

Material Issue 1 Providing Social Infrastructure in this era with an Aging Society and Declining Population

Approach to Material Issues

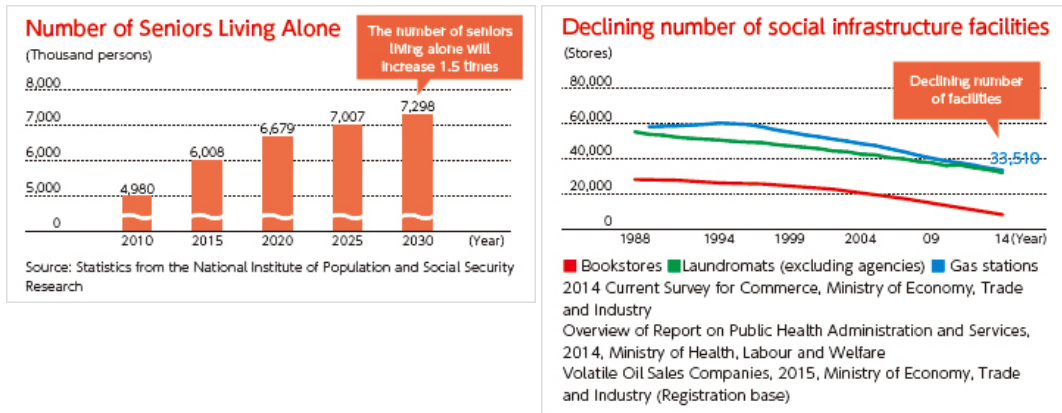
Seven & i Holdings is working to enhance the convenience of shopping while leveraging the unique aspects of its business and some 20,000-store network as a form of social infrastructure to support consumers inconvenienced by shopping and to respond to changes taking place in society. These changes include Japan's decrease in population brought on by a declining birthrate and aging society, the advancement of women in society, and the declining number of retail stores, among others. We recognize that fulfilling these diverse needs of our customers is one of our most important and unwavering roles in society. We will continue to tackle these issues as our most importance issues.

Background to Material Issues

Inconvenience of shopping and other services due to the hollowing out of lifestyle hubs following aging society and declining population trends

Japan is experiencing aging society and declining population trends. By the year 2060, the country's population will dip below 90 million and nearly 40% will be seniors*. The number of seniors living alone continues to increase each year, with the number expected to rise 1.5-fold from the level in 2010 by 2030. Meanwhile, the hollowing out of lifestyle hubs following the declining population stands as one of Japan's major social issues. Forecasts suggest that the number of seniors living alone without walkable access to a supermarket with fresh produce and meat will double by the year 2030.

* Source: FY2013 Population Estimates, Statistics Bureau, Ministry of Internal Affairs and Communications



Promotional Framework for Material Issues

In response to this material issue, the CSR Management Committee, led by the president, and its subordinate Social Value Creation Subcommittee, work together with the Group companies and related departments to develop various services as initiatives to resolve social issues through business activities, as well as monitoring the progress of activities and promoting new initiatives. These activities are supervised by the Seven and i Holdings executive officer in charge of Corporate Communication.

Contribution to SDGs

By addressing these material issues, the Seven & i Group is providing social infrastructure such as public services to a variety of people, including seniors, and contributing to the achievement of Sustainable Development Goals 9, 11 and 16.



Seven & i Holdings' Initiatives

Shopping Support

We are working to create new "shopping support" services to assist customers for whom shopping is an inconvenience.

[> More](#)

Reducing Housework

We are developing and selling cooked meal products based on the concept of individual servings, small volume, and simplicity for those who find meals inconvenient or difficult.

[> More](#)

Expanding Services as a Form of Social Infrastructure

We are providing public services to alleviate inconvenience for those whose lifestyles are affected by the decline in neighborhood social infrastructure.

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Providing Services to a Wide Range of Customers

We are expanding services and supporting shopping to enable all customers to visit and shop at our stores feel safe and secure.

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Shopping Support

Seven & i Holdings will support people for whom shopping is an inconvenience by utilizing the infrastructure it has developed, such as store networks and logistics and information systems, to create new services for shopping support.



Net Supermarkets

IY operates Net Supermarket at 136 stores (as of February 28, 2018) to provide scheduled deliveries of products ordered by customers using PCs or smartphones. Net Supermarket delivers from nearby stores in as little as four hours. The service deals in food and household goods, and pharmaceutical products were added in November 2013. In December 2014, we started offering a service to help parents raising children. With this service, parents who present and register a maternity notebook issued within the last four years can receive deliveries at a fee of only ¥100 (including tax) for four years from the registration date.

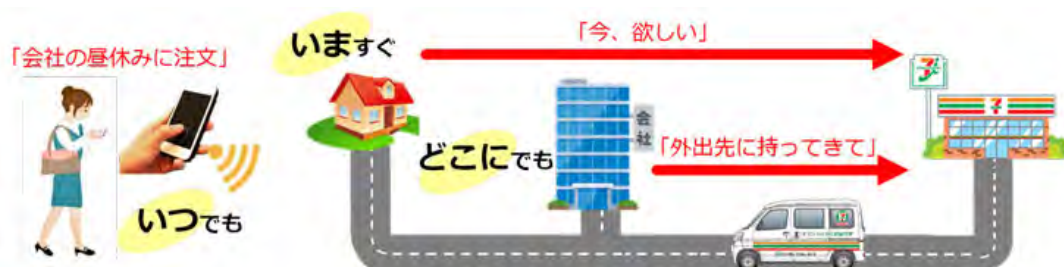
In addition, we opened IY Fresh in November 2017. This joint venture with LOHACO enables customers to order daily necessities from LOHACO and products from Ito-Yokado at the same time (the delivery area is Bunkyō-ku, and Shinjuku-ku in Tokyo as of February 28, 2018, with phased expansion planned).



Net Supermarkets

Online Convenience Stores

SEJ offers a service that allows customers to place orders online using a PC or smartphone for some 2,800 products such as rice balls and boxed lunches handled by its stores and have them delivered to their homes or other designated location in as little as two hours. Trials were started at 25 stores in Otaru, Hokkaido and other locations in October 2017, and the service will be expanded to all of Hokkaido by August 2019. The service will then be rolled out in stages to all 20,000 7-Eleven stores in Japan starting in September 2019.



Seven RakuRaku Delivery Provides Home Delivery of Products from Stores

SEJ offers the Seven RakuRaku Delivery service, which provides home delivery for nearly every product sold in its stores. Orders can be placed in advance by telephone or through other means. The service operates a fleet of some 830 "COMS" ultrasmall electric vehicles and SEJ is also moving forward with the introduction of around 2,600 power assisted bicycles (as of February 28, 2018).



Seven RakuRaku Delivery

The mobile store services Seven Anshin Delivery and Ito-Yokado Anshin Delivery

SEJ operates the Seven Anshin Delivery mobile store service at 58 stores in 30 prefectures (as of February 28, 2018). This service utilizes proprietary developed light trucks equipped with store facilities, which go to areas that are inconvenient for daily shopping and where many residents are seniors who have trouble securing means of transportation. Customers are able to purchase a range of foods and beverages, including frozen foods, using this service. Plans call for this service to be expanded further in the future to fulfill the needs of customers.

IY also uses its own specially developed trucks equipped with store facilities to provide the Ito-Yokado Anshin Delivery mobile store service at five stores in Nagano Prefecture, Sapporo City, Tama City, Hanamaki City, and Iwaki City (as of February 28, 2018).



Ito-Yokado Anshin Delivery

Omni7

The Seven & i Holdings Group is working to realize an Omni7 where customers can order any of the Group's products and choose to pick them up from a local Group store or have them delivered to their homes, as well as return unwanted items. In addition to sales at stores, customers can also order products using their PC or smartphone.



Shopping Support When Delivering Products

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Reducing Housework

Seven & i Holdings is developing and selling cooked meal products based on the concept of individual servings, small volume, and simplicity for those who find meals inconvenient or difficult, to respond to customer demand for saving time and reducing the hassle of housework.



Seven-Meal Delivery Service

SEJ provides the Seven-Meal home delivery service at some 15,000 of its stores nationwide (as of February 28, 2018). The service provides products with particular attention to taste and quality for those who want to eat healthily. Meals are ordered by telephone or online by customers who feel inconvenienced by daily meal preparation. The service starts with a single day's meals, is available 365 days a year, and provides meals the day after an order is placed. Meals can be delivered to the customer's home or other specified location, or picked up at a 7-Eleven store.

[> For more details about the Seven-Meal service](#)

Developing Products and Services that Make Meal Preparation Easy

One of the services offered by SEJ as a part of Seven-Meal is "Ingredient Sets," cooking kits for set menus that include a main dish and side dish along with recipes that can be fully prepared in about 20 minutes. The sets, which can be ordered starting from one day for one person, are available in Hokkaido and the Kanto region (as of February 28, 2018). The Ingredient Sets do not contain any preservatives or artificial colors in the main ingredients or condiments, and since the ingredients come pre-cut, cooking times are short. Each meal contains at least 120 g of vegetables, and various menu options that are nutritionally balanced and healthy can be ordered.

In addition, easily-prepared meal kits from Ito-Yokado's IY Fresh service are also sold. These services have been well received by families with two working parents who have little time, as well as single-occupant households who don't want to waste food.



An Ingredient Set from Seven-Meal



A Meal Kit from IY Fresh

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Expanding Services as a Form of Social Infrastructure

Seven & i Holdings works in collaboration with local governments to provide public services to alleviate inconvenience for those whose lifestyles are affected by the decrease in social infrastructure such as local government offices, banks, and retail stores.



Promoting Alliances with Municipalities through Comprehensive Alliance Agreements and Other Means

The Seven & i Group is promoting regional revitalization by concluding comprehensive alliance 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 “guardian angel 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 promote employment of senior citizens, train cognitive impairment 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 Agreements with Local Governments for Each Company

	As of February 29, 2017	As of February 28, 2018
Seven-Eleven Japan	76	91
Ito-Yokado	27	42
Sogo & Seibu	9	9
York-Benimaru	4	8
York Mart	1	2
Seven & i Food Systems	1	1
Total	118	153



Ceremony to mark conclusion of a comprehensive alliance agreement with Toyama Prefecture

> [For information regarding support during disasters, click here](#)

Support for Regional Revitalization in Cooperation with Local Governments

The Seven & i Group makes use of comprehensive alliance agreements to promote various regional revitalization initiatives with respective local governments. SEJ recognizes the importance of local flavors and food cultures by developing products that use local ingredients. IY, Sogo & Seibu, York-Benimaru, and other Group companies propose menus using local products and ingredients, helping to support regional revitalization by promoting the appeal of the local area.



Oniku Tappuri! Pork Miso Soup sold at 7-Eleven stores in the Nagano region



"Fukui Specialty Food Fair" held at the Seibu Fukui Store

Government Services (Issuance of Various Certificates)

7-Eleven stores offer a service for issuing copies of residence certificates and seal registration certificates using in-store multifunctional copier machines. Agreements for this service are in place with 507 municipalities (as of February 28, 2018). This service is currently being expanded, as family register certificates can now be issued for 340 municipalities and tax certificates for 342. (Individual Number Cards are required to use the service) This service for Individual Number Card holders is easily operable and can be used even late at night and on holidays, simply by waving the Individual Number Card over a scanner. Private information is given high security protection by a sophisticated dedicated network and special printing prevents forgery and manipulation.

Insurance Enrollment and Premium Payment Service

7-Eleven stores 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 multi-functional copier machine 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. 7-Eleven will continue to support the thriving lifestyles of customers by offering products tailored to customer needs.



Multifunctional copier machines can copy print, issue various types of certificates, and even issue insurance policies.

Bicycle Sharing

SEJ has started using bicycle parking spaces on store grounds as sites for renting and returning shared bicycles. The areas will be expanded in stages, and SEJ plans to have some 5,000 bicycles in place at 1,000 stores in the Tokyo Metropolitan region and regional cities by the end of FY2018. This program was also launched at Ito-Yokado in June 2018.

Bicycle sharing allows for bicycles to be rented from any of multiple stations within a certain region. After use, a bicycle need not be returned to the original location and can be returned to the station closest to the user's destination. Bicycle sharing is expected to supplement public transportation in areas that lack adequate transportation and will play an important role as infrastructure.



A store with a bicycle sharing site

Establishment of Polling Stations in Stores

IY and Sogo & Seibu provide facilities within stores to be used free of charge for use as polling booths in cooperation with local governments to provide voters with easily accessible polling booths that are handy to shopping facilities. 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 28, 2018, polling booths were set up in 21 Ito-Yokado stores and four Sogo & Seibu stores, and election promotion activities were conducted in the stores, such as displaying posters, in-store announcements and printing the election date on receipts.



A polling booth set up in an Ito-Yokado store

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Providing Services to a Wide Range of Customers

Seven & i Holdings is expanding services and supporting shopping to enable easy use by all customers, including senior citizens, people with disabilities, and tourists from overseas, whose numbers are increasing yearly.



Training Cognitive Impairment Supporters

The Seven & i Group supports the creation of neighborhoods where local residents who suffer from cognitive impairment and their families can live with security. To this end, we are encouraging our employees to attend cognitive impairment supporter training courses.

Each Group company holds training courses, and the number of supporters Groupwide had increased to about 29,623 as of February 28, 2018, achieving the target of 26,000. We will continue to strengthen our efforts to develop cognitive impairment supporters.

Number of Cognitive Impairment Supporter Training Course Takers

	FY2015	FY2016	FY2017
Total	16,554	24,029	29,623



Cognitive impairment supporter training

Marketing Products That Support Senior Lifestyles

Ito-Yokado is developing the Anshin Support Shop at 107 stores, which carries a full lineup of apparel, daily essentials, and foods, including products that support the health and lifestyles of seniors and care products (as of February 28, 2018). Sales are conducted by sales staff with specialized qualifications who are also able to deal with consultations regarding nursing care and welfare issues in general. The company is working to develop products in response to customer opinions and comments and created a pushcart for seniors, known as the “Silver Car,” that can easily be pushed over uneven surfaces and has been well received by customers.

In addition, Sogo & Seibu has teamed up with the Caring Design Association to establish a permanent “Living Design Salon” at the Seibu Ikebukuro Store for supporting living and home design for customers aged in their 50s and above. The facility proposes appealing homes that casually incorporate care and support features for the physical changes that occur with age, aiming to enable people to live in their own way even as they grow older.



Anshin Support Shop



The Silver Car pushcart for seniors that can be pushed over uneven surfaces

Services for Foreign Travelers

The Seven & i Group launched tax-free services at certain stores within every Group company in 2014, after the range of consumption tax-exempt items for foreign visitors was expanded to cover all items.

Moreover, Seven Bank ATMs offer cash withdrawal services on overseas-issued cards, while stores also offer free in-store Wi-Fi services Seven Spot in response to strong demand from overseas travelers.



Tax-free service section

Disseminating Information to Support Everyday Living for Foreigners

Seven Bank provides an overseas remittance app available in nine languages for customers who make use of overseas remittance services. In 2016, we started concluding agreements for promoting multicultural coexistence with local governments in areas with high concentrations of foreign residents. The agreements are mainly intended to disseminate local information through the app. Information about living in these areas, disaster information, and so forth is disseminated in multiple languages through the app to residents, providing support for customers so that they can live safely and conveniently in Japan. As of March 31, 2018, we have concluded agreements with six local governments, and we plan to continue expanding this initiative.

ATMs That Diverse Customers Can Operate Easily

Seven Bank is making daily progress on the ATM functions and services so that all customers can use them with confidence. With the voice guidance service, which is mainly for customers with visual disabilities, users can make a transaction by following voice guidance delivered through an intercom phone installed on the ATM to operate the buttons on the phone. Customers with the cash cards of around 540 affiliated partner financial institutions* can also use this service. This voice guidance system was developed after soliciting feedback from people with visual disabilities and testing its operability. Furthermore, ATMs in 7-Eleven stores now feature cane and drink holders to make them easy for anyone to use.

* Banks, credit unions, credit cooperatives, labor banks, JA banks, JF Marine banks, and securities companies that are partners with Seven Bank. This service is not offered for insurance companies or credit card companies, even if they are a partner of Seven Bank.



Voice guidance service



ATM with cane and drink holder installed