is trusted and needed by employees and society.

October 2019
Ryuichi Isaka
President and Representative Director

Three Goals of the Seven & i Health Declaration NEXT

Seven & i Holdings, in collaboration with the Seven & i Holdings Health Insurance Union, launched the "Seven & i Health Declaration 2018" in fiscal year 2014. In October 2019, this initiative was further developed into the "Seven & i Health Declaration NEXT", which sets forth three goals aimed at promoting the sustainable growth of the group and enhancing the health of the local community.

1. We will understand our own health issues, and take actions toward improvement.
2. We will realize working conditions where all employees can work with vitality.
3. We will continue to be a company that supports the everyday health of our customers through “health conscious” products and services.

The specific targets advocated in the Seven & i Health Declaration NEXT include reducing the risk of lifestyle diseases, reducing the smoking rate, improving the percentage of annual paid leave taken, and reducing long working hours. The promotion of health and productivity management was incorporated into the Corporate Ethics and Culture Subcommittee under the CSR Management Committee chaired by the President and Representative Director of Seven & i Holdings, and various initiatives are being implemented centering on the Seven & i Holdings Personnel Planning Department, Health Management Center and Health Insurance Union in collaboration with human resources and labor relations supervisors at each Group company.
In recognition of these efforts, in March 2024, Seven & i Holdings was selected as one of the "Excellent Health Management Corporations 2024 (Large Corporation Category)" by the Ministry of Economy, Trade and Industry and the Ministry of Health, Labour and Welfare, as in the previous year.

Main Initiatives in FY2023

■Initiatives for maintaining health, preventing illness, and improving health

- ・Holding of regular walking events jointly with the Health Insurance Union
- ・Health Insurance Union offered “Effectively free comprehensive physical examinations” for those eligible in targeted age tiers
- ・Health Insurance Union offered "Cervical Cancer Risk Test at Home"
- ・Health Insurance Union held "MY Challenge 2023*"

*"MY Challenge 2023": A campaign to promote "diet," "exercise," and "behavior" to reduce the obesity ratio and improve lifestyle (exercise, eating habits)

■Initiatives to build pleasant workplaces conducive to both mental and physical health

- ・Prevention of mental illnesses through the implementation of mental health training (self-care)
- ・Improvement of systems to enable communication regardless of workplace (at home, head office, or others site)

■Initiatives to reduce smoking rate

- ・Implementation of complete ban on smoking during working hours
- ・Introduction of system of subsidies paid by the Health Insurance Union to employees who have succeeded in giving up smoking

■Initiatives to support a healthy society—Contributing to SDGs

- ・Development and lineup of products taking customers’ concerns such as those relating to salt, sugars (available carbohydrates) into consideration
- ・Considerations for health and evolution to tastier and higher quality products

Seven & i Health Declaration NEXT

Targets	Specific Targets to Be Achieved by March 31, 2024						
1. Control to achieve appropriate bodyweight	Ratio of People with a BMI over 25*1						
		FY2019	FY2020	FY2021	FY2022	FY2023	Target
	Male	38.5%	39.6%	39.0%	38.8%	39.7%	28% or less
	Female	27.6%	28.3%	28.2%	28.2%	28.7%	18% or less
2. Reduce smoking rate	Overall Employee Smoking Rate*1						
		FY2019	FY2020	FY2021	FY2022	FY2023	Target
	Overall	29.3% male:39.7% female:21.8%	28.1% male:38.0% female:21.2%	26.5% male:36.2% female:19.8%	24.6% male:33.7% female:18.2%	24.1% male:33.6% female:17.6%	20% or less
3. Improve the percentage of annual paid leave taken	At least 70% for percentage of annual paid leave taken						
4. Reduce long working hours	Less than 5% for percentage of employees with long working hours (45 hours or more of overtime work in a month)						
5. Increase the number of health support products developed by the Company							
6. Increase the number of cooking support*2 with health as the theme							

* 1 BMI and smoking data are totals for 23 Group companies participating in the Seven & i Holdings Health Insurance Union

* 2 Proposal of menu items at stores

Starting from fiscal year 2024, as part of the human resources policy linked to the Medium-Term Management Plan, Seven & i Holdings has added new group goals to improve exercise habits and the rate of follow-up medical examinations. These initiatives aim to further promote employee health and well-being.

Providing healthy, balanced meals to employees

Seven & i Food Systems operates employee cafeterias in 152 locations that provide health-conscious meals throughout Seven & i group stores and offices. For example, at Seven & i Holdings Headquarter office, in order to respond to the health needs of various employees, it offers five different types of the balanced menu daily, including a menu that takes nutrition and health into consideration. We also incorporate menu items that increase food diversity, such as featuring in production areas and seasonal ingredients.
The menu provided discloses the information of total calorie, protein, fat, and salt content; the portion size of the bowl of rice can also be adjusted. As for nutritional education, employees can access Seven & i Food Systems nutritionists' advice through monthly nutritional tips, how to consume healthy food at employee dining halls, and "health support day" is held once every month; providing more than 120 grams of vegetables per meal. There is also nudging to raise awareness of healthy eating habits (e.g., reduce the use of condiments such as soy sauce or dressings).



Examples of the menu: The meal set A : Total calorie 600 kcal or less, salt 3g or less

Raising employees awareness of health and implementation of health checkup

Seven & i Holdings Health Insurance Union utilizes a portal website “MY HEALTH WEB” Health Management System to hold mental health training and health-themed events. In addition, it helps employees maintain and manage their health to raise awareness about health by offering low-calorie, low sodium menu items at the staff cafeteria, and by providing health-related information through internal Group newsletters and other media.
The MY HEALTH WEB Health Management System allows individuals to browse the past five years of their health checkup data on the Internet and serves as a tool for checking and goal-setting on the health status, and for receiving advice on how to improve health. It also has an environment that allows them to use through a smartphone app. Furthermore, Group companies have taken steps to implement appropriate health and productivity management based on the Industrial Safety and Health Act by ensuring that all employees receive regular health checks and follow up on the results, as well as making sure that stress checks are implemented for everyone.

Prevention of Workplace Accidents

Seven & i Holdings convenes safety and health committees at each Group company in accordance with laws and regulations and implements improvements to the workplace environment including working conditions, and also conducts measures to prevent workplace accidents. For example, Ito-Yokado conducts training on the handling of knives and other cooking devices for employees that work with fresh food products.
In addition, Seven & i Food Systems, post awareness-raising posters and other campaign materials at stores three times a year to bring attention to the prevention of workplace accidents. At stores where workplace accidents have occurred, interviews are conducted and the causes of the accident and specific prevention measures are shared with other stores.

Workplace Accident Data for Eight Group Companies for the Fiscal Year Ended February 29, 2024

	Seven & i Holdings	Seven-Eleven Japan	Ito-Yokado	York-Benimaru	Seven & i Food Systems	THE LOFT	Akachan Honpo	Seven Bank
Workplace accident frequency(LTIFR)	0.00	0.54	1.37	3.58	1.18	1.21	0.33	0.00
Workplace accident severity	0.00	0.01	0.03	0.01	0.02	0.00	0.03	0.00

* No workplace accidents resulted in deaths.

Workplace Accident Data for Eight Group Companies for the Fiscal Year Ended February 28, 2023

	Seven & i Holdings	Seven-Eleven Japan	Ito-Yokado	Sogo & Seibu	York-Benimaru	Seven & i Food Systems	Akachan Honpo	Seven Bank
Workplace accident frequency(LTIFR)	0.00	1.75	2.04	0.53	2.38	0.50	0.42	0.77
Workplace accident severity	0.00	0.02	0.06	0.01	0.13	0.01	0.01	0.01

* No workplace accidents resulted in deaths.

Workplace Accident Data for Eight Group Companies for the Fiscal Year Ended February 28, 2022

	Seven & i Holdings	Seven-Eleven Japan	Ito-Yokado	Sogo & Seibu	York-Benimaru	Seven & i Food Systems	Akachan Honpo	Seven Bank
Workplace accident frequency(LTIFR)	0.00	1.09	1.41	0.32	3.59	1.44	1.46	0.00
Workplace accident severity	0.00	0.03	0.05	0.28	0.14	0.06	0.08	0.00

* No workplace accidents resulted in deaths.

Workplace Accident Data for Eight Group Companies for the Fiscal Year Ended February 28, 2021

	Seven & i Holdings	Seven-Eleven Japan	Ito-Yokado	Sogo & Seibu	York-Benimaru	Seven & i Food Systems	Akachan Honpo	Seven Bank
Workplace accident frequency(LTIFR)	0.00	0.72	1.53	0.24	3.40	0.65	0.86	0.00
Workplace accident severity	0.00	0.02	0.04	0.00	0.01	0.03	0.03	0.00

* No workplace accidents resulted in deaths.

Workplace Accident Data for Eight Group Companies for the Fiscal Year Ended February 29, 2020

	Seven & i Holdings	Seven-Eleven Japan	Ito-Yokado	Sogo & Seibu	York-Benimaru	Seven & i Food Systems	Akachan Honpo	Seven Bank
Workplace accident frequency(LTIFR)	0.00	0.54	1.37	0.69	3.58	1.18	0.33	0.00
Workplace accident severity	0.00	0.01	0.03	0.01	0.01	0.02	0.03	0.00

* No workplace accidents resulted in deaths.

Assuring Fair Assessment and Treatment of Employees

Seven & i Holdings conducts recruitment activities in compliance with the law and does not permit any discrimination whatsoever for reason of social status, place of birth, race, creed, religion, gender, and so on. In addition, we do not engage in forced labor or coerce employees to work against their will, and we prevent child labor by confirming age at the time of hiring. In terms of treatment, we comply with the minimum wage stipulated by law and promote equal remuneration for men and women workers for work of equal value. We appropriately evaluate the performance of work and the degree of contribution of each person and reflect it in rewards, such as bonuses.



Ensuring Fairness through Self-Evaluations

Seven & i Group has instituted a self-check program to maximize individual employee abilities and help ensure fair evaluations. Twice a year at each Group company, employees first assess their own job performance, which is then evaluated by their supervisor. After that, the employees and their supervisor meet to discuss the results. This direct dialogue helps the employees to identify their own achievements, strengths, and challenges while also ensuring the transparency and fairness of evaluations.
In addition, through individual meetings with supervisors, issues at the workplace related to management levels, knowledge, skills and the like are confirmed, and this leads to further career development. Since it is not a simple one-sided evaluation by the company, employees are more willing to accept the system and find it motivating. The system is helping to steadily improve operational levels.

Implementation of Management Checks

Seven-Eleven Japan has been conducting management checks since November 2017 as a personnel measure whereby subordinates and supervisors work together to improve the company and enhance internal communications. Subordinates initially evaluate the status of management of their subordinates by managers. The subordinate employees then respond to a total of 20 questions (five questions in each of four categories: humanity, thinking abilities, action abilities, and compliance) evaluating managers while also inputting any comments in a free entry field. To prevent the identification of specific individuals, the scores of all subordinates are averaged and comments are combined. Results are not directly disclosed to supervisors; oral feedback is provided during interim interviews (conducted twice annually) by the supervisor who is two levels higher. Each individual actively uses the results to generate outputs that will contribute to their individual growth.

Employee Compensation System

The Seven & i Group complies with the minimum legal wage and undertakes initiatives to improve the living standards of its employees.
In addition to operating a childcare and nursing care leave system available to all employees, regardless of their being permanent or part-time employees, we have established personnel systems to allow promotion and advancement aligned to individual motivation and ability, regardless of the category under which an employee was hired (new graduate hires at each Group company, experienced employee hire, promotions to permanent employee), or their educational background, nationality, or gender. The Seven & I Group has additionally made available a range of welfare and related systems, including subsidies for undergoing comprehensive physical examinations and cancer screenings, life and non-life insurance, and access to leisure and sports facilities at preferential discount rates.

Selection of Various Work Styles

Seven & i Holdings is committed to establishing systems that allow employees to choose diverse working styles and find fulfillment in their work.
For example, Ito-Yokado has introduced the "Selective Step Up System" which allows part-time employees to choose their working style. Under this system, part-timers can advance in rank as they express their desire, receive a certain level of evaluation, and acquire sales skills. Additionally, a system has been introduced to promote top-ranked part-time employees to salaried full-time or contract employees. In January 2020, the first store manager who started as a part-time employee was appointed. Since then, many part-time employees have been promoted to positions such as sales floor managers.

The cumulative number of part-time employees promoted to full-time positions

FY2021	FY2022	FY2023
205	214	349

Ito-Yokado's Selective Step Up System



Sound Labor-Management Relations

Seven & i Holdings respects workers' rights such as the freedom of association, the right to organize and collective bargaining. In Seven & i Group Corporate Action Guidelines, we have established the following principle: "The Company respects workers' rights, such as the right to organize, based on international norms and efforts to further improve the work environment."



Respect for Freedom of Association and Collective Bargaining

At Seven & i Group, the Group's eight* labor unions form the Federation of Seven & i Group Labor Unions, which as of March 2024 has approximately 38,000 members in eight unions and a participation rate of 65.3% (Ito-Yokado labor union). The federation carries out a variety of activities for union members based on the thinking that "no water can be drawn from a dry well."

It also coordinates activities by holding discussions on organizational management, labor conditions, and other issues pertaining to union members. The member unions autonomously create their own independent organizations, and then they coordinate and join together for common causes. They complement one another's strengths and also work to improve shared labor conditions on a unified basis, which further reinforces both the individual labor unions and the federation itself. This is the basic approach through which activities are conducted. Seven & i Holdings and the labor unions work through numerous active discussions between labor and management to improve issues related to working conditions and employees' workplace environments.

For example, at Ito-Yokado, the treatment system and labor conditions for union members and employees are proactively discussed., Consultations between labor and management are considered valuable for solving issues and improving productivity. Promotion of recent workstyle reform is an example of collaboration between labor and management, and Ito-Yokado is taking steps to ensure that working rules are understood by everyone, promote the use of holidays/day-offs and paid leave, improve the labor environment, and achieve a good work-life balance.

* The eight companies are Ito-Yokado, York-Benimaru, SHELL GARDEN, Marudai, Sanei, Akachan Honpo, Seven & i Food Systems, and THE LOFT.

Material Issue 6 Create an ethical society through dialogue and collaboration with customers

Approach to the Material Issue

The Seven & i Group believes that its important role is to contribute to the creation of an ethical* society by increasing the number of products and services that solve social and environmental issues through dialogue and collaboration with customers.Responding to customers' growing awareness of "ethical consumption" in recent years increases the value of our products and services and strengthens our brand. We are working to listen to our customers and encourage them to promote sustainability in society.

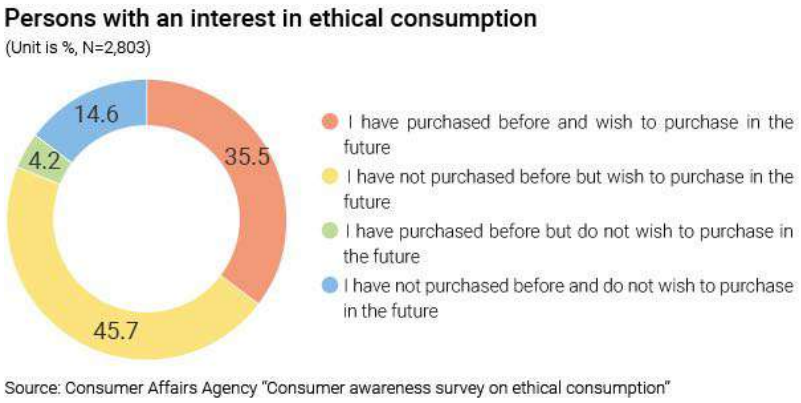
* The word "ethical," in addition to its conventional meaning, has been increasingly associated with environmental preservation and social contribution in recent years.

Background to the Material Issue

Growing awareness of ethical consumption

With growing awareness of sustainable fashion, food loss solutions, and fair trade, more and more people are interested in socially and environmentally conscious consumption behavior. In Japan, this number is said to be as high as 81.2%*. As awareness of ethical consumption grows, it is important to build a sustainable business model that can realize both social and economic value by listening to what customers want and giving shape to it together.

* Source: Consumer Affairs Agency "Consumer awareness survey on ethical consumption (FY2019)"



Source: Consumer Affairs Agency "Consumer awareness survey on ethical consumption"

Contribution to SDGs

By addressing this material issue, the Seven & i Group will realize an ethical society and contribute to achieving Goal 4 of the Sustainable Development Goals (SDGs).



Seven & i Group's Initiatives

Communication with Customers >

Appropriate Sales and Information Disclosure for Products and Services >

Internal and External Communication >

Sustainable Environment Conservation Activities >

Communication with Customers

Seven & i Group, whose core business is retailing, considers the large number of contact points with customers and the frequency of communication with them to be among its key management resources, collects information from customers through a variety of means, and strives to develop products and improve services by utilizing the valuable opinions that we receive from customers.

Establishment of Customer Support

Seven & i Group set up customer support desks at each Group company in order to receive voices from the customers and people in the communities where the businesses operate. We quickly responds to requests and complaints provided by email or phone through customers and the people in communities, and that leads to improvement of products and services. Given the need to protect privacy in connection with feedback received from them, all personal information is deleted, and the feedback is then categorized by content and communicated to departments and stores for use in making improvements.

› Information on customer feedback at Group companies can be found here

Customer Support Information Liaison Meetings

Seven & i Group holds a monthly information liaison meeting, which is attended by customer support supervisors at each Group company, in order to reduce the factors that cause customer dissatisfaction and raise satisfaction levels throughout the Group. Measures taken in response to comments and requests received from customers are shared on a regular basis and the information is incorporated into product and service improvements. Annual training is also held for customer support personnel at each Group company with a view to further refining customer service skills. In the fiscal year ended February 29, 2024, 170 employees from 10 Group companies participated in the training.

Main Training Themes in FY2023

- Telephone Response Training (for secondary responders)
- Methods for Responding with Empathy to Customers' Feelings
- Customer Harassment Countermeasures to Protect Employees



Customer support personnel training

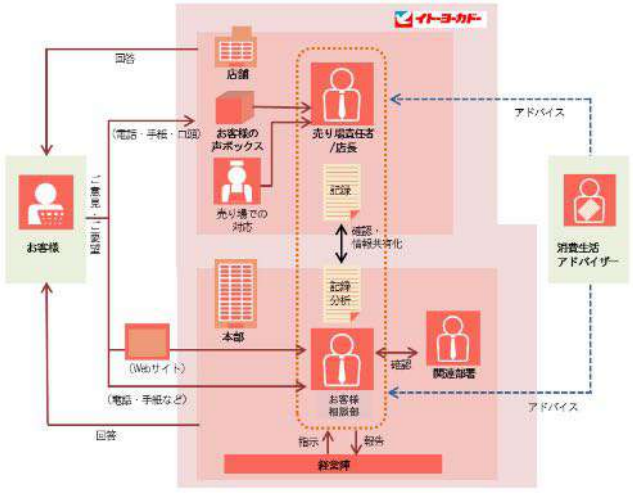
Collecting Customer Feedback

Seven & i Group collects feedback from customers on customer service, sales floor setup, product lineups, and other aspects of operations in order to further improve its products and services.
For example, Seven-Eleven Japan, conducts regular customer questionnaires to ascertain the needs of customers nationwide and uses the information to develop products and services. Also, Ito-Yokado has been continuously conducting online customer questionnaires, which customers can access using a QR code printed in their receipts, since July 2020. Customers can specify whether they were “very satisfied,” “satisfied,” “neither satisfied nor dissatisfied,” “dissatisfied,” or “very dissatisfied,” and a target has been set to raise customers who respond “satisfied,” which is the most common response, and “neither satisfied nor dissatisfied” to “very satisfied.” The questionnaire responses lead to improvements in customer service. In addition, store surveys are contracted to external agencies certified as consumer affairs advisors to collect feedback from store customers.
Ito-Yokado, York-Benimaru, and SHELL GARDEN have installed in stores suggestion boxes where customers can submit opinions and requests. Other Group companies also analyze customer opinions and operate mechanisms for using customer feedback to improve product development and services.

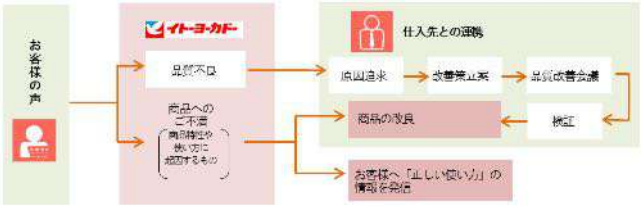
Percentage of customers responding “very satisfied” (from Ito-Yokado questionnaires)

April, 2022	July, 2022	November, 2022	January, 2024
20.6%	21.1%	22.3%	22.3%

* sample size of the questionnaire conducted in April, 2022: approx. 81,000, conducted in July, 2022: approx. 74,000, conducted in November, 2022: approx. 70,000, and conducted in January, 2024: approx. 75,000
* The period for each questionnaire was one week.



Mechanism for using Customer Feedback (Ito-Yokado)



Flow of Responses to Product Deficiencies and Customer Dissatisfaction (Ito-Yokado)

Sharing good practices in customer service

Seven & i Group introduces good practices of customer service in its monthly in-house magazine distributed to employees, along with customer compliments and appreciation. The employee who received the thank-you note introduces the method of customer service and points he or she tried to keep in mind in the in-house magazine, making it easier for Group employees who read the article to follow the examples and put them into practice. The employees whose examples of good practices are featured in the article receive a letter of appreciation from the president of Seven & i Holdings, which motivates them to continue their efforts.

Product Development by Using Customer Feedback

Seven & i Group is seeking to create products tailored to the demands of customers with “Seven Premium” products, the private-brand products of the Group. The official Seven Premium website, which includes introductions of product features and recipes using Seven Premium products, allows website users to freely upload comments about Seven Premium products. Analyses are conducted on the ways and contexts in which the website is used by customers using the comments on the website, questionnaire surveys, monitoring surveys, focus groups, and customer feedback received via the customer support, and reflected in product development.

> Official Seven Premium Website (in Japanese)

> For more details about the private-brand product development system (in Japanese)

Sales of Warm Water

Seven-Eleven Japan promptly shares comments and suggestions received from customers with the relevant departments. We also hold regular meetings with departments in charge of customer support and product development; undertake initiatives to develop, improve, and enrich our products; and introduce case studies of product improvements based on customer feedback on our website. As part of these initiatives, Seven-Eleven Japan began selling bottled warm water in stores throughout Japan in November 2022. The sale of hot water in some stores in February 2022 was in response to customer requests such as “I would like to see hot water being sold” and “It would be nice to have hot water available for when I am taking my medicines,” and the numerous positive feedback to hot water sales led us to make it available for purchase nationwide.

Improving Services by Using Customer Feedback

Seven & i Group collects opinions received from customers and uses them in an effort to improve product store environments and offered services.

Three-year Premium Compensation

Akachan Honpo has many first-time customers and seeks to reduce customer concerns about safety by offering free premium compensation* that covers malfunction, damage, theft, and more for three years from the date of purchase of products relating to child safety. Additionally, hina dolls (sets of traditional Japanese dolls in period dress) and Boy’s Festival dolls are covered under premium compensation for five years from the date of purchase.

* Compensation in cases where Akachan Honpo Point App members and Akachan Honpo E-Commerce members purchase strollers, child car seats (including junior car seats), baby slings, and tricycles

> For more details about the Akachan Honpo Premium Compensation (in Japanese)

Easier-to-Use ATMs Installed

To eliminate privacy concerns when using ATMs and enhance their usability, Seven Bank has installed approx.19,700 fourth-generation ATMs nationwide with an expanded privacy area, large and high-visibility displays, and universal design (as of the end of March 2024).

> For more details about the Seven Bank fourth-generation ATM (in Japanese)

Appropriate Sales and Information Disclosure for Products and Services

Seven & i Holdings ensures that it conducts responsible marketing activities to provide safe and reliable products and services to its customers. Seven & i Holdings Corporate Action Guidelines stipulate “We seek to display information that is accurate, easy to understand, and truthful so that customers can make an appropriate selection of products and services.” Moreover, each Group company strives to confirm the following points, when it transmits information to customers.

- We will take our customer’s perspective and provide beneficial information to them, even if the information is negative for us from the business perspective. (e.g.: Consumption of this product may be hazardous for health)
- For information such as images and recordings distributed as commercials and advertisements, we will use appropriate expressions for the audience.
- We will provide information that meets or exceeds the legally mandatory level with regard to health, environment, and other sustainability aspects.

Establishment of Management System for Information Provided to Customers

Seven & i Group verifies in advance that product and price information listed in advertising media, including newspaper inserts, pamphlets, and television commercials, is accurate and that they contain no information that might mislead customers.
For example, Ito-Yokado requires a prior approval from its Fair Trade Committee Office when listing dual prices with the sales price and a comparison price, or discounts, in newspaper inserts and other media.

Employee Training on Product Labeling

Seven & i Holdings conducts regular, group training twice a year based on laws governing labeling such as the Act against Unjustifiable Premiums and Food Labeling Act for newly assigned purchasing personnel at the Group companies to provide basic knowledge on improper labeling and excessive gifts or giveaways prohibited under laws and regulations. In addition, e-learning is conducted for the Group personnel involved in procurement and its head office staff. In the fiscal year ended February 29, 2024, 6,362 employees took the "General Labeling (including food)" course and a total of 3,345 employees took the "Fair Trade" course.



Group training on labeling

Prevention of Improper Labeling

Seven & i Holdings has established the “Group Discretionary Guideline on Imprecise Labeling,” on product labeling for the Group to prevent the use of expressions that could mislead customers. The guideline is thoroughly taught to and implemented by product development and quality control staff at each Group company. For example, the expression “permanent” is not used in principle as it is difficult to rationally present the permanent efficacy of a product in the future.

Prevention of the Sale of Alcohol and Tobacco to Minors

Seven & i Group companies sell alcoholic beverages and tobacco and recognize that it is a corporate social responsibility to take appropriate measures to prevent the drinking and smoking of people under the age of 20.
7-Eleven stores put up posters stating "Age verification is being conducted" near the checkout counters selling alcoholic beverages and tobacco and verify the age of purchasers who seem under 20 and 20s with their identification card. Besides, in cooperation with the Japan Franchise Association, Seven-Eleven Japan has established 3 months a year as a month of strengthening age verification at the time of sales of alcoholic beverages and tobacco. Seven-Eleven Japan educates and enlightens its franchisee employees not to sell them to anyone under the age of 20.



Poster informing customers about age checks



Poster informing customers about age checks

Ito-Yokado is working to prevent the sale of alcoholic beverages and tobacco to customers under 20 years of age. To raise customer awareness, it posts displays to let customers identify which products are alcohol. It makes sure to post notices informing customers that it will not sell alcohol and tobacco to customers who cannot be confirmed that they are 20 or older. All store employees receive training on how to verify the age of consumers upon joining the company. Besides, staff in charge of cash registers conducts call-and-response training to prevent the sale of alcoholic beverages and tobacco to minors before the beginning of their daily shifts. The Training Division of its head office periodically checks the implementation status.



Cashiers receiving training on the sale of alcohol and tobacco

Alcoholic beverages of Seven Premium, the Seven & i Group's private brand, are labeled following the "Voluntary code for the advertising and marketing of alcoholic beverages and the labeling of alcohol beverage containers" established by the Japan Liquor Industry Council. Seven & i Group stores that handle alcoholic beverages sell non-alcoholic beverages that can be alternatives to alcoholic beverages for customers over the age of 20.

Internal and External Communication

Internal and External Communication

Seven & i Group is utilizing the characteristics of the retail business, which is used by approximately 22.3 million customers every day in Japan alone, to promote environmental activities along with its customers. Moreover, we emphasize collaboration with various stakeholders through participation in the activities of external organizations and communication with NPOs. Further, to promote environmental activities, it is necessary for each and every one of our more than 80,000 employees in Japan to take action, so we are also focusing our efforts on awareness-raising activities for employees.



Communication with Customers

Seven & i Group is committed to environmental activities that take advantage of the distinct ability of the retail business to interact directly with many customers.
As part of this commitment, to coincide with Environment Month in June 2023, we introduced our development of products which combine environmental friendliness and quality via in-store posters and a dedicated website, with the aim of raising customer awareness of environmentally friendly products and of creating opportunities to reflect about and act together in relation to the environment.
Ito-Yokado additionally began an initiative for the collection and recycling of used cooking oil generated in households using special returnable bottles in 2023, with all stores in Tokyo subsequently implementing the initiative in 2024. The used cooking oil collected is being utilized, for example, in the production of soap and ink solvents.

Support for NPOs and Other Environmental Organizations

Seven & i Holdings continues to make donations to various environmental organizations such as the Keidanren Nature Conservation Fund, which promotes wider awareness of biodiversity and supports the nature protection projects of NGOs in and outside of Japan, as well as WWF Japan, environmental and wildlife preservation group. In addition, with regard to climate change, we joined the Japan Climate Initiative (JCI), the Japan Climate Leaders' Partnership (JCLP), and the TCFD Consortium, and for plastic issues, we joined the Japan Clean Ocean Material Alliance (CLOMA). We are making efforts to promote environmental activities in cooperation with various companies and organizations.
In addition, Seven-Eleven Japan has been conducting environment-themed social contribution activities together with franchised stores through the Seven-Eleven Foundation since 1993. Based on contributions from customers collected through collection boxes placed at the counters of 7-Eleven stores, along with donations from Seven-Eleven Japan and other funds, the Seven-Eleven Foundation engages in environmental citizenship activity support projects, natural resource protection and conservation projects, publicity projects, and disaster recovery assistance projects. One of the major pillars of the environmental citizenship activities is the funding of NPOs and civic groups conducting regional environmental activities. The foundation has been calling for applications each year since 2001, with the goal of seeing regional donations used to support regional environmental activities.
The Seven-Eleven Foundation operates the Kokonoe Furusato Nature School located in Kokonoe Town, Kusu District, Oita Prefecture and the Takao Forest Nature School in Hachioji City, Tokyo, based on the principle of "Learning from nature: how to promote coexistence and mutually beneficial relationships between people and nature and the natural environment and local communities." The Kokonoe Furusato Nature School is engaged in projects to protect and preserve the abundant nature cultivated by the region as well as its ecosystems, history, and culture. The school's efforts to

promote creation of rice fields that coexist with nature and where living things can thrive has been designated as a project in coordination with the Japan Committee for the United Nations Decade of Biodiversity (UNDB-J). Moreover, The Takao Forest Nature School is a collaborative project with the Tokyo metropolitan government, operating in a forest of approximately 26.5 ha owned by Tokyo metropolitan government. The school's programs include bird watching, volunteer experiences in the forest, flora observation, and craft work.

Donation Amounts at Seven-Eleven Storefronts

FY2021	FY2022	FY2023
¥436,809,753	¥429,428,907	¥404,599,793

* The total amount of storefront donations since fiscal year 1994 is ¥9,627,287,628.

Grant Achievements for Environmental Civic Activities (including continuous grants)

	FY2021	FY2022	FY2023
Total Number of Grants	272	285	268
Total Amount of Grants	¥138,350,724	¥155,361,354	¥161,864,664

*The cumulative number of grants since fiscal year 2001 is 4,903, and the total amount of these grants is ¥2,878,766,864.



Takao Forest and Nature School



Collection box placed on counters in stores



Kokonoe Furusato Nature School

Responding to Opinions and Requests

Seven & i Group receives and responds to opinions and requests relating to the environment from customers and civic groups at the customer support departments of each Group company and at the Sustainability Development Department of Seven & i Holdings. In 2022, when we revised the material issues that Seven & i Holdings should address, we identified our material issues upon engaging in dialogue with stakeholders including customers, business partners, shareholders, and other investors, as well as sustainability experts.

› For more details about the revision process for material issues

Employee Environmental Education

In order to raise the environmental awareness of employees, Seven & i Group regularly holds training, events, and more with the aim of instilling basic knowledge and facilitating understanding of environmental matters in line with the characteristics of each of their businesses.

Conducting Group-Wide e-Learning

In response to the “GREEN CHALLENGE 2050” environmental declaration announced in May 2019, Seven & i Group has conducted Group-wide e-learning every year since 2020. In the fiscal year ended February 28, 2024, this e-learning was implemented for all Seven & i Group employees in Japan, with content that focused on introducing the status of the Group’s initiatives for the achievement of the targets in the “GREEN CHALLENGE 2050” environmental declaration, and activities that can contribute to the achievement of the targets through work and daily life.

Encouraging Group Employees to Take the Eco Test

Since the fiscal year ended February 28, 2015, Seven & i Group has been encouraging employees to pass the Certification Test for Environmental Specialists (Eco Test)* as a training tool for systematically acquiring a broad knowledge about increasingly diverse environmental problems. Each group company supports test takers by subsidizing test fees, holding study sessions, and so forth.

* Certification Test for Environmental Specialists (Eco Test) is a registered trademark of the Tokyo Chamber of Commerce and Industry (TCCI)

Number of Persons Who Acquired Eco Test Certification

FY2021	FY2022	FY2023
Approx. 900	Approx. 800	Approx. 500

Holding Environmental Events to Raise Awareness Among Employees

Seven & i Group holds internal environmental events to provide opportunities to raise the environmental awareness of employees. For example, the Group employees participate alongside 7-Eleven franchisees in volunteer activities organized by the Seven-Eleven Foundation. Major activities include such conservation efforts as forest care operations ranging from tree planting to tree thinning and undergrowth cutting at “Seven Forests” in 19 locations throughout Japan, and marine afforestation initiatives to cultivate eelgrass habitats, which purify water and reduce CO2, thereby enriching the marine environments in Tokyo Bay and Osaka Bay. Personnel from Seven-Eleven Japan franchised stores and Head Office employees as well as the Group employees take part in these activities.
Additionally, we are engaged in various activities to raise employee awareness, particularly in October, which has been designated as Environment Month. In the fiscal year ended February 29, 2024, we conducted a food drive, involving households bring in surplus food to donate to a food bank, and tested an app that encourages environmentally friendly behavioral changes. In March 2024, this app commenced full-scale operations and, as of September 2024, 15 Group companies are providing employees with opportunities to reflect on environmental and societal issues as matters which directly concern them.

Number of Participants in "Seven Forest" Activities

FY2021	FY2022	FY2023
494	1,052	1,771

* Cumulative total of 21,842 participants

› For more details about “Seven Forest” (in Japanese)

› For more details about the Tokyo Bay UMI Project (in Japanese)

Sustainable Environment Conservation Activities

Seven & i Holdings collaborates with NPOs and other organizations to undertake measures that help prevent global warming and preserve biodiversity.

Seven & i Holdings has endorsed the principles of the Task Force on Nature-Related Financial Disclosures (TNFD) as a means to enhance and promote Seven & i Group's natural capital-related and biodiversity conservation and restoration initiatives. In 2023, we joined the TNFD Forum in January, the SBTN Corporate Engagement Program in February, and the 30by30 Alliance for Biodiversity in September; and we are furthering our preparations for TNFD-based analyses and disclosure.

- For more details about the TNFD Forum
- For more details about the SBTN Corporate Engagement Program
- For more details about 30by30 Alliance for Biodiversity

Working with Local Regions to Leave a Rich Natural Landscape to the Next Generation

The Seven-Eleven Foundation, a general incorporated foundation, promotes the creation of "Seven Forests" at 19 locations nationwide with the aim of contributing to the prevention of global warming and the maintenance and conservation of biodiversity. The creation of "Seven Forests" involves signing agreements with local governments and NPOs across the country, and recruiting volunteers from Seven-Eleven franchise store employees, headquarters staff, and local citizens.
Seven & i Holdings promotes the use of thinned wood as a solution to the problems faced by Japan's forests. As part of this initiative, some products under the group's private brand, "Seven Premium", use packaging and containers made from thinned wood from "Seven Forests". Additionally, the wood materials obtained from "Seven Forests" are used for store materials and office supplies within the group, and efforts are being made to commercialize these materials to promote the use of domestic wood.

- For details about Seven Forest (in Japanese)
- For details on Use of Forest Thinning Materials



Seven Forest Creation

Overview of Seven Forest Creation



Seven-Eleven Foundation

Seven-Eleven Foundation was established in 1993 for 7-Eleven stores and Seven-Eleven Japan to work together as one on environmentally-themed social contribution activities. Using money collected from in-store donation boxes and donations by Seven-Eleven Japan, the foundation engages in projects related to environmental citizenship activity support, nature conservation, public engagement, and disaster reconstruction assistance.
Seven-Eleven Foundation, in cooperation with various organizations, and based on the theme of restoring a rich natural environment, has continued its Seven Forest Creation activities to protect the natural cycle of forests, satoyama woodlands, rivers, and ocean, as well as to increase CO2 absorption and oxygen production. For our Mountain Forest Creation initiative, we carry out nurturing activities from tree planting to weeding and thinning, which leads to the conservation and restoration of abundant forests. Furthermore, as for Seven Forest Creation in the Sea project, the foundation is working to increase the amount of eelgrass, which purifies seawater quality and helps preserve biodiversity by absorbing CO2 in the sea and accumulating carbon. Seven-Eleven Foundation has concluded agreements with local governments/municipalities and NPO corporations, and is working with 7-Eleven franchised stores, headquarters staff, and citizens towards the goal of creating our natural environment where rich biodiversity can co-exist with the local people. In March 2021, Seven-Eleven Foundation concluded the "Cooperation Agreement on Environmental Conservation and Collaborative Efforts" with the Ministry of the Environment, and the Environmental Partnership Council (EPC), which is an organization entrusted with the Global Environmental Outreach Centre (GEOC). In April 2023, we signed the “Cooperation Agreement on Environmental Conservation and Collaborative Efforts in National Parks,” with the aim of joint action and cooperation on environmental conservation activities in national parks alongside the Ministry of the Environment's Nature Conservation Bureau and organizations engaged in local community activities.
The foundation also operates the Kuju Furusato Nature School and Takao Forest Nature School under the foundation’s basic philosophy of "learning from nature on the coexistence and co-prosperity of people and nature, the natural environment and local communities.” Both schools collaborate with government agencies, companies, and educational institutions through activities to protect and preserve the natural environment. The schools also contribute to human resource development by providing learning experiences such as those on the importance of biodiversity, local nature, history, the culture of the region, and pass them on to future generations. Not only educational activities but the schools also engage with research activities. The Kuju Furusato Nature School has been registered as a monitoring site to the "Monitoring Site 1000" project operated by the Biodiversity Center of the Ministry of the Environment and has been monitoring flora and fauna since 2008. The Takao Forest Nature School has also been registered since 2018. Kuju Furusato Nature School's "Decade of Rice Paddy Biodiversity Enhancement Project" is registered as an authorized collaborative project of the United Nations Decade of Biodiversity Japan Committee (UNDB-J).

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› Seven-Eleven Foundation website (in Japanese)

Operation of learning facilities for the protection and preservation of the natural environment

Name	Web Link (Japanese)
Takao Forest Nature School	LINK
Kuju Furusato Nature School	LINK

Examples of partnerships to protect and preserve the natural environment

Name	Details	
The Ministry of Environment “Monitoring Site 1000”	Participation in continuous activities to collect and accumulate natural environment data since 2008	Link (Japanese)
	The Ministry of Environment	Link
"Cooperation Agreement on Environmental Conservation and Collaborative Efforts"（Link ）(Japanese)	Environmental Partnership Council (EPC), which is entrusted with the Global Environment Outreach Centre (GEOC)	Link
Seven Forest Creation; Seven Forest Creation in the Sea	Forest nurturing activities from tree planting to clearing and thinning and activities to purify water quality and produce oxygen, as well as activities to restore eelgrass beds which reduce CO2 levels	Link (Japanese)
Tokyo Bay UMI Project	In addition to beach cleanups, the project promotes restoring water quality, planting CO_2-absorving plant - eelgrass to enhance the healthy ocean environment.	Link (Japanese)
Mt. Fuji Conservation Activities	Since 1994, with the cooperation of the Mt. Fuji Club (NPO), cleanup and removal of invasive species have been conducted on both the Yamanashi and Shizuoka sides of the mountain.	Link (Japanese)
Kiritappu Wetland National Trust	In order to pass on the rich ecosystem of Kiritappu wetland to the next generation, the foundation promotes the National Trust Movement together with the Kiritappu Werland National Trust (NPO)	Link
The United Nations Decade of Biodiversity Japan Committee (UNDB-J)	"Decade of Rice Paddy Biodiversity Enhancement Project" is registered as an authorized collaborative project with UNDB-J	Link (Japanese)

Sale of Rice Cultivated while Protecting the Environment and Biodiversity

Ito-Yokado sells a rice series that is cultivated with measures designed to protect the environment and biodiversity in place. It not only uses fewer agrichemicals and chemical fertilizers, but also encourages agroecology, in which rice fields also serve as wildlife habitats. A portion of the proceeds from the products is donated to environmental maintenance in the production areas. In the fiscal year ended February 29, 2024, approximately 16,000 yen was donated to the Toyooka City Oriental White Stork Fund from the sale of "Koshihikari Rice Nurturing White Storks," and approximately 48,000 yen was donated to the Sado City Toki Environmental Maintenance Fund from the sale of "Certified Rice from the Home of Living with Crested Ibis Niigata Prefecture Sado Koshihikari".



Environmentally Friendly and Nature-Symbiotic Cultivated Rice

Participating in the Green Down Project

Ito-Yokado has been participating in the Green Down Project, the objective of which is appropriate disposal and recycling of down products. As of March 2020, Ito-Yokado stores have perfected their systems for collecting down jackets, now enabling drop-off of down futons and down jackets at all times. Also, as of November 2020, approximately 70 store locations had begun selling products made of down collected and recycled through this project.
From March 2020 to December 2023, a total of 5,613 items were collected, and the proceeds from their sale, amounting to approximately 170,000 yen (including tax), were donated to the Certified NPO Kiritappu Wetland National Trust, an organization dedicated to preserving wetlands that are crucial habitats for waterfowl.

Material Issue 7 Achieve a sustainable society through partnerships

Approach to the Material Issue

The Seven & i Group believes that its important role is to contribute to achieving a sustainable society by providing socially and environmentally friendly products and services. Cooperation with our partners, such as franchisees and business partners is indispensable to provide them.

In every process from procuring raw materials to delivering products to customers, Seven & i Holdings believes that it must not only comply with laws and regulations, but it must also supply valuable products that show consideration for society and the environment. This will contribute to improving the sustainability of resources and is crucial to enhancing the strength of supply chains and ensuring business continuity. Partnerships are also important to solve social issues such as the SDGs and to create new experiential value.

To this end, we promote initiatives throughout the value chain, including our franchisees and business partners.

Background to the Material Issue

Heightened Interest in the Social and Environmental Impact of Supply Chains

Modern slavery refers to people who are subjected to forced labor, human trafficking, sexual exploitation, forced marriage, and other forms of exploitation, and it is estimated that there are about 50 million such individuals worldwide. Additionally, 28 million people are engaged in forced labor, of which 12 million are women and girls. Amidst the existence of various social issues like these around the world, there is an increasing number of consumers who wish to purchase products produced through fair trade. In line with the growing awareness of ethical consumption, it has become important to build a sustainable business model throughout the entire supply chain.

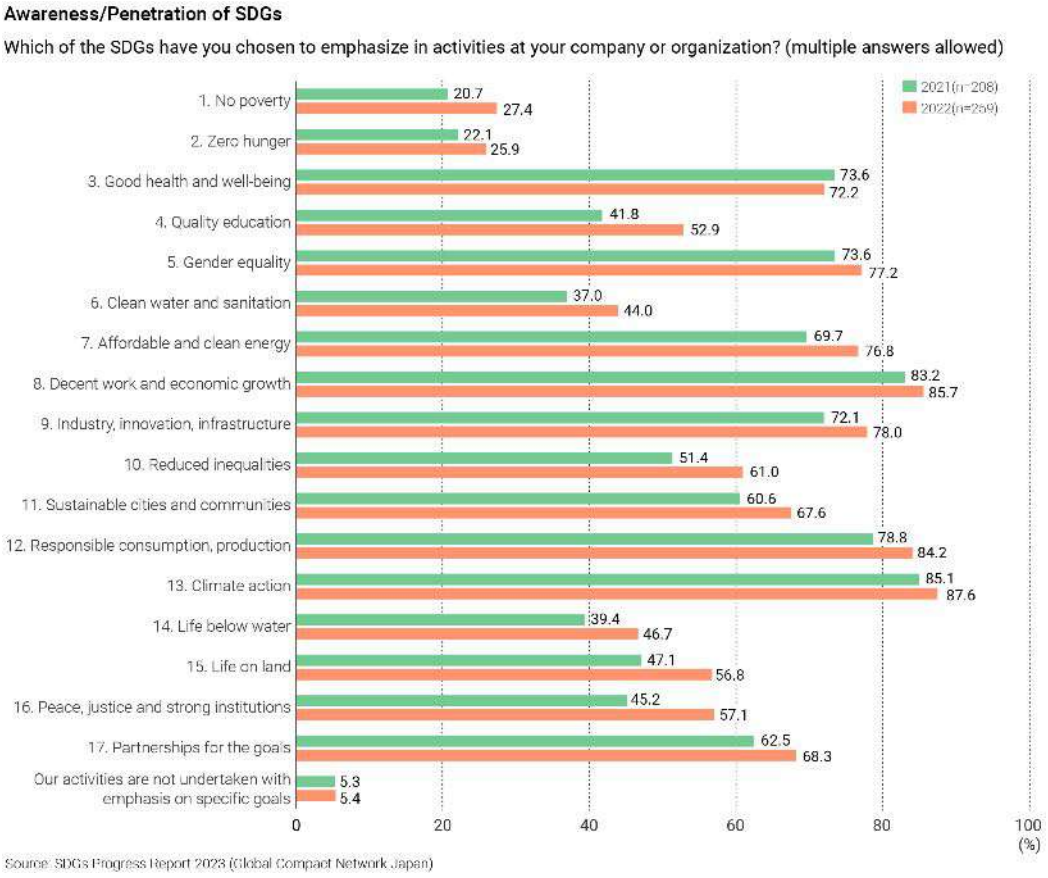
* Source: "Global Estimates of Modern Slavery," a report by the International Labour Organization (ILO)



Source: Global Estimates of Modern Slavery (International Labour Organization (ILO))

Growing need for partnerships

Recently, as the impact of social issues has grown, it has become increasingly difficult for a single organization to solve them. That is the reason why SDGs call for the importance of partnerships. In addition, in order to respond to impending issues as early as possible and provide greater value, it is necessary to combine the knowledge and technologies of a diverse range of partners, not just one's own company.



Contribution to SDGs

By addressing this material issue, the Seven & i Group improves the resilience of its supply chain and contribute to the achievement of Sustainable Development Goals (SDGs) 1 and 8, 10, 12, 16, and 17.



Seven & i Group's Initiatives

Building a Sustainable Supply Chain Together with our Business Partners >

Expanding Services as a Form of Social Infrastructure >

Building a Sustainable Supply Chain Together with our Business Partners

Since its establishment, Seven & i Holdings has always been committed to being a sincere company that is trusted by the various stakeholders who support our corporate activities, including customers, business partners, shareholders, local communities, and employees, as stated in our corporate creed.
Today, the world is facing a variety of issues related to human rights. Companies are being required to fulfill their social responsibilities, such as respecting and protecting human rights throughout the supply chain of the products and services they handle, complying with laws and regulations, protecting the environment, and giving consideration to working conditions. Seven & i Group places the highest priority on respecting and protecting human rights, and we ask our business partners to understand and implement the Seven & i Group Business Partner Sustainability Action Guidelines. We believe that we can provide safe and secure products to our customers by working together with our suppliers to implement the Seven & i Group Business Partner Sustainable Action Guidelines and build a supply chain that fosters sustainable development.



Strengthening Enactment of the Seven & i Group Business Partner Sustainable Action Guidelines

Seven & i Holdings is strengthening the enactment of the Business Partner Sustainable Action Guidelines in order to provide safe and reliable products to customers and to fulfill our social responsibilities in areas such as human rights, labor, and the environment in cooperation with our suppliers. We also ask our suppliers to conduct and promote human rights due diligence.

Thorough Implementation of the Seven & i Group Business Partner Sustainable Action Guidelines

In April 2017, Seven & i Holdings revised the "Seven & i Holdings Business Partner Action Guidelines" formulated in 2007 as the "Seven & i Group Business Partner Action Guidelines," and we have asked our business partners to understand and comply with these guidelines. In December 2019, we further revised these guidelines as the "Seven & i Group Business Partner Sustainability Action Guidelines" (hereinafter, the Guidelines). The purpose of the Guidelines is not only to ensure the safety and quality of products and services handled by the Group, but also to fulfill our social responsibilities together with our suppliers by promoting the protection and respect of human rights, compliance with laws and regulations, global environmental conservation, and consideration for the working environment throughout the supply chain. These guidelines are disseminated to all Group companies through various meetings with suppliers.

Seven & i Group Business Partner Sustainable Action Guidelines (Excerpt)

1. Respect and Protection of Human Rights
2. Legal Compliance
3. No Child Labour and Protection for Young Workers
4. No Forced Labour
5. Payment of Living Wages
6. Elimination of Abuse, Harassment, Discrimination and Punishment

7. Employment and Protection of Workers

8. Preservation of Global Environment

9. Prevention of Confidential Information Leakage and Information Management

10. Management of Personal Information

11. Quality Control and Ethical Response

12. Relationship with Local and International Communities

13. Anti-corruption and Fair Business Practices

14. Protection of Intellectual Property

15. Export and Import Management

16. Development of Internal Reporting Systems

17. Disaster Preparedness

18. Development into Supply Chain

19. Monitoring

› The Seven & i Group Business Partner Sustainable Action Guidelines can be found here.

*As of the end of February 2024, this document is available in 21 languages.

Establishment of a Human Rights Due Diligence System

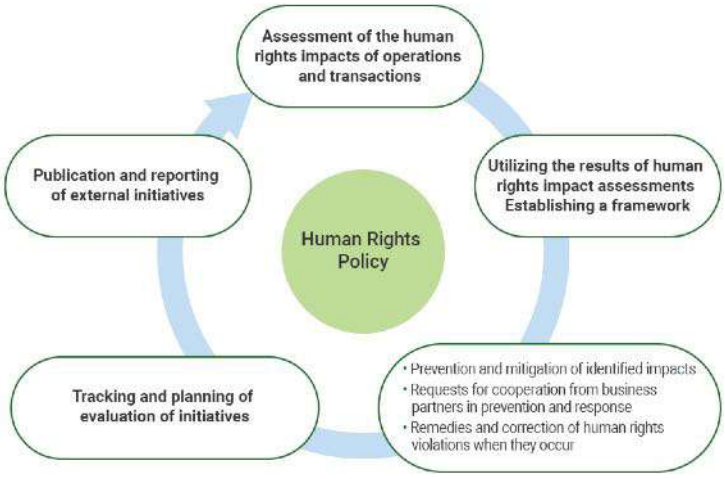
Seven & i Group's management philosophy is to be a sincere company that is trusted by various stakeholders, as stated in its corporate creed. In particular, we recognize that "respect for human rights" is the most important factor in conducting sustainable business activities and remaining a trustworthy and honest company.

In October 2021, the Seven & i Group established the Seven & i Group Human Rights Policy to understand the human rights of all stakeholders, including customers, business partners, shareholders, local communities, and employees, and to fulfill our responsibility to respect human rights.

In order to respect and protect human rights in the supply chain, the Seven & i Group Business Partner Sustainable Action Guidelines express the Group's stance on respect for human rights and request that suppliers comply with the guidelines.

The Seven & i Group Business Partner Sustainable Action Guidelines have been formulated as action guidelines that focus on respect for human rights in accordance with international labour standards such as the United Nations Guiding Principles on Business and Human Rights, the ILO Basic Labour Conventions, and the OECD Guidelines for Multinational Enterprises. We are working to strengthen our human rights due diligence system by implementing a human rights due diligence process that includes the identification and assessment of human rights risks, the implementation of actions to mitigate human rights risks, the monitoring of corrective actions, and the disclosure of information, as well as developing a grievance mechanism and promoting dialogue with stakeholders.

Human Rights Due Diligence Diagram



Human Rights Due Diligence System for the Business Partner Sustainable Action Guidelines

Seven & i Group assesses the potential negative human rights impacts of its business activities on the supply chain, and based on the results of the assessment, prevents and mitigates the identified negative human rights impacts, requests cooperation from suppliers in preventing and addressing such impacts, and takes remedial and corrective actions in the event of human rights violations. We have an ongoing process of conducting follow-up evaluations and disclosing the results on our website.

Assess, Identify, and Analyze negative impacts on Human Rights:

Grasping the production factories of private-brand products, conducting self-checks by suppliers, and conducting CSR audits by a third-party auditing organization

Actions:

Education and awareness-raising activities aimed at reducing human rights risks, memorandum on CSR with suppliers commissioned to manufacture private-brand products, start of business transactions based on the premise of obtaining CSR audit certification at private-brand product manufacturing factories in China and Southeast Asia

Follow-up Evaluation:

Issue remediation and corrective action support

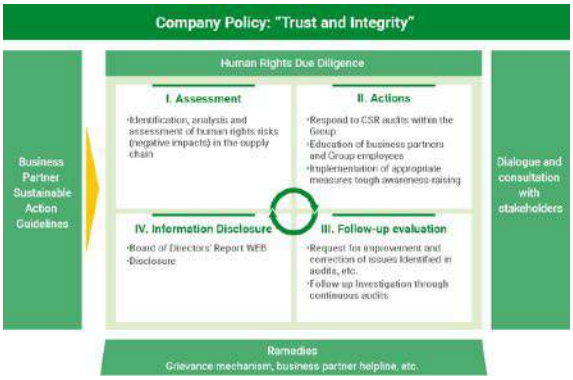
Information Disclosure:

Report the results to the Board of Directors and publish the results on the web

Relief Measures:

Establishment and operation of a dedicated supplier helpline as a grievance mechanism

Human Rights Due Diligence System for the Business Partner Sustainable Action Guidelines



Seven & i Group classifies supplier risks into five levels (R1 to R5) by region from the perspectives of human rights, labor environment, and global environmental conservation, and designates the region with the highest risk as R1, with "emerging regions in China and Southeast Asia" as R1 for priority response.

Operation of a Dedicated Helpline for Business Partners as a Grievance Mechanism

Seven & i Holdings has established the Seven & i Holdings Business Partner Helpline at a third-party organization as a consultation and reporting contact for early detection and prevention of problems in order for us and the Group companies to continue to be an honest company trusted by society. We are striving to further ensure fair trade by receiving consultations and reports from suppliers, regarding violations of laws and regulations, social norms, contracts, and internal rules including the "Seven & i Group Corporate Action Guidelines" concerning officers and employees of us and the Group companies, and serious violations of the "Seven & i Group Business Partner Sustainable Action Guidelines" concerning suppliers, including those in the supply chain of us and the Group companies, and human rights violations, etc., as stipulated in the Seven & i Group Human Rights Policy.

› Click here for the Seven & i Holdings Business Partner Helpline

[Contact Information]

・Consultation and Report within Japan (Domestic Reporting)

(1)Contact: IntegreX Inc.

(2)WEB: > http://ws.formzu.net/fgen/S53103280 (in Japanese)

E-mail : 7andi-helpline@integrex.jp

Mailing address: 7F, 5-8-14 Hiroo, Shibuya-ku, Tokyo 150-0012, Japan (IntegreX Inc.)

・Consultation and Report from oversea (Oversea Reporting)

(1)Contact: Dedicated website of TSUHO Support Center Co., Ltd. (Global Stakeholders Hotline)

(2)WEB: > https://7andi-helpline.kaigaitorihiki.com (Company code: 7andihelpline)

Languages supported: English, Thai, Portuguese, Japanese

*We do not accept reports from China, the U.S., Russia, or North Korea.

*We have adopted a method in which there are no fields for entering personal information such as e-mail addresses or names. Please note that there is no mutual communication between us and information providers.

Operation of the Seven & i Group Business Partner Sustainable Action Guidelines

Seven & i Holdings has asked factories that manufacture our private-brand products (Seven Premium) and private-brand products of the Group companies to cooperate in CSR audits if they are located in areas of high risk for human rights protection and legal compliance. In addition, Seven & i Group has been conducting CSR audits of factories that manufacture private-brand products in general. We also share the status of promotion of the Seven & i Group Business Partner Sustainable Action Guidelines with our suppliers and support corrective measures for problems.
We ask potential suppliers to understand and comply with the Seven & i Group Guidelines for Sustainable Business Conduct before starting business with us. If the supplier is found to be in compliance based on the results of the CSR audit and the status of corrective measures, a "Certificate of Conformity" is issued. The acquisition of a Certificate of Conformity is a prerequisite for continuing business with us.

Flow of CSR Audit and Certification System for PB Manufacturing Factories in China and Southeast Asia



Agree to the Memorandum on CSR

Seven & i Group, together with its suppliers, aims to realize the goals of Goal 8 of the SDGs, which are "human-oriented employment with job satisfaction," "eradication of forced labor," and "prohibition and elimination of child labor. In addition, we will actively work to maintain and improve the appropriate working environment of our suppliers, such as by "ensuring appropriate labor practices in the supply chain. We ask our suppliers to agree to a memorandum on CSR as a condition of starting/continuing business with us when we outsource the manufacturing of our private brands.
In order to fulfill our responsibility to respect corporate social responsibility (CSR) and human rights, and to contribute to the realization of a sustainable society, we confirm that we will comply with the Corporate Action Guidelines and that we will continue to work together to promote CSR and human rights considerations throughout the supply chain. The purpose of this report is to confirm that we will continue to work together to promote CSR and respect human rights throughout the supply chain in light of the demands of society.

Memorandum on CSR

- Article 1 (Purpose)
- Article 2 (Compliance with the Seven & i Group Business Partner Sustainable Action Guidelines)
- Article 3 (Implementation of Internal Control over the Business Partner Sustainable Action Guidelines)
- Article 4 (Explanation of the Business Partner Sustainable Action Guidelines, etc.)
- Article 5 (Obligation to Report the Status of Compliance with the Business Partner Sustainable Action Guidelines, etc.)
- Article 6 (Duty to report)
- Article 7 (Right of A to investigate and audit)
- Article 8 (Demand for correction in case of violation)
- Article 9 (Right of cancellation in case of non-compliance with demand for correction)
- Article 10 (Indemnification for damages)
- Article 11 (Revision of the Business Partner Sustainable Action Guidelines)
- Article 12 (Effective Period)
- Article 13 (Governing Law and Jurisdiction)
- Article 14 (Matters to be discussed)

*This document has been prepared with reference to the materials of the Japan Federation of Bar Associations.

Conducting Self-Checks

Seven & i Group provides a self-check sheet to allow suppliers to check the status of their promotion of the Business Partner Sustainable Action Guidelines and to support corrective actions as necessary. This checklist was created with reference to ISO 26000, the Keidanren Charter of Corporate Behavior, the OECD Guidelines for Multinational Enterprises, and the ILO International Labour Standards. Since November 2018, we have been checking similar content (124 items) as the CSR audits, including human rights and labor environment, global environmental preservation, and information management, for private brand product manufacturing contractors of the Seven & i Group companies. In the fiscal year ended February 29, 2024, self-checks were collected from 1,151 factories to confirm their management status.

Items on the Self-Check Sheet (Excerpt)

1. Legal Compliance
2. Respect for Human Rights and Dignity
3. Human Resources and Workplace Environment
4. Preservation of Global Environment
5. Relationship with Local and International Communities
6. Information Management
7. Product Safety Assurance
8. Fair Business Practices
9. Monitoring

Status of Self-Check Responses

FY	No. of Factories Targeted	No. of Factories who Replied (No. of Domestic/ Overseas Factories)	Response Rate
2023	1,210 factories	1,151 factories (825/326)	95.1%
2022	1,386 factories	1,287 factories (869/418)	92.9%
2021	1,593 factories	1,303 factories (894 / 409)	81.7%
2020	1,546 factories	1,267 factories (854 / 413)	81.9%

Seven & i Group CSR Audit

In order to ensure the safety and security of products and to realize a sustainable society together with our suppliers, Seven & i Group has conducted third-party audits to the manufacturing factories of our suppliers in accordance with our own audit items (16 major categories and 117 check items). The audit items comply with international conventions such as the International Labour Organization (ILO) Convention, which is a global standard, and ISO 26000, and consist of the Seven & i Group Business Partner Sustainable Action Guidelines, protection of human rights, compliance with laws and regulations, occupational health and safety, and environmental protection.

16 Major Categories and 117 Items in the CSR Audit (Excerpt)

1. Implementation of Management System and Rules

- Organizations must implement and maintain a system in compliance with all items of the Seven & i Group Business Partner Sustainable Action Guidelines
- To the extent feasible, organizations should extend the Guidelines to their own supply chains.
- Organizations must monitor and comply with relevant laws and regulations, as well as international treaties and so forth.

2. Forced Labor

- There must be no forced, bonded or coerced prison labor.
- Employers must not force workers to make a financial deposit or submit their identification documents, such as a passport, and freedom of movement must be assured.
- Workers may resign freely as they wish, after giving adequate notice.
- National and regional laws pertaining to forced labor are recognized.

3. Freedom of Association

- Workers have the right to establish or join labor unions of their own choosing without being subject to discrimination, and hold the right to collective bargaining.
- Local laws and workers' rights concerning freedom of association are recognized.

4. Health and Safety

- Safety protection measures must be applied to equipment and machinery and preventive maintenance must be undertaken.
- Chemicals must be handled and stored appropriately.
- All necessary protective equipment must be purchased and regularly replaced.

5. Child Labor and Young Underage Workers

- Children must not be put to work.
- Young workers under the age of 18 must not be made to work at night, or in a hazardous environment. This work includes tasks using chemical substances, work near such substances, or work where there is hazardous machinery or excessive noise. Heavy labor, night shifts, and work for long hours are also included.

6. Living Wages

- Wages must be paid at or above the national/regional legal standards.
- Overtime allowances must be paid at the required statutory ratio.
- All allowances and benefits must be provided to workers as required by law.
- Documents detailing the labor conditions of workers, such as wage slips, information of labor recruiters, and contracts must be disclosed to workers.

*The living wage includes food, housing cost, clothing, and other additional expenses related to health, transportation, personal care, child care, and education.

*The base of the living wage calculation is based on the anchor calculation method of the Global Living Wage Coalition.

7. Working Time

- Workers must not be habitually required to work over 48 hours per week. On average, workers must be given a rest period of one day every 7 days. Overtime must be voluntary and must not exceed 12 hours per week. Overtime must not be habitually requested and additional fees must always be paid.

8. Discrimination

- Discrimination in the course of recruitment, remuneration, provision of training, pay raises, dismissal and retirement is prohibited with respect to race, class, nationality, religion, age, disability, gender, marital status, sexual orientation, union membership, or political party affiliation.

9. Regular Employment

- To the extent possible, operations must be executed on the basis of generally accepted employment relationships based on national laws and regulations.
- Recruitment fees for workers to get a job must be borne by employers, not by the workers ("Employer Pays Principle") unless allowed by local labor law.

10. Subcontracting Agreements, Domestic Industry, Outsourced Processing

- Subcontracting is not permitted without the prior consent of customers.

11. Disciplinary Action

- Physical abuse or punishment, threats of physical abuse, sexual or other forms of harassment, or verbal abuse or threats, must be prohibited.
- Disciplinary methods must be fair and effective and must not be arbitrary.
- Employers must show respect for the mental, emotional and physical health of workers in connection with the necessary disciplinary action.

12. Environment

- Organizations must pursue continuous improvement in their environmental performance and, at the very least, comply with local requirements and international laws and regulations.
- Chemical substances prohibited by international treaties, or laws and regulations, must not be used.

13. Fair Business Practices

- Laws and regulations related to fair business practices must be understood and complied with.

14. Ensuring Product Safety

- Products delivered to each Seven & i operating company must comply with the quality standards requested by each relevant operating company and comply with relevant legal standards established in Japan.

15. Security Management

- Security systems must be in place to ensure protection from access with malicious intent.

16. Interests of Local Communities

- Relationships with anti-social forces must be rejected.

Evaluation and Certification of CSR audits

The 16 major categories of the CSR audit are divided into three evaluation categories. The four most important categories are "forced labor," "child labor and young workers," "living wage (minimum wage)," and "disciplinary punishment. If any of these non-conformities is found, it will be classified as [Critical Non-conformity 1], and a recommendation will be made to the Group's operating companies that have contracts with the factory in question to discontinue business.
The next most important audit categories are categories of laws and regulations related to "health and safety," "working hours," "subcontracting," "environment," and "product safety." If a non-conformity is found, it is classified as a "Critical Non-conformity 2," and we notify the Group companies that have contracts with the factory in question to consider whether or not to continue doing business with them. If we decide to continue our business, we will conduct a follow-up audit to confirm that the problem has been corrected before continuing our business.

16 Audit Categories and Evaluation Categories (C1, C2)

:Critical non-conformity(C1) :Critical non-conformity(C2)

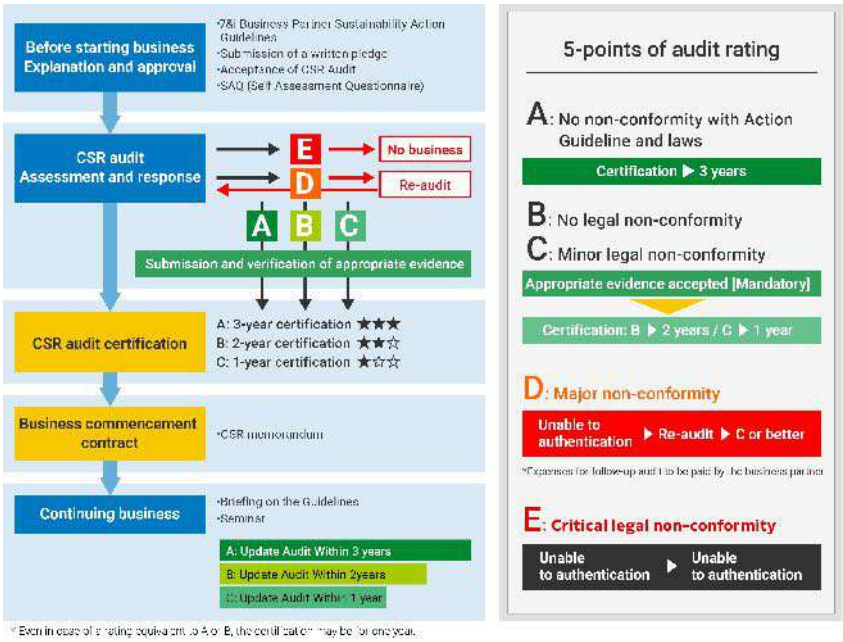
No.	Classification
1	Management System and Action Guideline Implementation
2	Forced Labour
3	Freedom of Association
4	Health and Safety
5	Child Labour and Youth Workers
6	Living Wages
7	Working Hours
8	Discrimination and Harassment

No.	Classification
9	Regular Employment
10	Subcontracting, Cottage Industry, External Processing
11	Punishment
12	Global Environment Conservation
13	Anti-corruption and Fair Trade
14	Ensuring product safety
15	Security Management
16	Community benefits and disaster response

Evaluation Standard

CSR audit results are evaluated on a five-point scale of A, B, C, D, and E.
The "A" rating indicates that the CSR audit did not reveal any non-conformity with laws, regulations, or local ordinances, nor did it reveal any non-conformity with the Seven & i Group Business Partner Sustainable Action Guidelines.
"B" is for factories where no legal non-conformity was found but non-conformity to the Seven & i Group Business Partner Sustainable Action Guidelines was found, and "C" is for factories where no serious non-conformity was found but legal non-conformity was found.
"D" is the evaluation of a factory that has been confirmed to have Major Non-conformity Critical 2 or that has been confirmed to have 10 or more non-conformities with laws and regulations.
"E" is the rating for the most serious situation, where at least one [Critical 1 Major Non-conformity] corresponding to [Forced Labor], [Child Labor], [Living Wage (Minimum Wage)], or [Punishment] is identified, or where 10 or more [Critical 2 Major Non-conformities] or 20 or more non-conformities with laws and regulations are identified. All non-conformities are corrected within 90 days from the audit date, and if correction is confirmed, certification is given in accordance with the evaluation.

Certification Operational Rules (in China and Southeast Asia)



Audit Evaluation Standard

Evaluation	Unsuitable content	Conditions (not applicable)	Certification Criteria
A	No non-conformity with Action Guideline and laws	0	3-year certification
B	●Minor non-conformity with Action Guideline	1~9	appropriate certificate acceptance 2-year certification
	●Major non-conformity with laws	0	
C	●Minor non-conformity with Action Guideline	10 or more	appropriate certificate acceptance 1-year certification
	●Major non conformity with laws	1~9	
D	●Major non-conformity with laws	10~19	Re-Audit Continued business with "C" or higher *Up to 1 year certification
	●Critical non-conformity (C2)	1~9	
E	●Major non-conformity with laws	20 or more	Recommendation to terminate business
	●Critical non-conformity (C2)	10 or more	
	●Critical non-conformity (C1)	1 or more	

・C1: Any significant non-compliance regarding forced labor, child and juvenile labor, disciplinary actions, and living wage within audit requirements and reports
・C2: Major nonconformities in health and safety, working hours, subcontracting environment, and product security
*Even in case of a rating equivalent to A or B, the certification may be for one year.

Flow of the Day of the CSR Audit

Seven & i Holdings provides advance notice and visits the factories to be audited to confirm compliance with the CSR audit items by checking sites, documents (e.g., pay slips), and data, and by interviewing managers and workers. Interviews with workers are conducted in a separate room, with only the auditors present, to prevent any instructions or retaliation from the employers. In principle, on-site audits are conducted in one day, from 9:00 a.m. to 6:00 p.m. Materials and images submitted by the factory during the audit will be properly managed and supplemented based on the confidentiality agreement, and will not be leaked to outside parties.



Confirmation of Correction after Audit

If any non-conformity is found as a result of the audit, the third-party audit organization will point out the non-conformity to the supplier. Suppliers are requested to submit a Corrective Action Plan (CAP) based on the findings to the audit organization within 10 business days after the audit, and are required to take immediate action to improve the issues identified. After receiving a report from the supplier on the completion of improvement, we will confirm the completion of the improvement by receiving photos and collateral materials (evidence) showing the improvement. However, in cases where a certain standard is exceeded, such as when a large number of serious non-conforming items occur, we visit the factory again and conduct another audit to confirm that the problem has been corrected.

◆Process for submitting a Corrective Action Plan (CAP)

(1) Report on the cause of non-conformity and corrective action plan: Submit to the auditor within 10 days

(2) Implementation of corrective actions: Submit evidence to auditors within 90 days.*

(3) Appropriate CAP: Accepted by auditor → Confirmed and approved by Seven & i Holdings → Certificate issued

Inappropriate CAP: Return submitted documents and request for re-submission

*If evidence of correction is not submitted within 90 days of the completion of the audit, a re-audit (follow-up audit) will be conducted.

Response to Major Non-conformities

Seven & i Holdings does not tolerate any form of human rights violation in the Group's business or supply chain. Our response to the major non-conformities is stipulated in the "Seven & i Group Business Partner Sustainable Action Guidelines," which we disseminate to all our suppliers and explain at supplier briefings.

CSR Audit Certification System

Seven & i Holdings issues a Certificate of Conformity to suppliers when the results of CSR audits indicate conformity. If a nonconformity is found, a "Certificate of Conformity" is issued to the supplier when the non-conformity has been corrected or when the third-party auditing organization and Seven & i Holdings determine that the content of the plan described in the CAP is valid.


Certificate
適合認証書

CSR audit certification "Certificate of Conformity"

Results of CSR Audits of Suppliers

CSR audits of Overseas Factories

Since fiscal 2012, Seven & i Holdings has been conducting annual CSR audits to confirm compliance with the Seven & i Group Business Partner Sustainable Action Guidelines by defining critical suppliers as those factories that are judged to be particularly important from the perspective of risk management. We conduct annual CSR audits to confirm compliance with the Seven & i Group Business Partner Sustainable Action Guidelines.
In order to ensure fairness, we outsource our audits to an external inspection organization, TÜV Rheinland Japan. Regular meetings are held with auditors every year to standardize the required items.

Our Definition of “Critical Suppliers”

Seven & i Holdings defines 1,210 factories as critical suppliers. They manufacture the Group's private brand products, Seven Premium, or private-brand products for Group companies in China and Southeast Asia (13 countries). They deal with high volume and we consider them critical for our products and non-substitutable. Approximately 260,000 people worked in the factories defined as critical suppliers, with a gender ratio of approximately 48% male and 52% female.

Number of CSR Audits (Overseas Factories)

FY	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024 Plan
No. of audited factories	17	28	328	226	245	215	274	304	413	357	322	254	240
Implementation rate*1 (%)	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	89.8*2	79.9*2	74.2*2	77.7	-

*1 Ratio of the number of factories audited to the planned number of factories (excluding factories that no longer need to be audited due to completion of production, cessation of business)

*2 Suspended audits at some factories to prevent spread of new coronavirus

Number of Re-audited Factories (Overseas)

	Total					Aparel					Household Goods					Foods				
FY	**2019**	**2020**	**2021**	**2022**	**2023**	2019	2020	2021	2022	2023	2019	2020	2021	2022	2023	2019	2020	2021	2022	2023
No. of re-audited factories	**112**	**40**	**37**	**28**	**12**	56	24	17	17	3	36	9	12	3	4	20	7	8	8	5

*Number of factories reaudited increased due to stricter reaudit criteria starting in FY 2019

*Introduce a certification system based on CSR audits as a condition for starting new transactions from FY2020

› Number of Factories with Non-conformity Found by Country and Audit Category from FY2019 to FY2023 (Oversea Factories)

› Number of Factories Audited by Product Category from FY2019 to FY2023 (Oversea Factories)

Response to Non-conformities (CSR Audit Major Non-Conformity Cases and Remedial, Corrective, and Preventive Actions for Non-Conformity)

In the fiscal year ended February 29, 2024, overseas CSR audits were conducted at 254 factories. Serious non-conformities were identified at two factories and corrective actions were taken. Non-conformities related to living wage (minimum wage) (2 cases) were identified, and payment was made immediately for the shortfalls, including those that had occurred in the past. To prevent recurrence, systemic measures have been implemented, and periodic internal audits are conducted to confirm the continuity of the measures. In addition, corrective actions were confirmed for all major and minor nonconformities identified through CSR audits. As a result of the CSR audits, no nonconformities were found involving forced labor, child labor for those under 15 years of age, or disciplinary measures.
To prevent the occurrence of non-conformities, we conducted online compliance training for suppliers in the fiscal year ended February 29, 2024 on-demand. It explains examples of non-conformities that are likely to occur (e.g., human rights violations). A total of 14,637 people viewed the training and the total number of page views reached 28,768. We will continue to promote ongoing efforts to respect human rights and improve the working environment.

CSR Audits of Domestic Factories

Seven & i Holdings has been conducting CSR audits of factories to which we outsource the manufacture of our “Seven Premium” private-brand products in Japan since 2018 to appropriately address issues such as employee work style reform, employment of foreign workers, and global environmental conservation. The number of audits conducted was 50 factories on a trial basis in fiscal 2018, and full-scale audits are being conducted at 327 factories in fiscal 2019, 271 factories in fiscal 2020, 371 factories in fiscal 2021, 535 factories in fiscal 2022, 527 factories in fiscal 2023 (about 50% of the total). As a result of the audits in the fiscal year ended February 29, 2024, some form of non-conformity was identified at about 95% of the factories, and we confirmed corrective measures have been taken. Non-conformities related to child labor, forced labor, disciplinary actions, discrimination or forced labor regarding foreign workers were not identified in fiscal 2023.
Seven-Eleven Japan commissions a third-party organization to conduct CSR audits of some of its suppliers in Japan based on the same standards as the Seven & i Group CSR audits. This initiative began in fiscal 2016, and in the fiscal year ended February 29, 2024, 104 factories at 87 companies were audited. We will continue to promote CSR by involving the supply chain.

- Number of Factories with Non-conformity Found by Audit Category from FY2019 to FY2023 (Japan)
- Number of Factories Audited by Product Category from FY2019 to FY2023 (Japan)

Informing Suppliers of the Seven & i Group Sustainability Action Guidelines

Distribution and Delivery of the Seven & i Group Business Partner Sustainable Action Guidelines

From June to October 2018, Seven & i Holdings distributed the Seven & i Group Business Partner Action Guidelines to 18,484 companies with confirmed business relationships through the product development staff of each Group company. In December 2019, we revised the guidelines to the Seven & i Group Business Partner Sustainable Action Guidelines, and by June 2020, we had distributed the guidelines to 12,385 companies. In addition, we are holding web briefings to promote understanding of the guidelines. In addition, from fiscal 2020, new suppliers who outsource the manufacture of private brand products in China and Southeast Asia will be required to submit a written pledge to comply with the guidelines, sign a memorandum on CSR, and undergo a CSR audit before commencing business. We communicate these guidelines to all suppliers, including those outside Japan, and confirm their level of understanding in an effort to ensure compliance with the guidelines.

Holding a Briefing Session on the Seven & i Group's Business Partner Sustainable Action Guidelines

Seven & i Holdings holds local briefings on the Seven & i Group Business Partner Sustainable Action Guidelines and related policies for suppliers in China and Southeast Asia, where CSR risks are considered to be high, among those to whom we outsource the manufacture of private brand products.
At the briefing, a representative from the Sustainability Development Department of Seven & i Holdings provides explanations accompanied by a local language interpreter.
In the fiscal year ended February 28, 2021, with the global spread of COVID-19 infections, briefing sessions on the Seven & i Group Business Partner Sustainable Action Guidelines and CSR audits were suspended. Accordingly, starting in June 2020 for our business partners with production facilities overseas we used on-demand distribution to brief on the Guidelines and encourage their implementation. Furthermore, along with starting in August 2020 to make materials available for viewing in Chinese and five other Asian languages, we began in October to distribute briefing videos on CSR audits with Chinese narration to business partners located in China.
In the fiscal year ended February 29, 2024, briefings on the Seven & i Group Business Partner Sustainable Action Guidelines and CSR audits were distributed both live and on-demand, with 618 people from 416 companies viewing the briefings live. In addition, 1,181 people viewed recordings and 4,653 people viewed briefing materials.

*1 Percentage of factories participating in briefings among those subject to CSR audits (overseas)
*2 Reference values taken from access logs online briefings





Briefing Sessions on the Seven & i Group Business Partner Sustainable Action Guidelines and CSR Audits

Conducting Compliance Training for Suppliers

Seven & i Holdings holds compliance training for its suppliers who manufacture private brand products on consignment with the aim of raising awareness of human rights, labor environment, and global environmental conservation, as well as promoting understanding of and thorough compliance with relevant basic laws and regulations. This training is based on the Seven & i Group Business Partner Sustainable Action Guidelines, CSR audit objectives, ILO International Labor Conventions, ISO 26000, occupational safety laws and regulations in each country, facility management, and chemical management. To deepen understanding of ESG benchmarks, case studies based on examples from peers and consultations on corrective actions based on CSR audit results are also offered.
Since FY2020, due to the impact of the novel coronavirus infection (COVID-19), we have held online video training via on-demand delivery. In the fiscal year ended February 29, 2024, multiple contents are available for viewing at any time, and a cumulative total of 5,882 people viewed the videos. For the management and preparation of the training, we ask TÜV Rheinland Japan Ltd., which handles CSR audits, to conduct the training.

Compliance Training for Suppliers in FY2023 (as of February 29, 2024)

* The number of viewers is extracted from the access status of the webpages.

No.	Contents	No. of Viewers*
1	Aims and Objectives of CSR Audits	753
2	Legal Compliance and Corporate Ethics	239
3	Business and Human Rights	141
4	Flow of CSR Audits (1)	738
5	Flow of CSR Audits (2)	247
6	Occupational Health and Safety	2,056
7	Forced Labor / Wages and Working Hours	734
8	Chemical Substance Management / Environment	974
Total		**5,882**

Compliance Training for Suppliers by Fiscal Year

*1 Training sessions were held lives or via video in FY2020 and FY2021.

*2 Training sessions were held on demand in FY2022 and FY2023

	FY2020*1	FY2021*1	FY2022*2	FY2023*2
Times (No. of Contents)	5 times	19 times	8 contents	8 contents
No. of Participating Companies	604	517	480	416
Total No. of Participants (including Viewers)	870	3,566	14,698	5,882

In-House: Compliance Training

Seven & i Group holds meetings attended by the managers and staff of the departments in charge of product development and procurement at each Group company to report on the results of CSR audits and hold study sessions on the audits. At the study sessions, we invite the audit manager from TÜV Rheinland Japan Ltd., our CSR audit contractor, to provide explanations using specific examples about the latest information and regulations concerning the countries and regions where our manufacturing contractors' factories are located.

Compliance Training (in-House) by Fiscal Year

	FY2020	FY2021	FY2022	FY2023*
Times	5	6	3	1
No. of Participants	418	2,090	285	231

* E-learning training was conducted in FY2023

Collaboration with Human Rights and Economy-related Organizations

Seven & i Holdings is making efforts to collect and disseminate information on supply chain management in cooperation with human rights and economic related organizations. We are a member of the Global Compact Network Japan (GCNJ) and the Council for Better Corporate Citizenship (CBCC), both of which are external organizations. We also participate as an advisory group company in the "JAPAN PLATFORM FOR MIGRANT WORKERS TOWARDS RESPONSIBLE AND INCLUSIVE SOCIETY," a joint secretariat of the Japan International Cooperation Agency (JICA) and The Global Alliance for Sustainable Supply Chains (ASSC). We aim to achieve a multicultural society by protecting the human rights of foreign workers, in our operation, as well as those in the supply chain, promoting the development of appropriate working and living environments, and realizing decent work for foreign workers. Furthermore, as part of these efforts, we are participating in the Foreign Worker Consultation and Relief Pilot Project, which was launched in May 2022 by the Japan Platform for Migrant Workers towards Responsible and Inclusive Society (JP MIRAI).

Main Activities:

・September 2019: Global Compact Network Japan
At GCNJ's Basic Seminar, we explained our Business Partner Action Guidelines and CSR audits.

・November 2019: OECD Advisory Board of Japan Business Federation and Corporate Behavior/ SDGs Committee, BIAC Japan representative
We participated in and gathered information from “Toward the Realization of a Sustainable Supply Chain in Asia: Promotion of International Cooperation for Responsible Corporate Behavior,” which was jointly sponsored by the OECD, EU, Japanese government, and ILO.

・January 2020: Public interest incorporated association Council for Better Corporate Citizenship (CBCC)
We shared information at “Round-table Conference on Issues for Promoting CSR in the Supply Chain” held by CBCC.

・October 2020: Our Director and Managing Executive Officer participated in a panel discussion on "Corporate Management from the Perspective of Life and People" at the GCNJ Symposium 2020 as a panelist.

・February 2023: Panelist at the “CSR (Corporate Social Responsibility) and Human Rights Seminar” held by the Center for the Promotion of Human Rights Education and Enlightenment, commissioned by the Small and Medium Enterprise Agency of the Ministry of Economy, Trade and Industry. Seven & i Group's CSR initiatives were presented.

> Click here for the "JAPAN PLATFORM FOR MIGRANT WORKERS TOWARDS RESPONSIBLE AND INCLUSIVE SOCIETY"

Information Disclosure

Seven & i Holdings is committed to timely and appropriate information disclosure to all stakeholders, including customers, suppliers, and investors, in order to build a sound supply chain. By actively disclosing information on the results of CSR audits and issues in the supply chain, we are able to provide safer and more secure products to our customers.

Relief Measure/Remedies

Seven & i Holdings has established a reporting contact point (Helpline) for suppliers and stakeholders working in the supply chain. If human rights violations are found through CSR audits or reporting, remedial measures are taken after conducting an appropriate investigation.

Business Partner Helpline

The Business Partner Helpline is available to directors, employees, and former employees of our suppliers. The system is introduced at briefings for suppliers, and leaflets are distributed to promote awareness. In the fiscal year ended February 29, 2024, 85 cases were reported to the Business Partner Helpline.

> Details for the Seven & i Holdings Business Partner Helpline

Expanding Services as a Form of Social Infrastructure

Seven & i Group works in collaboration with local governments to provide public services to support persons experiencing inconvenience in daily life by reductions in local government offices, banking services, and retail stores.



Promoting Partnership with Municipalities

Seven & i Group is promoting regional revitalization by concluding comprehensive partnership agreements with local governments in a wide range of fields, including local production for local consumption, senior support, health promotion, and environmental protection. Moreover, we are also moving ahead on concluding “watch over agreements” with local governments to look out for elderly people and so on during regular store operating hours, or through delivery services and collaborating with local governments to respond if irregularities are detected, as well as to train Dementia Supporters, and take other measures. In other developments, we have also concluded “supply-support agreements” to prepare for rapid regional support in the event of disasters, and we are also promoting “agreements for supporting people who cannot return home after a disaster” where we provide tap water, access to restrooms, and local information wherever possible.

Number of comprehensive partnership agreements with local governments (by operating company)

	End of Feb. 28, 2021	End of Feb. 28, 2022	End of Feb. 28, 2023	End of Feb. 28, 2024
Seven-Eleven Japan	194	223	230	235
Ito-Yokado	56	77	78	80
York-Benimaru	10	11	14	16
Seven & i Food Systems	3	3	3	3
Total	**263**	**314**	**325**	**334**

› For information regarding support during disasters

Retail of Products which Contribute to Regional Revitalization

Seven & i Group makes use of comprehensive partnership agreements to promote various regional revitalization initiatives with respective local governments. For example, Seven-Eleven Japan recognizes the importance of local flavors and food cultures by developing products that use local ingredients. Ito-Yokado, York-Benimaru, and other Group companies are helping to promote the appeal of local areas by retailing regional products and proposals for menus using local products and ingredients. Ito-Yokado has collaborated with elementary school students in Ota-ku, Tokyo, to commercialize the Ota-ku school lunch menu item “Takopettan,” which it sells at some stores in Tokyo. In addition, at two stores in Yachiyo City, Chiba Prefecture, York participated in the Yachipan Project—an event for producing and selling bread based on ideas from local high school students carried out as part of the initiatives with local governments—and sold two types of bread.



“Takopettan,” a product commercialized in collaboration with elementary school students in Ota-ku, Tokyo (Ito-Yokado)



Bread conceived and realized by high school students from Yachio City, Chiba Prefecture “Yachipan” (Ito-Yokado)

Establishment of Polling Stations in Stores

Ito-Yokado provides facilities within stores to be used free of charge for use as polling booths in cooperation with local governments. Local governments seek to increase the voting rate due to the reduction in number of polling booths and decline in voting rate due to the merger of municipalities, in addition to the enactment of the revised Public Offices Election Act, which lowered the voting age to 18. The booths are used to provide easy access to voters while they are shopping. During the fiscal year ended February 29, 2024, this initiative was implemented at 19 Ito-Yokado stores and, in addition to being publicized at stores via poster displays and in-store announcements, some stores provide offers such as discounts to customers who presented their voting certificates. This has also improved customer recognition at stores at which polling booths had previously been in place, and inspired feedback praising the initiative such as “It is extremely convenient to be able to vote at a store in front of the train station” and “I appreciate the ability to vote while also getting my shopping done.”



A polling booth set up in an Ito-Yokado store

Services also Available on Public Holidays and Night-times

In recent years, households in which both spouses work for a living have increased, and an increasing number of people have difficulty completing payments of utility bills at financial institutions and procedures at government offices on weekdays. In 1987, Seven-Eleven Japan thus initiated a service for 24-hour payment of utility bills at store registers irrespective of the business hours of banks. Since then, in addition to utilities bills, we have expanded this service to processing NHK license fees, national pension scheme and all types of tax payments, as well as catering to administrative services and insurance enrollment using multifunctional copiers.

Government Services (Issuance of Various Certificates)

Seven-Eleven Japan is expanding the scope of its service to enable customers to have copies of their residence certificate, as well as their seal registration certificate, family register certificate, copies of their supplementary certificate of family register, and various tax certificates issued at its stores*. These certificates can be obtained even on weekends and public holidays, with 1,256 municipalities participating in these services as of the end of February 2024.

* An Individual Number Card or Basic Resident Registration Card (Juki Card) is required to obtain certificates. Service content will vary by municipality.

Number of Municipalities Participating in Convenience Store Certificate Issuance Service

End of February 2022	End of February 2023	End of February 2024
917	1,052	1,256

Insurance Enrollment and Premium Payment Service

7-Eleven became the first in the industry to offer motorcycle and bicycle insurance enrollment and insurance premium payment services where customers can enroll in insurance 24 hours a day by entering the necessary personal information on the multifunctional copier screen in store and paying their premium at the register. (The service is for motor scooters and motorcycles with an engine displacement of 250 cc or less, which do not require a motor vehicle inspection.) "1 DAY Insurance" providing automotive insurance coverage in one-day increments has been available at all 7-Eleven stores since September 2015, and “1 DAY Leisure Insurance” that provides necessary accident coverage when needed has been available since April 2018. In addition, starting from June 2020, cancer insurance is being sold at all 7-Eleven stores. Furthermore, with the exception of cancer insurance, from September 2021, after applying for insurance online, it is now possible to pay insurance premiums directly at the cash register without going through a multifunctional copier.



Multifunctional copiers can copy print, issue various types of certificates, and even issue insurance policies

Bicycle Sharing

Seven-Eleven Japan is promoting an initiative to utilize bicycle parking spaces within store premises as hubs for renting and returning shared bicycles. Ito-Yokado started this initiative in June 2018, and Denny's began in September 2018. Bicycle sharing allows users to pick up a bicycle from any of the multiple stations within a designated area and return it to the nearest station, not necessarily the one where they rented it. In areas where public transportation is insufficient, bicycle sharing is expected to complement public transportation and serve as part of the infrastructure.

Number of shared bicycles (cumulative)

	End of February 2022	End of February 2023	End of February 2024
Seven-Eleven Japan	3,735 (562 stores)	4,427 (613 stores)	4,604 (640 stores)
Ito-Yokado	178	242	242
Seven & i Food Systems (Denny's)	42	42	42



A store with a bicycle sharing site

Disaster Assistance

Seven & i Holdings strives to quickly reopen its stores and establishments and keep them in operation even during disasters as a part of its mission to preserve community lifelines and fulfill its role as social infrastructure when disasters occur.

Swift Regional Relief Activities in Disasters and Local Awareness-Raising

Assuming that safety is ensured, Seven & i Group stores strive to remain open and resume operations as soon as possible to preserve community lifelines during disasters. The headquarters also supports stores by supplying products and supporting personnel, working together with the local community to fulfill its role as social infrastructure.
In addition, Group companies are promoting the conclusion of Agreements with Local Governments for Disaster Relief Supplies and Agreements for Assisting People Who Have Difficulty Returning Home. When disasters occur, the Group provides relief supplies in response to requests from the government and municipalities, as well as providing top water, toilets, road information, and so on to those who have difficulty returning home. In addition, each of the Group's stores conducts fund-raising activities to support disaster victims.
In July 2017, three Group companies, Seven & i Holdings, Seven-Eleven Japan, and Ito-Yokado, were designated as public institutions under the Disaster Countermeasures Basic Act, and are expected to utilize the distribution networks of Group companies nationwide to promptly procure and supply relief supplies.
In addition, Ito-Yokado stores are working to raise customer awareness of disaster preparedness in cooperation with local governments even during normal times, such as by developing disaster preparedness corners, cooperating in local disaster prevention activities, and holding disaster prevention events.

Cooperation with Local Government During Disasters

Seven-Eleven Japan and Denny’s, which is managed by Seven & i Food Systems, have registered stores and restaurants in prefectures with which agreements have been executed as Disaster Support Stations. In the event of a large-scale disaster, these sites will provide tap water, restroom facilities, and information to the extent possible to persons who are unable to return to their homes.



Disaster Support Station sticker

7VIEW: Seven Visual Information Emergency Web

Seven & i Holdings compiles a range of information within the Group but we have also joined with business partners to develop the 7VIEW* system for providing, sharing, and utilizing disaster information more broadly. "7VIEW" is a system that displays the status of stores and distribution bases in disaster areas on a cloud map so that related divisions can grasp the situation. In addition to existing functions such as a hazard map, a disaster-related SNS display, and a weather forecast, we will enhance cooperation with the national government and research institutes and continue to evolve so that we may further contribute to rapid recovery from disasters.

In order to be able to ascertain the statuses of stores in disaster areas more precisely due to the vital nature of initial responses when disasters occur, from the fiscal year ended February 28, 2023, we have started demonstration tests in which flood sensors are installed at franchise stores, the water level information is reflected in real time on 7VIEW, and alert emails are simultaneously sent to devices belonging to these franchise stores.
For these demonstration tests, sensors are installed on store premises and the water level information is linked to 7VIEW. The aim with this is to utilize IoT to ascertain more accurate flood information.
Additionally, in February 2023, the demonstration test conducted with the Tokyo metropolitan government to coordinate and utilize water outage information was our first public-private partnership trial. This is an initiative which aims to secure water essential for supporting life by highlighting the potential contribution of our store coffee machines in identifying water outage locations amid the risk of prolonged water outages during large-scale disasters. We will continue to contribute to improving the resilience of Japan as a whole through public-private partnerships as well as through our own disaster preparedness.

* Visual-Information-Emergency-Web



7VIEW screen

Features of 7VIEW

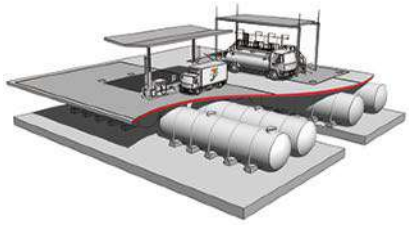
1. Reflects various information on disaster areas on a map
2. Allows Head Office to establish current statuses in real time
3. Facilitates more exacting initial responses
4. Linked with associated app

› For more details on 7VIEW (in Japanese)

› For more details on the trial demonstration to track the status of water outages and flooding with 7VIEW (in Japanese)

Fuel Depot for Delivery of Emergency Provisions

One of the important priorities of Seven & i Holdings in the area of business continuity in emergencies is maintaining fuel supply networks in the event of a major disaster. We have established a fuel depot in Saitama Prefecture that can be used by product delivery trucks to transport emergency provisions, a first for a Japanese retailer.
The depot maintains a permanent supply of 400 kiloliters of fuel, and when a disaster occurs it can be used to deliver emergency provisions and products for up to ten days to evacuation centers in affected regions and elsewhere and to the Group stores and establishments in the Tokyo metropolitan area.



Fuel for vehicles is stored in underground tanks

Social Contribution Activities

Seven & i Group fulfills its responsibilities as a member of many local communities by fostering coordination and cooperation with each community. At the same time, the Group supports society overall by contributing to community development and the creation of prosperous living environments through its businesses, in conjunction with making appropriate donations in consideration of the benefits to society and the general public.
In social contribution activities, the Sustainability Development Department promotes activities in coordination with relevant departments in each Group company under the leadership of the Senior Managing Executive Officer, Representative Director and Head of ESG Development Division of Seven & i Holdings.







Effect Measurement Method

Seven & i Holdings seeks to mitigate the environmental impact associated with its business activities and to contribute to making a better society through those activities. When selecting external partners for activities, we always ensure that they have a philosophy that is compatible with our own, and that they have sufficient specialist expertise.
We measure the effect of our social contribution activities based on four perspectives. Moreover, we plan to revise our measurement methods in the future to enable an even more accurate measurement of the inputs for an activity, the respective outputs for the Company and society after the activity, and the final impacts on the Company and society, respectively.

Effect Measurement Method	Detail
1. Verification of the Social Contribution Activity Cost Over One Year	The activity cost is verified by type and format of activity.
2. Verification with KPIs	The effect of the initiatives is measured numerically by using our established key performance indicators (KPIs). For example, we conduct "shopping support" services to assist seniors (Online convenience store / supermarket, mobile store service, etc.) and the effect of these activities is verified by using the number of stores involved, the number of operational vehicles, the amount of sales, and other metrics as KPIs. In addition to these numbers, we also reflect feedback from service users in our planning for the following fiscal year. Further details about shopping support can be found here >
3. Dialogue with Organizations We Support	We confirm the results of activities reported by NPOs and other organizations to which we give financial assistance. We verify the effects of activities based on reported information such as the number of beneficiaries and the positive impact on them, as well as direct feedback obtained through dialogue with the assisted organizations. We also refer to these reports and feedback when deciding on the next round of recipients and projects that we will assist.

Effect Measurement Method	Detail
4. Survey of Employees Who Participate in Activities	We conduct questionnaire surveys of employees who participated as volunteers in activities we have planned, asking them about their level of satisfaction with the activity and points for improvement. The results are used to measure the effect of the activity and in planning our next activities.
5. Survey of Employees Overall	Every year we conduct an Employee Engagement Survey of a sample of employees from 34 Group companies. (Certain companies conduct sampling surveys.) Through the results of the survey, we confirm employees' awareness of their own companies. The results are used in our verification of the activities, and we formulate plans for the next year. • Sample question: I believe my company: – Builds good relationships with local communities. – Conducts environmentally friendly business activities. – Is actively engaged in social contribution activities. Further details about the Employee Engagement Survey can be found here >

Encouraging Employee Participation in Social Contribution Activities

Seven & i Holdings believes that employee participation in social contribution activities is also crucial. Based on this belief, we plan and implement activities such as opportunities to experience nature and disaster reconstruction support programs. Moreover, to encourage employee participation in volunteer activities, Seven-Eleven Japan, Ito-Yokado, Seven & i Food Systems, and Seven Bank have instituted a volunteer leave system under which employees can take five days off per year for volunteer work. At Ito-Yokado, part-time workers may also take volunteer leave. In the fiscal year ended February 29, 2024, 17 employees in the Group took volunteer leave.

Placing Donation Boxes

In March 2016, Ito-Yokado commenced activities to encourage customers and employees to donate funds throughout the year by placing collection boxes next to almost all of its POS registers nationwide. This year-round fund collection drive is being undertaken to help solve various social issues, with donation points set for three month periods. In addition, since June 2020 we have been collecting donations over the internet through the Seven & i Group's Seven Mile Program. Through these fund collection drives, we raised ¥53,868,834 in donations from our customers and employees in the fiscal year ended February 29, 2024.

Furthermore, the "Thanks Blooming" initiative—launched in the fiscal year ended February 28, 2022 as part of our efforts to improve employee engagement—for collecting donations from employees by allowing them to exchange "Thanks Blooming" points as a way of saying "thank you" to their colleagues, raised a total of ¥179,400 in the fiscal year ended February 29, 2024. Ever since we began collecting donations at our stores in 2016, these three initiatives have raised a total of ¥309,388,542.

Fund Collection Results for the Fiscal Year Ended February 29, 2024 (Ito-Yokado)

(Yen)

Implementation Period	Days	Fund Detail	Amount
March 1 to March 12	12	Emergency Relief Fund for Earthquake in Turkey	2,310,469
March 13 to May 31	80	Fund to Support Children's Futures * Implemented at Ito-Yokado stores only	4,011,285
June 1 to August 31	80	The Nippon Foundation "The Sea and Japan Project" * Implemented at Ito-Yokado stores only	3,932,089
June 1 to August 31	92	Donation for the National Federation of All Japan Guide Dog Training Institutions * Implemented at York stores only	780,429
September 1 to November 30	91	Support for children in foreign countries	6,509,619
December 1 to January 3 February 21 to February 29	43	Donation for the National Federation of All Japan Guide Dog Training Institutions	5,776,063
January 2 to February 18	48	Emergency Relief Fund for the Noto Peninsula Earthquake	30,728,280

Support for Training Guide Dogs

Seven & i Group companies support the training of guide dogs for the visually-impaired and collect donations for this purpose at Ito- Yokado and York stores.
Ito-Yokado began making donations to the National Federation of All Japan Guide Dog Training Institutions in 1991 to support the training of guide dogs, and celebrated its 32nd anniversary in 2023. From 1991 to 2023, a cumulative total of ¥110,829,691 has been donated.

Social Contribution Activities through Donation of Products

Since August 2017, Seven-Eleven Japan has been donating a portion from product inventories－except fresh foods and products requiring permits such as alcohol, cigarettes, and stamps－that arise during store renovations to Second Harvest Japan, a foodbank organization.
In addition, from April 2018, we began a similar initiative following the conclusion of an agreement with Social Welfare Councils and local governments in respective localities on social welfare contribution activities through product donations. The donated products are distributed to organization and facilities that support people such as seniors, persons with disabilities, children, and the needy, leading to the promotion of social welfare and reduction of food waste.



Social contribution through donation of food

Cooperation with White Ribbon Campaign

Akachan Honpo has been providing sponsorship and supporting the activities of the White Ribbon Campaign which is promoted by the Japanese Organization for International Cooperation in Family Planning (JOICFP) to protect the lives and health of pregnant women and babies throughout the world. Besides accepting donations on behalf of JOICFP through its stores and online, it has also installed 29 White Ribbon Campaign Vending Machines at inside and outside of stores as of the end of February 2024. For every beverage purchased from one of these machines, the companies donate ¥2 to JOICFP (¥1 from the beverage manufacturer and ¥1 from the store where the machine is installed).



White Ribbon beverage vending machine

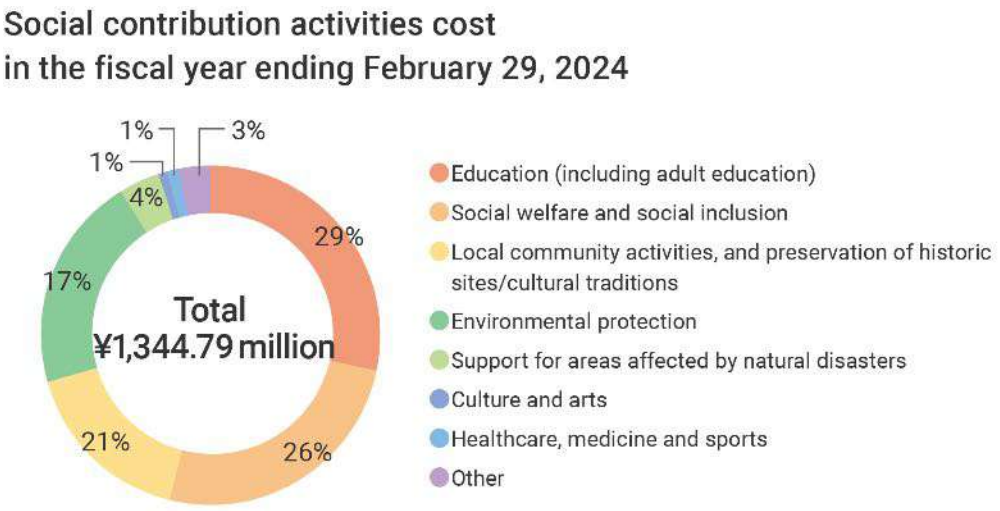
Social Contribution Activities Costs (Fiscal Year Ended February 29, 2024)

The social contribution activities provided by Seven & i Group in the fiscal year ended February 29, 2024, including the provision of financial assistance or the donation of goods, and the personnel costs of employees involved in these activities, amounted to a total of ¥1.34479 billion when converted into monetary terms. Of this total, cash donations were approximately ¥0.29 billion.

Social contribution activities costs in the fiscal year ended February 29, 2024

(Thousands of yen)

Category	Amount
Administration cost	750,307
Donation of goods	297,778
Cash donations	295,324
Personnel costs of employees participating in activities during work hours	1,388
Costs for using the Group company's facilities	0
Total	**1,344,797**



* The total accounts for the cost of Seven & i Holdings, Seven-Eleven Japan, Ito-Yokado, York-Benimaru, Akachan Honpo, Seven & i Food Systems, and Seven Bank (The sales of the seven companies account for 96% of the Group's sales in Japan.) Calculated based on Fiscal 2011 Key Points Regarding the Implementation of Social Contribution Activity Surveys by Japan Business Federation, "Keidanren." However, political contributions are excluded.

Overseas Initiatives

Business Operations in North America

Seven & i Holdings operates convenience stores in North America.



7-Eleven, Inc. >

Net sales: ¥10,200,414 million (Total store sales)
Number of stores: 13,122



SEVEN-ELEVEN HAWAII, INC. >

Net sales: ¥59,246 million
Number of stores: 67

* Exchange rate USD1 = ¥140.67

* Net sales and number of stores as of December 31, 2023

Initiatives in China

Seven & i Holdings operates convenience stores and superstores in China.

Convenience Store Business >



SEVEN-ELEVEN (BEIJING) Co., Ltd.

Net sales: ¥18,676 million
Number of stores: 331
Established: January 2004



SEVEN-ELEVEN (TIANJIN) Co., Ltd.

Net sales: ¥3,416 million
Number of stores: 217
Established: November 2012



SEVEN-ELEVEN (CHENGDU) Co., Ltd.

Net sales: ¥2,770 million
Number of stores: 77
Established: December 2010

Superstore Business >



Chengdu Ito-Yokado Co., Ltd.

Net sales: ¥23,368 million
Number of stores: 9
Established: December 1996



Hua Tang Yokado Commercial Co., Ltd.

Net sales: ¥2,343 million
Number of stores: 1
Established: September 1997

* Exchange rate of CNY1 = ¥19.82
* Net sales does not include value added tax
* Net sales and number of stores as of December 31, 2023

7-Eleven, Inc.

At 7-Eleven, Inc., we care deeply about the communities we live and work in. It's why we strive to be good neighbors in everything we do — neighbors who are accessible, supportive, reliable and welcoming. **"Good Made Easy"** is how we ensure that 7-Eleven, Inc. is a good neighbor to all — it's our strategic approach to building thriving communities, protecting the environment and promoting responsible consumption. It makes it easier for our customers, Franchise Owners, vendors, suppliers and employees to do good by contributing to a more sustainable and socially responsible future. The entire 7-Eleven family of brands has banded together to positively impact our neighbors and the planet we share.

We all have a role to play in creating a sustainable future for generations to come. We're proud to share how we're educating, inspiring and activating our commitment to three key areas of our business: **people, planet and products.** And by regularly measuring and reporting on these areas, we're able to see how far we've come and identify areas for continued improvement.

Innovating for a Sustainable Future

7-Eleven, Inc. continues to make progress toward reducing our environmental impact and to move ahead by strategically investing in alternative energy (wind and solar) and environmental initiatives that increase efficiency while reducing waste and resource consumption.

Reducing Environmental Impact

At 7-Eleven, Inc., we take our role in contributing to the Green Challenge 2050 seriously — pursuing its strategic pillars toward specific goals for 2030 and 2050, which are aligned with and help drive progress toward the United Nation's Sustainable Development Goals. In support of this, we seek to achieve a sustainable future through our targeted "Planet" priorities, including increased access to alternative fuels, an overall reduction in CO2e emissions, continued investment in renewable energy and the pursuit of sustainable packaging

【Environmental Goal】

Reduce CO_2 emissions from stores by 50% by 2030 (FY2013 baseline)

Collaboration with External Organizations

To enhance our role as a positive steward of the environment, 7-Eleven, Inc. is a member of the Retail Industry Leaders Association’s Retail Sustainability Initiative (RSI). RSI is an industrywide educational forum for the largest U.S. retailers. It brings its members together to share leading practices, identify future trends, benchmark with peers, and collaborate on common industry environmental social governance challenges.

Promoting Energy Conservation and Reducing CO_2e Emissions

As part of its Green Challenge 2050, 7-Eleven, Inc. set a goal to reduce carbon dioxide equivalent (CO2e) emissions from stores by 50 % by 2030, compared with FY2013 levels.

In FY2023, through its emission reduction measures, 7-Eleven, Inc. reduced its CO2e emissions from stores in the U.S. and Canada by 61,224 MTCO2e year over year from FY2022 and by 587,564 MTCO2e from FY2013. 7-Eleven, Inc. reduced CO2e emissions by 42.7% from FY2013 to FY2023. This is equivalent to greenhouse gas emissions from approximately 139,841 passenger vehicles for one year.

Along with efforts to continuously improve operational energy efficiency practices in stores, 7-Eleven, Inc. made important progress in equipment installations*, energy efficient store design elements* and renewable energy measures*.

* implemented in some 7-Eleven® store locations

LED Lighting

7-Eleven, Inc.'s LED lighting program is part of the company’s energy-efficient store design standard and is a contributor to the company’s CO2 reduction goal helping to reduce energy consumption in stores*.

* implemented in some 7-Eleven® store locations

Heating Ventilation and Air Conditioning(HVAC)

Heating and cooling efficiency is another effective measure 7-Eleven, Inc. implements to decrease its overall energy consumption helping stores* to achieve energy savings while maintaining a quality shopping environment.

* implemented in some 7-Eleven® store locations

Energy Management Systems (EMS)

7-Eleven, Inc. implements energy management systems (EMS) in stores* to monitor, control, and optimize performance of HVAC and refrigeration equipment. EMS installed — combined with the installation of energy-efficient HVAC units, helps contribute to achieving energy savings.

* implemented in some 7-Eleven® store locations

Energy Efficient Store Design Elements *

In addition to equipment installations, 7-Eleven, Inc. implements energy efficient store design elements to help reduce energy consumption in stores*.

・Low E Windows

・Occupancy Sensors

・Photocells/Daylight Harvesting

・Structural Insulated Panels（SIP）

* implemented in some 7-Eleven® store locations

Expanding Renewable Energy

Energy conservation projects are just one part of the bigger picture — we're also expanding our renewable energy initiative. About **29 percent** of all the electricity consumed by 7-Eleven, Inc. stores in both the U.S. and Canada during FY2023 came from renewable sources, including wind and solar.

・With more than 15,000 wind turbines in the state, Texas ranks first in the U.S. for both installed and under-construction wind capacity and is home to four of the largest wind farms in the nation. In 2017, 7-Eleven signed an agreement with TXU Energy to purchase wind energy for all 7-Eleven, Inc. Texas stores in competitive energy markets. In FY2023, 7-Eleven purchased over 333,000 MWh renewable energy from TXU Energy, providing power to more than 970 stores. This program accounted for an estimated 37 percent of all FY2023 renewable energy consumed by 7-Eleven® stores.

・Since FY2020, 7-Eleven has subscribed to a program to procure renewable energy for its Florida stores by using large-scale solar power generation facilities. This program accounted for of approximately 109,000 MWh, or 12 percent, of all FY2023 renewable energy consumed by 7-Eleven, Inc. In FY2021, the company began operating under agreements for over 60,000 MWh of off-site wind energy for its Illinois stores, and community solar projects in Oregon that are expected to provide an additional 2,500 MWh of renewable energy once fully operational. In FY2023, the Illinois and Oregon agreements contributed approximately 61,000 MWh and 970 MWh of renewable energy, respectively.

・In FY2022, 7-Eleven, Inc. announced a 20-year clean energy commitment in Michigan through Detroit-based DTE Energy's innovative MIGreenPower program. Once the projects are complete, the shared goal is to achieve 100 percent clean energy for all 160 southeast Michigan locations, in an effort to avoid more than 14,000 tons of CO2e emissions annually. That's equivalent to removing approximately 3,300 gas-powered cars from the road each year. This agreement is a great example of how 7-Eleven, Inc. is working with both the private and public sectors to reduce its carbon footprint.

In FY2022, the company subscribed to a program for over 37,000 MWh annually for off-site wind and solar energy in Nevada. This program delivered an estimated 42,000 MWh of renewable energy in FY2023.



Wind turbines in Texas



Large-sized solar power generation facility in Florida



Red Prairie Community Solar project in Oregon

What is Community Solar?

Utility sponsored community solar is different from on-site solar where solar panels are installed directly on houses/buildings to generate power. It refers to local solar facilities developed and owned by the utility which are shared by multiple community subscribers who receive credit on their electricity bills for their share of the power produced.

Increasing Access to Alternative Fuels

7-Eleven, Inc. has always focused on innovations to improve the customer experience, and that includes offering alternative fuel options — specifically, electric vehicle charging stations. Through 7Charge™, the company's electric vehicle fast charging network and app, 7-Eleven is focused on providing electric vehicle drivers access to a seamless charging and payment experience across the 7Charge network. By providing a reliable and fast charging* option for electric vehicles at stores along select highway corridors and in metropolitan areas, 7Charge is once again redefining convenience. In 2023, customers purchased **1.2 million kWh** through our network of electric vehicle fast charging stations. That equates to **3.6 million e-miles charged**.

Our network of EV charging stations is quickly growing. As of the end of 2023, we have EV installed at **38 stores** with **126 total ports** across 7 U.S. states

*At most locations



Electric-vehicle (EV) charging stations

Conserving a Natural Resource

7-Eleven, Inc. understands that efficient use of water helps reduce the demands on our water supply and preserve an essential natural resource. To reduce water consumption, 7-Eleven, Inc. utilizes low-flow aerator faucets as part of our energy-efficient design elements for stores*.

* implemented in some 7-Eleven® store locations

Environmental Data Associated with Store Operations

	FY2020	FY2021*4	FY2022*4	FY2023*4
Number of stores within scope*1	9,387	13,043	12,811	12,634
GHG emissions*2 (market-based) (1,000 t-CO_{2e})	759	1,002	851	790
CO_2 emissions*2,3(market-based) (1,000 t-CO_2)	755	997	848	790
Electricity consumption*2(GWh)	2,306	3,213	3,186	3,125
Water usage*2(1,000 m^3)	10,637	10,544	15,480	15,223

*1 Number of stores covered within scope of CO_2 verification (excluding stores operated by domestic licensees of 7-Eleven, Inc.)

*2 Calculations are based on estimated electricity consumption for stores where data was not available.

*3 Verified by a third party

*4 Includes Speedway stores

Third-Party Verification Report >

Sustainable Packaging

7-Eleven, Inc. continually looks for ways to improve product packaging by using packaging with sustainable attributes. Sustainable packaging refers to packaging materials and practices that minimize environmental impact through their lifecycle, from production and use to disposal.

7-Eleven and our family of brands is continually looking for ways to improve product packaging by using sustainable materials (for example: those composed wholly or in-part from postconsumer recycled content (PCR)), reducing resource consumption, waste generation and pollution associated with packaging, while keeping our offerings at the peak of quality.

7-Eleven, Inc.'s goal is to use packaging with sustainable attributes for 50 percent of proprietary products by 2030









【Packaging Goal】

Use packaging with sustainable attributes for 50 percent of proprietary products by 2030

FY2023 Key Initiatives

Increasing Post-Consumer Recycled Content

Sandwich Wedge

There's a lot of appeal to a freshly made deli sandwich, especially when it's wrapped with care to retain its goodness. To ensure our customers can feel good about their lunch, 7-Eleven, Inc. uses **PCR** for its sandwich wedge packaging. During 2023, through our "Recycled Content Inclusion" program, we redesigned the **sandwich wedge** to include 20 percent PCR, helping to avoid an estimated **71,500 pounds** of virgin plastic use on an annual basis — proof that convenience, fresh food and a cleaner environment are compatible goals.



Reducing Polystyrene Use

Nacho Kit

Nachos are one of the most crave-worthy culinary inventions. Keeping the ingredients fresh, delicious and ready-to-go, however, is a challenge. Polystyrene is traditionally used in packaging for its thermal insulation properties. But most single-use polystyrene food containers end up as landfill trash or litter as they are difficult to recycle. Among commercial plastics on the market today, polypropylene is considered one of the safest, and it is generally more recyclable compared to polystyrene. It's FDA approved for food contact, and its high heat tolerance makes it ideal for foods that can be heated in a microwave, like nachos. Our redesigned polypropylene-packaged Nacho Kit has removed more than **225,000 pounds** of polystyrene annually.



Reducing Food Waste

Too Good To Go

Food waste is an environmental concern. When perfectly good food is tossed away, so is all the energy and water it takes to grow, harvest, transport and package it. In Canada, for example, 35.5 million metric tons of food produced is lost or wasted every year and food waste accounts for 10 percent of greenhouse gas emissions in the world.*

Wasting food is also a humanitarian concern. An estimated 6.9 million Canadians, including 1.8 million children, live in households struggling to afford food.** 7-Eleven Canada felt strongly that they could make a difference and partnered with social impact company **Too Good To Go**. Their mission is to “Rescue unsold food at your favourite spots from an untimely fate.” In early 2023, 7-Eleven Canada leveraged Too Good To Go’s mobile app in pilot stores in Vancouver and Toronto, to offer customers daily discount-priced “Surprise Bags” that included products nearing their best-by dates. Response was immediate, enthusiastic and a clear signal that customers wanted more. As of December 2023, 445 stores across Canada offer the program and have helped save more than 130,000 meals. The program is also bringing in first-time customers - 31 percent of those picking up Surprise Bags have never been to a 7-Eleven. When they come in; 29 percent of them make additional purchases. Through the Too Good To Go program, 7-Eleven Canada is helping feed deserving families, protecting the environment and welcoming new customers.

*Research by Second Harvest and Value Chain Management International

**Li T, Fafard St-Germain AA, Tarasuk V. (2023) Household food insecurity in Canada, 2022.



Promoting Responsible Consumption

Our priority is to provide customers with the highest quality products while also delivering great value. That includes the types of products we offer, how they’re made and how they make it onto store shelves. As the industry leader in convenience, we have a responsibility to source responsibly — whether from our vendors or when developing our own awesome proprietary products.

Brands With Heart - Showcasing sustainability, innovation and opportunity

Designed to give emerging brands the chance to see their products on national store shelves, 7-Eleven’s “Brands with Heart™” program is winning hearts — and tastebuds — while making a meaningful impact on communities across America.

7-Eleven, Inc. believes our role as a leading retailer goes beyond providing innovative products to our customers — it’s about making a lasting difference in the communities we serve. This year, for the first time ever, every one of our ‘Brands with Heart’ participants demonstrates a purpose-driven element, bringing us one step closer to achieving this goal.

Take 2023 “Brands with Heart” participant, Equitea Co., for example. Founded in 2020 by Quentin Vennie and his wife, Erin, Equitea’s mission is to expand pathways to wellness by making better-for-you products more accessible and equitable for consumers.

7-Eleven is proud to be a platform for new and innovative brands to introduce their products to the world. Not only do these products taste great, they also have positive impacts and benefits with environmental and social principles.

Supporting Local Communities

Building Thriving Communities

Giving back and leading through service has always been a part of our company's core values. Through volunteer initiatives, charitable donations and in-store fundraising campaigns to support important causes, we're helping build thriving communities for years to come.

FY2023 Social Impact Highlights

Helping Children

Through a combination of customer donations and the **Annual Miracle Tournament and Celebration Dinner**, 7-Eleven, Inc. has raised nearly **$190 million** for Children's Miracle Network Hospitals since 1991. In 2023, the 7-Eleven family of brands raised more than **$18 million** through customer donations to support 106 member children's hospitals across America. Approximately 1,000 supporters, including 7-Eleven Franchise Owners, suppliers, vendors and employees, rallied together at the Annual Miracle Tournament and Celebration Dinner to raise funds and celebrate the children who directly benefit from Children's Miracle Network Hospitals. This year, 52 children and their families — each representing their local member hospital — were on hand to meet and interact with the participants, share their personal stories and, most importantly, have fun.

The new **Cleat Crew program** brought together nine athletes from top-ranked college football programs to raise funds for **Children's Miracle Network Hospitals®**. The athletes teamed up with renowned luxury designer Dominic Ciambrone, aka The Shoe Surgeon, to put their mark on individual pairs of custom cleats. Fans had the opportunity to win the cleats through auctions, with proceeds directly benefiting local member Children's Miracle Network Hospitals in each athlete's hometown. Between the auctions and donations from 7-Eleven, Inc.®, over **$100,000 was raised** for Children's Miracle Network Hospitals.



National Volunteer Month

During National Volunteer Month in April, we hosted our annual **7Cares Day** volunteer event through both the Enon and Irving Store Support Centers. This collective day of service allowed employees to choose a special volunteer opportunity at one of 19 local non-profit organizations and see firsthand the important work these charities do in our communities. **450+ volunteers dedicated 1,100+ hours** to support **19 organizations** across 7-Eleven, Inc.'s local North Texas and Central Ohio communities with a focus on health, safety and opportunity.

Total donation to local communities: $38,000



Fighting Hunger: 7Cares Thanks + Giving brightens holiday for hungry families

Thanks + Giving

In November, Store Support Center employees supported hunger relief efforts through **Second Harvest Food Bank and Dayton Foodbank** in Central Ohio and **Minnie's Food Pantry** and **North Texas Food Bank** in North Texas. In total, **300 volunteers** assembled more than **3,900 boxes** of food. When combined with a 7-Eleven Cares Foundation donation of $140,000 and the generosity of Store Support Center employees — who donated an additional 2,000 lbs. of food and more than $2,000 in online gifts — we provided close to **590,000 meals** for our neighbors in need at Thanksgiving.





Supporting Communities During Disaster Relief: Teaming up with the American Red Cross to help people at home and abroad

Teaming Up with the American Red Cross to Support Disaster Relief Efforts

In association with the American Red Cross, the 7-Eleven global family of brands (comprising more than 84,000 stores across 20 countries and regions), corporate and customer donations totaled nearly **$400,000 to help the people of Maui**. These donations provided critical support after deadly wildfires (the worst in U.S. history) raged across the historic landscape in August 2023. 7-Eleven, Inc. also demonstrated its commitment to the cause with a 7-Eleven Cares Foundation donation of $25,000 and employee donations of $7,250, all specifically allocated toward the American Red Cross Hawaii Wildlife Relief Fund. And 7-Eleven International LLC also made a corporate donation of $25,000 to the Hawai'i Community Foundation Maui Strong Fund. In addition, 7-Eleven Cares Foundation is a proud supporter of the American Red Cross Disaster Responder Program and donated **$25,000 to the American Red Cross Hurricane Idalia Disaster Relief Fund and nearly $5,300 in product donations,** to help provide food, shelter and comfort for people facing the heartbreaking devastation left behind by the historic storm.

Encouraging Positive Behavior and Foster Community Connections: Operation Chill®— Rewarding cool kids for being cool!

Building Thriving Communities One Slurpee® Drink at a Time

Founded in Philadelphia 28 years ago, 7-Eleven's Operation Chill program helps foster positive relationships between law enforcement agencies and the communities they serve. It's simple — when officers see young people doing good, like bike riding with a helmet or helping a neighbor, they reward kids with a free small Slurpee drink coupon. These small gestures go a long way toward creating meaningful connections. The **Operation Chill program** also provides opportunities for 7-Eleven® stores and their Asset Protection teams to support local law enforcement and the public. Over the summer, Southern California store operators participated in **National Night Out**, an annual campaign that helps build police-community partnerships and neighborhood camaraderie. Stores donated food, water and Operation Chill coupons and attended events in cities across Southern California. Collaborations like these demonstrate the potential for beneficial outcomes when businesses and law enforcement agencies come together to create safe, thriving communities. In 2023, **500,000 free Slurpee® drink coupons** were handed out and **1,300 law enforcement agencies** were involved.



Our Commitment to a Diversity and Inclusion (DE+I)

7-Eleven, Inc. has more than 13,000 stores across the U.S. and Canada and as such, is also an integral part of the incredibly diverse neighborhoods we serve. To ensure an inclusive customer experience and workplace, we encourage Franchise Owners and 7-Eleven employees across the family of brands to bring their unique perspectives, talents and contributions to work every day. We strive for equality and are committed to taking bold action when it comes to Diversity, Equity and Inclusion.

Our strategy focuses on three core pillars

Cultivate diverse talent	Positively impact the communities we serve	Foster an inclusive workplace culture

FY2023 DEI Highlights

Activate HER

In keeping with our commitment to support the development and advancement of women, we launched an all-new professional development series, ActivateHER, in 2023. As the name implies, the program is all about activating and empowering the next generation of women leaders — and their allies — across the 7-Eleven family of brands. ActivateHER provides participants with educational content and tools, inspiring interviews and engaging discussions, workshops, and other development opportunities — from internal leaders, outside experts and guest speakers.

Associate Business Resource Groups

Associate Business Resource Groups are voluntary, corporate employee-led groups designed to support associates in alignment with 7-Eleven, Inc.'s organizational mission, values, goals, business practices and objectives. The goal: Foster and support our diverse workforce, develop future leaders and engage our talented associates.

7-Eleven has six ABRG groups – 7NEW (Network of Executive Women), 7Veterans, 7Pride, 7Young Professionals, 7NPB (Network of Black Professionals) and 7Hola. In 2023, 7-Eleven's newest Associate Business Resource Group — **7Hola** — officially launched on Cinco de Mayo (May 5), to provide Hispanic and Latin professionals, and their allies, with opportunities to develop their careers and create a positive impact in our communities. The group's foundational pillars focus on professional development, community service and social and cultural education. Since its launch, the group has been working to deepen Hispanic and Latin engagement across the company and create a nurturing environment where all employees can thrive.

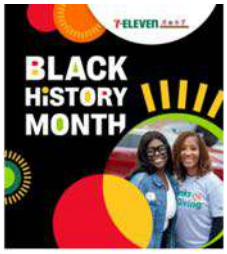
Black History Month

Throughout February, we celebrate Black History Month — our national observance of the historic journey and achievements of African Americans. By spotlighting important African American figures and movements, the commemoration helps our nation move closer to realizing the powerful vision upon which it was founded. Dr. Michael Sorrell, the longest-serving President in the history of Dallas' Paul Quinn College, shared his insights about how 7-Eleven and our family of brands can help further the important role of education in building representative leadership in the arts, sciences, government and industry.

Hispanic Heritage Month

Each September 15 through October 15, we celebrate Hispanic Heritage Month, our national observance of the diverse cultures and rich histories of the Hispanic and Latino American communities. Celebrated astronaut, physicist and engineer Dr. Franklin Chang-Díaz is NASA's first Hispanic astronaut and a real-life space pioneer who has logged seven spaceflights, more than 1,600 hours in space and three spacewalks. He was instrumental in the construction of the

International Space Station and also served as director of the Advanced Space Propulsion Laboratory at the Johnson Space Center. In 2005, he retired from NASA to pursue other interests including the advancement of plasma rocket propulsion technology, environmental causes and mental health programs supporting Hispanic people.





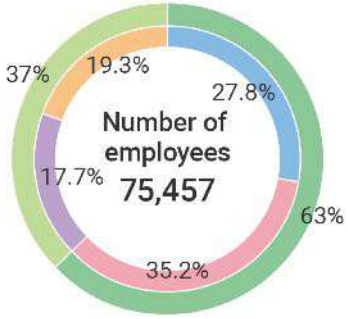
Building Bridges

The 2023 National Association of Convenience Stores (NACS) show in Atlanta brought together Larry Hughes (7-Eleven, Inc. Vice President, Corporate Human Resources and DE&I) and Kent Montgomery (Senior Vice President, Industry Relations & Multicultural Development at PepsiCo) to discuss “Building a Culture of Diversity and Inclusion Among Customers and the Workforce.” Montgomery and Hughes engaged in a lively and enlightening exchange about the latest DE+I trends and data and what they mean for the convenience retail industry. The session also shed light on how PepsiCo and 7-Eleven continue to evolve their DE+I agendas and what the convenience industry can do to take its DE+I efforts to the next level.



NACS　2023

Personnel data in the U.S. and Canada (as of the end of December, 2023)



Full-time employees	47,513
Male	20,945
Female	26,568
Part-time staff	27,944
Male	13,334
Female	14,610
Percentage of women in management positions, excluding executive officers	32.5%

7-Eleven, Inc. Disclaimer

Forward-looking statements are generally identified through the inclusion of words such as “aim,” “anticipate,” “aspire,” “believe,” “commit,” “endeavor,” “estimate,” “expect,” “goal,” “intend,” “may,” “plan,” “seek,” “strive,” “target,” “will” and “work,” or similar statements or variations of such terms and other similar expressions. The forward-looking statements in this Report and the materials or websites cross-referenced concern 7-Eleven’s goals or expectations with respect to corporate responsibility, sustainability, employees, environmental matters, policy, procurement, philanthropy, data privacy and cybersecurity, and business risks and opportunities. Forward-looking statements inherently involve risks and uncertainties that could cause actual results to differ materially from those predicted in such statements. Forward-looking statements are not guarantees or promises that goals or targets will be met. 7-Eleven undertakes no obligation to update any forward-looking or other statements, whether as a result of new information, future events, or otherwise, and notwithstanding any historical practice of doing so. In addition, historical, current, and forward-looking sustainability-related statements may be based on standards for measuring progress that are still developing, internal controls and processes that continue to evolve, and assumptions that are subject to change in the future. The information included in, and any issues identified as material for purposes of, this document shall not be considered material for Securities and Exchange Commission (“SEC”) or other similar reporting purposes. In the context of this Report, the term “material” is distinct from, and should not be confused with, such term as defined for SEC reporting purposes.

SEVEN-ELEVEN HAWAII, INC.

In March 2016, SEVEN-ELEVEN HAWAII, INC. (SEH) added "Our Promise" to its set of company values in order to support its direction as a chain of "close-by, convenient stores," to shape its corporate culture, and to further solidify its values.

"Our Promise" is comprised of the following three specific values.

(1) Bring a smile to the faces of customers, vendor partners, and employees

(2) Work together as a team to achieve goals

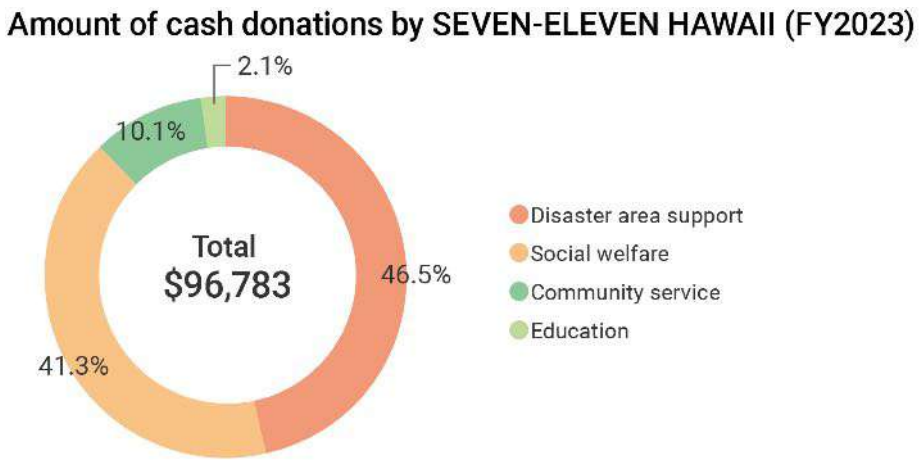
(3) Strive for greater heights

These values define SEH as a business for the community, for partners and for employees. The practice of Our Promise then becomes the cornerstone for the words and actions of employees. To promote "Our Promise," the company started a program for recognizing exceptional employees. First, all employees are encouraged to nominate people they think are practicing the three values. Then, the selected people are given a badge and a bonus and are announced on an employee-only Facebook page.



Thriving with Local Communities

As a good corporate citizen, SEH supports activities and NPOs involved with children, education, public welfare, and health. In FY 2023, the equivalent of approximately $96,783 in support was provided to 30 organizations through fundraising, material support, and volunteer activities on the part of SEH customers, stores, employees, and the company.



Supporting NPOs through Storefront Donations

SEH has been collecting storefront donations from customers to support various NPOs that contribute to the local community since it began operations. Each month, SEH researches Hawaii-based organizations that are active in fields such as health, safety, and education. In 2023, SEH committed to supporting its Your Neighborhood Store mission by selecting organizations from not only Oahu, but Kauai, Maui, and Hawaii Island. In FY2023, approximately $87,300 was donated.

Walking for a Cause

On April 22, SEH employees as well as other businesses and residents once again gathered at Kapiolani Park to participate in the Step Out Walk at Kapiolani Park. This event reaffirms SEH's dedication to supporting the American Diabetes Association's mission to prevent and cure diabetes and improve the lives of those affected by the disease. This year marked 32 years of being connected and walking for a cure. Funds raised will support lifesaving research, education and advocacy.

Individuals from both Store Support Center (SSC) and store teams were encouraged to invite their families to the event filled with walking, games, and food. This event provided an opportunity for SEH employees to actively contribute to the fight against diabetes and re-connect with their fellow colleagues.



Operations Manager, Trevor Park and his family crossing the finish line.


SEH participants gather for an annual group photo.

Celebrating Bike Month for a Healthier Hawaii

In May, SEH partnered with Oahu's largest bikeshare organization, Biki, to promote biking as a healthy and eco-friendly transportation alternative throughout Bike Month. Biki has over 1,300 bikes at over 130 conveniently located self-service "Biki Stops," enabling residents to utilize biking without having to own one.

On May 1, Biki kicked off the Bike Month festivities. The festivities included Biki hosting an "Energizer Station" every Tuesday along a bike path in Honolulu where Biki riders and bike commuters are invited to stop by for free snacks and refreshments provided by local businesses including SEH. This year, SEH donated granola bars, bananas and water. The Energizer Station was an opportunity to thank residents for cycling and encourage others to consider it for their commute.

On May 7, SEH celebrated National Ride a Bike Day by sponsoring FREE Rides with Biki. All day long, bikers could use code '711' at any Biki kiosk to redeem a free 30-minute ride. The event resulted in 2,163 rides and a combined total of 43,844 minutes ridden.



SEH sponsored Energizer Station on May 2.

Maui Strong

August 8, 2023 is a day that many will never forget. On that day, wildfires swept through Lahaina, Maui, the formal royal capital of Hawaii. Families were displaced and many lost loved ones. Lahaina is unrecognizable but the community is determined to rebuild it.

This tragedy sparked a global effort to raise money for the thousands of residents affected by the devastating wildfires. As part of the effort, the 7-Eleven ohana stepped in to help. SEH donated $20,000 to two separate organizations, American Red Cross and the Salvation Army. In collaboration with Warabeya, USA, SEH delivered SPAM Musubi and Somen Salad to the Maui Evacuation Center. SEH's customers collectively raised over $10,000 to the Hawaii Community Foundation Maui Strong through its storefront donations. Additionally, 7-Eleven Japan held its own storefront donation campaign for the same organization; and raised over $300,000. 7-Eleven Inc. donated $25,000 to the American Red Cross Hawaii Wildfire Relief Fund. And 7-Eleven International, LLC donated $25,000 to the Hawaii Community Maui Strong Fund.



Storefront donation box sign requesting customers to donate their change for the Maui wildfire victims.

Helping to Provide a Brighter Christmas to Hawaii's Families

SEH partnered with non-profit Keiki O Ka 'Aina in December 2023 to bring awareness to its Laulima Giving Program. The Program serves as a critical lifeline to the community and has served more than 230,000 needy individuals throughout the state. It depends exclusively on donations from residents and local businesses. Keiki O Ka 'Aina's overarching mission is to educate children, strengthen families, enrich communities, and perpetuate the Hawaiian culture by empowering Hawaii's families to undertake leadership roles in their communities.

Each holiday season, it hosts a major "adopt-a-family" campaign, where generous community members can anonymously gift necessities to a family in need. To support this campaign, SEH made a donation of $40,000. In

addition, SEH adopted a family on Oahu and a family on Kauai by donating basic necessities that totaled $2,000. Store Support Center members also participated; and adopted three Oahu families.

To help further Keiki O Ka Aina's mission, SEH sponsored its 6th annual "Gingerbread Ohana Fest" at Windward Shopping Center on December 2. In conjunction with its fundraising efforts, this free event served as a community gathering place to celebrate the season of giving.



SEH and its SSC members donated toys, supplies, and necessities to underprivileged families.



Gingerbread competition participants from local high school, Farrington High School at Keiki o Ka Aina's Gingerbread Ohana Fest on December 2.

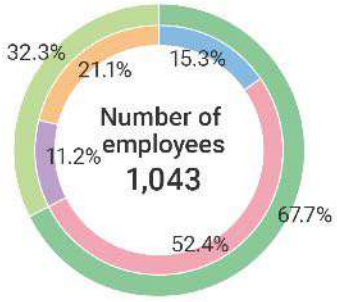


SEH Awards $40,000 to Keiki o Ka Aina in December of 2023.

Diversity & Inclusion

Hawaii is a region which is especially diverse in language, culture, education, age, and other factors. People across several generations have continued to accept mutual differences, appreciate each other, and share their stories. As a result, the culture of the Hawaii state was born with many unique things such as food, language, and festivals. Diversity and inclusion are established in SEH's culture and lives in all relationships whether in public spaces or at the workplace.

Personnel data of SEVEN-ELEVEN HAWAII, INC.
(as of the end of December, 2023)



Full-time employees	706
Male	159
Female	547
Part-time staff	337
Male	117
Female	220
Percentage of employees with disabilities	0.19%
Percentage of women in management positions	55.9%

Reducing Environmental Impact









Plastic Countermeasures

Plastic reduction efforts remain at the forefront for SEH in 2023. The goal this year was to reduce plastic packaging for SEH's manapua and sandwiches by 52,000 pounds annually. Both manapua trays and sandwich inserts transitioned from plastic to paper. With the assistance of Warabeya USA, we completed these projects in January 2023 and June 2023 respectively. This initiative resulted in an annual reduction of approximately 71,500 CO2e (kg).



A paper tray for manapuas



A paper tray for sandwiches

【Examples of other Initiatives】

- Not including spoons, forks, and other utensils with boxed lunches, but handing them to those who need them at the cash register
- Eliminating disposable plastic bags
- Introduce shrink wrapping* and minimize the wrapping of fresh produce
- Implement a "Bring your own cup" program to encourage customers to bring their own cups
- Hot Beverage plastic lids replaced with polylactic acid (PLA) based lids
- Hot Beverage plastic stir sticks are now made of wood

* Airtight packaging that uses plastic packaging film that is shrunk by heat

** Reducing plastic packaging by 25% for its private brand snacks and candy.

Number of SEH Stores and Environmental Data Associated with Store Operations

	FY2020	FY2021	FY2022	FY2023	FY2023 target
Number of stores	65	65	65	67	69
Electricity consumption (MWh)	18,099	18,156	17,950	18,194	18,739
Water consumption (thousand m^3)	51	55	55	57	58

Major Awards and Recognition in FY2023

Recognition or Award Name	Award Sponsor	Reason
Best of Honolulu #1 for Convenience Store, #1 for Musubi	HONOLULU Magazine	As voted by readers of HONOLULU Magazine
Best of Hawaii #1 for Convenience Store, #1 for Musubi	KITV	As voted on by viewers of KITV4 and KIKU
Hawaii's Best #1 for Bento, #1 for SPAM Musubi	Star Advertiser	As voted on by readers of Star Advertiser



Chinese Convenience Store Business

Providing Safe and Reliable Products

In China, where concerns over food safety and reliability have been mounting, SEVEN-ELEVEN (BEIJING), SEVEN-ELEVEN (TIANJIN), and SEVEN-ELEVEN (CHENGDU) work to provide safe and reliable products by leveraging quality management and product development capacities cultivated in Japan.



Product Quality Management

For private brand products sold at SEVEN-ELEVEN (BEIJING), SEVEN-ELEVEN (TIANJIN), and SEVEN-ELEVEN (CHENGDU), strict criteria are applied in the selection of raw materials, and manufacturing plants are screened for items such as experience in exporting to Japan to select plants with high quality levels.

● Introduction of Quality Management System

Factories that manufacture only private brand products are strengthening quality control by adopting international systems for food safety management and measures taken at Japanese factories. SEVEN-ELEVEN (BEIJING) and SEVEN-ELEVEN (TIANJIN) manufacturing factories, Beijing Wang-Yang Foods and JEANAVICE Factories, obtained "SC" food production license for chilled food in January 2017, earlier than their peers. SC is a Chinese law regarding food production that must be obtained by October 2018, switching from the previous "QS" food quality and safety license. In addition, Beijing Wang-Yang Foods obtained HACCP*1 certification in March 2018. Beijing Want-Yang Foods began conducting ATP wipe inspections in November 2021, and is working to manufacture safer and more secure products. In October 2021, additional pillow wrapping machines were introduced, and burgers and rolls that were previously manufactured by hand are now being converted to pillow wrapping. Moreover, the JEANAVICE Factory acquired ISO 22000 (food safety management systems) in March 2022.

SEVEN-ELEVEN (CHENGDU) also asks its suppliers to comply with its own standards, which are stricter than domestic laws and regulations, and also holds regular quality control workshops for store employees to ensure safety and security.

● Automation of Production Processes

SEVEN-ELEVEN (BEIJING), SEVEN-ELEVEN (TIANJIN), and SEVEN-ELEVEN (CHENGDU) are automating their manufacturing processes to further stabilize the taste and quality of their products. For example, Chengdu Xinshuwei Food Limited Company, which supplies products to SEVEN-ELEVEN (CHENGDU), expanded the installation of rice ball molding and packaging machines in July 2018 and adopted noodle-making machines in 2019. In 2020, the company is expanding its cooking facilities and continuing to implement the offering of completely new and unique products in addition to improving quality. In addition, Beijing Want-Yang Foods has mechanized its cooked bread manufacturing plant, which began full-scale operations in March 2019, focusing on the bread-making process and product packaging.

Furthermore, SEVEN-ELEVEN (CHENGDU) is working on activities to help improve the temperature control level and safety of its products by enhancing its cooling facilities and in-place cooling system to ensure product safety. At the

same time, it holds monthly workshops to improve product quality and stability for the production management and other departments. SEVEN-ELEVEN (TIANJIN) has also been selling salads using the cold chain since July 2019.

*1 HACCP (Hazard Analysis and Critical Control Point) food sanitation management method

Giving Consideration to Health

Trans-fatty acids, which are said to increase the risk of heart disease, were successfully reduced to zero in the original room-temperature bread products of SEVEN-ELEVEN (BEIJING), SEVEN-ELEVEN (TIANJIN), and SEVEN-ELEVEN (CHENGDU). In addition, since January 2019, allergens have been displayed for rice balls and sushi, and this is gradually being expanded to boxed lunches, sandwiches, and other daily food products.

SEVEN-ELEVEN (BEIJING) began displaying calories on the surface of packages for some of its sandwich and salad products in the second half of the fiscal year ended February 28, 2022, and also began releasing room temperature bread from the Zero Sugar series in April 2022. Furthermore, SEVEN-ELEVEN (TIANJIN) launched lunchboxes such as cereal rice and salads rich in vegetables under the theme of health from the second half of the fiscal year ended February 28, 2021.

In addition, Beijing Wang-Yang Foods, which supplies products to the SEVEN-ELEVEN (BEIJING) and SEVEN-ELEVEN (TIANJIN) areas, introduced a sandwich slicer in 2023 as a labor-saving and anti-microbial measure and, in 2024, introduced a label analyzer to save labor in product name and thermal label management and to eliminate mistakes.

Improving Customer Satisfaction

SEVEN-ELEVEN (BEIJING), SEVEN-ELEVEN (TIANJIN), and SEVEN-ELEVEN (CHENGDU) are working to collect customer feedback in order to improve products and services from the standpoint of customers. Feedback obtained from customers is shared with departments and stores on a daily basis. In addition, in order to grasp changes in customer needs and reflect them in products, SEVEN-ELEVEN (BEIJING) and SEVEN-ELEVEN (CHENGDU) conduct periodic customer surveys. Further, SEVEN-ELEVEN (TIANJIN) held a product exhibition in September 2019. At the exhibition, food tasting of new products and questionnaire surveys on future needs and so on were conducted to use for product development.

In addition, SEVEN-ELEVEN (BEIJING), SEVEN-ELEVEN (TIANJIN), and SEVEN-ELEVEN (CHENGDU) have been conducting training to further improve the customer service provided by employees. In the fiscal year ended February 29, 2024, SEVEN-ELEVEN (CHENGDU) increased its number of new initiatives as follows to facilitate improvements in customer satisfaction.

1. Sharing of basic training information: Preparation and monthly distribution to stores of materials focusing on social information, in-store standards, food safety management, outstanding case studies from other stores, product information, and promotion plans

2. Employee customer service training: Video footage of employees serving customers is recorded and a trainer is deployed to respective stores. Trainers confirm the content of the video footage and provide comments and suggestions. 10 stores identified as having outstanding customer service were given awards at the end of the fiscal year ended February 29, 2024.

Furthermore, SEVEN-ELEVEN (BEIJING) created customer service awards to recognize employees who provide outstanding customer service. The awards are presented in a group ceremony every three months. We will strive to enhance motivation by presenting awards to recipients at meetings and other such forums in conjunction with striving

to increase case studies of best practices for employees to follow by making the award-winning activities widely known.



Customer service practice by employees

Thriving with Local Communities

SEVEN-ELEVEN (BEIJING), SEVEN-ELEVEN (TIANJIN), and SEVEN-ELEVEN (CHENGDU) each conducts social contribution activities as members of their local communities.

Environmental Preservation Measures through Storefront Donations

SEVEN-ELEVEN (BEIJING) installed donation boxes in stores and has been collecting money from customers since November 2006. The funds are donated to the Beijing Green Fund, an officially-recognized environmental preservation organization. The Fund uses donations from the public to plant trees as countermeasures against sandstorm damage and desertification, creating tree fences that prevent sand movement in and around Beijing. Starting in the fiscal year ended February 28, 2019, as an activity in which customers could easily get involved, it began an initiative in which part of the proceeds from customers' coffee purchases were donated to the Beijing Green Fund. In the fiscal year ended February 28, 2022, 51,231 yuan was donated.

In 2023, it continued to make donations to the Beijing Green Fund, with donation boxes placed at cashier counters and an automatic donation of 0.01 yuan for every cup of coffee purchased, as undertakings in which customers can easily get involved. As a result of these initiatives, total donations for the full year of 2023 amounted to 33,695.3 yuan. Of this, 28,856.49 yuan was raised from coffee sales, while 4,838.81 yuan was received as cash (in donation boxes) from customers. The company were also the recipient of words of praise from the Beijing Green Fund, who indicated that: “We will put these donations to use in continuously undertaking environmental improvements and preservation projects for old trees in Beijing.”

Donation amounts to Beijing Green Fund (Chinese Yuan)

FY2021	FY2022	FY2023
51,231	35,570	33,695

Support for People with Disabilities

In 2023, SEVEN-ELEVEN (CHENGDU) donated household goods and other items to residents with disabilities in the Wuhou District of Chengdu. This initiative was well received, with the company receiving a letter of appreciation from the government in acknowledgement.





Value of Goods Donated to Persons with Disabilities by SEVEN-ELEVEN (CHENGDU) (Chinese Yuan)

FY2021	FY2022	FY2023
1,891	0	1,993

Creating Fulfilling Workplaces

In continuing to expand our network of stores in China, it is essential that we hire and train local employees. SEVEN-ELEVEN (BEIJING), SEVEN-ELEVEN (TIANJIN), and SEVEN-ELEVEN (CHENGDU) seek to raise the communication abilities of employees and develop them to be able to think and act by themselves. To this end, the three companies are working to provide various training seminars and create workplaces where employees are able to demonstrate their abilities to the fullest.







Employee-Related Data (FY2023)

	SEVEN-ELEVEN (BEIJING)	SEVEN-ELEVEN (TIANJIN)	SEVEN-ELEVEN (CHENGDU)
Full-time employees (Men/Women)	339 (170/169)	146 (49/97)	116 (37/79)
Part-time staff	257	85	41
Percentage of employees with disabilities	4.92%	2.74%	4.62%

Employee-Related Data (FY2022)

	SEVEN-ELEVEN (BEIJING)	SEVEN-ELEVEN (TIANJIN)	SEVEN-ELEVEN (CHENGDU)
Full-time employees (Men/Women)	338 (174/164)	143 (52/91)	121 (39/82)
Part-time staff	229 (91/138)	122 (58/64)	24 (7/17)
Percentage of employees with disabilities	4.92%	3.50%	2.07%

Employee-Related Data (FY2021)

	SEVEN-ELEVEN (BEIJING)	SEVEN-ELEVEN (TIANJIN)	SEVEN-ELEVEN (CHENGDU)
Full-time employees (Men/Women)	338 (178/160)	154 (58/96)	145 (47/98)
Part-time staff	359	75	65
Percentage of employees with disabilities	3.10%	3.05%	1.43%

Support for Enhancing the Abilities of Employees

Operations Field Consultants (OFC) play an important role in connecting the Head Office with franchise store owners. They serve as store management consultants that provide multifaceted advice to franchise stores on overall management, including ordering, product lineups, and employee training. OFC candidates first gain store experience at training stores and learn the fundamentals of store management, which include the Four Basic Principles; unit control; employing, training, assigning and evaluating of staff; and management indicators.

SEVEN-ELEVEN (BEIJING) has traditionally engaged in initiatives to facilitate the development of OFCs such as on-the-job training, online training, one-to-one mentoring, case studies and presentations, and simulations. In addition to these initiatives, from 2023, the company launched a new study format referred to as “monthly themed training,” for new and incumbent OFCs. This was linked to the company’s various duties contact desks and intended to provide more structured and specialized guidance on everything from the process of opening a store, to documentation, equipment maintenance, system checks, handling complaints, and dealing with government inspections, with the training serving to raise the OFC team's work abilities to an advanced level.

Additionally, for daily management, the company implements third-party quality control surveys to ascertain the status of store operations through third-party organization scores and rankings, subsequently offering feedback on the outcomes to OFCs. OFCs then use any problematic area thus identified as starting points for initiatives to improve store management and operational conditions.

Since the second half of the fiscal year ended February 28, 2021, SEVEN-ELEVEN (TIANJIN) has been furthering presentation of issues at store manager meetings. It is committed to improving the ability to analyze, solve, and verify aspects of a problem through presentations on the main theme of unit control. It is promoting education in advance to nurture reliable OFCs who can provide smooth explanations to franchise store owners. Since the fiscal year ended February 28, 2023, periodic testing of OFCs has been conducted at OFC Conferences. By checking knowledge concerning products, priority products in each product category, solutions for increasing sales, delivery, creation of in-store systems, and other topics, it is possible to determine the overall level of OFCs as well as individual abilities, and the company plan to reinforce education and training based on the test results. In addition, the company has started measures for conducting rigorous training for in-store support systems for OFCs (from methods of use to tips) and to prepare for and implement action plans and verify them in order to enhance the planning abilities of OFCs.

Furthermore, from 2023, it initiated project meetings for the improvement of delivery, fast food, and sales in residential locations, focused on the relevant departments. It shares case studies of best practices, discusses countermeasures and proposals for problematic areas, and formulates and verifies plans to facilitate improved future sales, while also allocating roles and undertaking initiatives on various challenges in unison towards a single goal. Employees are also motivated by being offered the opportunity to participate in projects, through which they can make suggestions and provide advice.

In the fiscal year ended February 29, 2024, SEVEN-ELEVEN (CHENGDU) organized monthly training for the enhancement of abilities of incumbent OFCs, designed to improve their counselling skills. A total of four major themes and 12 classroom lectures were provided, which will actively serve to improve the counselling abilities of OFCs.





OFC counselling abilities enhancement training

Programs to Raise Employee Motivation

SEVEN-ELEVEN (BEIJING), SEVEN-ELEVEN (TIANJIN), and SEVEN-ELEVEN (CHENGDU) implement various initiatives to raise employee motivation and resolve issues they may face in the workplace. SEVEN-ELEVEN (TIANJIN) and SEVEN-ELEVEN (CHENGDU) have, for example, instituted internal hiring programs that allow employees to apply for desired positions, with selection made through interviews between candidates and Head Office departments as well as the Human Resources Department.

In 2023, SEVEN-ELEVEN (BEIJING) reintroduced the Excellent Employee Award. This award is held once per quarter, with stages in the award process including divisional nomination, jury evaluation, president's decision, and the holding of an award ceremony. A total of 31 employees were awarded in the fiscal year ended February 29, 2024, with excellent employees representing all departments and all duties areas receiving awards. The awards were given in recognition of tangible contributions by sales personnel and innovations by administrative departments which facilitate “cost reductions and improved efficiency,” with the awards having served to stimulate employee morale and boost their competitive mindsets.

In the fiscal year ended February 28, 2023, SEVEN-ELEVEN (TIANJIN) started implementation of an “express plan” that enables new store employees to be promoted to AFC within one year to support selection and development of outstanding OFC candidates. This program doesn’t simply reduce the promotion period, but ensures that employees can make a 200% effort by having trainers take the time to follow up with employees starting from the initial stage so that employees can acquire business knowledge as well as in-store practical knowledge and experience, providing a high level of motivation to employees who successfully complete the express plan. In the fiscal year ended February 28, 2023, five employees applied and two passed, of which one is currently working as a store manager. In addition, six trainees also applied to the program, and the five who passed are currently assistant store managers.

In 2023, SEVEN-ELEVEN (TIANJIN) conducted an employee satisfaction survey and collected a variety of employee requests and aspirations regarding company benefits, attendance at workplaces, as well as internal training and store membership services. Based on this, in the fiscal year ended February 28, 2025, it plans to make a reality of as many of these as possible to the extent that they are feasible, to facilitate improved employee motivation. In addition, for store trainees, it has held regular get-togethers and chat meetings since the fiscal year ended February 29, 2024, to allow it to maintain relationships with their schools, to select outstanding individuals from among the trainees, and to develop them to become OFC candidates. Chat meetings are held to coincide both with traditional Chinese holidays such as Chinese New Year and the Mid-Autumn Festival and to mark the changeover from trainee to full-time employee, accompanied by the presentation of gifts to new full-time employees. It is thus facilitating improvements in their daily work duties by listening to employees verbally express their aspirations, issues, and requests for help. In addition, it holds a social gathering with trainees once a year to better understand the personalities and communicative capacities of all students, which it uses as a reference for developing human resources. Since 2023, SEVEN-ELEVEN (CHENGDU) has held monthly internal workshops and group birthday parties for employees, which have proven highly popular with employees and are leading to increased motivation.

Examples of programs for raising employee motivation

- Operate a contact desk so that employees can consult with the company on issues
- Interviews with employees by human resources departments
- Interviews with new employees by supervisors

- Organize employee meetings to promote closer interaction and socialization
- Conduct questionnaires on motivation
- Share role models by giving awards to excellent employees



Internal workshop



Employee group birthday party



Commemorative photograph of excellent employee award recipients

Fair Evaluation and Remuneration

SEVEN-ELEVEN (BEIJING), SEVEN-ELEVEN (TIANJIN), and SEVENELEVEN (CHENGDU) have adopted an employee evaluation system that combines monthly interview evaluations and yearly evaluations. Monthly interviews are conducted between employees and their direct supervisors to discuss the rate of progress toward their performance goals. In addition, once each year, after self-assessments are carried out by each employee, interviews and evaluations are then conducted by the direct supervisor and a secondary, higher-level supervisor. Monthly evaluations are based on company, divisional, and individual performance. For managers who conduct evaluation, education is carried out so that they can evaluate subordinates properly and develop human resources.

In 2023, SEVEN-ELEVEN (BEIJING) reviewed its rules for annual performance evaluations of employees and introduced KPI values for all positions. Use of the combined method of performance evaluation KGI (KPI+GS) and competencies evaluation KCI has successfully linked individual performance with divisional duties and company performance. At the same time, it sought to improve mutual communication between supervisors and subordinates and promoted inter-divisional cooperation by means including the General Director 360° evaluation and inter-divisional satisfaction evaluation.

SEVEN-ELEVEN (TIANJIN) reviewed the self-check system and evaluation items at headquarters and stores, and made improvements to ensure fair and equal evaluation standards. For example, in the evaluation of directly managed store managers, it has created a system that combines monthly rankings of management figures and basic evaluations to serve as criteria for promotion and demotion.

SEVEN-ELEVEN (CHENGDU) changed its company structure and evaluation system in the fiscal year ended February 29, 2020. Starting from the fiscal year ended February 28, 2021, managers are evaluated and interviewed every quarter, while non-managers are evaluated monthly. Also, the Employee Rules were revised in 2021 to clarify individual career paths and increase the granularity of the personnel evaluation system. In the fiscal year ended February 28, 2023, KPI and GS (conduct) were added to the individual performance indicators based on the existing performance evaluation system. An annual bonus evaluation system centered on performance was also created by linking company performance with individual performance. In 2023, the evaluation items and evaluation criteria for the competency evaluation were reviewed and granularity increased, on a trial basis with OFCs and MDs, with the aim of achieving more objective and impartial evaluation criteria.

Promoting the Advancement of Women

In China, the labor contract laws have been designed to provide male and female employees with generous leave related to childbirth and childcare. Moreover, men and women are treated equally, and it is common for women to continue working after marriage. This legal system and practice of appointing managers based on ability work together to promote the appointment of women to managerial positions. In 2012, the first Chinese woman director was appointed at SEVEN-ELEVEN (TIANJIN). As of December 31, 2021, women currently occupy approximately half of the nonexecutive managerial positions at SEVEN-ELEVEN (BEIJING), SEVEN-ELEVEN (TIANJIN) and SEVENELEVEN (CHENGDU). In March 2018, SEVEN-ELEVEN (BEIJING) appointed women in the roles of vice president and director, and SEVEN-ELEVEN (TIANJIN) appointed a woman as director.

At the end of May 2023, the total number of managers at SEVEN-ELEVEN (BEIJING) was 26 (manager and above), of which 16 were women, to maintain a level of more than half of all managers, at 62%.

Internships

In 2023, SEVEN-ELEVEN (BEIJING) created the first “University Cooperative Information Map” by carefully surveying schools in Beijing and surrounding areas (mainly Jing-Jin-Ji) with specialized university status or above. 19 schools were selected for potential cooperation, with cooperation eventually established with three schools, following the contacting of 197 schools by phone to confirm the intentions of internees and school requirements. As a result, a total of 56 interns joined the company during the year. This guaranteed a supply of operational personnel and enabled the establishment of a reference model for forthcoming industry-university cooperation.

With the aim of hiring outstanding human resources, hiring local personnel, and promoting the education of youth, SEVEN-ELEVEN (TIANJIN) and SEVEN-ELEVEN (CHENGDU) conduct internships and have been recognized by the government as Youth Employment Intern Bases that promote the employment of young people who have graduated from high school. SEVEN-ELEVEN (TIANJIN) accepted 39 interns in the fiscal year ended February 28, 2022, 4 of whom were employed by SEVEN-ELEVEN (TIANJIN). In the fiscal year ended February 28, 2023, it accepted 33 interns, 6 of whom became full-time employees. Of the 4 interns who became full-time employees in the fiscal year ended February 28, 2021, 2 have already been promoted to OFC. SEVEN-ELEVEN (CHENGDU) accepted 14 interns in the fiscal year ended February 28, 2021, 4 of whom was employed by SEVEN-ELEVEN (CHENGDU) in July 2021. In the fiscal year ended February 29, 2024, it accepted 3 interns.

Reducing Environmental Impact

The Chinese government has been putting great emphasis on climate change issues. In Beijing, companies with annual CO2 emissions in excess of 5,000 tons are subject to upper limits on CO2 emissions in each industry as major emitters and must purchase emissions credits for the excess portions. In the fiscal year ended February 29, 2020, SEVEN-ELEVEN (BEIJING), which is subject to this program, saw overall CO2 emissions increased as a result of an increase in the number of stores and chilled cases, and consequently, it purchased emissions credits for approximately 14,000 tons. However, in the fiscal year ended February 28, 2021 and the fiscal year ended February 28, 2022, it did not purchase emission credits because it did not reach the CO2 emissions cap. SEVEN-ELEVEN (TIANJIN) and SEVEN-ELEVEN (CHENGDU) also reported higher electricity consumption due to an increase in the number of stores, new installations of refrigeration and freezer devices, and so on.

SEVEN-ELEVEN (BEIJING), which has attracted government attention as a company with major CO2 emissions in Beijing, reduced its CO2 emissions to a total of 11,706 tons in 2023. With the targets of “CO2 emissions peak-out”

and “carbon neutrality,” ever more emphasis is being placed on the energy conservation initiatives of corporations. The company is committed to continuing its engagement in increasingly proactive energy conservation activities.





Environment-related Data
SEVEN-ELEVEN (BEIJING)

	FY2019	FY2020	FY2021	FY2022	FY2023
Number of stores	275	283	304	317	331
Electricity consumption（MWh）	29,773	24,251	25,171	20,598	19,381
Water Consumption（1,000m³）	94	78	55	47	39

SEVEN-ELEVEN (TIANJIN)

	FY2019	FY2020	FY2021	FY2022	FY2023
Number of stores	178	179	200	209	217
Electricity consumption (MWh)	20,051	17,552	17,898	20,440	22,958
Water Consumption (1,000 m³)	57	49	50	44	56

SEVEN-ELEVEN (CHENGDU)

	FY2019	FY2020	FY2021	FY2022	FY2023
Number of stores	75	73	84	85	77
Electricity consumption (MWh)	9,720	7,631	8,491	8,748	7,220
Water Consumption (1,000 m³)	24	24	27	24	17

Energy Conservation Measures at Stores

SEVEN-ELEVEN (BEIJING), SEVEN-ELEVEN (TIANJIN), and SEVENELEVEN (CHENGDU) have installed LED illumination as interior lighting in all stores and are implementing other measures to reduce electricity consumption, such as installing curtains in walk-in refrigerators to prevent the outflow of cold air, and conducting education to raise employees' awareness. In addition, all three companies have changed their fast food warming cases and introduced fast food refrigerated cases to save energy while eliminating opportunity loss and reducing waste loss. SEVEN-ELEVEN (BEIJING) has completed the installation of fast food refrigerated cases in a total of 66 stores by the end of 2021, leading to energy savings of 1,485 kW per day. SEVEN-ELEVEN (CHENGDU) installed fast food refrigerated cases in 85 stores in the fiscal year ended February 28, 2023, achieving energy savings of approximately 320 kW per day, and starting in the second half of the fiscal year ended February 28, 2023, it has saved approximately 80 kW of energy per day by turning off one-third of lighting for about seven hours in the evening. In 2023, it adopted inverter air-conditioning systems, resulting in reductions of approximately 5,256 kW per store per year, calculated on a basis of eight-hours use per day.

SEVEN-ELEVEN (BEIJING), SEVEN-ELEVEN (TIANJIN), and SEVEN-ELEVEN (CHENGDU) re-announced the 12 power-saving articles signs to all stores in 2023 and posted them in store backrooms to raise employee awareness of power saving and ensure strict implementation. In addition, they are thoroughly turning off lights and air conditioners when they are not needed. Through meetings and product exhibitions for OFCs, SEVEN-ELEVEN (BEIJING) shares information about being thorough in saving energy with OFCs and franchise store owners.

In 2023, the company engaged with the task of optimizing electricity usage in H/C (hot/cold) cases and developed upright hybrid cooling/heating beverage cases in addition to the H/C cases currently in use, as an energy conservation measure. As a result of testing these in some (50) stores, electricity consumption per store was reduced by 10,620 kWH (theoretical value). It is continuing to consider the development of hot beverage fixtures in view of these results.

Environmental Measures at Food Manufacturing Factories

In order to avoid wasting resources, efforts are being made at Beijing Wang-Yang Foods, a food manufacturing factory of SEVEN-ELEVEN (BEIJING) and SEVEN-ELEVEN (TIANJIN), to utilize food loss generated by each factory as feedstock for a pig farm. Similarly, the JEANAVICE Factory has a contract with a fish farm to collect residual bread. Both factories use wastewater treatment facilities that clean water to the same or higher standard than government standards to ensure that polluted water is not discharged, collect waste oil, and conduct periodic investigations of smoke emissions from the perspective of preventing atmospheric pollution.
Furthermore, to save energy, JEANAVICE Factory works to reduce thermal loss from boilers and reduce the consumption of gas.

Chinese Superstore Business

Message from the Chairperson



Tsugumi Ko
Chairperson of Ito-Yokado (China) Investment Co., Ltd.
Hua Tang Yokado Commercial Co., Ltd.
Chengdu Ito-Yokado Co., Ltd.

Since 1997, when we started the China business, Ito-Yokado (China) Investment Co., Ltd. have constantly adhered to our mottos of “Responding to changes and adhering to the basics” and “Providing customers with higher quality products and services,” based on our “Customer First” philosophy, thereby valuing the shopping experience of each and every one of our customers. As we have grown in tandem with the development of Chinese consumption, we have passed on and innovated on Ito-Yokado’s “spirit of craftsmanship,” to achieve sound development and become today a multi-industry, omnichannel retailer integrating online and offline operations, including GMS, small foodstuff and lifestyle stores, large shopping centers, as well as cross-border e-commerce and home delivery services.

In the post-COVID 19 era, in continuing to enhance our own supply chain and create new consumption value for our customers, we have come to the realization that these customers have a marked interest in whether companies have protected and reasonably used resources and the environment in developing their products. This is why each Ito-Yokado China operating company has set the goal of a “Green China Ito-Yokado,” to achieve sustainable development under China’s dual carbon strategy of “30-60.”

To realize this goal, Chengdu Ito-Yokado, Hua Tang Yokado Commercial, and Ito-Yokado (China) Investment Co., Ltd. established a CSR Management Committee in 2021, involving horizontal cooperation toward the aspiration of solving seven material issues through their core business. In addition, by developing a series of customer-facing participatory events together with our business partners, we are communicating new values and our commitment to sustainable development both to our customers and to our business partners. In line with the “GREEN CHALLENGE 2050” declaration of Seven & i Holdings, we are also focusing our efforts on the development of a sustainable society, including by reducing CO2 emissions and food loss. In addition to these efforts, we are continuing to contribute to the development of local communities by maintaining an interest in public welfare activities such as disaster relief, disaster prevention resources, the development of rural education, and the advancement of rural communities.

We will continue to cater to changing customer needs by utilizing our strengths as a Japanese-owned company and applying ourselves to the expansion of Japan-China business and trade. We will also provide customers with “shopping experiences that go beyond their expectations,” by introducing new products, creating new consumer value, and driving new consumption patterns, to further demonstrate the attractiveness of Ito-Yokado China, gain the trust and support of our stakeholders, and develop alongside society.

China Business History

Year	Event
1996	Request to establish superstore received from government of China and Chengdu in Sichuan Province
December 1996	Chengdu Ito-Yokado Co., Ltd. established in Chengdu
September 1997	Hua Tang Yokado Commercial Co., Ltd. established in Beijing
November 1997	Chunxi Store opens in Chengdu
December 2001	Asian Games Village Store opens in Beijing
September 2003	Shuangnan Store opens in Chengdu
December 2007	Jinhua Store opens in Chengdu
November 2009	Jianshe Road Store opens in Chengdu
November 2011	High-tech Store opens in Chengdu
July 2012	Ito-Yokado (China) Investment Co., Ltd. established to oversee GMS business in China
January 2014	Wenjiang Store opens in Chengdu
2014	Then-Chairman Tomohiro Saegusa named an Honorary Citizen of Chengdu, a first for a Japanese manager of a private company
January 2017	Meishan Store opens in Meishan
April 2017	Chengdu Ito-Yokado E-commerce Co., Ltd. established in Chengdu
November 2018	Huafu Avenue Store, food and commodity stores, opens in Chengdu
January 2019	Ito Plaza opens in Chengdu
January 2021	Leshan Store opens in Leshan
November 2021	Tomihiro Saegusa receives the Chinese Government Friendship Award, the highest state-level honor, awarded to overseas experts from the Chinese Government
January 2022	Financial City Store, lifestyle grocery store, opens in Chengdu
February 2022	Chengdu Ito-Yokado Information and Technology Co., Ltd. established in Chengdu
December 2022	Chunxi Store closes in Chengdu
August 2023	Meishan Store closes in Meishan
October 2023	Then-Chairman Saegusa receives the Chinese Government Friendship Award from Premierl LI Qiang

Company Overview

	Chengdu Ito-Yokado	Hua Tang Yokado Commercial
		
Net Sales	approx. ¥23,368 million (excluding tenant sales)	approx. ¥2,343 million (excluding tenant sales)
Number of employees	2,270	180
Number of stores	9 stores (Chunxi, Shuangnan, Jinhua, Jianshe Road, High-tech, Wenjiang, Meishan,Huafu Avenue, Ito Plaza, Leshan, Financial City)	1 store (Asian Games Village)
Established	December 1996	September 1997
Chairman	Tsugumi Ko	Tsugumi Ko
President	Masami Tanaka　*From June 2024	Tatsuya Arai
CSR Promotion Structure	CSR Management Committee	CSR Management Committee
	Corporate Ethics and Culture Subcommittee	Corporate Ethics and Culture Subcommittee
	Consumer Affairs and Quality Control Subcommittee	Consumer Affairs and Quality Control Subcommittee
	Environmental Subcommittee	Environmental Subcommittee

* Fiscal year ending December 31 (number of stores as of December 31, 2023; number of employees as of February 29, 2024)
* Exchange rate of CNY1 = ¥19.82
* Net sales does not include value added tax

CSR Initiatives



CSR Promotion Structure

In China, companies are required by society to promote CSR based on government policy, for example, by formulating CSR initiative policies and evaluation indicators, and by publishing CSR evaluation rankings.

In 2021, we newly established the Corporate Conduct Committee across Ito-Yokado (China) Investment Co., Ltd., Chengdu Ito-Yokado, and Hua Tang Yokado Commercial, to promote CSR activities. The Corporate Conduct Committee aims to implement corporate behavior that esteems corporate ethics and to fulfill the CSR required by society, while at the same time building an organizational structure that horizontally links the operating companies with a view to the entire China business, to thereby drive development and growth throughout the China business. Going forward, we will share our know-how through management of our organization and promote the growth of both the company and of individuals through human resources training.

In 2023, the Corporate Conduct Committee evolved into the CSR Management Committee, which shared the seven material issues to be addressed by the Group through online and offline communication meetings. With the cooperation of our business partners, we are continuing to implement initiatives that contribute to the development of a sustainable society and give rise to new corporate values through bidirectional events with our customers.

Publication of CSR Reports

Chengdu Ito-Yokado has published a report annually since its first CSR Report, which summarizes its social and environmental initiatives, in July 2016. In preparing the report, we refer to various indicators in the Global Reporting Initiative (GRI), SDGs, and ESG, with a comparison table on each included at the end of the report.

The Sustainability Report for 2023, published in October 2023, was distributed to attendees of the Sichuan CSR Report Presentation and conferences for the private sector, and was also provided to the China Federation of Industry and Economy, the Ministry of Industry and Credit, the State Resources Commission, and other administrative agencies for their use.



Promise to Customers

Quality and Freshness Management

Chengdu Ito-Yokado is committed to providing safe and secure products to customers, and has consolidated on “organizational structural, management, and educational fronts,” particularly regarding food safety management. It has instituted a dedicated food safety team apparatus from headquarters to stores to enhance product management, visualize quality, manage traceability, and ensure quality of safety.

Hua Tang Yokado Commercial holds quality control training for employees in the food sales floor four times each year and strictly adheres to quality control standards. In addition, the company conducts regular inspections of facilities and equipment, sanitation management processes, and quality management system for employees, on the sales floor and backrooms. The sales floor and backroom are regularly sanitized at our own initiative, as part of efforts to provide customers with a safe and secure shopping environment.

Provision of Traceability Information

Since 2013, Chengdu Ito-Yokado has established a food traceability system in cooperation with producers to disclose product information to customers. Chengdu Ito-Yokado independently developed "看得見的放心" and manages the quality of its products. 看得見的放心 has the same concept as "Traceable Fresh Food with Producers' Faces" sold in Japan with many customers endorsing these as safe and secure products.

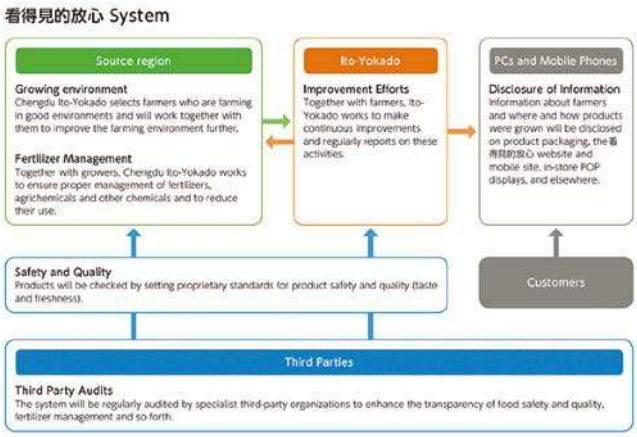
As of 2023, the number of 看得见的放心 items sold is 557, with sales volume having reached 1.53 million units and revenues of 500 million yen. In 2023, 209 new items were developed and the number of production sites expanded to 22 (Wuchang, Xinjiang, Guangyua, Shaanxi, Leibo, Shandong, Hanyuan, Korla, Chengdu, Pidu, Anyue, Jianyang, Leshan, Guangxi, Liaoning, etc.). The producing region for the看得见的放心Akizuki pear is in Laiyang, Shandong Province, which is renowned as a pear-growing region in China. The fruit is soft in texture with the perfect balance of sourness and juiciness, making it popular with many customers. The 看得見的放心 Shaanxi winter jujube from Shaanxi Province is also highly rated by many customers for its refreshing taste and moderate sweetness.



“看得见的放心” Akizuki pears



“看得见的放心” Shaanxi winter jujube



Strengthening Quality Management of Store Operations in Pursuit of a Safe and Secure Shopping Environment

From November 2022, Chengdu Ito-Yokado established a “Food Safety General Supervisors System” based on national regulations, and formulated management parameters for “daily management, weekly audits, and monthly schedules” at stores and the Administration Division. In addition, in 2023, it established a management system involving food safety first supervisors, food safety superintendents, and food safety staff in stores, and has since May of that year performed special monthly food safety inspection and implemented training with invited specialists.



Chengdu Ito-Yokado food safety superintendent (staff) framework



Monthly coordination meeting of food safety superintendents

"Citizen Quality Supervisor" System and Collection of Customer Feedback

Chengdu Ito-Yokado has continued to conduct public recruitment of “Citizen Quality Supervisors” since 2008 to improve its products and stores in line with customer standards. In 2023, 296 comments were fielded and improvement activities undertaken.





Promise to the Local Community

Donations and Stakeholder Engagement

Chengdu Ito-Yokado supports education and assists households in receipt of welfare benefits. For example, since FY2007, we have selected four elementary schools in underprivileged areas and donated necessary equipment to improve school facilities and equipment. We donated stationery, teaching materials, and sports equipment to disadvantaged children in response to the schools' requests. Furthermore, every year, we provide scholarships to outstanding students in the Sichuan University Japanese Department and encourage their studies. Initiatives to build bridges for exchange between China and Japan marked their 26th anniversary in 2023.

On September 6, 2023, Chengdu Ito-Yokado hosted a certification ceremony for the Qionglai Daozuo Youai Elementary School “Mobile Children’s Palace Project.” Qionglai Daozuo Youai Elementary School’s involvement represents the third initiative of the Chengdu Next Generation Foundation’s Mobile Children’s Palace Project. The project is scheduled to run from September 2023 to December 2026 with four specialized courses for out-of-school children being offered in dance, art, music, and basketball. Future activities are planned to develop the potential of pupils and contribute to the local community.

Chengdu Ito-Yokado has invited our employees and customers to participate in the project, with 67 people (40 employees and 27 customers) having participated and a total of 301 books (176 by employees and 125 by customers) donated to date.



Scholarship award ceremony at Japanese Department, College of Foreign Languages and Cultures, Sichuan University



Opening ceremony of the “Mobile Children’s Palace Project” at Qionglai Daozuo Youai Elementary School



Free dance lessons for out-of-school children



Donations of children’s books to schools

Volunteer Activities

In June 2009, the Chengdu Ito-Yokado Volunteer Team was established to facilitate improved contributions to the local community. On the third Wednesday of every month, employees from each store participate in clean-up activities around these stores. In addition, the “White Doves Fly” volunteer team, consisting of a total of 34 volunteers, engaged in volunteer activities at each store to coincide with the hosting in Chengdu of the 31st Universiade.

At Hua Tang Yokado, employees take the initiative in beautifying public facilities and spaces by making clean-up activities a daily routine.






Activities of a Chengdu Ito-Yokado volunteer team




Hua Tang Yokado Commercial cleanup activity

Promise to Employees





Store Management by Local Employees

Ito-Yokado in China has actively promoted local employees since the opening of their stores in the country in order to create stores that are rooted in the local community, and Chinese staff are still playing an active role in each store. The percentage of Chinese employees (excluding directors) in management positions is 98.6% at Chengdu Ito-Yokado and 96% at Hua Tang Yokado Commercial, with local employees basically running the company. The same applies for stores in regional cities (including Leshan stores).

We also actively promote women employees. The percentage of women in executive positions is 59.2% at Chengdu Ito-Yokado, and three of its nine stores have female store managers. The percentage of female managers at Hua Tang Yokado is 48% (excluding directors), and the store manager of the Asian Village store is also a woman.

Employee Data (As of the end of December 2023)

	Chengdu Ito-Yokado	Hua Tang Yokado Commercial
No. of employees	2,230	177
No. of part-time employees	71	23
Ratio of Chinese employees in management positions	98.74%	96%
No. and ratio of women in management positions (excluding executives)	352 (59.2%)	43 (48%)
No. of female team leaders (ratio of female team leaders)	213 (60.2%)	10 (40%)
No. of female section managers (ratio of female section managers)	62 (56.9%)	23 (66%)
No. of female division managers (ratio of female division managers)	73 (59.8%)	9 (41%)
No. of female corporate officers (ratio of female corporate officers)	3 (33.3%)	1 (14%)
No. of employees with disabilities	47 (2.1%)	8 (4%)

Sustainability Education

At the Chengdu Ito-Yokado and Hua Tang Yokado Commercial stores, since the fiscal year ended February 28, 2021, we have poured our energies into reducing the volume of plastic being used. The stores jointly switched over to using shopping bags that are made of degradable plastic. In addition, to eliminate the use of store-supplied shopping bags, we are also focusing on the sales of eco-bags.

Chengdu Ito-Yokado also actively engaged in social dissemination activities for sustainability in 2023, training all employees in the basics of the SDGs while developing customer-participation activities to communicate these initiatives to society. Training to deepen understanding among all employees was implemented in July and September 2023. A total of 12 sessions were held at the Administration Division and stores, with a total of 525 employees participating.



In-store employee training conducted by members of the CSR Corporate Ethics and Culture Subcommittee



Ito the Eco Detective “Charcoal” activity

Self-Recommendation Program

Chengdu Ito-Yokado has been developing a workplace environment where our employees can thrive, rooted in the basic principles of “fairness, justice, competition, and selecting for excellence,” so that our employees can grow further. We have also been proactively engaged in human resource development, and in the fiscal year ended February 28, 2023, launched our “Internal Competitive Recruitment System.” We regularly recruit store supervisor and assistant supervisor personnel, with both persons who recommend themselves and those who are recommended by others eligible to apply. Applicants describe the work that they are doing, and we appoint those applicants who received the most votes from among those employees who received positive evaluations from 51% or more of employee examiners. We also recruit department managers at headquarters and more senior staff on an irregular basis. They explain and discuss their work, and we select those applicants who were graded the highest by our job recruitment committee. We have adopted a system whereby the employees thus selected perform their duties on an interim basis for six months; have their work reevaluated based on internal standards at the end of this period; and are then officially appointed to their positions once they have passed this evaluation. Four recruitment drives took place in the fiscal year ended February 29, 2024, and 36 persons applied. One passed the exam, and three appointed candidates for executive training.

Human Resource Development Programs

Chengdu Ito-Yokado and Hua Tang Yokado Commercial provide training programs to help employees manifest their potential and exercise their abilities to the maximum.

On March 21, 2023, Chengdu Ito-Yokado established the Chengdu Ito-Yokado Human Resource Development Center to facilitate the handing down and communication of our corporate culture and principles as well as to establish and nurture higher-level professional skills and development teams. With the development of the company, the industry, and society as its goal, the center undertakes continuous initiatives to create motivational workplace environments. These initiatives are undertaken toward our aim of becoming a growth-oriented organization through the building of foundations, in-house training, cooperation with specialized universities, as well as mutual complementation, co-creation, and development.

Hua Tang Yokado Commercial is endeavoring to supply educational content relating to the corporate creed and management philosophy, on-site employee support, and customer service as well as to deliver top-quality products and services to customers. By commending staff (meaning not only regular employees but all store staff, including partner company employees, tenant employees, cleaners, and security guards) who receive words of praise from customers in plenary meetings, it seeks to elevate the feeling of togetherness and engagement among staff.

Human Resource Development and Training

Classroom Training

Chengdu Ito-Yokado has adopted an online and offline training format in undertaking initiatives to develop distinctive programs, while striving for improvements in corporate culture and work, management, and leadership capabilities. A total of 9,085 employees took part in training over the fiscal year ended February 29, 2024.



Facilities tour of a community center to learn about corporate culture



Capacity building for executives



Seminar on improving the teaching skills of in-house trainers

e-Learning

Chengdu Ito-Yokado has introduced training methods aligned to changes in the times to facilitate the passing on and instilling of the company's basic philosophy. In the fiscal year ended February 29, 2024, the company continued to provide online education and training for the acquisition of knowledge of corporate culture and corporate strategy, as well as work skills. An aggregate total of 38,620 persons, including both Head Office and store staff, took the courses.

Promise Regarding the Environment

Energy-Saving Initiatives

As Chengdu Ito-Yokado's first low-carbon project, the company has since 2020 maintained an environmental philosophy of "respect for nature, adaptation to nature, and protection of nature," including continuous projects for the separation of resource garbage, the development of environmental infrastructure, and waste collection. In the fiscal year ended February 29, 2024, it invested 40 million yen in the conversion to LED equipment for store lighting and the renovation of its cold chain, while reducing food and household waste by 3,201 tons combined, recyclable waste by 878 tons, and annual carbon emissions by 3,100 tons.

Hua Tang Yokado Commercial is making efforts to properly operate the air-conditioning system that manages store temperature. By adjusting operating times and air-conditioned areas as necessary in response to weather and temperature changes, it reduces gas and electricity usage. In addition, it requests the facility administrator to carry out the detailed measurement of in-store temperature and, in response to temperature changes, adjusts the operating patterns of the air-conditioning equipment. Furthermore, Hua Tang Yokado Commercial is striving to curtail electricity usage. Among other things, it has introduced energy-saving lighting equipment at all store sales floors and has reduced backroom lighting usage by 50%. Nevertheless, in the fiscal year ended February 29, 2024, the overall

energy, electricity, gas, and water consumption of the entire store increased due to the increase in the number of restaurants and tenant stores accompanying store renovation. Going forward, with the cooperation of each tenant in the store, efforts will be made to reduce energy usage in the entire store.

Chengdu Ito-Yokado

	FY2021	FY2022	FY2023
Number of stores	10	11	9
Energy consumption (standard coal tons)	13,580	12,140	11,415
Electricity consumption (MWh)	107,670	98,783	92,880
Gas usage (1,000 m^3)	563	684	359
Water usage (1,000m^3)	857	752	739

Hua Tang Yokado Commercial

	FY2021	FY2022	FY2023
Number of stores	1	1	1
Energy consumption (standard coal tons)	1,353	1,408	1,519
Electricity consumption (MWh)	7,912	7,950	8,921
Gas usage (1,000 m^3)	256	274	268
Water usage (1,000m^3)	63	54	65

Award History (FY2023)

Chengdu Ito-Yokado and Hua Tang Yokado Commercial received the following awards in FY2022 in recognition of their various initiatives.

【Chengdu Ito-Yokado】

Names of Award	Presenting Organization
Foreign Minister’s Commendations for FY 2023	Japanese Foreign Minister
2012–2022 March 8 Hongq Group	Chengdu Women's United Association
FY2023 Charity Advancement Unit	Chengdu Next Generation Foundation
FY2023 Charity Culture Propagation Award	Chengdu Charity Meeting
FY2023 Social Value Contribution Award	Chengdu Retailers' Association
FY2023 Best 10 Leader Companies	Chengdu Retailers' Association
Rongju Star Model Annual General Assessment Star Business Award	Chengdu Retailers' Association
2023 Beautiful Life General Evaluation Area Commercial Benchmark Award	Chengdu Business
2023 Chengdu 1 Million Employee Skills Contest/The 8th Chengdu Retail Skills Contest (Excellent Organization Award)	Chengdu Retailers' Association

Hua Tang Yokado Commercial

Names of Award	Presenting Organization
FY2023 Class A Tax Payment Reliability Company	Chaoyang State Taxation Bureau
FY2023 Leading Companies with Safest Production Systems	Chaoyang District Xiaoguan Subdistrict

External Recognition and Awards

Major Recognition Regarding Sustainability



Dow Jones Sustainability Index: Member of DJSI World Index

Seven & i Holdings was selected as a constituent of the World Index in the Dow Jones Sustainability Indices (DJSI). We have also been selected as a component of the Asia/Pacific Index for the 15th consecutive year. The DJSI is a globally renowned ESG index whose constituents are selected based on a comprehensive evaluation of companies in the three dimensions, such as Governance & Economic, Environmental, and Social Dimensions. The DJSI World Index measures the stock performance of the top 10% of the world's approximately 3,500 companies by market capitalization as assessed by S&P Global through its Corporate Sustainability Assessment (CSA). In the Food & Staples Retailing, we are the only Japanese company selected for inclusion. (As of the end of December, 2023).

We were also selected as a member of the Sustainability Yearbook from among more than 9,400 companies evaluated in CSA 2023 (759 companies selected.) (As of the end of February, 2024)

› Further details about the Dow Jones Sustainability Index can be found here

FTSE4Good

FTSE Russell (the trading name of FTSE International Limited and Frank Russell Company) confirms that Seven & i holdings has been independently assessed according to the FTSE4Good criteria, and has satisfied the requirements to become a constituent of the FTSE4Good Index Series. Created by the global index provider FTSE Russell, the FTSE4Good Index Series is designed to measure the performance of companies demonstrating strong Environmental, Social and Governance (ESG) practices. The FTSE4Good indices are used by a wide variety of market participants to create and assess responsible investment funds and other products. Seven & i Holdings has been selected as a constituent for ten consecutive years.　(As of the end of June, 2024)

› Further details about the FTSE4Good Index Series can be found here

FTSE Blossom Japan

The FTSE Blossom Japan Index is created by global index provider FTSE Russell. The index is designed measure the performance of Japanese companies demonstrating strong environmental, social and governance (ESG) practices. The FTSE Blossom Japan Index is widely used for creating and evaluating sustainable investment funds and other financial instruments. Seven & i Holdings has been selected as a constituent of the index. Seven & i Holdings has been selected as a constituent for eight consecutive years. (As of the end of June, 2024)

› Further details about the FTSE Blossom Japan Index can be found here

Seven & i Holdings received a rating of A (on a scale of AAA-CCC) in the MSCI ESG Ratings assessment. (As of the end of September 2024)

› Further details about the MSCI ESG Leaders Indexes can be found here

The inclusion of Seven & i Holdings into the MSCI indexes as well as the use of MSCI's logos, trademarks, service marks, and index names do not represent support, recommendation, nor promotion of Seven & i Holdings by MSCI or its affiliates. MSCI indexes are the sole property of MSCI. The names and logos of MSCI and MSCI indexes are trademarks or service marks of MSCI or its affiliates.

iSTOXX® MUTB Japan Platinum Career 150 Index

The iSTOXX® MUTB Japan Platinum Career 150 Index is an ESG index focusing on "human capital" jointly developed by Mitsubishi UFJ Trust and Banking Corporation and STOXX, an index provider affiliated with Deutsche Borse. The index consists of 150 companies that are proactive in building employee careers from the three viewpoints of "long-term perspective," "autonomous learning," and "contribution to society," using the evaluation items for "Platinum Career" companies in the Toyo Keizai Inc. Seven & i Holdings was selected as one of the constituents.

› Further details about the iSTOXX® MUTB Japan Platinum Career 150 Index can be found here

Response to/Participation in External Organizations

In alignment with the principles of TNFD, Seven & i Holdings joined the TNFD Forum in January 2023 and the SBTN Corporate Engagement Program in February 2023. By March 2024, Seven & i Holdings registered as TNFD Adopters and are advancing our analysis and disclosure based on the TNFD framework.

› Further details about the TNFD Adopters can be found here

To achieve the CO_2 emission reduction target set forth as one of the priority themes of the Environmental Declaration "GREEN CHALLENGE 2050", Seven & i Holdings is participating in the international initiative "RE100", which aims to make the electricity used in business activities 100% renewable energy. In addition, this participation is supported by the Japan Climate Leaders' Partnership (JCLP), a corporate group aiming to realize a sustainable decarbonized society.

› Further details about the RE100 can be found here

GREENHOUSE GAS EMISSIONS VERIFICATION STATEMENT

To: Seven & i Holdings Co., Ltd.

September 17, 2024
Bureau Veritas Japan Co., Ltd.
System Certification Services Headquarters

Bureau Veritas Japan Co., Ltd. (Bureau Veritas) was engaged by Seven & i Holdings Co., Ltd. (Seven & i) to conduct an independent verification of the greenhouse gas (GHG) emissions reported by Seven & i in its Sustainability Data Book 2024.

1. Scope of Verification

Seven & i requested Bureau Veritas to verify, to a limited level of assurance, the accuracy of the following GHG information:

1) Scope 1 and Scope 2 emissions:

- CO_2 emissions from energy use through the following store operations within Japan, U.S.A (excluding stores operated by domestic licensees of 7-Eleven, Inc.) and Canada:

Name of company	Number of stores within the scope	Reporting period covered
Seven-Eleven Japan Co., Ltd.	22,987	April 1, 2023 through March 31, 2024
Ito-Yokado Co., Ltd.	234	
York-Benimaru Co., Ltd.	248	
Seven & i Food Systems Co., Ltd.	352	
THE LOFT CO., LTD.	136	
AKACHANHONPO CO., LTD.	128	
SHELL GARDEN CO., LTD.	26	
7-Eleven, Inc.	12,634	January 1, 2023 through December 31, 2023

- CO_2 emissions from energy use through the operations of four factories of York-Benimaru Co., Ltd. within Japan for the period of April 1, 2023 through March 31, 2024
- CO_2 emissions from energy use through the operations of one factory of IY Foods K.K. within Japan for the period of April 1, 2023 through March 31, 2024
- CO_2 emissions from energy use through the operations of five offices (including the head office) and three directly-operated ATMs of Seven Bank, Ltd. for the period of April 1, 2023 through March 31, 2024
- CO_2 emissions from energy use through the operations of the head office, Ito Training Center and Kuki Center of Seven & i Holdings Co., Ltd. for the period of April 1, 2023 through March 31, 2024

2) Scope 3 Category 1 emissions:

- GHG emissions from following goods and services purchased by Seven-Eleven Japan Co., Ltd.:

Purchased goods and services	Reporting period covered
Goods sold at stores and Uniforms for store staff	March 1, 2023 through February 29, 2024
Packaging materials used at stores	April 1, 2023 through March 31, 2024

2. Methodology

Bureau Veritas conducted the verification in accordance with the requirements of the international standard 'ISO14064-3 (2019): Greenhouse gases - Part 3: Specification with guidance for the verification and validation of greenhouse gas statements'.

As part of Bureau Veritas' assurance, the following activities were undertaken:

- Interviews with relevant personnel of Seven & i responsible for the identification and calculation of GHG emissions;
- Review of Seven & i's information systems and methodology for collection, aggregation, analysis and review of information used to determine GHG emissions; and
- Audit of a sample of source data to check accuracy of quantified GHG emissions.

3. Conclusion

Based on the verification work and processes followed, there is no evidence to suggest that the GHG emissions assertions shown below:

- are not materially correct and are not a fair representation of the GHG emissions from activities within the scope of work
- are not prepared in accordance with the methodology for calculating GHG emissions established and implemented by Seven & i.

Verified greenhouse gas emissions		
Scope 1 106,818 t-CO_2	Scope 2 2,497,963 t-CO_2	Scope 3 Category 1 10,552,453 t-CO_2e

【Statement of independence, impartiality and competence】

Bureau Veritas is an independent professional services company that specializes in Quality, Health, Safety, Social and Environmental management with over 190 years history in providing independent assurance services. No member of the verification team has a business relationship with Seven & i, its Directors or Managers beyond that required of this assignment. We conducted this verification independently and to our knowledge there has been no conflict of interest. Bureau Veritas has implemented a Code of Ethics across the business to maintain high ethical standards among staff in their day-to-day business activities. The verification team has extensive experience in conducting assurance over environmental, social, ethical and health and safety information, systems and processes.

Ref: BVJ_21827380

Seven & i Holdings

Website: https://www.7andi.com/en/sustainability/

Group Environmental Data

Challenges		Unit	FY2021	FY2022	FY2023
CO_2 emissions*1		t-CO_2	2,970,892	2,685,885	2,604,781
	Scope 1	t-CO_2	123,766	114,083	106,818
	Scope 2	t-CO_2	2,847,126	2,571,802	2,497,963
Electricity consumption in store operations*2		GWh	7,521	7,295	7,199
Water usage in store operations*3		1,000m^3	31,327	34,524	36,539

*1 The data is the total for 11 companies: Seven-Eleven Japan (including Seven-Eleven Okinawa), Ito-Yokado, York-Benimaru, SHELL GARDEN, IY Foods, Akachan Honpo, THE LOFT, Seven & i Food Systems, Seven Bank, Seven & i Holdings, and 7-Eleven, Inc. (Sales of the 11 companies cover 98.1% of the Group's total sales.) Also, the figures through FY2021 include Sogo & Seibu and Barneys Japan. For calculation conditions, please see environment-related data recorded in the data section of each operating company.
With respect to results of third-party audit of CO_2 emissions, please refer to the "Greenhouse Gas Emissions Verification Report."

*2 The data is the total for 9 companies, excluding Seven Bank and Seven & i Holdings from the companies covered in *1. (Sales of the 9 companies cover 97.4% of the Group's total sales.) For calculation conditions, please see environment-related data recorded in the data section of each operating company.

*3 The data is the total for 9 companies: Seven-Eleven Japan (including Seven-Eleven Okinawa), Ito-Yokado, York-Benimaru, SHELL GARDEN, IY Foods, Akachan Honpo, THE LOFT, Seven & i Food Systems, and 7-Eleven, Inc. (Sales of the 9 companies cover 97.4% of the Group's total sales.) Also, the figures through FY2021 include Sogo & Seibu, and exclude IY Foods.

Group Personnel Data (in Japan)*1

Breakdown of number of employees (as of the end of February 2024)		(persons)
Full-time employees*2		24,984
	Male	16,947
	Female	8,037
Part-time staff*3		35,570
	Male	6,410
	Female	29,160
Number of employees (full-time employees + part-time staff)		60,554
	Male	23,357
	Female	37,197
New graduate employees hired		473
	Male	249
	Female	224
Mid-career employees hired		293
	Male	213
	Female	80
Turnover (full-time employees)		1,231
	Male	752
	Female	479

Unless otherwise indicated, units for numbers are "persons."

		FY2021	FY2022	FY2023
Average length of service (full-time employees)		17 years 1 months	18 years 8 months	15 years 5 months
	Male	18 years 3 months	18 years 7 months	16 years 3 months
	Female	14 years 2 months	15 years 3 months	13 years 0 months
Number of full-time employees who took childcare leave*4		1,088	1,117	1,233
	Male	53	150	255
	Female	1,035	967	978
	Part-time staff	445	398	361
Number of full-time employees who took nursing care leave*4		75	96	77
	Male	8	9	14
	Female	67	87	63
	Part-time staff	61	75	58
Number of volunteer leave recipients		10	9	17
Percentage of female full-time employees		28.3%	28.2%	32.2%
Percentage of female officers	Corporate officer*5	12.9%	13.9%	16.7%
	Executive officer*6	14.4%	15.7%	21.2%
Number of female managers (percentage)*7		1,911 (24.9%)	2,659 (29.4%)	2,921 (29.6%)
	Division manager	90 (8.3%)	98 (8.3%)	101 (8.3%)
	Section manager	606 (23.3%)	636 (24.1%)	786 (27.3%)
	Team leader	1,215 (30.4%)	1,925 (36.8%)	2,034 (35.3%)
Percentage of employees with disabilities*8		2.98%	3.16%	3.26%
Percentage of paid leave taken		55.4%	55.9%	58.0%
Full-time employee turnover rate		5.7%	5.6%	5.3%

*1 The data is the total for 8 companies: Seven & i Holdings, Seven-Eleven Japan, Ito-Yokado, York-Benimaru, Akachan Honpo, Seven & i Food Systems, THE LOFT, and Seven Bank. (Sales of the 8 companies cover 97.6% of the Group's total sales in Japan.) However, the figures through FY2022 include Sogo & Seibu, and exclude THE LOFT.

*2 The figure includes 1,691 persons reemployed after mandatory retirement.

*3 Monthly average, with 8 hours/day counted as one employee. Including contractual employees.

*4 Persons who took such leave in the applicable fiscal year (takers continuing leave from the previous year + new takers of leave)

*5 The data is the total for 4 companies: Seven & i Holdings, Seven-Eleven Japan, Ito-Yokado, and York-Benimaru. However, the figures through FY2022 include Sogo & Seibu and York. As of May 31 of the following fiscal year. Officers include directors, Audit & Supervisory Board members, and executive officers (excluding executive officers who also serve as directors).

*6 The data is the total for 4 companies: Seven & i Holdings, Seven-Eleven Japan, Ito-Yokado, and York-Benimaru. However, the figures through FY2022 include Sogo & Seibu and York. As of May 31 of the following fiscal year. Excluding executive officers who also serve as directors.

*7 The percentage of team leaders and higher positions, excluding corporate officers.

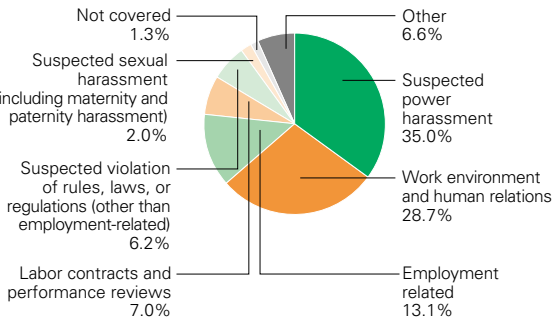
*8 The percentage for the fiscal year is as of June 1 of the following fiscal year.

Data from Groupwide Helplines for Employees

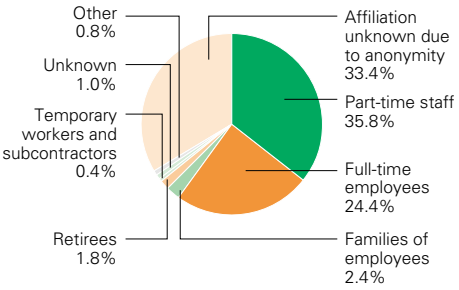
Seven & i Holdings has established the Groupwide Employee Helpline, the internal whistleblowing system for employees, with a third-party organization as a part of the group- wide internal controls to receive grievances and consultation requests from employees. This system applies to both employees of Seven & i Holdings and those of consolidated subsidiaries in Japan. The group-wide system is working to proactively prevent, quickly discover, promptly correct and stop reoccurrences of any wrong behavior that would result in a loss of public trust.

	FY2021	FY2022	FY2023
Number of reports	1,024	1,020	933

Breakdown of reports by category for FY2023
Reports received: 933
(down 8.5% from the previous fiscal year)



By user category



Seven-Eleven Japan Co., Ltd.

Website: https://www.sej.co.jp/csr.html (in Japanese / English)
Number of stores as of fiscal year ended February 29, 2024: 21,535 (including 172 Seven-Eleven Okinawa stores)

Create a livable society with local communities through various customer touchpoints

FY2023 Targets/Results and FY2024 Targets

○: Achieved △: Almost achieved ×: Far from achieved

Challenges	FY2023 Targets and Plans	FY2023 Results and Outcomes	Evaluation	FY2024 Targets
Shopping Support				
	• Cumulative number of mobile stores: 145 Expand new stores and areas with stores and improve sales at existing mobile stores • Expansion of 7NOW: 5,000 stores (cumulative total) Expand delivery areas as needed	• Cumulative number of mobile stores: 125 • Expansion of 7NOW: 12,000 stores Launched the 7NOW app in September 2023 so that customers can use it on a daily basis as a familiar service	○	• Mobile store Anshin Delivery: Expand new stores and areas with stores • 7NOW: recommend to all stores nationwide by the end of FY2024 • Take action concerning new delivery options (drone and robot delivery)
Implementing crime prevention measures for local communities				
	• Participation rate of franchise stores in crime prevention drills: 35% Strengthen cooperation with the police, hold drills aimed at prevention of burglary crimes and special frauds which are on the rise, and verification of age of customers when selling alcoholic beverages and tobacco	• Promotion of the Safety Station activities Women to seek assistance: 2,116 stores, 3,267 times or more Children to seek assistance: 1,364 stores, 2,076 times or more Protecting seniors: 4,963 stores, 9,614 times or more Prevention of special frauds (including bank fraud): 7,944 stores, 13,454 times or more	○	• Promotion of the Safety Station activities Provide a place for women and children to seek assistance, protect seniors, prevent special frauds (including bank fraud)
Maintaining more customer-friendly and reliable stores and facilities				
	• Install facilities and provide barrier-free access to create more customer-friendly and reliable stores	• Late-night security guard program Started verification tests to create environments where store employees can work safely and with reassurance, even late at night • Pointing sheets Placed "pointing sheets" at the register counters of all stores with the aim of creating environments where anyone can shop easily	○	• Late-night security guard program Expand verification tests in preparation for implementation in FY2025

Provide safe, reliable, and healthier merchandise and services

FY2023 Targets/Results and FY2024 Targets

○: Achieved △: Almost achieved ×: Far from achieved

Challenges	FY2023 Targets and Plans	FY2023 Results and Outcomes	Evaluation	FY2024 Targets
Building quality control systems				
	• Quality control training for employees: conduct e-learning 12 times Implement to prevent product-related accidents and create systems for the acquisition of more specialized knowledge • NDF-FSMS certification system: 100% acquisition Acquisition of certification by all factories After certification, perform maintenance audits and improve management systems	• Continued to conduct quality control training for employees • NDF-FSMS certification system: 100% acquisition Acquisition of certification by all factories where daily products are manufactured in Japan. After certification, performed maintenance audits and improved management systems	○	• Continue to conduct quality control training for employees • NDF-FSMS certification system: 100% acquisition Acquisition of certification by all factories where daily products are manufactured in Japan. After certification, perform maintenance audits and improve management systems
Food safety and reliability				
	• Use of food additives Use the minimum necessary types and quantities. Set voluntary standards for food additives • Reducing trans-fatty acids Continue voluntary efforts to reduce total amounts • Labeling of food allergens Expand the categories of information disclosures concerning specified ingredients and equivalent items on the website	• Use of food additives Used the minimum necessary types and quantities. Set voluntary standards for food additives • Reducing trans-fatty acids Continued voluntary efforts to reduce total amounts • Labeling of food allergens In addition to the seven mandatory labeling items, original products also displayed the 21 recommended labeling items	○	• Use of food additives Use the minimum necessary types and quantities. Set voluntary standards for food additives • Reducing trans-fatty acids Continue voluntary efforts to reduce total amounts • Labeling of food allergens In addition to the seven mandatory labeling items, original products also display the 21 recommended labeling items
Health and nutrition				
	• Development of healthy food products Expand development of the Seven-Eleven healthy product series • Labeling of nutritional components Also label sugars and dietary fiber, which is not required under the Food Labeling Law. Improve package designs to make them easier to consumers to understand	• Sales of food for specified health • Sales of smoothies Expanded stores that have introduced smoothies Starting in May, displayed easy-to-understand caloric information and nutritional values on packages • Launched "Cycle.me," an original well-being food product based on chrono-nutrition tailored to the time of day (morning, afternoon, and night)	○	• Develop safe, reliable, convenient, and healthier food products • Sales of smoothies Expand stores that have introduced smoothies

Realize decarbonization, circular economy, and society in harmony with nature, through environmental efforts

FY2023 Targets/Results and FY2024 Targets

○: Achieved △: Almost achieved ×: Far from achieved

Challenges	FY2023 Targets and Plans	FY2023 Results and Outcomes	Evaluation	FY2024 Targets
Environmental management				
	• Achievement of 100% ISO 14001 certification rate for offices in Japan and directly-managed stores • Acquisition of Eco Action 21 certification: 152 factories Acquire environmental management system certification with a focus on Eco Action 21 at some factories where daily products are manufactured	• Achievement of 100% ISO 14001 certification rate for offices in Japan domestic business sites and directly-managed stores • Acquisition of Eco Action 21 certification: achievement rate (approximately 91%) for 157 domestic factories where daily products are manufactured	○	• Achievement of 100% ISO 14001 certification rate for offices in Japan and directly-managed stores • Acquisition of Eco Action 21 certification: acquire environmental management system certification with a focus on Eco Action 21 at domestic factories where daily products are manufactured
Reducing waste and developing a circular economy				
	• Reduce petroleum-derived single-use plastics and switch to environmentally friendly materials	• Reduced petroleum-derived single-use plastics and switched 31.8% to environmentally friendly materials	○	• Reduce petroleum-derived single-use plastics and switch 32.8% to environmentally friendly materials
Raising environmental awareness among employees				
	• Conduct e-learning for all employees to raise environmental awareness	• Conducted e-learning for all employees to raise environmental awareness	○	• Conduct e-learning for all employees to raise environmental awareness
Effective use of resources				
	• Installation of PET bottle collection machines: 3,660 stores; total volume collected by PET bottle collection machines: 2,418 t • Encourage bottle-to-bottle recycling with the cooperation of stores and local residents with the objective of achieving a circular economy • Encouragement of customers turning down plastic bags through awareness-raising measures such as asking customers during checkout. Use money collected from the sale of plastic bags to pay part of the expenses for installing PET bottle collection machines	• Installation of PET bottle collection machines: 3,673 stores; total volume collected by PET bottle collection machines: 3,890 t • The "amount equivalent to Head Office revenue" from the sales of plastic shopping bags (about 880 million yen in FY2023) was used for part of the cost of installation of PET bottle collection machines • Encouragement of customers turning down cutlery and plastic bags through awareness-raising measures such as asking customers during checkout	○	• Promote installation of PET bottle collection machines and increment of collection volume • Encouragement of customers turning down cutlery and plastic bags through awareness-raising measures such as asking customers during checkout
Measures against food loss and for food recycling				
	• Food waste recycling rate: 53.6% Expand Eco Distribution whereby recommended waste disposal providers for franchisees in each region collect all waste from stores for appropriate processing and recycling • Promotion of an Ethical Project Grant 5% of the tax-excluded price for target products near their sales deadline as bonus nanaco points • Implementation of the Temaedori Project Reduce food waste by having customers select and choose products displayed in front of them. Collaborate with local governments in some regions • Expansion of products with longer-lasting freshness to 90% Expand the ratio of original daily products with sales deadlines of at least 24 hours	• Food waste recycling rate: 58.5% Expanded Eco Distribution whereby recommended waste disposal providers for franchisees in each region collect all waste from stores for appropriate processing and recycling • Promotion of an Ethical Project Granted 5% of the tax-excluded price for target products near their sales deadline as bonus nanaco points • Implementation of the Temaedori Project Reduced food loss by having customers select and choose products displayed in front of them. Collaborated with local governments in some regions • Expansion of products with longer-lasting freshness to 85% Expanded the ratio of original daily products with sales deadlines of at least 24 hours	○	• Food waste recycling rate: 60.0% Expand Eco Distribution whereby recommended waste disposal providers for franchisees in each region collect all waste from stores for appropriate processing and recycling • Promotion of "Eco-da-ne" Take action to sell products approaching their expiry date at reduced prices. Work to reduce food waste by enabling customers to make selections based on the dining circumstances • Implementation of the Temaedori Project Reduce food loss by having customers select and choose products displayed in front of them. Collaborate with local governments in some regions • Expansion of products with longer-lasting freshness Expand the ratio of original daily products with sales deadlines of at least 24 hours
Climate change countermeasures				
	• Steady implementation of responsive measures based on the TCFD recommendations • Promote the introduction of energy-saving equipment (LED lighting, etc.) at stores Installation of solar power generation panels: 8,823 stores Installation of hydrogen stations: 3 stores Installation of electric vehicle chargers: 83 stores	• Steady implementation of responsive measures based on the TCFD recommendations • Promoted the introduction of energy-generation and energy-saving equipment at stores LED lighting: signboard lighting at 20,159 stores and sales floor lighting at 20,785 stores Installation of solar power generation panels: 8,962 stores Installation of hydrogen stations: 3 stores Installation of electric vehicle chargers: 161 stores	○	• Steady implementation of responsive measures based on the TCFD • Promote the introduction of energy-generation and energy-saving equipment at stores

Introduction of environmentally friendly packaging				
	• Promotion of the use of environmentally friendly cutlery Introduce cutlery that is comprised of 30% plant-based materials (biomass). Strengthen efforts to check whether or not customers require cutlery • Promotion of environmentally friendly product container designs to reduce the amount of plastic used • Promotion of a shift to recyclable packaging to reduce CO_2 emissions • Expansion of the shift to containers that use recycled or biomass PET Shift from petroleum-derived PET containers to containers that include environmentally friendly PET (recycled or biomass PET) • Expansion of the introduction of paper containers Switch from plastic to paper containers to reduce the amount of plastic used	• Nationwide rollout in July 2023 of containers that minimize the use of petroleum-derived inks and colorants to reduce CO_2 emissions during container manufacturing and delivery processes Received 2023 Good Design Award (presented by the Japan Institute of Design Promotion) • Reduced plastic usage by continuing measures such as switching to top-seal type product containers and adopting paper containers • Continued increasing the use of environmentally friendly materials (such as biomass and biodegradable and recycled materials) for product containers	○	• Reduce plastic usage by continuing measures such as switching to top-seal type product containers and adopting paper containers • Continue increasing the use of environmentally friendly materials (such as biomass and biodegradable and recycled materials) for product containers
Sustainable procurement of raw materials				
	• Continue support for Seven Cafe production areas • Expansion of handling of certified products with guaranteed sustainability (MSC certification, etc.)	• Continued support for Seven Cafe production areas • Launched a series of "Mirai Deli" products using meats and fish products made from the beans (peas and soybeans) and factory-grown produce • Continued handling certified products with guaranteed sustainability	○	• Steady implementation of responsive measures based on the TCFD recommendations • Continue support for Seven Cafe production areas • Continue handling certified products with guaranteed sustainability
Supply chain management				
	• CSR audit implementation rate at domestic manufacturing factories: 100% Outsource implementation of CSR audits to a third party under the same CSR audit standards as the Seven & i Group • Introduction of environmentally friendly delivery vehicles (hybrid and other vehicles): 5,200 vehicles • Introduction of environmentally friendly delivery vehicles (electric, hydrogen-fueled, and other vehicles): 10 vehicles • Promotion of installation of demand controllers at distribution centers	• Domestic factories where daily products are manufactured CSR audit: conducted at 62 companies Commenced human rights due diligence measures Measures to prevent occupational accidents • Domestic distribution centers CSR audit: conducted at 42 centers • Overseas processing factories CSR audit: planned • Introduction of environmentally friendly vehicles Hybrid vehicles (HVs): 698 vehicles Clean diesel (CD) vehicles: 4,979 vehicles Electric vehicles (EVs): 8 vehicles Fuel cell vehicles (FCVs): 3 vehicles	○	• Domestic factories where daily products are manufactured Conduct CSR audit Commence human rights due diligence measures Measures to prevent occupational accidents • Domestic distribution centers Conduct CSR audit • Overseas processing factories CSR audit: begin • Promote the introduction of environmentally friendly vehicles

Environmental Data

Challenges	Unit	FY2021	FY2022	FY2023
CO_2 emissions*1*2*3	t-CO_2	1,452,270	1,438,457	1,274,930
CO_2 emissions from store operations (per store)*1*3	t-CO_2	1,235,126 (55.8)	1,229,295 (56.4)	1,273,443 (57.0)
Electricity consumption in store operations (per store)*1*3	GWh (MWh)	2,852 (129)	2,910 (134)	2,935 (128)
Water usage in store operations*1*4	1,000m^3	12,192	12,313	12,433
Plastic bag usage per store (by weight)	t	0.41	0.35	0.32
Waste disposal (recycling rate)*5	t (%)	304,368 (66.7)	297,863 (67.1)	337,516 (62.8%)
Food waste recycling rate*6	%	50.3	51.6	58.5

*1 The period of the calculations was from April to March.
*2 The data represents CO_2 emissions stemming from the use of energy for store operations, Head Office, and training center.
*3 Calculations are based on estimated electricity consumption for stores where data was not available.
*4 Calculations are performed by estimating water usage for which meter reading data could be confirmed.
*5 Waste disposal and recycling rate excluding food waste. Calculations are estimated by the amount of waste from the stores in Tokyo, etc. The period of the calculations was from April to March. The amount of food waste was calculated based on the standard of *6.
*6 Calculated based on the reports submitted by food recycling companies. The period of the calculations was from April to March.

Achieve a society in which diverse people can actively participate

FY2023 Targets/Results and FY2024 Targets

○: Achieved △: Almost achieved ×: Far from achieved

Challenges	FY2023 Targets and Plans	FY2023 Results and Outcomes	Evaluation	FY2024 Targets
Development of human resources				
	• Creation of a system for supporting the acquisition of qualifications to draw out the desire to learn. In addition to the existing Eco Test, support acquisition of three different types of qualifications • Development of programs designed to support the acquisition of business skills that will draw out the desire to take the initiative to learn in the form of open web seminars for training store employees	• Creation of a system for supporting the acquisition of qualifications to draw out the desire to learn. In addition to the existing Eco Test, supported acquisition of three different types of qualifications	○	• System for supporting the acquisition of qualifications Increase the types of qualifications from four to eight and enhance skills as business people
Achieving a work-life balance				
	• Reduce employees' total work hours • Promote awareness-raising activities such as study sessions for managerial positions targeting supervisors who manage employees working shorter hours	• Reduced overtime hours • Encouraged the use of annual paid leave • Encouraged utilization of staggered work and working from home	△	• Reduce overtime hours • Encourage the use of annual paid leave
Assuring occupational safety and health				
	• Continue to implement mental health training for managers and new employees	• Continued to implement mental health training for managers and new employees	○	• Continue to implement mental health training for managers and new employees
Implementing fair assessment and treatment of employees				
	• Start of operation of a new, fair compensation system based on actions and results • Start of operation of the new evaluation system • Continue training targeting evaluators and evaluatees to promote understanding of the evaluation system	• Start of operation of a new, fair compensation system based on actions and results • Start of operation of the new evaluation system • Continued training targeting evaluators and evaluatees to promote understanding of the evaluation system	○	• Continue training targeting evaluators and evaluatees to promote understanding of the evaluation system
Diversity and inclusion				
	• Employment of people with disabilities Counselors for people with disabilities: 104 Job supporters for people with mental disabilities and people with developmental disorders: 250 Conduct normalization training as a part of new employee training. Support retention of employees with disabilities and promote understanding concerning contact with customers	• Employment of people with disabilities Percentage of employees with disabilities: 2.70% Counselors for people with disabilities: 95 Job coaches (in-house workplace adjustment supporters): 22	○	• Employment of people with disabilities Improve the percentage of employees with disabilities
	• Promotion of active participation of female employees Percentage of female managers (section manager): 25.0% Continue seminars to improve knowledge about women's health	• Promotion of active participation of female employees Percentage of female managers (section manager): 23.8% Continued to hold seminars to improve knowledge about women's health		• Promotion of active participation of female employees Improve the percentage of female managers (section manager)
	• Promotion of paternity leave Percentage of male employees taking childcare leave: 30.0% Hold Fathers' and Mothers' Class twice a year Continue introducing examples of male employees who take childcare leave Conduct D&I promotion and other seminars for managers. Encourage reform of awareness with management of diverse human resources as the theme Topics: gender gap, childcare leave by men, LGBTQ issues, women's health, work and family care, normalization	• Promotion of paternity leave Percentage of male employees taking childcare leave: 55.7%		• Promotion of paternity leave Improve the percentage of male employees taking childcare leave
	• Striking a balance between work and childcare or family care Conduct online sharing of working style case studies not only for childcare, but also for family care	• Striking a balance between work and childcare or family care Conducted seminars about striking a balance between work and childcare or family care		• Reinforce measures to provide reasonable accommodations Introduce a parking permit system
Effective use of diverse human resources				
	• Job seminars for seniors Create employment opportunities for seniors who want to work • Training on customer service at cash registers for non-Japanese employees: 80 times Continue training to teach Japanese cultural practices and the fundamentals of customer service	• Job seminars for seniors Created employment opportunities for seniors who want to work • Training on customer service at cash registers for non-Japanese employees Continued training to teach Japanese cultural practices and the fundamentals of customer service	○	• Job seminars for seniors Create employment opportunities for seniors who want to work • Training on customer service at cash registers for non-Japanese employees Continue training to teach Japanese cultural practices and the fundamentals of customer service
	• Employment support training for teachers and students at special-needs schools Conduct as part of the support for the employment of people with disabilities in collaboration with each administrative authority	• Employment support training for teachers and students at special-needs schools Conducted as part of the support for the employment of people with disabilities in collaboration with each administrative authority		• Employment support training for teachers and students at special-needs schools Conduct as part of the support for the employment of people with disabilities in collaboration with each administrative authority

Support for the enhancement of store employee skills				
	• Training for franchise store employees Lend support through training to franchise store owners' work to teach their employees • Cash register customer support contest Hold national competition with the objective of improving both work satisfaction for employees and the level of customer service in the stores	• Training for franchise store employees Lent support through training to franchise store owners' work to teach their employees • Cash register customer support contest Held first national competition in June 2023 with the objective of improving both work satisfaction for employees and the level of customer service in the stores	○	• Training for franchise store employees Lend support through training to franchise store owners' work to teach their employees • Cash register customer support contest Hold continuously national competition with the objective of improving both work satisfaction for employees and the level of customer service in the stores

Personnel Data

Unless otherwise indicated, units for numbers are "persons."

Breakdown of number of employees (as of the end of February 2024)		(persons)
Full-time employees*1		8,291
	Male	6,065
	Female	2,226
Part-time staff*2		2,387
	Male	1,065
	Female	1,322
Number of employees (full-time employees + part-time staff)		10,678
	Male	7,130
	Female	3,548
New graduate employees hired		128
	Male	78
	Female	50
Mid-career employees hired		22
	Male	19
	Female	3

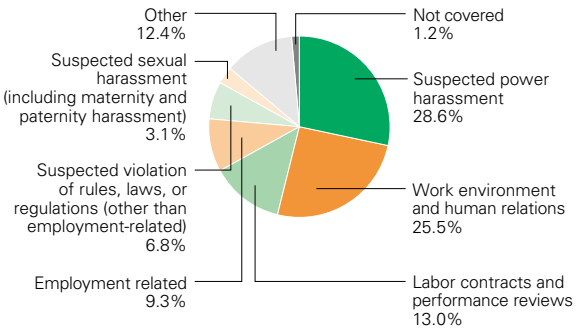
		FY2021	FY2022	FY2023
Average length of service (full-time employees)		11 years 11 months	12 years 9 months	13 years 0 months
Number of full-time employees who took childcare leave*3		365	366	550
	Male	36	103	173
	Female	329	263	377
	Part-time staff	1	2	3
Number of full-time employees who took nursing care leave*3		7	8	11
	Male	4	4	8
	Female	3	4	3
	Part-time staff	0	0	0
Number of volunteer leave recipients		2	1	2
Percentage of female officers	Corporate officer*4	15.4%	16.7%	20.0%
	Executive officer*5	–	–	23.1%
Number of female managers (percentage)*6		204 (21.1%)	199 (20.6%)	19 (20.4%)
	Division manager	8 (5.8%)	4 (2.8%)	2 (1.4%)
	Section manager	196 (23.6%)	195 (23.7%)	188 (23.8%)
Percentage of employees with disabilities*7		2.45%	2.59%	2.70%
Percentage of paid leave taken by full-time employees		66.1%	67.0%	67.6%
Frequency rate of workplace accidents		1.09	1.75	1.53
Severity rate of workplace accidents		0.03	0.02	0.01

*1 The figure includes 145 persons reemployed after mandatory retirement.
*2 Monthly average, with 8 hours/day counted as one employee. Including contractual employees.
*3 Persons who took such leave in the applicable fiscal year (takers continuing leave from the previous year + new takers of leave)
*4 The percentage of female corporate officers is as of May 31 of the following fiscal year. Officers include directors, Audit & Supervisory Board members, and executive officers (excluding executive officers who also serve as directors).
*5 The percentage of female executive officers is as of May 31 of the following fiscal year. Excluding executive officers who also serve as directors.
*6 The percentage of section managers and higher positions, excluding corporate officers.
*7 The percentage for the fiscal year is as of June 1 of the following fiscal year.

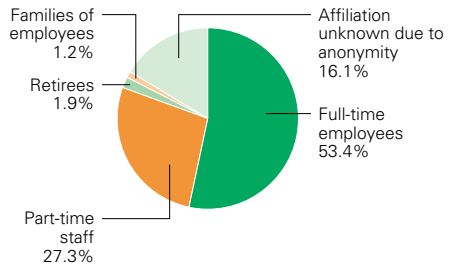
Data from Helpline for Employees

We strive to comply with laws and regulations and manage risk as a company by appropriately operating an internal reporting system intended to prevent violations by employees, detect and correct violations at an early stage, and prevent recurrence of violations. Based on reports made to helplines, the results of the workplace environment survey, and other sources, in FY2023 we sought to identify the underlying causes of issues, training company-wide awareness-raising measures, and conducted rank-specific training in each department under the supervision of the Human Resources Department.
We also revised the Employee Conduct Rules and continued working with individual departments to raise awareness and encourage not just compliance with laws and regulations, but also ethical conduct.

Breakdown of reports by category for FY2023
Reports received: 161
(down 1.2% from the previous fiscal year)



By user category



Create an ethical society through dialogue and collaboration with customers

FY2023 Targets/Results and FY2024 Targets

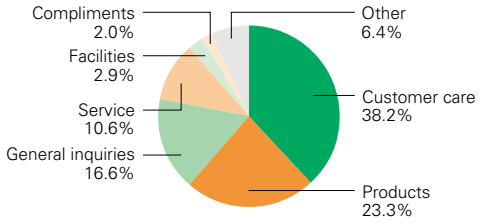
○: Achieved △: Almost achieved ×: Far from achieved

Challenges	FY2023 Targets and Plans	FY2023 Results and Outcomes	Evaluation	FY2024 Targets
Responding sincerely to customers' opinions				
	• Encourage additional use of chatbots and FAQs as well as phone and email to collect additional feedback from customers and enhance the quality of customer responses	• The chatbot response rate (the rate of customer satisfaction with the responses to their inquiries) improved from 75% in 2022 to 85% (up 15%) Also, progress was made on improving websites and the foundations for further enhancement of the chatbot and FAQs were completed Since March 2024 adopted a new layout to enable customers to resolve issues independently and facilitate submission of inquiries	○	• Further improve environments to make it even easier for customers to make inquiries, gather more customer feedback, and improve the quality of responses Respond to changes in customer behavior and encourage additional use of chatbots and FAQs Use AI on a trial basis to improve productivity and efficiency
Expanding the role as a form of social infrastructure				
	• Bicycle sharing: 723 stores Promote the use of bicycle parking spaces on store grounds • Number of regional comprehensive partnership agreements: 230 municipalities Collaborate with local governments in a wide range of fields, including local production for local consumption, senior support, health promotion, and environmental protection, to promote regional revitalization	• Bicycle sharing: 640 stores Promoted the use of bicycle parking spaces on store grounds • Number of regional comprehensive partnership agreements: 235 municipalities Collaborated with local governments in a wide range of fields, including local production for local consumption, senior support, health promotion, and environmental protection, to promote regional revitalization	△	• Create areas on websites for customers to submit inquiries to local governments • Continue measures to strengthen and expand cooperation with local governments through regional comprehensive partnership agreements • Continue measures to expand digital services deeply involved in daily life such as government certificate issuance services • Develop products that can be produced locally for local consumption

Data from Customer Support

We take seriously all inquiries and opinions from customers and strive to respond in a sincere and customer-oriented manner. We are also developing environments using IT DX to make it easier for customers to submit inquiries. We share the opinions and suggestions received with top management and relevant departments and seek to resolve issues in such a way that customers feel gratified that they consulted with the company.

Breakdown of inquiries by category for FY2023
Inquiries received: 155,692
(up 10.5% from the previous fiscal year)



Disaster assistance

FY2023 Targets/Results and FY2024 Targets

○: Achieved △: Almost achieved ×: Far from achieved

Challenges	FY2023 Targets and Plans	FY2023 Results and Outcomes	Evaluation	FY2024 Targets
Providing support for disasters				
	• Improve the capacity to respond to unexpected situations through headquarters disaster response training and conduct disaster response training at 10 regional offices. Also, confirm firefighting systems by performing Group-wide disaster prevention and inspection on September 1 • Strengthen collaboration with the relevant organizations through joint research meetings on large-scale disaster response sponsored by the Japan Franchise Association	• Provided relief supplies in response to requests from local governments and organizations during disasters to the extent possible • Conducted storefront donation drives to provide disaster relief	○	• Provide relief supplies in response to requests from local governments and organizations during disasters to the extent possible. • Conduct storefront donation drives to provide disaster relief

Social contribution activities

FY2023 Targets/Results and FY2024 Targets

○: Achieved △: Almost achieved ×: Far from achieved

Challenges	FY2023 Targets and Plans	FY2023 Results and Outcomes	Evaluation	FY2024 Targets
Donation of products				
	• Donation of products to social welfare councils Donate products to people in need through social welfare councils with which we have signed agreements	• Donation of products to social welfare councils Donated surplus products arising from renovations and so on to people in need through social welfare councils with which we have signed agreements • Started food drives at stores	○	• Donation of products to social welfare councils Donate surplus products arising from renovations and so on to people in need through social welfare councils with which we have signed agreements • Food drives at stores Expand implementing stores and areas

Ito-Yokado Co., Ltd.

Website: https://www.itoyokado.co.jp/company/iycsr/index.html (in Japanese)
Number of stores as of fiscal year ended February 29, 2024: 227 (including one Marudai store)

Create a livable society with local communities through various customer touchpoints

FY2023 Targets/Results and FY2024 Targets

○: Achieved △: Almost achieved ×: Far from achieved

Challenges	FY2023 Targets and Plans	FY2023 Results and Outcomes	Evaluation	FY2024 Targets
Measures to support the elderly				
	• Training dementia supporters Increase training course takers to 75% of all employees by FY2023 and 100% by FY2024	• Training dementia supporters · Conducted training in June and September, which are designated as Reinforcement Months · Trained 1,756 employees, bringing the cumulative total to 18,152 (58.9% of all employees have undergone training)	×	• Promote training of dementia supporters · Conduct training in June and September, which are designated as Reinforcement Months · Plans call for training 2,500 employees
Shopping Support				
	• Switch the target for the Tokushimaru mobile supermarket from the number of new trucks to the number of sole proprietors · Target: 75 people (the previous fiscal year: 47 people) · Reinforce sales at existing stores Ratio of sales to plan: 100%	• Tokushimaru mobile supermarket · Number of trucks in operation: 104 · Number of sole proprietors: 56 (19 less than the plan) · Number of new sole proprietors: 13 · Ratio of sales to plan: 96%	△	• Tokushimaru mobile supermarket · From expansion of channels to sustainable business · Ratio of sole proprietors: 100%
	• Expansion of online supermarket delivery business · Begin operations at the Shin-Yokohama Center in August 2023 and shift shipments of 36 stores in stages · Implement the following measures in the areas of the 36 stores Make drop-off and regular delivery services into standard services Start new drop-off services for when customers are not at home Discontinue pickup at stores Expansion of pickup methods Auto Lock Cond Drop-off Service: expand to 800 buildings · Number of members of online supermarket: 2,700,000	• Online supermarket delivery business · Began operations at the Center in August 2023 and completed shift of shipments at 36 stores by the end of November · Made drop-off and regular delivery services into standard services in the areas · A new drop-off service for when customers are not at home is under development · Discontinued pickup at stores · Suspended Auto Lock Cond Drop-off Service · Number of members of online supermarket: 2,650,000	△	• Encourage delivery business · Online supermarket Improve center productivity and shipping capacity (increase by 1.7 times compared to the previous fiscal year) Ratio of original products: 50% Increase number of monthly users by expanding capacity and differentiating products (1.5 times) · OniGO Implement at 95 stores Improve the app to enhance usability Cover Tokyo's 23 wards and expand in stages in the Kanto region Handle pharmaceutical products Collaborate with nursing care facilities
Product lineup and provision services focused on senior citizens				
	• Reinforce provision of health-conscious products for seniors, lineup of specialty products, and low-price products	• Developed a products lineup with enhanced designs suited to changes in attitudes by seniors · Offered Everyday Low Price products	△	• Reinforce product lineup at Anshin Support Shops · Develop a product lineup suited to changes in environments for seniors
	• Developed products sales ratio: 33%	• Developed products sales ratio: 26%	△	· Develop products that reflect the opinions of customers with dementia • Train counselors specialized in welfare equipment
Implementing crime prevention measures for local communities				
	• Cooperate with regional crime prevention and other events held by local police stations with jurisdiction over each store	• Cooperated with regional crime prevention and other events held by local police stations with jurisdiction over each store	○	• Cooperate with regional crime prevention and other events held by local police stations with jurisdiction over each store
	• Expand in-store crime prevention drills to all companies and improve the ability to respond to suspicious persons in stores	• Expanded in-store crime prevention drills to all companies and improved the ability to respond to suspicious persons in stores	○	• Expand in-store crime prevention drills to all companies and improve the ability to respond to suspicious persons in stores • Conduct training on age verification when selling alcohol and tobacco

Provide safe, reliable, and healthier merchandise and services

FY2023 Targets/Results and FY2024 Targets

○: Achieved △: Almost achieved ×: Far from achieved

Challenges	FY2023 Targets and Plans	FY2023 Results and Outcomes	Evaluation	FY2024 Targets
Building quality control systems				
	• Further reinforce external collaboration with the aim of not only developing human resources but also creating further post-training effects	• In cooperation with an external vocational school, 17 people participated in a practical food training course. Promoted the development of safe and reliable products	○	• Train core personnel including new store managers and new headquarters purchasing staff on laws and regulations, ensuring product safety, and responding to accidents
	• Provide opportunities to personnel transferred to the foodstuffs department to learn from specialized departmental trainers and outside instructors. Create environments where personnel can work with broader perspectives	• Employees transferred to foodstuffs departments repeated two months of department-specific training and on-the-job training in stores to enhance the knowledge and skills of departmental employees (approximately 70 employees participated)	○	• Refine standards and develop operational manuals for Quality Control (QC) department with the objective of building a standardized and sustained management system
	• Closely examine the contents of e-learning and conduct it. Further raise awareness concerning compliance with laws and regulations relating to safety and reliability	• Reconstructed video tools on knowledge, skills, and management items for individual sales areas	○	• Develop human resources by encouraging employees to obtain qualifications, undergo external training, and so on and encourage skill enhancement by employees involved in quality control
Ensuring the quality and safety of products and services				
	• Number of complaints regarding food items: 20% decrease over the previous fiscal year	• Number of complaints regarding food items: 13% decreased over the previous fiscal year	×	• Verify store HACCP operations using external inspection agencies as well and take action to improve and entrench those operations using the PDCA cycle
	• Number of complaints concerning "Deterioration" of food products overall: 20% decrease over the previous fiscal year	• Number of complaints concerning "Deterioration" of food products overall: 9% decreased over the previous fiscal year	×	• Inform stores about precautions concerning sanitation management and seasonal events and provide information to prevent food poisoning and other accidents and to raise awareness (every two weeks) • Have quality control personnel conduct systematic on-site confirmation at new and existing factories with a focus on ingredients for in-store manufactured products and original products
Providing products and services that contribute to customer health				
	• Percentage of sales of boxed lunches with consideration for health (boxed lunch supervised by national registered dietitians): 5.4%	• Percentage of sales of boxed lunches with consideration for health: 3.3% (Sales performance: 340,000 packs, 3.88 million yen); development from new perspectives is needed	×	• Reduce unnecessary additives · Reduce unnecessary additives with a focus on group-wide products • Sales targets through development of boxed lunches that take health into consideration under the supervision of national registered dietitian: two items, 300,000 packs • Collaborate with local governments to conduct food education and health awareness activities

Realize decarbonization, circular economy, and society in harmony with nature, through environmental efforts

FY2023 Targets/Results and FY2024 Targets

○: Achieved △: Almost achieved ×: Far from achieved

Challenges	FY2023 Targets and Plans	FY2023 Results and Outcomes	Evaluation	FY2024 Targets
Improving energy efficiency and introducing renewable energy				
	• Consider installation of straight pipe LED lights (37 stores with sales floors, 69 stores with work area, 48 stores with escalators, and 34 stores with multi-story parking facilities)	• Installation of straight pipe LED lights · Completed at 23 stores with sales floors, 58 stores with work area, 26 stores with escalators, and 24 stores with multi-story parking facilities	△	• Reinforce energy saving · Update lighting to LEDs (56 stores) · Convert rooftop tower lighting to LEDs (56 stores) · Introduce AI-controlled air conditioning (70 stores)
	• Consider installation of roof-top solar panels at 17 stores	• Installation of roof-top solar panels · Installed at 23 stores, installation under consideration at 17 additional stores	○	• Expand use of renewable energy · Install solar panels on store rooftops (17 stores)
	• Investigate the design and installation of an AI-controlled system for air conditioning and heat sources at the Hachioji store as a model	• AI-controlled system installed at Hachioji store for testing	○	· Install solar carports (2 stores) · Expand off-site PPA (Expand to 9 Ario stores, 10 large-scale stores, and Shizuoka store and a total of 21 stores use renewable energy)
	• Enter into contracts for installation of farming-type solar power generation	• Continued investigation of installation of farming-type solar power generation	△	
	• Start construction of solar carports at 4 stores	• Solar carports · Two stores selected, preparations for construction completed	△	
	• Consider installation of waterless urinals at 10 stores on company-owned properties	• Installation of waterless urinals · Installed at 10 stores	○	• Encourage water conservation · Investigate installation of water-saving facilities in work areas · Expand use of waterless urinals (31 stores)
Reducing waste and developing a circular economy				
	• Food loss and waste: down by 37% from FY2013	• Food loss and waste: down by 43.4% from FY2013	○	• Reduce food loss and waste · Food loss and waste: down by 43.5% from FY2013 · Food waste recycling rate: 73.5% · Use waste scales · Plastic bag rejection rate: 82%
	• Food waste recycling rate: 67%	• Food waste recycling rate: 72.0%	○	
	• Increase installation of waste scales	• Installation of waste scales: cumulative installation of 178 units	△	
	• Encourage in-store collection of PET bottles	• In-store collection of PET bottles: 153.76 million	○	• Promoting a circular economy · Encourage in-store collection of PET bottles
	• Increase number of the stores with collection boxes permanently installed for food drive activities to 90	• Stores with collection boxes permanently installed for food drive activities: 83 stores	△	· Food drives: conduct at 100 stores · Cooperate with local governments and suppliers to encourage collection of unused resources · Collection of household food oil: Conduct at 53 stores
	• Collect down feathers: increase collection of down futons and jackets with at least 50% down feathers	• Down collection results: 630 items (505 down futons and 125 down jackets) *Total for January to December	△	• Continue publicity of down feathers collection measures · Collection target: 400 items
	• Implement clothing replacement campaigns · Environment Month (June), 3R Promotion Month (October): Clothing and umbrella campaigns · Also plan collection of bottles, towels, futons, and other products	• Umbrella replacement campaigns · March 1–19: 2,466 umbrellas collected · June 1–18: 8,252 umbrellas collected · October 1–15: 1,666 umbrellas collected · Total for the period: 12,384 umbrellas	○	
Sustainable procurement of raw materials				
	• Percentage of sustainable raw materials: 60%	• Percentage of sustainable agricultural raw materials: 41%	×	• Agricultural products · Percentage of sustainable raw materials: 46% · Encourage acquisition of GAP instructor certification
	• Number of employees who acquire GAP instructor certification: 26	• Number of employees who acquired agricultural GAP instructor certification: 33	○	
	• Acquire JGAP certification for private brand products including domestic beef and Hokkaido Kitaguni Yongenton pork and Seven Premium eggs	• Acquired JGAP certification for private brand products including domestic beef and pork and Seven Premium eggs	○	• Livestock products · Percentage of sustainable raw materials: 40% · Continue sales of JGAP-certified domestic beef, domestic pork, eggs, and other
	• Continue sales of MEL-certified silver salmon from Iwate Prefecture and other regions Also continue sales of MEL-certified sweet fish	• Continued sales of nine varieties of fish including yellowtail, coho salmon, and sweet fish as MEL-certified "Fresh Fish with Traceability" products	○	• Seafood · Percentage of sustainable raw materials: 51% · Expand sales of MEL-certified "Fresh Fish with Traceability" products to 11 fish varieties · Obtain ASC CoC certification at Peace Deli factories. Label sashimi and fillets to encourage sales
	• Continue sales of ASC Atlantic salmon Start sales of ASC trout salmon	• Continued sales of ASC Atlantic salmon. Started sales of ASC trout salmon	○	
	• Number of undergarment products made with recycled PET: 180 product numbers	• Number of undergarment products made with recycled PET: 250 product numbers	○	
	• Cotton USA undergarment products made with eco-friendly materials: 60 product numbers	• Number of cotton USA undergarment products made with eco-friendly materials: 60 product numbers	○	
	• Develop products that use wind-spun yarn to reduce CO_2 emissions by using wind power to spin yarn Women's and men's casual wear: 30 product numbers	• Developed products that use wind-spun yarn Women's and men's casual wear: 30 product numbers	○	
	• Expand product that use RENU recycled polyester material Women's and men's casual wear: 42 product numbers	• Expanded product that use RENU recycled polyester material Number of women's and men's casual wear: 42 product numbers	○	

Environmental Data

Challenges	Unit	FY2021	FY2022	FY2023*1
CO_2 emissions*2*3*4	t-CO_2	341,923	292,885	310,202
CO_2 emissions from store operations*2*4 (Environmental impact index*4)	t-CO_2 (t-CO_2/(Mm^2 × 1,000 h))	319,690 (114)	292,866 (109)	310,200
Electricity consumption in store operations*2	GWh	614	570	668
Water usage in store operations*2	1,000m^3	4,747	4,633	4,996
Plastic bag usage (turndown rate) at all the sales floors*5	t (%)	595 (80.7)	578 (80.9)	654 (81.6)
Waste disposal*2	t	97,147	94,410	89,359
Food waste recycling rate*2	%	66.9	68.1	72.0

*1 Including York Foods, York Mart, York Price, and Comfort Market stores since FY2023.
*2 The period of the calculations was from April to March.
*3 The data represents CO_2 emissions stemming from the use of energy for store and Head Office operations.
*4 CO_2 emissions were calculated according to the Seven & i Holdings Group-Wide CO_2 Emissions Calculation Manual.
*5 Calculated as the weight of plastic shopping bags used on the entire sales floor excluding paper bags.

Achieve a society in which diverse people can actively participate

FY2023 Targets/Results and FY2024 Targets

○: Achieved △: Almost achieved ×: Far from achieved

Challenges	FY2023 Targets and Plans	FY2023 Results and Outcomes	Evaluation	FY2024 Targets
Child-rearing support activities				
	• Maternal and childcare counseling service ·Raise satisfaction of individuals who need to consult ·Raise awareness of the consultation offices ·Conduct customer questionnaires and reflect points of satisfaction, dissatisfaction, and requests in the improvement of services and operations	• Maternal and childcare counseling service · Number of implementing stores: 95 · Number of consultations: more than approximately 140,000 · Conducted a voluntary questionnaire of customers who visited maternal and childcare counseling offices in October and November 2023. Reflected points of satisfaction, dissatisfaction, and requests in the improvement of facilities, services, and operations · Increased awareness by expanding PR activities at childcare support events in collaboration with local governments	○	• Maternal and childcare counseling service · Raise satisfaction of individuals who need to consult · Raise awareness of the consultation offices · Conduct customer questionnaires and reflect points of satisfaction and requests in the improvement of facilities, services, and operations · Deepen collaboration with local governments
Support the development of the next generation				
	–	–		• As a contribution to youth development, encourage acceptance of school students in work experience programs and food education activities • Increase stores conducting work-experience programs for children • Collaboration with local communities and schools to develop products and services that incorporate the opinions of children

Improve work engagement and environment for people working in Group businesses

FY2023 Targets/Results and FY2024 Targets

○: Achieved △: Almost achieved ×: Far from achieved

Challenges	FY2023 Targets and Plans	FY2023 Results and Outcomes	Evaluation	FY2024 Targets
Diversity and Inclusion				
	• Supporting active roles for women · Female management employees: section manager level 16.0% · Team leader level: maintain at a minimum of 32.0%	• Female management employees · Section manager level 16.6% · Team leader level: 32.4%	○	• Female management employees · Division manager: 13% · Section manager: 20% · Team leader: 30%
	• Percentage of male employees taking childcare leave: 75% (final target use rate: 100%)	• Percentage of male employees (with children born this year) taking childcare leave: 87.5%	○	• Percentage of male employees taking childcare leave: 100% • Retirements resulting from need to provide family care: 0
Occupational safety and health				
	–	–		• Promote Health Declaration NEXT · Re-set BMI value targets: men 35%, women 25% · Improve exercise habits: men 62%, women 53% · Increase rate of secondary health checkups: 70%

Support for the enhancement of employee skills				
	• Closely examine the contents of e-learning and conduct it. Further raise awareness concerning compliance with laws and regulations relating to safety and reliability	• Introduced online learning tools for both full-time and parttimers to create opportunities for self-directed study regardless of employment status. Covered the entire cost to encourage use	○	• Raise use rate of online learning tools that provide learning opportunities • Expand rank-based voluntary training • Conduct voluntary optional training before employees assume new positions
Effective use of diverse human resources				
	• Percentage of employees with disabilities: 3.30%	• Percentage of employees with disabilities: 3.21%	△	• Percentage of employees with disabilities: 3.25%
	• Provide opportunities for learning regardless of age, expand educational opportunities, and promote the effective use of all employees regardless of whether they are young or older	• Provided educational opportunities (online educational tools) not just to regular employees, but also to parttimers	○	• Inform parttimers about online educational tools and increase utilization rates
	• Promote the effective use of foreign technical intern trainees	• Accepted trainees from Vietnam and Cambodia for the first time. Assigned trainees to stores and centers	○	• Add Myanmar to countries from which trainees are accepted. Assign trainees to fresh food departments and expand opportunities
Development of ideal working environment				
	• In addition to nursing care seminars, hold mental care seminars, step-up training, and other training that leads to retention and personal growth	• Held one nursing care seminar and two mental health care seminars during the year. Recruited a wide range of participants for step-up training, both instructed and voluntary	○	• Conduct monthly Work Environment Review Meetings and promptly address on-site issues • Improve issues identified through engagement surveys • Conduct stress checks once each year and establish permanent counseling rooms • Conduct appropriate communications through periodic harassment and self-care training
	• Provide training and self-development programs intended not only to maintain the 3-year retention rate of employees hired as recent graduates but also to retain younger employees in their 20s and 30s and improve motivation for achieving personal growth	• Encouraged not only senior employees, but also younger employees to participate in training, providing opportunities to acquire the knowledge necessary for career advancement	○	

Personnel Data

Unless otherwise indicated, units for numbers are "persons."

Breakdown of number of employees (as of the end of February 2024)		(persons)
Full-time employees*1		6,529
	Male	4,633
	Female	1,896
Part-time staff*2		16,500
	Male	2,555
	Female	13,945
Number of employees (full-time employees + part-time staff)		23,029
	Male	7,188
	Female	15,841
New graduate employees hired		107
	Male	58
	Female	49
Mid-career employees hired		82
	Male	70
	Female	12

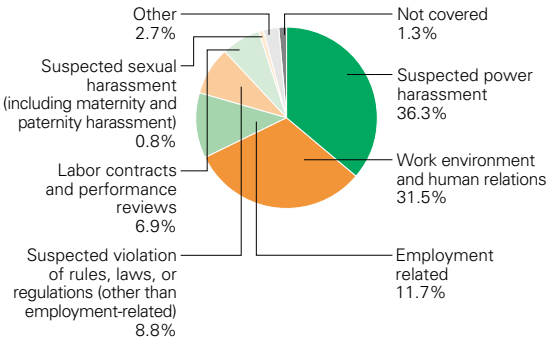
		FY2021	FY2022	FY2023
Average length of service (full-time employees)		24 years 9 months	24 years 0 months	22 years 5 months
Number of full-time employees who took childcare leave*3		193	164	252
	Male	4	8	27
	Female	189	156	225
	Part-time staff	97	103	147
Number of full-time employees who took nursing care leave*3		25	34	36
	Male	1	2	3
	Female	24	32	33
	Part-time staff	23	31	35
Number of volunteer leave recipients		6	6	12
Percentage of female officers	Corporate officer*4	16.7%	19.0%	16.7%
	Executive officer*5	–	–	33.3%
Number of female managers (percentage)*6		490 (23.1%)	699 (28.4%)	887 (26.8%)
	Division manager	26 (12.1%)	23 (10.8%)	38 (11.3%)
	Section manager	54 (15.5%)	58 (16.2%)	105 (16.4%)
	Team leader	410 (26.2%)	618 (32.8%)	744 (31.8%)
Percentage of employees with disabilities*7		3.21%	3.41%	3.43%
Percentage of paid leave taken by full-time employees		47.2%	53.4%	42.4%
Frequency rate of workplace accidents		1.41	2.04	2.53
Severity rate of workplace accidents		0.05	0.06	0.08

*1 The figure includes 677 persons reemployed after mandatory retirement.
*2 Monthly average, with 8 hours/day counted as one employee. Including contractual employees.
*3 Persons who took such leave in the applicable fiscal year (takers continuing leave from the previous year + new takers of leave)
*4 The percentage of female corporate officers is as of May 31 of the following fiscal year. Officers include directors, Audit & Supervisory Board members, and executive officers (excluding executive officers who also serve as directors).
*5 The percentage of female executive officers is as of May 31 of the following fiscal year. Excluding executive officers who also serve as directors.
*6 The percentage of team leaders and higher positions, excluding corporate officers.
*7 The percentage for the fiscal year is as of June 1 of the following fiscal year.

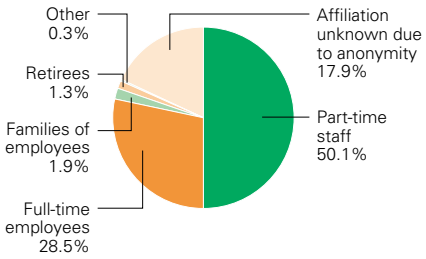
Data from Helpline for Employees

As was the case in the previous fiscal year, consultations concerning harassment accounted for much of the total. We will continue to conduct periodic training on harassment for management employees and encourage effective communication in an effort to create productive workplace environments.

Breakdown of reports by category for FY2023
Reports received: 375
(up 4.8% from the previous fiscal year)



By user category



Create an ethical society through dialogue and collaboration with customers

FY2023 Targets/Results and FY2024 Targets

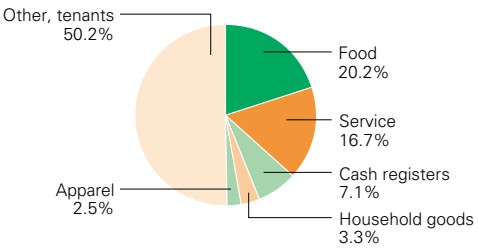
○: Achieved △: Almost achieved ×: Far from achieved

Challenges	FY2023 Targets and Plans	FY2023 Results and Outcomes	Evaluation	FY2024 Targets
Responding sincerely to customers' opinions				
	• Implement measures to prevent the spread of COVID-19 while monitoring changes in social conditions	• Gradually lifted all restrictions for preventing the spread of COVID-19 while taking into consideration changes in social conditions and convenience to customers	○	• Provide services that take into consideration changes in social conditions and convenience to customers
	• Number of complaints regarding customer service: 20% reduction over the previous fiscal year	• Number of complaints regarding customer service: 17% reduction over the previous fiscal year	△	• Number of complaints regarding customer service: 20% reduction over the previous fiscal year
	• Number of compliments: up 20% from the previous fiscal year	• Number of compliments: down 14% from the previous fiscal year	×	• Number of compliments: same level as the previous fiscal year
Understanding customer needs				
	• Continue implementation of in-store surveys by lifestyle advisors at 15 stores	• Expanded implementation of in-store surveys by lifestyle advisors to 16 stores	○	• Continue implementation of in-store surveys by lifestyle advisors at 16 stores
	• Continue implementation of market research on competing stores	• Continued conducting market research on competitors in the same industry	○	• Continue implementation of market research by lifestyle advisors

Data from Customer Support

The total number of inquiries received in FY2023 decreased to 92.1% of the figure from the previous fiscal year. Indications relating to customer service, which is our primary focus as a company, also decreased, falling to 82.7% of the level in the previous fiscal year. To address customer indications and resolve customer dissatisfaction as much as possible, we will analyze the causes of complaints and take steps to prevent reoccurrence. We are also taking measures to address customer harassment, which has become a growing social issue, and to improve working environments for employees.

Breakdown of inquiries by category for FY2023
Inquiries received: 27,531
(down 7.9% from the previous fiscal year)



Achieve a sustainable society through partnerships

FY2023 Targets/Results and FY2024 Targets

○: Achieved △: Almost achieved ×: Far from achieved

Challenges	FY2023 Targets and Plans	FY2023 Results and Outcomes	Evaluation	FY2024 Targets
Strengthening enactment of Business Partner Action Guidelines				
	• Building sustainable supply chains Continue to request that suppliers understand and follow the Seven & i Group Business Partner Sustainable Action Guidelines and cooperate with CSR audits. Take action with targets of achieving 30% A and B ratings and no D and E ratings in CSR audits	• Ensured thorough implementation of the Business Partner Sustainable Action Guidelines · Participated in senior merchandiser CSR audit meetings and expanded prior confirmation of factories by representative offices · Issues included inadequate basic workplace safety items and disparities in understanding among factories · A and B ratings: 24%; D and E ratings: 6	×	• Increase compliance with the Business Partner Sustainable Action Guidelines · Raise awareness of CSR in product production processes through collaboration among merchandisers, business partners, and factories · Reinforce confirmation of pre-audit factories and communication by representative offices · Perform comprehensive analysis of excellent factories and factories with issues and work to expand best practices · Excellent factories: at least 30%; factories subject to re-audit: zero

Promoting solutions to regional issues in collaboration with local governments				
	• Conclude new regional comprehensive partnership agreements with local governments (for a total of 82 local governments) Continue holding meetings to exchange information with local governments with which agreements have been concluded, in order to promote ongoing efforts	• Concluded regional comprehensive partnership agreements with a total of 81 local governments. Ito-Yokado and York brand stores, which were integrated in September 2023, were consolidated to reinforce engagement with local communities	△	• Contribute to solving local issues based on partnership agreements with local governments · Regional comprehensive partnership agreements to be concluded in FY2024: 3 local governments, bringing the total to 83

Disaster assistance

FY2023 Targets/Results and FY2024 Targets

○: Achieved △: Almost achieved ×: Far from achieved

Challenges	FY2023 Targets and Plans	FY2023 Results and Outcomes	Evaluation	FY2024 Targets
Providing support for disasters				
	• Conclude agreements with those prefectures with which disaster management agreements have not been concluded	• Concluded an Agreement on Material Supply During Disasters with Hyogo Prefecture in September	○	• Review disaster agreement with local governments according to regional conditions
	• Comprehensively notify employees about business continuity plans through drills and improve internal disaster response capabilities	• Continued implementation of radio training, disaster preparedness training, and other training in accordance with the internal disaster countermeasures plan. Started reviewing business continuity plans	△	• Revise business continuity plans, inform employees, and conduct disaster preparedness drills
	• Implement an exchange of opinions with respective government agencies and local governments regarding disaster response, and further strengthen collaborations			• Collaborate with respective government agencies and local governments on disaster responses (exchange opinions, participate in drills)
	• In addition to concluding agreements, actively participate in disaster prevention drills and meetings held by local government and establish systems for providing appropriate local support during disasters	• Participated in disaster preparedness Tokyo Metropolitan Government joint disaster preparedness drill (September), Sumida Ward comprehensive disaster preparedness drill (November), and Akabane Fire Department disaster preparedness drill (November), reinforcing collaboration with local governments and introducing our initiatives to local residents	○	
		• Cooperated with government agencies to provide relief supplies to Ishikawa Prefecture in the Noto Peninsula in 2024	○	

Social Contribution Activity

FY2023 Targets/Results and FY2024 Targets

○: Achieved △: Almost achieved ×: Far from achieved

Challenges	FY2023 Targets and Plans	FY2023 Results and Outcomes	Evaluation	FY2024 Targets
Social contribution activity				
	• Contribute to the development of local communities and the creation of enriching living environments through our business and continue to support society by making appropriate donations and other means, taking into consideration social and public aspects. Search for new initiatives in the with-COVID-19 era · Social contribution activity expenditures: 100% compared to the previous fiscal year · In-store donations: 110,000 yen collected per store · Investigate installation of collection boxes compatible with semi-self-checkout and self-checkout registers	• Contributed to the development of local communities and the creation of enriching living environments through our business and continued to support society by making appropriate donations and other means, taking into consideration social and public aspects · Social contribution activity expenditures: 133% compared to the previous fiscal year · In-store donations: approximately 220,000 yen collected per store · Investigated installation of collection boxes compatible with semi-self-checkout and self-checkout registers (created model collection boxes)	○	• Play a role in linking customers with social issues through fund collection drives at registers and other measures · Change fundraising topics every three months to address a variety of issues · Investigate new methods of fundraising using self-checkout registers · Reinforce collaboration with donation recipients and raise customer awareness of social issues • Cooperation in blood drives · Cooperate with the Japan Red Cross to invite blood donation buses to vacant spaces at stores and encourage customers to donate blood · Encourage employees to donate blood and obtain company codes to determine the number of employees who donate
Support for disaster recovery through Bellmark activities				
	• Continue support the education of children nationwide through the Bellmark Kizuna Project · In-store collection of Bellmark at service counter: 1.25 million points (cumulative total of 19.13 million points)	• Supported the Bellmark Kizuna Project · In-store collection of Bellmark at service counter: approximately 0.77 million points (cumulative total of approximately 18.65 million points)	△	• Continue support the education of children nationwide through the Bellmark Kizuna Project · In-store collection of Bellmark at service counter: cumulative total of approximately 25 million points

York-Benimaru Co., Ltd.

Website: https://yorkbenimaru.com/company/mecenat/ (in Japanese)
Number of stores as of fiscal year ended February 29, 2024: 248

Create a livable society with local communities through various customer touchpoints

FY2023 Targets/Results and FY2024 Targets

○: Achieved △: Almost achieved ×: Far from achieved

Challenges	FY2023 Targets and Plans	FY2023 Results and Outcomes	Evaluation	FY2024 Targets
Promoting regional development				
	• Continue to hold Opening Anniversary Festivals at each store	• Continued to hold Opening Anniversary Festivals at each store	○	• Continue to hold Opening Anniversary Festivals at each store
Implementing crime prevention measures for local communities				
	• Continue to cooperate in the "Kodomo 110 Ban no Mise" initiative, including at new stores	• Cooperated in the "Kodomo 110 Ban no Mise" initiative at each store	○	• Cooperate in the "Kodomo 110 Ban no Mise" initiative at new stores as well

Provide safe, reliable, and healthier merchandise and services

FY2023 Targets/Results and FY2024 Targets

○: Achieved △: Almost achieved ×: Far from achieved

Challenges	FY2023 Targets and Plans	FY2023 Results and Outcomes	Evaluation	FY2024 Targets
Ensuring the quality and safety of products and services				
	• Sales for private-brand three-star vegetables/fruits (existing stores): up 3.9% from the previous fiscal year	• Sales for private-brand three-star vegetables/fruits (existing stores): up 3.6% from the previous fiscal year	△	• Sales for private-brand three-star vegetables/fruits (existing stores): up 2.5% from the previous fiscal year
Maintaining more customer-friendly and reliable stores and facilities				
	• Seek compliance with the revised Act on Promotion of Smooth Transportation, etc. of Elderly Persons, Disabled Persons, etc.at new stores	• Put equipment that complies with the Act on Promotion of Smooth Transportation, etc. of Elderly Persons, Disabled Persons, etc. (or equivalent equipment) in place at each store	○	• Put equipment that complies with the Act on Promotion of Smooth Transportation, etc. of Elderly Persons, Disabled Persons, etc. (or equivalent equipment) in place at new stores as well

Realize decarbonization, circular economy, and society in harmony with nature, through environmental efforts

FY2023 Targets/Results and FY2024 Targets

○: Achieved △: Almost achieved ×: Far from achieved

Challenges	FY2023 Targets and Plans	FY2023 Results and Outcomes	Evaluation	FY2024 Targets
Improving energy efficiency and introducing renewable energy				
	• Electricity consumption (existing stores): down 4.1% from the previous year • Installation of solar power generation facility: 46 stores (annual CO_2 reduction of 16,632t)	• Electricity consumption (existing stores): down 4.7% from the previous year • Installation of solar power generation facility: 43 stores	○ △	• Electricity consumption (existing stores): down 4.2% from the previous year • Installation of solar power generation facility: 31 stores

Environmental Data

Challenges	Unit	FY2021	FY2022	FY2023
CO_2 emissions*1*2*3	t-CO_2	208,685	199,501	164,865
CO_2 emissions from store operations (per store)*1*3	t-CO_2	169,294 (705)	158,269 (638)	143,986 (578)
Electricity consumption in store operations*1	GWh	364	325	317
Water usage in store operations*1	1,000m^3	1,007	969	996
Plastic bag usage (turndown rate) at the food section	t (%)	286 (83.1)	291 (82.5)	289 (83.1)
Waste disposal (recycling rate)*1	t (%)	50,403 (62.1)	57,521 (61.6)	48,423 (71.8)
Food waste recycling rate*1	%	68.0	71.5	73.2

*1 The period of the calculations was from April to March.
*2 The data represents CO_2 emissions stemming from the use of energy for store, Head Office, training center, and food factories operations.
*3 CO_2 emissions were calculated according to the Seven & i Holdings Group-Wide CO_2 Emissions Calculation Manual.

Improve work engagement and environment for people working in Group businesses

FY2023 Targets/Results and FY2024 Targets

○: Achieved △: Almost achieved ×: Far from achieved

Challenges	FY2023 Targets and Plans	FY2023 Results and Outcomes	Evaluation	FY2024 Targets
Development of human resources				
	• In addition to rank-based required training, provide educational opportunities where participants can choose the training they want	• Established learning opportunities such as Grade 2 and Grade 3 qualifications for dietary advisors, U-CAN correspondence courses and GLOBIS management studies/ marketing/Manabi Hodai (Unlimited Learning) · Selected members and openly recruited members took them as a first-year initiative	△	• Ongoing initiative: establish and add educational opportunities where participants can personally choose the training they want (U-CAN correspondence courses, GLOBIS Manabi Hodai (Unlimited Learning), etc.)
	• Number of employees who successfully pass technical certification (beginner): 518	• Employees with beginner level certification: 588 (*new technician training)	○	• Technical certification: beginner (475 employees), intermediate (229 employees), advanced (104 employees)
	• Number of employees in charge of order placement to undergo training (selling price) (levels 4 & 5): 156	• Order placement technician Beginner level participant training: 280; employees who passed levels 4 & 5 certification: 384 (*improvement of AI order placement technological capability)	○	• Train order placement technicians (selling price): intermediate (260 employees), Advanced (48 employees)
	• Number of communications trainings conducted for managers: 140 times in 14 zones × (3 managers + 7 departments)	• Coaching trainings (leadership): Implemented according to plan for 14 zones x 3 managers + 7 departments. Held trainings toimprove power harassment prevention efforts, attentive listening, approval, and questioning skills. Linked training to prevention of resignations through onsite implementation	○	• Ongoing initiative: supervisor and store manager communications training (communication skill enhancement) Action plan: twice in 4 departments for supervisors; managers: once for 3 managers + 7 departments x 14 zones
Achieving a work-life balance				
	• Annual number of paid leave days taken (full-time employees): 10 days	• Annual number of paid leave days taken (full-time employees): 7.4 days	×	• Annual number of paid leave days taken (full-time employees): 10 days
Assuring occupational safety and health				
	• Number of workplace accidents per year: down 10% from the previous year	• Number of workplace accidents per year: up 15% from the previous year	×	• Number of lost working hours per year: down 10% from the previous year
Effective use of diverse human resources				
	• Percentage of female managers: 33.5% (38.5% on the section manager and team leader level)	• Percentage of female managers: 34.2% (39.1% on the section manager and team leader level)	○	• Percentage of female managers: 35.0% (40.0% on the section manager and team leader level)

Personnel Data

Unless otherwise indicated, units for numbers are "persons."

Breakdown of number of employees (as of the end of February 2024)		(persons)
Full-time employees*1		5,362
	Male	3,335
	Female	2,027
Part-time staff*2		8,384
	Male	1,049
	Female	7,335
Number of employees (full-time employees + part-time staff)		13,746
	Male	4,384
	Female	9,362
New graduate employees hired		154
	Male	91
	Female	63
Mid-career employees hired		22
	Male	21
	Female	1

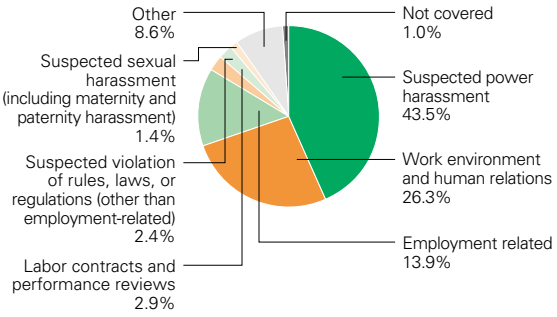
		FY2021	FY2022	FY2023
Average length of service (full-time employees)		16 years 0 months	15 years 0 months	14 years 0 months
Number of full-time employees who took childcare leave*3		201	170	164
	Male	1	1	7
	Female	200	169	157
	Part-time staff	175	152	104
Number of full-time employees who took nursing care leave*3		34	37	10
	Male	2	2	0
	Female	32	35	10
	Part-time staff	33	35	9
Number of volunteer leave recipients		NA	NA	NA
Percentage of female officers	Corporate officer*4	5.7%	4.0%	4.3%
	Executive officer*5	–	–	9.1%
Number of female managers (percentage)*6		617 (24.6%)	1,110 (33.7%)	1,135 (34.2%)
	Division manager	22 (5.1%)	33 (6.5%)	41 (7.9%)
	Section manager	209 (36.2%)	210 (35.7%)	315 (45.9%)
	Team leader	386 (25.9%)	867 (39.4%)	779 (36.9%)
Percentage of employees with disabilities*7		3.39%	3.11%	2.90%
Percentage of paid leave taken by full-time employees		46.2%	47.6%	49.7%
Frequency rate of workplace accidents		3.59	2.38	2.25
Severity rate of workplace accidents		0.14	0.13	0.11

*1 The figure includes 601 persons reemployed after mandatory retirement.
*2 Monthly average, with 8 hours/day counted as one employee. Including contractual employees.
*3 Persons who took such leave in the applicable fiscal year (takers continuing leave from the previous year + new takers of leave)
*4 The percentage of female corporate officers is as of May 31 of the following fiscal year. Officers include directors, Audit & Supervisory Board members, and executive officers (excluding executive officers who also serve as directors).
*5 The percentage of female executive officers is as of May 31 of the following fiscal year. Excluding executive officers who also serve as directors.
*6 The percentage of team leaders and higher positions, excluding corporate officers.
*7 The percentage for the fiscal year is as of June 1 of the following fiscal year.

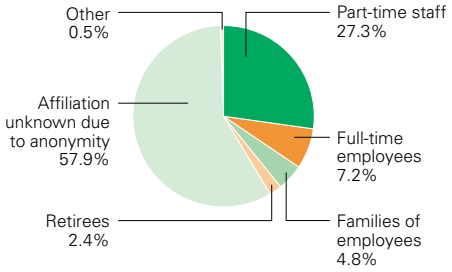
Data from Helpline for Employees

The service enables employees to receive counseling on workplace issues, request investigations into suspicion of harassment, injustice, etc. Employee suggestions are used to create a better workplace environment.

Breakdown of reports by category for FY2023
Reports received: 209
(up 7.2% from the previous fiscal year)



By user category

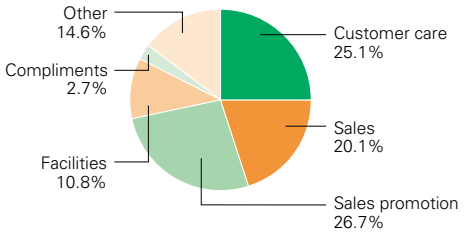


Create an ethical society through dialogue and collaboration with customers

Data from Customer Support

As an initiative to listen to our customers' voice and respond to every one of them, we share examples of each store with all our stores. Our Head Office and stores will work together to provide customers with a speedier response and incorporate as many customer suggestions as possible into our operations with an eye to making our stores enjoyable and reliable places to shop.

Breakdown of inquiries by category for FY2023
Inquiries received: 3,401
(down 3.8% from the previous fiscal year)



Achieve a sustainable society through partnerships

FY2023 Targets/Results and FY2024 Targets

○: Achieved △: Almost achieved ×: Far from achieved

Challenges	FY2023 Targets and Plans	FY2023 Results and Outcomes	Evaluation	FY2024 Targets
Community support				
	• Continue blood donation activities	• Continue blood donation activities	○	• Continue blood donation activities

Disaster assistance

FY2023 Targets/Results and FY2024 Targets

○: Achieved △: Almost achieved ×: Far from achieved

Challenges	FY2023 Targets and Plans	FY2023 Results and Outcomes	Evaluation	FY2024 Targets
Providing support for disasters				
	• Consider cooperating with local governments that request the conclusion of disaster management agreements, etc.	• Number of regional comprehensive partnership agreements: 2 administrative authorities (Ibaraki Prefecture, Yonezawa City); number of disaster management agreements: 1 administrative authority (Wakuya Town)	○	• Positively consider any requests by administrative authorities for the conclusion of disaster management agreements, etc.

Akachan Honpo Co., Ltd.

Website: https://www.akachan.jp/company/csr/ (in Japanese)
Number of stores as of fiscal year ended February 29, 2024: 126 (including 6 franchise stores)

Provide safe, reliable, and healthier merchandise and services

FY2023 Targets/Results and FY2024 Targets

○: Achieved △: Almost achieved ×: Far from achieved

Challenges	FY2023 Targets and Plans	FY2023 Results and Outcomes	Evaluation	FY2024 Targets
Ensuring the quality and safety of products and services				
	• Total product return rate: down at least 10% compared to the previous fiscal year	• Total product return rate: down 17% compared to the previous fiscal year *FY2022: 263,299 FY2023: 218,313	○	• Total product return rate: down at least 10% compared to the previous fiscal year
	• Work to prevent product-related accidents by identifying their root causes and taking countermeasures	• Number of defective lots for private-brand products: 100% compared to the previous fiscal year *FY2022: 7 cases; FY2023: 7 cases		• Work to prevent product-related accidents by identifying their root causes and taking countermeasures
Maintaining more customer-friendly and reliable stores and facilities				
	• Introduce maternity-friendly rest chairs in some stores	• Introduced a new type of maternity chair in new stores	○	• Introduce a new type of maternity chair at future new stores and renovated properties
Providing appropriate information				
	• Continue to share information related to fair trade and labeling in Product Division morning meetings (conduct on a weekly basis)	• Successfully communicated information on a weekly basis as the Compliance Subcommittee (legal affairs and quality control)	○	• Continue to communicate information on a weekly basis at Product Division meetings as the Compliance Subcommittee (legal affairs and quality control)
	• Expand sharing of labeling-related information to the Sales Promotion Department and Sales Department	• Successfully communicated necessary information with an expanded scope that included the Sales Promotion Department and Sales Department	△	• Update information publicly released on the website
	• Issue internal newsletters 4 times during the year and share information appropriately	• Issued internal newsletters 4 times during the year	○	

Realize decarbonization, circular economy, and society in harmony with nature, through environmental efforts

FY2023 Targets/Results and FY2024 Targets

○: Achieved △: Almost achieved ×: Far from achieved

Challenges	FY2023 Targets and Plans	FY2023 Results and Outcomes	Evaluation	FY2024 Targets
Improving energy efficiency and introducing renewable energy				
	• LED lighting: replace at 16 stores (reduction of approximately 256 t-CO_2)	• Reduced 417,000 kWh at a total of 16 stores (reduction of 217 t-CO_2)	△	• LED lighting: replace at 5 stores (reduction of approximately 50 t-CO_2)
Reducing waste and developing a circular economy				
	• Plastic bag turndown rate: 85%	• Plastic bag turndown rate: 82%	×	• Plastic bag turndown rate: 85%
Raising environmental awareness among employees				
	• Continue to raise employee environmental awareness using internal newsletters (issued 4 times annually)	• Showcased sustainability initiatives in all internal newsletters (issued 4 times annually)	○	• Continue to raise employee environmental awareness using internal newsletters (issued 4 times annually)
	• Participate in group-linked projects and raise awareness among all employees through sharing information internally	• Started reduction activities at all stores with the aim of reducing CO_2 emissions and resources through paperless operations		• Participate in group-linked projects and raise awareness among all employees through sharing information internally

Environmental Data

Challenges	Unit	FY2021	FY2022	FY2023
CO_2 emissions*1*2*3	t-CO_2	12,530	12,567	11,659
CO_2 emissions from store operations (per store)*1*3	t-CO_2	12,360 (102)	12,420 (100)	11,110 (89)
Electricity consumption in store operations*1	GWh	25	24	22
Water usage in store operations*1	1,000m^3	14	13.4	11.3
Plastic bag turndown rate	%	83.3	83.2	82.0

*1 The period of the calculations was from April to March.
*2 The data represents CO_2 emissions stemming from the use of energy for store and Head Office operations.
*3 CO_2 emissions were calculated according to the Seven & i Holdings Group-Wide CO_2 Emissions Calculation Manual.

Achieve a society in which diverse people can actively participate

FY2023 Targets/Results and FY2024 Targets

○: Achieved △: Almost achieved ×: Far from achieved

Challenges	FY2023 Targets and Plans	FY2023 Results and Outcomes	Evaluation	FY2024 Targets
Supporting childcare and elderlies				
	• Promote understanding of the role and purpose of placing maternity advisors in stores to department managers and continue our aim of having maternity advisors placed in all stores	• Number of newly-appointed maternity advisors: 26 Number of maternity advisors with updated certification: 142 Total of 168 maternity advisors *Not placed at 17 out of 120 stores • Inter-store exchange among fellow maternity advisors was conducted by holding maternity advisor roundtables every month. However, briefings, etc. for store managers at stores without an advisor were needed	△	• Promote understanding of the role and purpose of placing maternity advisors in stores to department managers and continue our aim of having maternity advisors placed in all stores

Improve work engagement and environment for people working in Group businesses

FY2023 Targets/Results and FY2024 Targets

○: Achieved △: Almost achieved ×: Far from achieved

Challenges	FY2023 Targets and Plans	FY2023 Results and Outcomes	Evaluation	FY2024 Targets
Development of human resources				
	• Place at least 1 employee in all stores that is qualified as either a vehicle advisor or footwear advisor (internal certification) (As of June 1, there are 24 stores without an advisor) • Launch the certification system for childcare product advisors during FY2023	• Didn't place at least 1 employee in all stores that is qualified as either a vehicle advisor or footwear advisor (As of June 1, 2024, there were 25 stores without an advisor) *Reassignments, etc. took place • Number of qualified advisors: 280 in total (vehicles: 124; footwear: 119; childcare goods: 37)	△	• Place at least 1 employee in all stores that is qualified as holder of internal certification (As of June 1, there are 25 stores without an advisor) • Improve support system for passing of external qualifications (utilized by 181 employees as of June 1, 2024)
Implementing fair assessment and treatment of employees				
	• Percentage of employees who take leave: 100%	• Percentage of employees who take leave: 100%	○	• Percentage of employees who take leave: 100%
Achieving a work-life balance				
	• Monthly overtime per person: less than 7 hours	• Monthly overtime per person: 6.7 hours (difference from the previous year: improvement of 0.5 hours)	○	• Monthly overtime per person: less than 7 hours
Effective use of diverse human resources				
	• Stores without a part-time leader: 0 • Percentage of female managers (section manager): 30%	• Stores without a part-time leader: 4 out of 120 stores *Number of newly-appointed part-time leaders: 30 • Percentage of female managers (section manager): 28.3%	△	• Stores without a part-time leader: 0 • Percentage of female managers (section manager): 30%
Assuring occupational safety and health				
	• Number of accidents at work: less than 30	• Actual number of accidents: 25	○	• Number of accidents at work: less than 30

Personnel Data

Unless otherwise indicated, units for numbers are "persons."

Breakdown of number of employees (as of the end of February 2024)		(persons)
Full-time employees*1		866
	Male	469
	Female	397
Part-time staff*2		1,260
	Male	149
	Female	1,111
Number of employees (full-time employees + part-time staff)		2,126
	Male	618
	Female	1,508
New graduate employees hired		40
	Male	12
	Female	28
Mid-career employees hired		20
	Male	7
	Female	13

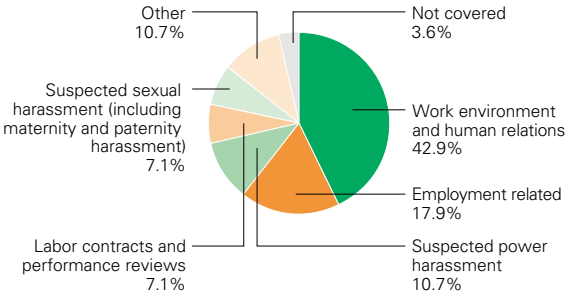
		FY2021	FY2022	FY2023
Average length of service (full-time employees)		15 years 2 months	16 years 7 months	16 years 9 months
Number of full-time employees who took childcare leave*3		83	79	84
	Male	0	8	10
	Female	83	71	74
	Part-time staff	52	49	51
Number of full-time employees who took nursing care leave*3		0	2	12
	Male	0	0	1
	Female	0	2	11
	Part-time staff	0	0	10
Number of volunteer leave recipients		NA	NA	NA
Number of female managers (percentage)*4		194 (34.6%)	246 (41.0%)	247 (40.9%)
	Corporate officer*5	2 (11.8%)	2 (16.7%)	5 (41.7%)
	Division manager	8 (17.0%)	8 (15.4%)	5 (8.3%)
	Section manager	58 (22.9%)	72 (26.8%)	77 (28.3%)
	Team leader	128 (51.0%)	166 (59.5%)	165 (60.7%)
Percentage of employees with disabilities*6		2.86%	2.66%	2.59%
Percentage of paid leave taken by full-time employees		69.9%	72.2%	75.3%
Frequency rate of workplace accidents		1.46	0.42	0.79
Severity rate of workplace accidents		0.08	0.01	0.02

*1 The figure includes 34 persons reemployed after mandatory retirement.
*2 Monthly average, with 8 hours/day counted as one employee. Including contractual employees.
*3 Persons who took such leave in the applicable fiscal year (takers continuing leave from the previous year + new takers of leave)
*4 The percentage of team leaders and higher positions, excluding corporate officers
*5 The percentage of female corporate officers is as of May 31 of the following fiscal year.
*6 The percentage for the fiscal year is as of June 1 of the following fiscal year.

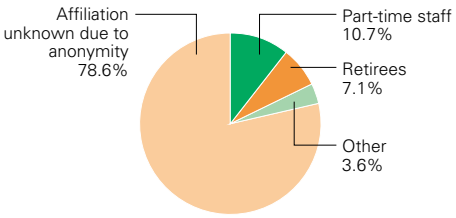
Data from Helpline for Employees

The total number of reports decreased by 18 from the previous year. Reports related to "work environment and human relations" and "working rules/days off/vacation/overtime work" accounted for 55.6% of all reports, with a particular decrease in the number of reports concerning "suspected power harassment" over the previous year. Moreover, most of the places where these reports arose were stores. While no cases of serious misconduct arose, there were cases that required a careful explanation of the system and an ongoing follow-up as well as delicate cases that were a reflection of contemporary trends. As part of our activities to raise awareness of the internal whistleblowing system, we have worked to thoroughly enforce the placement of posters distributed at Head Office and all stores.
In addition, we are making efforts to appropriately manage and administer the systems relating to reports in accordance with the Whistleblower Protection Act and related rules and regulations.

Breakdown of reports by category for FY2023
Reports received: 28
(down 29.2% from the previous fiscal year)



By user category



Create an ethical society through dialogue and collaboration with customers

FY2023 Targets/Results and FY2024 Targets

○: Achieved △: Almost achieved ×: Far from achieved

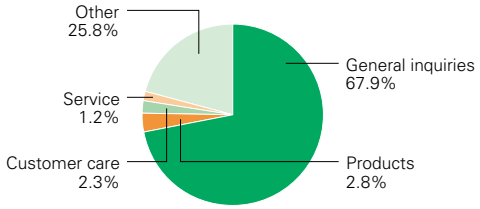
Challenges	FY2023 Targets and Plans	FY2023 Results and Outcomes	Evaluation	FY2024 Targets
Responding sincerely to customers' opinions				
	• Number of customer complaints: continue to target a lower number than the previous fiscal year · Share complaints/praise/opinions/ inquiries, and other information internally, either immediately, or on a daily/weekly/ monthly basis depending on their content with a focus on (1) opinions received at customer support, (2) checking of social media, and (3) questionnaires on receipts · Raise issues on current services and operations based on feedback from customers and promote improvement · Continue to post customer praise and thanks on the internal information sharing system, rather than limiting sharing to the store and the person in charge, as a means to increase internal staff motivation	• Number of customer complaints: 288 (down 66 or 19% from the previous year) The PPM value* saw improvement at 18.3 (down 4.0 from the previous year). Conversely, there were fewer cases of customer praise and thanks at 57 (down 2 or 4% from the previous year) • Enhanced analysis of receipt questionnaires and the checking of social media in addition to direct feedback to customer support. The wide-ranging and speedy collection of customer feedback and internal sharing contributed to a significant decrease in the number of customer complaints • Inquired about customer satisfaction and needs at stores of purchase and quantified their level of satisfaction through questionnaires on receipts (Smile Questionnaire)	○	• Similar as the previous year, target a lower number of customer complaints than the previous fiscal year · Share feedback from customers, including complaints/ praise/ opinions/ inquiries, and other information, internally, either immediately, or on a daily/weekly/monthly basis depending on their content with a focus on (1) opinions received at customer support, (2) checking of social media, and (3) questionnaires on receipts (Smile Questionnaire) · Propose improvements and raise issues from the customer's point of view on current services and operations based on feedback from customers · Continue to post customer praise and thanks on the internal information sharing system, rather than limiting sharing to the store and the person in charge, as a means to increase internal staff motivation

*PPM (complaint rate) … Calculated by dividing the number of complaints by the number of customers visiting stores, then multiplying the result by 1,000,000

Data from Customer Support

Customer support operates 24 hours a day, seven days a week, and offers toll-free phone calls. We listen to customer requests, opinions, and inquiries alongside them and respond in a speedy and honest manner. Since many of our customers calling customer support are first-time users of this service, these customers have numerous things that they do not know and uncertainties. In order to alleviate such anxieties even a little in line with our slogan of "smile childcare," we strive to deliver kind customer care. Also, rather than following past business and customer response practices, we respond to customers and make proposals with an eye toward the future.

Breakdown of inquiries by category for FY2023
Inquiries received: 8,326
(down 13.0% from the previous fiscal year)



Disaster assistance

FY2023 Targets/Results and FY2024 Targets

○: Achieved △: Almost achieved ×: Far from achieved

Challenges	FY2023 Targets and Plans	FY2023 Results and Outcomes	Evaluation	FY2024 Targets
Providing support for disasters				
	• Provide necessary support in collaboration with the Group companies	• Provided support in collaboration with the Group and the Ishikawa Midwife Association for the 2024 Noto Peninsula Earthquake	○	• Provide necessary support in collaboration with the Group companies

Seven & i Food Systems Co., Ltd.

Website: https://www.7andi-fs.co.jp/csr/ (in Japanese)
Number of stores as of fiscal year ended February 29, 2024: 488 (excluding FC stores)

Provide safe, reliable, and healthier merchandise and services

FY2023 Targets/Results and FY2024 Targets

○: Achieved △: Almost achieved ×: Far from achieved

Challenges	FY2023 Targets and Plans	FY2023 Results and Outcomes	Evaluation	FY2024 Targets
Ensuring the quality and safety of products and services				
	• Collaborate with QC (quality control) to hold factory audits. Make audits mandatory for new factories, and implement audits for the top companies by transaction amounts (Excluding exempted locations)	• Conducted factory audits · Completed field surveys at all 6 new target factories · Completed field surveys at 1 out of the 3 overseas target factories (Remaining 2 will be audited in FY2024) · Completed field surveys at 7 out of the 11 main foodstuff ingredient factories	△	• Conduct factory audits · Conduct audits at main target factories (11 domestic factories, 2 overseas factories) · Conduct audits at new target factories as the situation demands
	• Store complaints: 90% compared to the previous fiscal year	• Store complaints: 2,188 (2,677 in FY2022, 82% compared to the previous fiscal year)		• Store complaints: 88% compared to the previous fiscal year
	• Number of compliments: 110% compared to the previous fiscal year	• Number of compliments: 631 (857 in FY2022, 74% compared to the previous fiscal year)		• Number of compliments: 110% compared to the previous fiscal year
Providing appropriate information				
	• In cases where there are limits on quantity such as with ingredients for seasonal products, record the minimum one-day amount on the menu. Continue to indicate the product as limited-time offer to eliminate customer misunderstandings	• Provided information on period-specific restriction fair menus, etc. Clearly specified providable quantities for musk melon desserts containing limited ingredients and for year-end and New Year's fairs	○	• In cases where there are limits on quantity such as with ingredients for seasonal products, record the minimum one-day amount on the menu. Continue to indicate the product as limited-time offer to eliminate customer misunderstandings

Realize decarbonization, circular economy, and society in harmony with nature, through environmental efforts

FY2023 Targets/Results and FY2024 Targets

○: Achieved △: Almost achieved ×: Far from achieved

Challenges	FY2023 Targets and Plans	FY2023 Results and Outcomes	Evaluation	FY2024 Targets
Improving energy efficiency and introducing renewable energy				
	• Study expanding installation of demand control systems to new and renovated stores	• No new installations made. Effects of ongoing reductions at 31 stores where systems were already installed came to 28,000,000 yen	×	• Study expanding installation of demand control systems to new and renovated stores · Target: 10 stores · Change to similar system by power company and improve investment effects (target: 20 stores)
Reducing waste and developing a circular economy				
	• Build food waste recovery scheme in concert with logistics companies • Develop a recycling-based menu. File a recycling business plan with the authorities during the fiscal year	• Promoted building of a new scheme in collaboration with external logistics companies	○	• Commence field tests for a food waste recovery scheme at Tokyo stores during the fiscal year
	• Food waste recycling rate: 60.0%	• Food waste recycling rate: 62.7%		• Food waste recycling rate: 63.0%
Raising environmental awareness among employees				
	• Continue to recommend taking the Eco Test · Recommend to those employees who have not passed the Eco Test that they plan to take the IBT-format test · Get 20 employees (40 annually) to take each test (twice annually), prepare a program that combines internal study groups with mock examinations, and offer full-company support	• Had employees take the Eco Test · First half test-takers: 23; second half test-takers: 9 (32 takers for the whole fiscal year) · Lent reference texts and workbooks, organized internal and online study groups, and held mock examinations upon each test	△	• Recommend taking the Eco Test · Provide a program solely to new graduate and mid-career hires and to employees changing their career track · Have employees retaking the test individually apply to take it and aid them with test-taking fees if they pass (loan out reference texts and workbooks)

Environmental Data

Challenges	Unit	FY2021	FY2022	FY2023
CO_2 emissions*1*2*3	t-CO_2	39,994	37,642	34,295
CO_2 emissions from store operations*1*3	t-CO_2	38,361	37,543	34,200
Electricity consumption in store operations*1	GWh	78	76	75
Water usage in store operations*1*4	1,000m³	1,135	812	846
Waste disposal (recycling rate)*1	t (%)	7,379	7,207 (34.2)	6,718 (26.0)
Food waste recycling rate*1	%	56.4	59.9	62.6

*1 The period of the calculations was from April to March.
*2 The data represents CO_2 emissions stemming from the use of energy for store operation (Seven & i Food Systems) and Head Office.
*3 CO_2 emissions were calculated according to the Seven & i Holdings Group-Wide CO_2 Emissions Calculation Manual.
*4 The values are for Denny's only.

Achieve a society in which diverse people can actively participate

FY2023 Targets/Results and FY2024 Targets

○: Achieved △: Almost achieved ×: Far from achieved

Challenges	FY2023 Targets and Plans	FY2023 Results and Outcomes	Evaluation	FY2024 Targets
Supporting childcare and elderlies				
	• Aim to provide in-person food education classes and workplace experiences	• Provided in-person food education classes and workplace experiences	○	• Expand the number of stores that provide food education classes and workplace experiences

Improve work engagement and environment for people working in Group businesses

FY2023 Targets/Results and FY2024 Targets

○: Achieved △: Almost achieved ×: Far from achieved

Challenges	FY2023 Targets and Plans	FY2023 Results and Outcomes	Evaluation	FY2024 Targets
Development of human resources				
	• 7FS Values Day: Hold 50 times (1,250 people) • Management training on appointment: Hold 15 times (As needed per appointment) • DM training program (facilitation): Hold 24 times in total (12 people) • Training to improve DM customer service capabilities: Hold once (35 people) • Young employee training · Employees in their third year of employment: Hold 9 times (for 99 people total)	• 7FS philosophy training: Held 27imes (611 people) • Management training on appointment: Held 10 times (79 people) • DM skill development training: Held 3 times (52 people eligible) • Training to improve DM customer service capabilities: Held once (35 people) • Training for employees in their third year after entering the company: Held 9 times (for 86 people total) • Training for employees changing their career track and for employees joining the company mid-career: Held 3 times (8 people)	○	• 7FS philosophy training · First half: Hold 30 times (537 people) · Second half: Hold 50 times (1,150 people) • Management training on appointment: Hold 12 times (As needed per appointment) • DM skill development training: Held 12 times • Training for employees changing their career track and for employees joining the company mid-career (As needed per the monthly entry of employees into the company)
Implementing fair assessment and treatment of employees				
	• Utilize the data to promote personnel assignments that will be advantageous to both the individual and the company, since summarization and analyticity of evaluation data was improved thanks to digitization of process evaluations and it has also become possible to confirm an individual's wishes	• Became possible to confirm past evaluation data as well as individuals' career aspirations, comments by higher-ups (findings), etc. Selected candidates for promotion based on data	△	• Realize evaluations that factor in evaluations at both the flagship and satellite store for store managers who manage two stores as a part of quantitative evaluations. Realize fair score calculation with the incorporation of sharefull/dispatch employee elements in personnel expense items for quantitative evaluations
Achieving a work-life balance				
	• Average monthly overtime · Full-time employees: 15 h or less · Contract employees: 13 h or less · Part-time employees: 1.2 h or less • Monthly rate of leave-taking: 98% or more	• Average monthly overtime · Full-time employees: 19.1 h or less · Contract employees: 17.5 h or less · Part-time employees: 1.05 h or less • Monthly rate of leave-taking: 95.2% or more	×	• Average monthly overtime · Full-time employees: 20 h or less · Contract employees: 18 h or less · Part-time employees: 1.1 h or less • Monthly rate of leave-taking: 97% or more
Effective use of diverse human resources				
	• Percentage of seniors employed: 9.0% or more • Number of foreign employees: 150 • Percentage of female managers: Section managers 5 → 8, 13.6% Team leaders: 135 → 149, 29.6%	• Percentage of seniors employed: 9.3% or more • Number of foreign employees: 138 • Percentage of female managers: Section managers 8 → 6, 9.5% Team leaders: 149 → 128, 25.0%	×	• Percentage of seniors employed: 9.1% or more • Number of foreign employees: 150 • Percentage of female managers: Section managers 6 → 11, 18.6% Team leaders: 128 → 90, 20.4%

Assuring occupational safety and health				
	• Perform risk assessments of those stores where serious accidents resulting workplace absences have occurred many times · Number of occupational accidents: 180 • Participation rate in regular health checks by employees: 100% • Participation rate in secondary health checks by employees: 85% • Participation rate in health checks by employees who work the late-night shift:100% • Stress check-up rate: 95%	• Number of work accidents: 180 • Number of commuting accidents: 20 • Participation rate in regular health checks by employees: 99.5% • Participation rate in secondary health checks by employees: 74.5% • Participation rate in health checks by employees who work the late-night shift:100% • Stress check-up rate: 93.9%	△	• Number of work accidents: 170 • Number of commuting accidents: 18 • Participation rate in regular health checks by employees: 100% • Participation rate in secondary health checks by employees: 90% • Participation rate in health checks by employees who work the late-night shift:100% • Stress check-up rate: 95%

Personnel Data

Unless otherwise indicated, units for numbers are "persons."

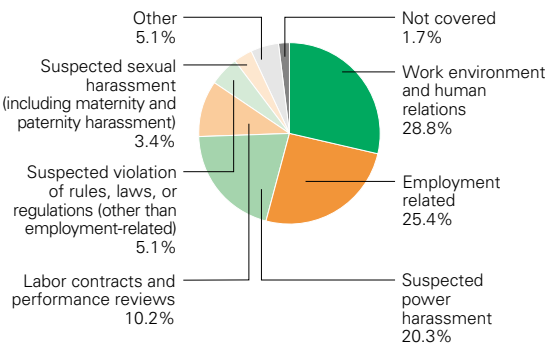
Breakdown of number of employees (as of the end of February 2024)		(persons)
Full-time employees*1		745
	Male	618
	Female	127
Part-time staff*2		3,925
	Male	962
	Female	2,963
Number of employees (full-time employees + part-time staff)		4,670
	Male	1,580
	Female	3,090
New graduate employees hired		0
	Male	0
	Female	0
Mid-career employees hired		12
	Male	8
	Female	4

		FY2021	FY2022	FY2023
Average length of service (full-time employees)		16 years 2 months	17 years 5 months	17 years 5 months
Number of full-time employees who took childcare leave*3		46	33	25
	Male	2	10	6
	Female	44	23	19
	Part-time staff	34	14	9
Number of full-time employees who took nursing care leave*3		0	3	3
	Male	0	0	0
	Female	0	3	3
	Part-time staff	0	1	1
Number of volunteer leave recipients		0	1	0
Number of female managers (percentage)*4		168 (24.5%)	151 (23.6%)	60 (13.0%)
	Corporate officer*5	4 (26.7%)	2 (15.4%)	2 (14.3%)
	Division manager	2 (11.1%)	8 (12.5%)	2 (13.3%)
	Section manager	4 (6.6%)	5 (7.9%)	6 (9.5%)
	Team leader	162 (26.6%)	144 (25.6%)	52 (13.5%)
Percentage of employees with disabilities*6		2.86%	3.02%	3.32%
Percentage of paid leave taken by full-time employees		59.5%	60.2%	58.5%
Frequency rate of workplace accidents		1.44	0.50	0.98
Severity rate of workplace accidents		0.06	0.01	0.07

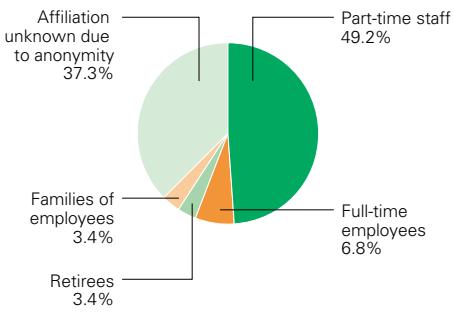
*1 The figure includes 47 persons reemployed after mandatory retirement.
*2 Monthly average, with 8 hours/day counted as one employee. Including contractual employees.
*3 Persons who took such leave in the applicable fiscal year (takers continuing leave from the previous year + new takers of leave)
*4 The percentage of team leaders and higher positions, excluding corporate officers.
*5 The percentage of female corporate officers is as of May 31 of the following fiscal year.
*6 The percentage for the fiscal year is as of June 1 of the following fiscal year.

Data from Helpline for Employees

Breakdown of reports by category for FY2023
Reports received: 59
(down 35.9% from the previous fiscal year)



By user category



Create an ethical society through dialogue and collaboration with customers

FY2023 Targets/Results and FY2024 Targets

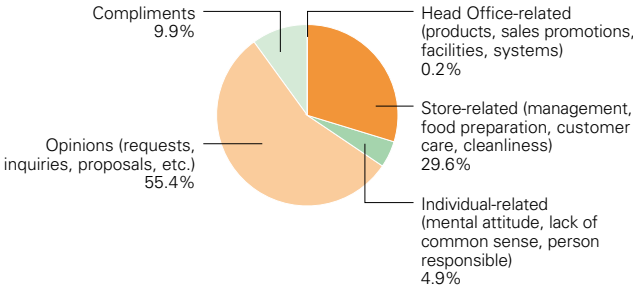
○: Achieved △: Almost achieved ×: Far from achieved

Challenges	FY2023 Targets and Plans	FY2023 Results and Outcomes	Evaluation	FY2024 Targets
Responding sincerely to customers' opinions				
	• Continue sharing customer feedback collected on a weekly basis; all executive and Head Office employees participate in making improvements	• Store complaints not perceived as issues with stores. Head Office also joined collective efforts to provide support and share problematic areas. Complaints that were not exclusively store-related were handled by Head Office departments at an early stage	△	• Have the sales department set KPI weekly and work toward reducing complains and increasing compliments

Data from Customer Support

The number of store complaints in FY2023 improved considerably year on year, decreasing by 489 cases (82% of the number for the previous fiscal year). The factor behind this was a revision of the store operation system (introduction of order terminals) starting in the second half of FY2022, resulting in a decrease in observations that employees do not come even when called and observations regarding attitudes toward customers. However, there was no change in the items with the worst record with respect to complaints. Among those related to food preparation and menus, the most common complaints were that preparation took too long, food was served at an inappropriate temperature, and the wrong food was served. Among those related to customer contact, the most common complaints were that there were issues with initial response to complaints and with concern for the customer. Additionally, cases of compliments numbered 226 (74% of the number for the previous fiscal year). Going forward, we will continue to focus on employee training conducted from the customer's point of view.

Customer support inquiries by topic for FY2023
Inquiries received: 6,345
(down 7.5% from the previous fiscal year)



Achieve a sustainable society through partnerships

FY2023 Targets/Results and FY2024 Targets

○: Achieved △: Almost achieved ×: Far from achieved

Challenges	FY2023 Targets and Plans	FY2023 Results and Outcomes	Evaluation	FY2024 Targets
Promoting regional development				
	• Promote transition from use of imported foodstuff ingredients to domestically produced ingredients • Provide childcare support services that municipalities in regions with stores are implementing • Continue foodstuff donation activities	• Changed the supplier of a foodstuff ingredient for dessert (vanilla ice cream) to a domestic factory • Continued to provide childcare support services that municipalities in regions with stores are implementing • Continued foodstuff donation activities	○	• Promote transition from use of imported foodstuff ingredients to domestically produced ingredients • Continue to provide childcare support services that municipalities in regions with stores are implementing • Continue foodstuff donation activities aimed at welfare facilities, etc. through foodbanks

Disaster assistance

FY2023 Targets/Results and FY2024 Targets

○: Achieved △: Almost achieved ×: Far from achieved

Challenges	FY2023 Targets and Plans	FY2023 Results and Outcomes	Evaluation	FY2024 Targets
Providing support for disasters				
	• Continue to respond positively to requests from local governments to take in people who have difficulty returning to their homes following a disaster	• Continued to respond positively to requests from local governments to take in people who have difficulty returning to their homes following a disaster	○	• Continue to respond positively to requests from local governments to take in people who have difficulty returning to their homes following a disaster

Seven Bank, Ltd.

Website: https://www.sevenbank.co.jp/english/csr/
Number of ATMs installed as of fiscal year ended March 31, 2024: 27,422

Create a livable society with local communities through various customer touchpoints

FY2023 Targets/Results and FY2024 Targets

○: Achieved △: Almost achieved ×: Far from achieved

Challenges	FY2023 Targets and Plans	FY2023 Results and Outcomes	Evaluation	FY2024 Targets
Implementing crime prevention measures for local communities				
	• Consolidate and analyze information and knowledge from industry, academia, and government and provide safe and secure payment environments to customers to reinforce countermeasures against increasingly frequent and sophisticated financial crimes	• By engaging in lateral collaboration with external organizations including industry, academia, and government and sharing mutually-held information, achieved the early discovery of new methods. Also conducted financial education for students in cooperation with police departments. Thanks to accurate and prompt responses to increasingly frequent phishing incidents, there were no monetary losses involving Seven Bank accounts	○	• Through gathering and disseminating information on the latest crime trends and providing financial education to students, reinforce countermeasures against increasingly sophisticated and complex financial crimes and provide safe and reliable payment environments to all customers
	• Strengthen our anti-money laundering (AML) and combating the financing of terrorism (CFT) stance by leveraging the tangible and intangible financial crime assets of the Seven Bank Group	• Used and promoted continuous customer management (updating customer information), an essential anti-money laundering measure, using "ATM Teller" and ATM Notification," which are "+Connect" functions		• Reinforce Group-wide anti-money laundering measures by leveraging the tangible and intangible assets related to financial crimes of the Seven Bank Group
	• Expand participation by police personnel as well as financial crime trainees from affiliated partner financial institutions. Contribute to holistic reinforcement of financial crime countermeasures in the financial industry	• Accepted participation by police personnel as well as trainees from affiliated partner financial institutions. Contributed to reinforcement of financial crime countermeasures in the financial industry by building stronger relationships with the financial institutions from which trainees were accepted and other partners		• To eradicate financial crimes, continue accepting police personnel for training and use external expertise while reinforcing collaboration with investigative agencies and partner institutions to contribute to the holistic reinforcement of financial crime countermeasures in the financial industry
Maintain more customer-friendly and reliable stores and facilities				
	• Provide financial services to meet diverse needs	• As new services using ATMs, launched "ATM Teller," which enables customers to apply to open bank accounts and change registered information, and "ATM Notification," which provide necessary information to customers using ATMs	○	• Promote financial services to meet diverse needs • Promote the +Connect business, which positions ATMs as comprehensive gateways for various procedures and authentication services

Provide safe, reliable, and healthier merchandise and services

FY2023 Targets/Results and FY2024 Targets

○: Achieved △: Almost achieved ×: Far from achieved

Challenges	FY2023 Targets and Plans	FY2023 Results and Outcomes	Evaluation	FY2024 Targets
Ensuring the quality and safety of products and services				
	• In response to the review of BCP, revise business continuity policies and rules and BCP	• Revised business continuity policies and rules to align with the current business continuity framework. The BCP is currently being revised based on these changes	○	• Add cyberattacks to the scope of crises in business continuity policies and rules
	• Number of BCP training sessions planned:19	• Conducted 20 BCP training sessions		• Number of BCP training sessions planned:18

Realize decarbonization, circular economy, and society in harmony with nature, through environmental efforts

FY2023 Targets/Results and FY2024 Targets

○: Achieved △: Almost achieved ×: Far from achieved

Challenges	FY2023 Targets and Plans	FY2023 Results and Outcomes	Evaluation	FY2024 Targets
Measuring appropriately the environmental impact				
	• Continuously ascertain results for environmental values and enhance disclosures in accordance with the TCFD recommendations	• Scope 1 & 2 CO_2 emissions: 574 t-CO_2 • Expanded disclosures of environmental information in the annual securities reports and integrated reports	○	• Continuously ascertain results for environmental values and enhance disclosures in accordance with the TCFD recommendations
Improving energy efficiency and introducing renewable energy				
	• Promote transition to LED lighting at each site (completed at Kinshicho in FY2018) • Continue to promote paperless operations	• The transition to LED lighting at each site is ongoing. Completed introduction of renewable energy at the Head Office and in Yokohama • Achieved paperless operations by switching to electronic billing	○	• Plan to adopt automatic shut-off of some lights after the end of business • Continue to promote paperless operations
Reducing waste and developing a circular economy				
	• Maintain ATM recycling rate of approximately 100% • Promote the 3Rs (reduce, reuse, recycle), including in offices	• Achieved approximately a 100% recycling rate by promoting reuse on an ATM parts basis (steel, stainless steel, plastic, etc.)	○	• Maintain ATM recycling rate of approximately 100%
Raising environmental awareness among employees				
	• Hold seminars to increase awareness of social and environmental issues and encourage measures to work-site solve problems	• 30 persons participated in environmental protection activities at Takao Forest • Employees from various departments and at different levels participated in workshops to update the materiality	○	• Hold seminars to increase awareness of social and environmental issues and encourage measures to work-site solve problems
Offering eco-friendly products				
	• Promote replacement installations of 4th-generation ATMs, which use 40% less power than the previous generation	• Completed replacement of 4th-generation ATMs (19,771 units)	○	• Promote replacement installations of 4th-generation ATMs, which use 40% less power than the previous generation

Environmental Data

Challenges	Unit	FY2021	FY2022	FY2023
CO_2 emissions*1*2*3	t-CO_2	596	663	574
Volume of paper ordered for office automation equipment	1,000 sheets	2,351	1,920	2,007

*1 The period of the calculations was from April to March.
*2 The data represents CO_2 emissions stemming from the use of energy for operation of offices and directly-operated ATM corners.
*3 CO_2 emissions were calculated according to the Seven & i Holdings Group-Wide CO_2 Emissions Calculation Manual.
*4 Since FY2022, CO_2 emissions from the use of steam, cold water, and hot water are included.

Achieve a society in which diverse people can actively participate

FY2023 Targets/Results and FY2024 Targets

○: Achieved △: Almost achieved ×: Far from achieved

Challenges	FY2023 Targets and Plans	FY2023 Results and Outcomes	Evaluation	FY2024 Targets
Supporting childcare and elderlies				
	• Continue to support raising next-generation children primarily through cooperation with the "Bonolon, Warrior of the Forest," free picture book for reading aloud	• Approximately 3 million copies of the "Bonolon, Warrior of the Forest" picture book for reading aloud were distributed for free • Seven Bank donated 100 yen for each Bonolon cash card issued and donated Bonolon hardcover picture books to children's centers nationwide • Co-hosted the World Toy Project to donate toys to children's centers with the Foundation for Promoting Sound Growth of Children • Held the Bonolon Story Session at the Sogo Omiya store	○	• Continue to support raising next-generation children primarily through cooperation with the "Bonolon, Warrior of the Forest," free picture book for reading aloud

Improve work engagement and environment for people working in Group businesses

FY2023 Targets/Results and FY2024 Targets

○: Achieved △: Almost achieved ×: Far from achieved

Challenges	FY2023 Targets and Plans	FY2023 Results and Outcomes	Evaluation	FY2024 Targets
Effective use of diverse human resources				
	• Promote diversity and inclusion • Promote the development of an environment and reforming awareness to enable all employees to perform to their full potential, regardless of nationality or gender • Use ICT tools to activate inner communication • Enhance engagement · Conduct periodic surveys · Implement measures to improve workplace environments · Reinforce awareness building	• Promoted diversity and inclusion and recruited diverse and talented human resources • Took action to create environments and awareness where all employees can perform to their full potential and provided opportunities regardless of nationality and gender • Reviewed inner communication operation rules and other matters and actively used online communication tools • Measures for enhancing engagement · Conducted the Seven & i Group engagement survey (annually) and internal surveys (quarterly) · Implemented various measures to facilitate engagement in order to activate company-wide communication · Encouraged the use of tools for expressing praise and gratitude among employees: A total of 3,709 letters were sent over the course of the year	○	• Promote diversity and inclusion • Promote the development of an environment and awareness to enable all employees to perform to their full potential, regardless of nationality or gender • Enhance engagement · Conduct periodic surveys · Implement measures to improve workplace environments · Reinforce awareness building · Further use of tools for expressing praise and gratitude among employees: conduct a campaign to encourage positive feedback and conduct trial of reminder function
Development of human resources				
	• Develop human resources who can support secondary growth · Provide training opportunities to enhance interpersonal skills and develop human resources with human appeal · Reinforce training in different job types that leads to higher quality relationships among employees · Conduct training to enhance communications skills · Conduct IT & DX training to develop DX human resources	• Developed human resources who can support secondary growth · Conducted training on learning about one's own strengths for promoted employees and newly-appointed managers · Conducted rank-specific training with an emphasis on in-person to strengthen lateral connections (a total of 449 personnel participated) · Conducted training camps to learn the importance of teamwork through experience-based training with members from different departments and job types · Conducted in-house internships in specific departments as one aspect of career development support. Conducted on-site observations in overseas Group companies (Indonesia and the Philippines) (3 participants, 9 days) · Conducted IT & DX training to develop DX human resources	○	• Develop human resources who can support secondary growth · Conduct training to enhance interpersonal skills and develop human resources with human appeal and training that will improve the quality of relationships among employees · Conduct IT & DX training to develop DX human resources • Support self-initiated growth · Use expert courses to deepen specialization · Use internal recruiting programs and in-house internships as a part of career development support · Promote EX10, a program that allows employees to devote 10% of their working hours to innovative creation • Provide opportunities for employees to perform to their full potential · Operate the Special Appointment Program, which enables highly specialized employees to actively participate
Achieving a work-life balance				
	• Investigate expansion of systems that enable employees to perform nursing care while working • Continue the work-from-home system and staggered working hours	• Encouraged employees to make full use of programs that support a balance between work and other responsibilities including childcare and nursing care · Conducted nursing care seminars and created a nursing care handbook • Encouraged active use of the work-from-home system and staggered working hours (continued to conduct systems for all employees)	○	• Investigate expansion of systems that enable employees to perform nursing care while working · Expand use of accumulated paid leave • Continue the work-from-home system and staggered working hours • Designate no-overtime days
Assuring occupational safety and health				
	• Improve rate of paid leave taken (encourage employees to take 5 consecutive days of leave) • Enhance employee support provided by public health nurses • Conduct stress check ups	• Notified supervisors about employees who have not taken leave and encouraged the employees to take leave • Operated a health consultation room • Conducted stress checkups (at the end of August)	○	• Improve rate of paid leave taken (encourage employees to take 5 consecutive days of leave) • Enhance employee support provided by public health nurses • Conduct stress check ups

Personnel Data

Unless otherwise indicated, units for numbers are "persons."

Breakdown of number of employees (as of the end of February 2024)		(persons)
Full-time employees*1		569
	Male	364
	Female	205
Contractual/part-time employees*2		3
	Male	3
	Female	0
Number of employees (full-time employees + contractual/part-time employees)		572
	Male	367
	Female	205
New graduate employees hired		15
	Male	6
	Female	9
Mid-career employees hired		71
	Male	40
	Female	31

		FY2021	FY2022	FY2023
Average length of service (full-time employees)		8 years 2 months	7 years 9 months	7 years 3 months
Number of full-time employees who took childcare leave*3		15	24	26
	Male	2	6	5
	Female	13	18	21
	Part-time staff	5	2	2
Number of full-time employees who took nursing care leave*3		0	1	1
	Male	0	0	0
	Female	0	1	1
	Part-time staff	0	1	0
Number of volunteer leave recipients		0	0	2
Number of female managers (percentage)*4		78 (27.2%)	83 (26.9%)	108 (30.0%)
	Corporate officer*5	3 (13.6%)	2 (10.5%)	5 (19.2%)
	Division manager	1 (7.1%)	3 (18.8%)	3 (20.0%)
	Section manager	24 (16.8%)	27 (18.4%)	28 (18.1%)
	Team leader	53 (43.4%)	53 (36.6%)	77 (40.5%)
Percentage of employees with disabilities*6		2.67%	2.30%	2.30%
Percentage of paid leave taken by full-time employees		81.1%	83.6%	83.0%
Frequency rate of workplace accidents		0.00	0.77	0.00
Severity rate of workplace accidents		0.00	0.01	0.00

*1 The figure includes 28 persons reemployed after mandatory retirement.
*2 Monthly average, with 8 hours/day counted as one employee. Including contractual employees.
*3 Persons who took such leave in the applicable fiscal year (takers continuing leave from the previous year + new takers of leave)
*4 The percentage of team leaders and higher positions, excluding corporate officers.
*5 The percentage of female corporate officers is as of May 31 of the following fiscal year.
*6 The percentage for the fiscal year is as of June 1 of the following fiscal year.

Create an ethical society through dialogue and collaboration with customers

FY2023 Targets/Results and FY2024 Targets

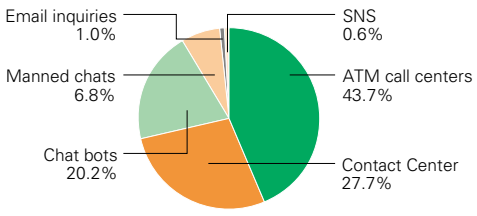
○: Achieved △: Almost achieved ×: Far from achieved

Challenges	FY2023 Targets and Plans	FY2023 Results and Outcomes	Evaluation	FY2024 Targets
Responding sincerely to customers' opinions				
	• Continue initiatives to improve customer satisfaction • Expand the scope of responses by customer support channels and raise response completion rates on each channel	• Received three stars, the highest rank, in the HDI-Japan benchmark (Website category) for three consecutive years • Replaced the chat system for customers, resulting in a five-fold increase in inquiries • Expanded coverage on each channel, increasing the response completion rate and the percentage of non-voice-based inquiries	○	• Continue initiatives to improve customer satisfaction • Investigate the use of generative AI and voice bots and create channels that make it easier for customers to resolve issues

Data from Customer Support

In order to take the opinions and requests it receives from customers sincerely, the Seven Bank contact center is able to respond to inquiries in 10 languages, and we strive to improve, expand, and develop services even further. We are also developing channels other the phone such as chat, email, and social media and are taking measures so that we can respond to even more customers.

Breakdown of inquiries by category for FY2023
Inquiries received: 1,215,286
(up 16.2% from the previous fiscal year*)



* From FY2019, the number of inquiries includes inquiries via chatbots and manned chats.