

Material Issue 4 Supporting the Active Role of Women, Youth and Seniors across the Group and in Society

Approach to Material Issues

The Seven & i Group has close to 140,000 employees working throughout the Group. Workplaces also 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.

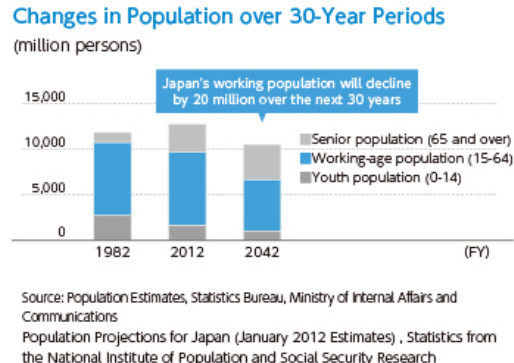
Policy Regarding CSR

[Seven & i Holdings Corporate Action Guidelines](#)

Background to Material Issue

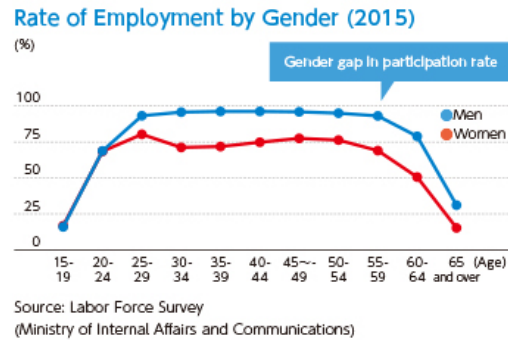
Population Aging and Decline in Productive-Aged Population

In Japan, the birth rate is in decline, and the population is advancing in age, leading the productive-aged population to decline. Over the next 30 years or so, the productive-aged population is projected to decline by over 20 million. For this reason, raising productivity by bolstering employee capacities and developing diverse personnel will help vitalize Japan's economy and society.



Supporting Active Roles for 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. Furthermore, the ratio of women in management in Japan is relatively low by international standards at 12.5% (2015). Creating workplaces where women can play active roles is therefore an important task.



Promotional Framework for Material Issues

In response to this material issue, the CSR Management Committee, led by the president, and its subordinate Corporate Ethics and Culture Subcommittee, work together with the Group companies and related divisions to create environments that allow individual employees to perform to their full potential and promote the development of appealing, fulfilling workplaces. These activities are supervised by the Seven & i Holdings executive officer in charge of Corporate Communication.

Contribution to SDGs

Through its engagement in this material issue, Seven & i Holdings provides pleasant working conditions for people inside and outside the company regardless of gender or age, thereby contributing to the achievement of Sustainable Development Goals (SDGs) 3, 4, 5, 8 and 10.



Seven & i Holdings' Initiatives

Making Use of Diverse Human Resources

We aim to enhance our corporate competitiveness through active participation of diverse human resources with the goal of becoming a company with a sustainable competitive advantage.

[> More](#)

Achieving a Work-Life Balance

We have a range of human resource systems in place to help employees to work more easily. We are also working to correct long working hours and encourage employees to take leave.

[> More](#)

Support for Fostering More Capable Employees

We are helping to improve the skills and abilities of every employee by having each Group company develop training systems tailored to the business characteristics of each company and work to develop its human resources.

[> More](#)

Assuring Fair Assessment and Treatment of Employees

We are operating various assessment systems for employees to maximize their individual abilities and ensure fair assessments free of unreasonable discrimination.

[> More](#)

Consideration for Occupational Safety and Health

We are taking a range of measures to maintain safe and comfortable workplaces and promote better health among employees.

[> More](#)

Employee Opinion Survey

We conduct an anonymous employee survey every two years in order to gauge employees' workplace satisfaction and their awareness of compliance.

[> More](#)

Sound Labor-Management Relations

We recognize various rights of workers based on international norms, such as the right of workers to organize, as we strive to enhance the workplace environment through dialogue with employees.

[> More](#)

Support for Childcare

We offer various types of assistance related to childcare through our stores and establishments.

[> More](#)

Material Issue 4 Supporting the Active Role of Women, Youth and Seniors across the Group and in Society

Making Use of Diverse Human Resources

Seven & i Holdings has positioned supporting active roles for women, youth, and seniors as a material issue, and aims to enhance its corporate competitiveness through active participation of diverse human resources, with the goal of becoming a company with a sustainable competitive advantage.



Enhancing Sustainable Competitive Advantage through Active Participation of Women

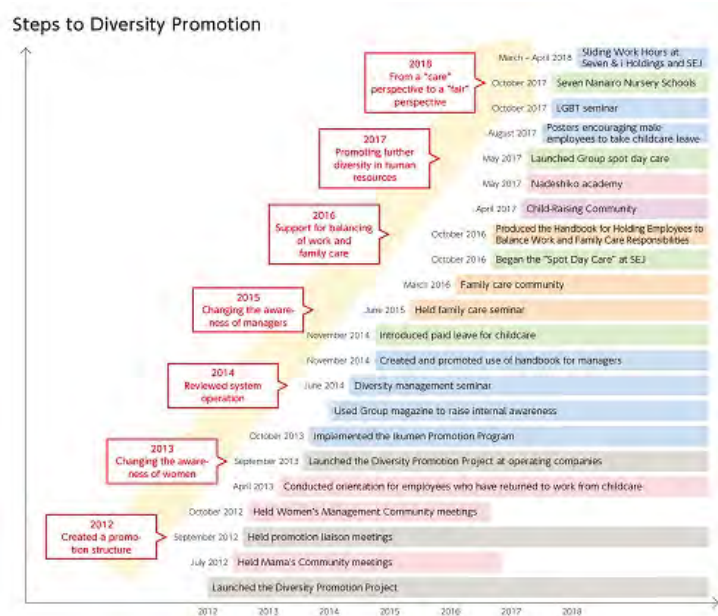
Seven & i Holdings established the Diversity Promotion Project in 2012 and has promoted initiatives with a focus particularly on women's participation and advancement, based in part on the thinking that incorporating the perspectives and sensibilities of women into product and service development as well as sales floor arrangements will translate into higher customer satisfaction given that a majority of customers that visit the Group's stores and other establishments are women. As the next steps in the initiative, in the fiscal year ended February 29, 2012, we created a promotion system and in 2013 conducted measures for awareness-raising among women themselves and revised operation of the system. In the fiscal year ended February 28, 2015, we moved to the stage of raising the awareness of management-level employees. In addition, since the fiscal year ended February 29, 2016, we have promoted initiatives to support the balancing of work and family care responsibilities, and we will take further measures to achieve our targets for diversity promotion by 2020.

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. By promoting initiatives in line with the business formats at each Group company, including organizing work process improvement teams to raise the efficiency of store operations, visually representing overtime work and leave days used, and establishing no overtime days, we have successfully corrected overtime work and increased the rate of leave taken. Our next step will be to aim for even greater productivity gains while promoting initiatives to enable flexible work styles that allow diverse human resources to play active roles.

Diversity Promotion Targets

By 2020

1. Raise percentage of female managers: 30%
2. Encourage male employees to participate in housework and childcare
3. Eliminate retirements resulting from need to provide family care
4. Improve employee satisfaction
5. Improve external evaluation



Fostering a Culture Where Diverse Human Resources Can Play an Active Role

Seven & i Holdings is working to promote active roles for women and other diverse human resources by conducting community activities and seminars targeting various levels within the Group.

Child-Raising Community

Internal interviews conducted in 2012 revealed concern among many female employees about balancing work and childcare responsibilities. In response, in 2012, we started holding Mama's Community meetings to build a network of women involved in raising children. The group uses lunch breaks to hold discussions on balancing work and child-raising. In the fiscal year ended February 29, 2016, a career planning sheet was created and community participants conducted self-analyses of their own strengths and weaknesses and the skills they have acquired to create their own career plans based on life plans, which served to foster greater career awareness. Since April 2017, Mama's Community has been developed further to host a "Child-Raising Community." Both male and female employees involved in raising children, as well as pregnant employees, their spouses, and others, share information and hold discussions on balancing work and child-raising. Their activities have led to a review of work styles.



Child-Raising Community

Ikumen Promotion Program

Women's participation and advancement requires that men become more involved in housework and childcare. For this reason, the Ikumen (child-raising men) Promotion Program was established in October 2013. Under this program, outside lecturers are invited to speak, supporting changes in awareness among men and promoting review and revision of existing work styles.

In May 2018, we held the first cooking course for men with the aim of encouraging even greater participation in housework.



Ikumen Promotion Program



A cooking course for men

Career Support for Women

The Women's Management Community meetings have been held since 2012 to create a network of female managers and further refine managerial abilities. The community held a total of 19 seminars through to the end of February 29, 2016 and invited speakers from inside and outside the Company and held seminars on management knowledge and skills needed to advance to a higher position. In June 2017, the Company started holding the new "Nadeshiko Academy" for developing future managers. The program was conducted a total of four times through February 28, 2018, with approximately 340 employees participating from Group companies.



Nadeshiko Academy

Diversity Management Seminars

The Diversity Management Seminars have been held since June 2014 to change the awareness of managers. The seminars have been held 15 times as of February 28 2018, and approximately 4,600 people from all Group companies have participated. Led by outside lecturers, the seminars cover such issues as management of diverse staff members, reforming work formats, and leadership. They provide the opportunity for managers to think about diversity from a number of different perspectives. In June 2017, to mark the fifth year since the launch of the Diversity Promotion Project, lecturers were invited from leading companies to "Seven & i Diversity Day 2017." The event was attended by around 400 CEOs and management team members from every Group company.

The Diversity Management Handbook is also distributed to managers at all Group companies to promote communication with staff members working to balance work and childcare or family care responsibilities in order to further train managers to make good use of their diverse human resources to generate results.



A Diversity Management Seminar

Addressing LGBT Issues

We revised the Corporate Action Guidelines in September 2016 and began implementing measures in consideration of newly clarified LGBT issues in the fiscal year ended February 28, 2018.

In October 2017 we conducted a seminar led by an outside speaker, and 168 employees from 17 Group companies attended. The Group newsletter ran a special feature with basic information on LGBT issues in November 2017. In response to the considerable reaction, the newsletter presented comments submitted by employees in January 2018.

SEJ had a booth at Tokyo Rainbow Pride held in May 2018, issued "Ally nanaco" and emphasized our status as an LGBT-friendly company.



Ally nanaco



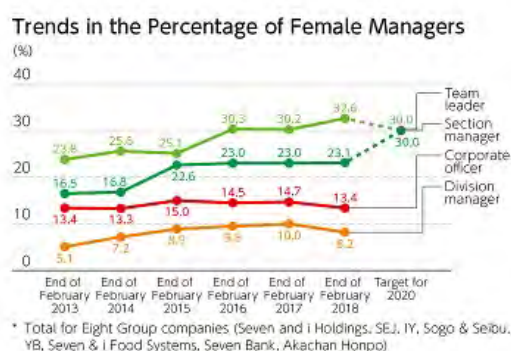
SEJ's booth at Tokyo Rainbow Pride 2018

Increasing the Ratio of Female Managers

We are working to promote highly capable women and further bolster personnel training to meet the goal of a 30% ratio of female managers by 2020, one of our targets for diversity promotion. As a result of this initiative, the percentage of female managers increased to 32.6% for team leaders and 23.1% for section managers as of the end of February 2018. There has also been progress in changing awareness among female employees and managers in general, and there are now actually numerous managers in the short working hours program. At present, we are working to further train and promote women by holding selective training for managerial roles and management track candidates at Group companies and encouraging them to share career plans with supervisors during individual meetings.

In addition, Seven & i Holdings President Ryuichi Isaka announced support for the Declaration on Action by a group of male leaders who will create “A Society in which Women Shine” issued by the Cabinet Office.

➤ [Website for the Declaration on Action by a group of male leaders who will create “A Society in which Women Shine” \(Gender Equality Bureau, Cabinet Office\)](#)



Improving External Evaluation

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 proactive appointment of female managers were recognized in January 2015, when we were awarded the Prime Minister’s Award at the Leading Companies Where Women Shine Awards, as well as the Corporate Activity Award from Tokyo Stock Exchange, Inc. In 2017, we were chosen as a “2017 Nadeshiko Brand” by the Ministry of Economy, Trade and Industry and Tokyo Stock Exchange, Inc.



Ceremony for the Leading Companies Where Women Shine Awards (January 2015)



2017 Nadeshiko Brand

Initiatives at Operating Companies

Since September 2012, Seven & i Holdings has held quarterly diversity promotion liaison meetings with diversity managers at the Group's synergies continue to be generated through the meetings.

In addition, dedicated diversity teams have been launched at each Group company since September 2013. To achieve the Group's targets, individual targets have now also been set in line with operating company characteristics and initiatives are under way.

General Employer Plan pursuant to the Act on the Promotion of Women's Participation and Advancement in the Workplace

- > [Seven & i Holdings](#)
- > [Seven-Eleven Japan](#)
- > [Ito-Yokado](#)
- > [Sogo & Seibu](#)

“L-Boshi” Designation as a gender-advanced company based on the Act on the Promotion of Women's Participation and Advancement in the Workplace

Seven & i Holdings acquired third rank – the highest – in the “L-Boshi” Designation for gender-advanced companies based on the Act on the Promotion of Women's Participation and Advancement in the Workplace. We achieved the designation standard in all five evaluation categories: recruitment, career continuation, work style factors such as working hours, management ratio, and diversity of career paths. Similarly, IY, Seven Bank, Seven Card Services, Seven Financial Service, Nissen, and Nissen Life have also obtained third rank, and Seven & i Food Systems has obtained second rank. (As of February 28, 2018)



Third rank



Second rank

“L-boshi” certification mark

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 to providing an environment where everyone can play an active role. To this end, all operating companies consult 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 people who are responsible for recruitment and education at Group companies are aware of considerations regarding disabilities and that they implement them.

Furthermore, Terube, Ltd.*1, which is a special subsidiary established to foster the employment of people with severe disabilities, employs 19 people with disabilities as of June 1, 2018. As a result, the Group's employment rate of people with disabilities*2, including those employed by Terube, came to 2.66%. (As of June 1, 2018)

In the 23 years since its establishment, Terube has sought to create work environments amenable to people with disabilities and has been recognized for its efforts to practice normalization. It is noteworthy that Terube became the first company to be certified as an Employer of Persons with Disabilities in 2017, the first year that certifications were issued.

*1 Established in 1994 through joint investments from Seven & i Holdings, SEJ, IY, YB, Seven & i Food Systems, and the City of Kitami in Hokkaido Prefecture. The company offers secure, long-term employment for people with disabilities and carries out activities to raise awareness about the concept of normalization.

*2 The Group's employment rate of people with disabilities covers the five companies of Seven & i Holdings, Terube, SEJ, IY, and Seven & i Food Systems.

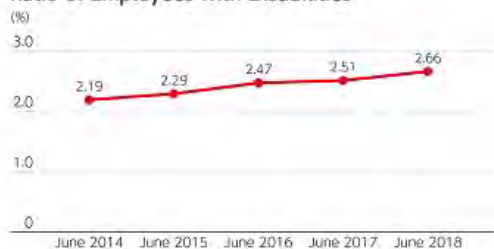


Special subsidiary, Terube Ltd.



The first company certified as an Employer of Persons with Disabilities

Ratio of Employees with Disabilities



* The ratio of workers with disabilities is for the five qualified Group companies: Seven & i Holdings, Terre Verte (special subsidiary for severe disabilities), Seven-Eleven Japan, Ito-Yokado, and Seven & i Food Systems.

Support for Participation of Seniors and Non-Japanese Employees

Seven & i Group companies have a system for rehiring employees after mandatory retirement, providing an opportunity for veteran employees to use their skills and abilities. At IY, for example, a re-employment system that allows people to continue working until age 65 was introduced in 1995 in response to employees who said they wanted to continue working after the mandatory retirement age. Employees can select from three options of working days and hours to suit their wishes, enabling them to work in diverse ways. From April 2006, the Senior Partner System was implemented to allow part-time employees to work until age 65 as well. As of the end of February 2018, 6,345 senior partners are active in the company. The system was also expanded in May 2017 to enable people to continue working up to the age of 70.

With the birthrate declining, society aging, and the working-age population decreasing, SEJ is creating employment opportunities for seniors who want to work. The company actively participates in joint company presentations on senior employment held by municipalities and promotes the hiring of seniors. For people concerned about working at a convenience store, SEJ strives to provide detailed information and maintain conditions that are conducive to working with confidence. The company provides training not only for seniors but also for foreign students and non-Japanese employees to give them support.

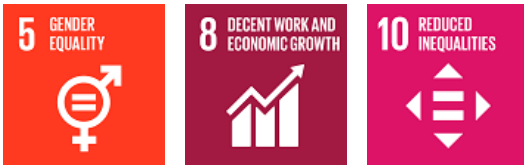


A briefing for senior employees

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Achieving Work-Life Balance

Seven & i Holdings 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 correct long working hours and encourage the use of paid leave.



Enhancing Childcare and Family Care Assistance Systems

The Seven & i Group has implemented various systems that go beyond legal minimums to enable employees, including part timers, to continue working with peace of mind while engaging in childcare or nursing care.

For example, at Ito-Yokado, which has some 40,000 employees, the most among the Group's operating companies, there is a childbirth and childcare program and a family care program that can be utilized by 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 may be freely selected for use by individual employees, and combining a leave program with a reduced work hours plan is also possible.

Ito-Yokado's Childcare and Family Care Assistance Systems

	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 at 7:00 p.m. until April 15 of the year their child starts 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 for three years.	Employees resigning to focus on family care are given priority in hiring for three years.

Spot Day Care and Seven Nanairo Nursery School

SEJ began the “Spot Day Care” initiative in October 2016 to support the careers of employees with small children. SEJ, the franchise chain headquarters, is responsible for providing support for franchised stores, and is involved in distribution and retail operations, so holidays and the New Year vacation period, which are peak times for retail, are basically working days. However, for employees raising small children, it can be difficult to find day care on holidays, over New Year, and during other extended vacation periods, so this initiative establishes temporary day care facilities in company meeting rooms and at facilities near the company’s business offices. It was started on a trial basis at four business offices, and starting in May 2017 it was put into full operation and extended to 21 offices. We aim to expand the program to 37 offices during the fiscal year ending February 28, 2019.

Spot Day Care was expanded to 14 Seven & i Group companies starting in May 2017, creating environments where employees can pursue their careers throughout the Group.

In October 2017, two Seven Nanairo Nursery Schools were opened in Ota-ku, Tokyo, and Hiroshima City. These facilities are available for use by Seven-Eleven store operators and employees as well as local residents and SEJ employees. An additional school was opened in Sendai City in July 2018, and there are plans to open additional schools in stages.



At a Spot Day Care facility



The exterior of a Seven Nanairo Nursery School

Platinum Kurumin Certification

Ito-Yokado has become the first company in the Tokyo Metropolitan Area to receive “Platinum Kurumin” Mark certification from the Ministry of Health, Labour and Welfare, following a revision of the Act on Advancement of Measures to Support Raising Next- Generation Children in June 2015. “Platinum Kurumin” is awarded to companies that have already received “Kurumin” certification and have advanced use of systems to support balancing work with childcare to a significant degree while implementing measures at a high level. The system was established in 2015 to promote continued initiatives. Ito-Yokado has already received the “Kurumin” certification twice, and has actively utilized its Re-Challenge Plan, a personnel system for supporting childcare to help workers balance work and childcare. Other initiatives include holding opinion exchange events with employees who are involved in childcare, diversity seminars at store manager meetings, and promoting the taking of annual paid leave by employees, especially part-time workers. These activities were highly rated. Ito-Yokado will make even further efforts to create an environment where employees can work with peace of mind going forward.



Corporate certification ceremony (June 2015)

Promotion of Participation by Men in Housework and Childcare

To promote greater participation by men in childcare, a childcare leave program has been phased in at Seven & i Group companies since November 2014. The program provides five special vacation days per year that can be used in one-day increments to employees with pre-school aged children. Since the program was started, it has been used by many employees for various reasons involving their children, such as when their spouse gives birth, or to attend kindergarten entrance and graduation ceremonies or participate in field day events. In the fiscal year ended February 28, 2018, 45 male employees took childcare leave at Seven & i Holdings, along with 377 at SEJ, and 443 at Ito-Yokado.

Encouraging Male Employees to Take Childcare Leave

In April 2017, the Seven & i Group conducted a survey of its male employees regarding their participation in childcare. In response to a question about taking childcare leave, 76% of the employees responded that they “definitely want to take” or “want to take” childcare leave. In light of these results, in August 2017, we began taking measures to encourage male employees to take childcare leave including producing and displaying posters targeting male managers and leave-takers.

男性も思いきって 育児休業 とりませんか？

子どもが1歳になるまでの間(一定の場合には、3歳6ヶ月に達するまで)、
育児休業の取得が可能です。
子育ての中で、新たな視点やビジネスのヒントが生まれます。
それも一つの

「ワークライフ・シナジー」です。

特に男性が子どもとの時間を増やすためには

上司・同僚のバックアップが必須です。

ぜひ、職場全体で考えてみてください。



セブン&アイグループ
ダイバーシティ推進プロジェクト

A poster encouraging male employees to take childcare leave

育児休業を とらせて下さい。

職場全体でバックアップする環境を
整えましょう。

子どもが1歳になるまでの間(一定の場合には、3歳6ヶ月に達するまで)、
育児休業の取得が可能です。
子育ての中で、新たな視点や
ビジネスのヒントが生まれます。
それも一つの

「ワークライフ・シナジー」。

ぜひ子どもとふれあう時間を

大切にしてください。



セブン&アイグループ
ダイバーシティ
推進プロジェクト

A poster targeting managers

Aiming to Eliminate Retirements Resulting from Need to Provide Family Care

Along with promoting active roles for women since the fiscal year ending February 29, 2016, the Seven & i Group also works to help employees balance their jobs with family care responsibilities.

In the near future, approximately 70% of employees may be involved in balancing these two responsibilities, so it is expected to become a major issue going forward. Given this expectation, since June 2015 we have regularly conducted seminars taught by outside experts on preparing in advance for family care responsibilities. Further, a family care community was established in November 2015 for employees engaged in balancing work and family care. The community works to eliminate anxieties by identifying issues related to the balance between work and family care and by building networks.

In October 2016, we produced the Handbook for Helping Employees to Balance Work and Family Care Responsibilities, with a view to using it in all Group companies to support the creation of working environments that make it easy to balance these commitments. Tools for conveying information on family care and preventing job separation as a result of family care for use at meetings and so on were distributed to Group companies in 2017, increasing opportunities for more employees to deepen their understanding regarding family care.

In addition, we are actively informing employees about a consultation desk established in the Health Insurance Union in an effort to create environments where employees do not feel that they have to face this issue alone.

Implementation of Volunteer Leave System

To support employee participation in local community activities for people with disabilities, family care support, environmental beautification, disaster reconstruction support, and other objectives, Seven & i Holdings, Seven-Eleven Japan, Ito-Yokado, York Mart, 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. In the fiscal year ended February 28, 2018, 17 Group employees took volunteer leave.

System to Allow Telework

Seven Bank established a telework system in the fiscal year ended February 29, 2016, that allows employees to continue to perform their jobs if they have difficulty commuting due to pregnancy, childcare or family care responsibilities, an injury or other reason.

SEJ conducted a trial of a program that allows employees to work from home in July and August 2017. Based on the operational results, we are confirming whether employees performing childcare or family care and worked from home were able to efficiently perform their jobs, and we are working to establish a formal program.

Restricting Long Working Hours

Seven & i Group conducts various initiatives to restrict long working hours. The internal newsletter distributed to the Group's approximately 70,000 employees contains a monthly column on working styles to raise awareness, and in our Diversity Management Seminars conducted since 2014, there are lectures by specialists and presentations on progressive initiatives at other companies related to work styles. Around 4,600 employees from Group companies have attended 15 seminars as of the end of February 2018. Many of the seminar participants work to increase communication with their subordinates and take further action to improve working styles.

Implementation of Sliding Work Hours

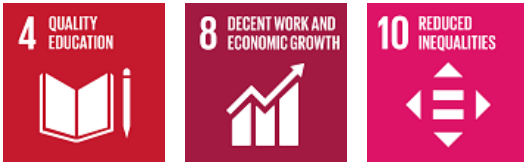
In July 2017, Seven & i Holdings and SEJ collaborated with Tokyo-based Jisa Biz to conduct a trial of staggered commuting times. Employees at the Head Office and offices in the Tokyo region were eligible to select 8 a.m., 9 a.m., or 10 a.m. as their morning work start times. The result was a decrease in overtime throughout the company. SEJ received the Jisa Biz Promotion Award in the Promotion Category from the Tokyo Metropolitan Government for this initiative.

After verifying the results of the trial introduction, Seven & i Holdings and SEJ established formal programs and introduced them on a full scale in March and April 2018 respectively. In November 2016, SEJ established a program to encourage employees to take time off (six days per year) in addition to special holidays designated by the company.

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Support for Fostering More Capable Employees

Seven & i Holdings conducts human resources development with training systems refined by Group companies to match their respective business characteristics and supports the skill development of each individual employee.



Establishment and Refinement of Training Systems

The Seven & i Group engages in human resources development through training systems refined by Group companies to match their respective business characteristics. The Group focuses particularly on the essential task of improving the skills of store employees who interact with customers. To this end, we hold regular group training by position and also work to enhance the skills and develop the careers of individual employees, including part-time employees. For example, at IY, new employee training is held for all employees, including part-time employees, to teach job basics and required retail skills and knowledge. Further, training is held to provide basic knowledge of products handled by affiliated division and to improve skills related to customer service and fresh food preparation. In this way, the company assists employees in continuing to upgrade their skills. Additionally, training is also held for everyone from new hires to sales floor staff, sales floor supervisors, assistant store managers, division managers, and store managers, to provide knowledge of sales floor management in stages and in line with their respective positions.

YB uses target setting charts to clarify 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 division 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.



Employees in training

IY Training System

IY Training System

Position	Training content	Information sharing
Part-time employee	Training for new employees · Merchant fundamentals, corporate fundamental	
New employees	Training for new employees · Merchant fundamentals, corporate fundamental	Group training for new employees
	Service training · Features and formats of gift products	
	Item-by-Item management training · Sales methods · Selecting and selling products	
	Divisional training · Basic knowledge and technologies by division	
Floor managers	New manager training · Knowledge, techniques and management skills necessary for sales area management · Numerical analysis, personnel training	Floor manager conferences
Division managers	New assistant store managers training · Knowledge necessary for store management, management	
	Assistant store manager training · Operational improvements in target division	
	Management training · Knowledge necessary for senior management, management	
Store managers	New store manager training · Basic knowledge about the company, store operation from a management perspective · Sales floor management learned from senior store managers, management	Store manager conferences

Divisional training on customer service and fresh food skills
 Personal development support (correspondence courses, etc.)

Establishment of Training Facilities

Seven & i Holdings established the Ito Training Center in Yokohama, Kanagawa Prefecture in March 2012 to support the acquisition of technical knowledge on sales, food preparation, and other areas to match business characteristics. Another function is to communicate the Group's founding spirit and nurture the next generation of human resources. The training center is equipped with meeting rooms as well as skills rooms for personnel that handle fresh fish, meat, and produce (including delicatessen items, fresh fish, sushi, fresh meat, and produce) cash register practice rooms, and display practice rooms with recreated sales areas. A historical materials room is provided to help communicate the founding spirit and corporate philosophy. There is also an accommodation facility within the training center with 65 rooms for overnight stays, including four universal design rooms that are wheelchair-accessible.



The Ito Training Center

> [Further details about the Ito Training Center can be found here \(in Japanese\)](#)

Open Recruitment System for Human Resources

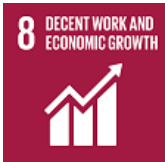
Seven & i Holdings implements an open recruitment system for human resources that encompasses all of its operating companies. The system is designed to respect the will of each individual employee and ensure the right person is placed in the right job to fully leverage their abilities and to invigorate the organization. Full-time employees at participating companies who have been performing their current duties and have been in their current positions for at least two years are eligible to apply. Group companies have also instituted internal recruitment systems. For example, at IY, employees who have worked at the company for at least two years can become candidates for managerial positions and jobs regardless of business experience or seniority. In the fiscal year ended February 28, 2017, 222 people applied through this system and 42 were appointed to their preferred positions or jobs.

Going forward, we intend to further enhance the conditions that raise motivation and allow employees to fully demonstrate their abilities.

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Assuring Fair Assessment and Treatment of Employees

Seven & i Holdings implements various assessment systems for employees to maximize their individual abilities and ensure fair assessments free of unreasonable discrimination due to social status, place of birth, race, creed, gender, and so on.



Ensuring Fairness through Self-Evaluations

The 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 employee and supervisor meet to discuss the results. This direct dialogue helps the employee 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

SEJ has been conducting management checks since November 2017 as a personnel measure where subordinates and supervisors work together to improve the company and enhance internal communications. Subordinates check the status of management of employees by managers. Employees respond to a total of 20 questions (five questions in each of four categories: human abilities, thinking abilities, action abilities, and compliance) and input comments. To prevent the identification of specific individuals, the scores of all subordinates are averaged and comments are combined and not directly disclosed to supervisors; oral feedback is provided during interim interviews (conducted twice annually in April and November) by 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

IY has an employee classification system that allows employees to choose which region to work in based on their individual life plans and values. Based on this system, employees are evaluated using a qualifications system, which ranks them by job performance ability and skill, and by job responsibilities, taking into account their current duties and job assignment. In addition, individual evaluations, which are determined based on job achievement, level of contribution and other factors, are directly incorporated into salary and bonus levels.

Selection of Various Work Styles

Seven & i Holdings' operating companies also focus on establishing systems that allow employees to choose various work styles to increase their motivation for work. For example, IY has a program enabling part-timers to choose from diverse working styles. Under this system, part-timers may elect to step up a rank after acquiring a certain level of evaluation and sales skill. There is also a program in place where part-timers designated as highest level can be hired as a monthly salaried permanent employee or contract worker. To date (as of February 28, 2018), 138 part-timers have become monthly salaried permanent employees.

A large number of part-timers have also been hired on in managerial roles, such as sales floor managers. This initiative has received formal recognition as IY received the grand prize (Health, Labour and Welfare Minister's Award) at the Awards for Enterprises Promoting Part-time Workers to Play Active Roles at Work, which was established in the fiscal year ended February 29, 2016 by the Ministry of Health, Labour and Welfare.

IY Step Up Elective System



Award ceremony (January 2016)

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Consideration for Occupational Safety and Health

Seven & i Holdings conducts a variety of initiatives for maintaining safe and comfortable working conditions and promoting the health of employees, including convening safety and health committees and promoting the Seven & i Health Declaration 2018.



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, at IY, training is conducted on the handling of knives and other implements for employees that work with fresh food products. At Seven & i Food Systems, awareness-raising posters and other campaign materials are posted 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 28, 2018

	Seven & i Holdings.	SEJ	IY	Sogo & Seibu	YB	Seven & i Food Systems	Akachan Honpo	Seven Bank
Workplace accident frequency	0.00	0.19	1.45	0.37	3.70	0.78	0.35	0.00
Workplace accident severity	0.00	0.00	0.04	0.00	0.01	0.02	0.01	0.00

* No workplace accidents resulted in deaths.

Promoting Employee Health

When employees are healthy both mentally and physically, it not only makes their own lives more fulfilling but is also a source of vitality for the Company, and makes management more efficient. Based on this understanding, Seven & i Holdings launched the “Seven & i Health Declaration 2018” in October 2014 in partnership with Seven & i Holdings Health Insurance Union. The Health Management Committee, chaired by the Vice President of Seven & i Holdings, was established with members including human resources and labor relations supervisors and labor representatives (labor unions) at each Group company, and it is administered by the Seven & i Holdings Personnel Planning Dept., Health Management Center and Health Insurance Union. Through this promotional organization, the progress of Group company initiatives is confirmed and Group measures are planned and reviewed.

The Seven & i Health Declaration 2018 establishes targets in such areas as reducing the risk of lifestyle diseases, reducing the smoking rate, and raising awareness of cancers that affect women. The MY HEALTH WEB Health Management System, a portal website, was created as a support measure for these targets. We also hold mental health training and health-themed events, offer low-calorie, low-sodium menu items at the staff cafeteria, and provide health-related information through internal Group newsletters and other media, and help employees maintain and manage their own health.

The MY HEALTH WEB Health Management System in particular allows individuals to browse the past five years of their own health checkup data on the Internet, and serves as a tool for checking and goal-setting on health status, and for receiving advice on how to improve health. We have been distributing a smartphone app since May 2017 and creating an environment that facilitates its use.

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.

In February 2018, this initiative was highly rated and nine Group companies – Seven & i Holdings, SEJ, IY, Sogo & Seibu, YB, Seven & i Food Systems, York Mart, Seven Card Services and Seven & i Publishing—were recognized in the 2018 Certified Health and Productivity Management Organization White 500 held by the Ministry of Economy, Trade and Industry and the Nippon Kenko Kaigi.



2018 Certified Health and Productivity Management Organization Certificate

Seven & i Health Declaration 2018

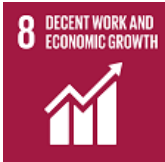
Targets	Specific Targets to Be Achieved by March 31, 2018				
1. Maintain appropriate bodyweight and reduce lifestyle diseases	Ratio of People with a BMI over 25*				
		FY2015	FY2016	FY2017	March 31, 2018 Target
	Male	33.6%	34.6%	35.5%	28% or less
	Female	23.9%	25.0%	25.6%	18% or less
2. Reduce smoking rate	Overall Employee Smoking Rate*				
		FY2015	FY2016	FY2017	March 31, 2018 Target
	Overall	31.6% (Male employees: 43.1%, female employees: 23.3%)	31.3% (Male employees: 42.8%, female employees: 23.0%)	30.3% (Male employees: 41.3%, female employees: 22.7%)	24% or less
3. Raise awareness of cancers that affect women	Increase employees receiving breast cancer exams				
4. Raise employee vitality (mental health)	<ul style="list-style-type: none"> ● Increase employee knowledge of mental health related issues ● Help employees with mental health issues recover their health 				
5. Promote work-life balance	<ul style="list-style-type: none"> ● Reduce overtime and make working hours amenable to health and work-life balance ● Encourage employees to take days off and vacation time for health promotion and reinvigoration 				

* BMI and smoking data are totals for 22 Group companies participating in the Seven & i Holdings Health Insurance Society

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Employee Opinion Survey

Seven & i Holdings conducts an anonymous survey of employees once every two years on topics such as working conditions and compliance awareness.



Employee Opinion Survey

The employee opinion survey asks questions about penetration of the corporate philosophy, employee satisfaction levels in terms of job satisfaction and growth and development through work, supervisors' management, and the workplace environment. In the fiscal year ended February 28, 2018, the survey was administered to approximately 45,000 employees at 29 companies in Japan, and approximately 40,000 people responded.

Example of Employee Opinion Survey Questions

- To what degree do you feel fulfilled in your work?
- To what degree do you perform your work in accordance with laws and regulations and rules?
- To what degree does your supervisor manage the work-load of team members appropriately?
- To what degree do you think the Company conducts environmentally considerate business activities?

Results of the Employee Opinion Survey (Example)

- Percentage of employees who are satisfied with their work and workplace*

Male	71.1%
Female	71.7%
Overall	71.4%

* Results from the survey conducted in the fiscal year ended February 28, 2018. They are measured by respondents' agreement with the following statements: "I feel fulfilled in my work," "Employees can fully utilize their individual capabilities at my workplace," and "I agree with my personnel evaluation result."

Promoting Improvement Activities

After the survey, personnel and CSR division employees from Group companies met to analyze their companies' survey results and held special meetings to identify issues and consider and propose improvement measures. Based on advice from outside consultants and discussions among meeting attendees, individual company's problems were identified through in-depth analysis of underlying causes, and proposals were made for issues and improvement measures. The proposals were reported back to the management teams at each Group company along with the survey results, and the companies are now individually promoting initiatives to execute the improvement measures.

To help promote improvement activities for each Group company, a Work Satisfaction Improvement Committee meeting is held regularly for sharing each company's progress and on improvement measures and issues. Representatives from each company gather according to their business format to share the implementation status and results of their measures for spreading the corporate philosophy and understanding of compliance, reducing long working hours, and increasing job satisfaction. This provides impetus for solving issues and helps spread best practices among other Group companies.

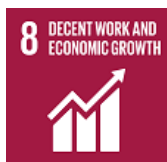


Work Satisfaction Improvement Committee.

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Sound Labor-Management Relations

Seven & i Holdings respects workers' rights such as the freedom of association, the right to organize and collective bargaining. In the 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 Holdings, the Group's 11* labor unions form the Federation of Seven & i Group Labor Unions, which as of March 2018 has approximately 61,000 members in 11 unions and a participation rate of 75.2% (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 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 labor conditions and employees' workplace environments. For example, at Ito-Yokado, the compensation system and labor conditions for union members and employees are discussed, and consultations between management and labor are considered valuable for solving issues and improving productivity. Promotion of recent workstyle reform is an example of collaboration between management and labor, and Ito-Yokado is taking steps to ensure that work rules are understood by everyone, promote the use of holidays and paid leave, improve the labor environment, and achieve a good work-life balance.

* The 11 companies are Ito-Yokado, York-Benimaru, York Mart, SHELL GARDEN, Marudai, Sanei, Sogo & Seibu, Seven & i Food Systems, Akachan Honpo, THE LOFT and Life Foods.

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Support for Childcare

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



Maternity and Childcare Counseling Service

Ito-Yokado and Sogo & Seibu provide maternity and childcare consultation offices (at 113 stores as of February 28, 2018) and Pre-Mama Stations (at 5 stores as of February 28, 2018). Here, public health nurses and midwives give counseling free of charge to pregnant women on their health and to mothers on childcare. They also provide rest areas equipped with booths for breastfeeding, hot-water, and toilets for children.



Childcare consultation office

Number of Ito-Yokado Childcare Consultations (Users)

FY2013	FY2014	FY2015	FY2016	FY2017
247,422	235,017	237,336	246,060	245,988

Childcare Support Events

Ito-Yokado holds a range of events to provide childcare advice and encourage parents to interact and socialize. The company also actively takes part in events 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,” and through these events, we are helping to expand community childcare support networks.



A childcare support event sponsored by public-private-academic partnership

Supporting Career Education

To support career education at elementary, junior high, high schools, and universities, the Seven & i Group cooperates with requests from schools by sending out employees to each school, by providing workplace tours, and by holding workplace experience programs at its Group stores, where children have the chance to take part in conducting familiar retail store operations. For example, York Mart provides an opportunity to observe the food processing operations and to practice stocking the shelves in the store with products. Approximately 7,000 elementary and junior high school students participate each year. Ito-Yokado also conducts workplace experience programs at its stores where each year approximately 8,000 students can come up with and convey their own proposals by making coordination proposals and suggestions to customers through in-store sampling while experiencing firsthand the importance of complying with basic standards to ensure safety and confidence. Also, Seven & i Food Systems holds workplace experience programs where students can try working as the manager of a restaurant or learn about the importance of ingredients control and hospitality through actual experience. The program was attended by students from 108 schools in the fiscal year ended February 28, 2018. The Seven & i Group training facility, Ito Training Center, provides sales space creation and food processing experiences, as well as opportunities to provide service from various customer perspectives, such as helping customers in wheelchairs and so on. Through these experiences, the 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

Furthermore, SEJ has a store in Shinagawa Student City, which has been run jointly by Shinagawa Ward 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, sales space creation, and other operations to learn about the systems of society. In the fiscal year ended February 28, 2018, 2,354 elementary school students staffed our store and learned about the joys and challenges of working through customer service and retail sales.



Shinagawa Student City

Outreach Classes for Company-School Exchange

SEJ held an outreach class at Suginami Dainana Elementary School in March 2017 as a part of the Yomiuri Education Network, which seeks to increase interactions between companies and schools.

The class involves a game in which 7-Eleven stores are established in fictitious towns on a map. Through the game, the students come to understand in a fun way the roles that 7-Eleven plays in society. At the same time, they learn about some of the changes taking place in Japanese society, including population aging, birthrate decline, women's advancement in society, and the decrease in the number of retail stores. The class provides a good opportunity for students to think about their society from the everyday perspective of a convenience store.



Outreach class in progress

Picture Book Storytelling Sessions

Seven Bank supports the publication of “Bonolon, Warrior of the Forest,” a picture book that parents can read to their children to foster communication. The bank also distributes picture books free of charge and holds storytelling sessions. Storytelling sessions are also held at Denny’s restaurants, which are managed by Seven & i Food Systems.



Storytelling session led by employee volunteers

Support for Dietary Education

The Seven & i Group promotes dietary education activities for children to raise people who understand foods through various experiences and can practice sound and healthy dietary habits.

For example, Seven & i Food Systems distributes a booklet called “Bonolon and Food” at its chain of Denny’s restaurants. The booklet contains important information about food manners and knowledge and teaches children about the correct eating habits using games and quizzes.



©NSP 2005, © Together with Bonolon, 2007
Free dietary education booklet “Bonolon and Food”

Donating Shoes to Children in Zambia

Sogo & Seibu works with the Japanese Organization for International Cooperation in Family Planning (JOICFP)* on a project for sending shoes to children in Zambia. The company has established areas to accept children's shoes donations in all of its stores. The shoes they receive from customers help to prevent tetanus and parasitic infections resulting from foot injuries to children with bare feet. They are sent through JOICFP to children in Zambia. As of February 28, 2018, Sogo & Seibu had sent about 760,000 pairs of shoes since 2009.

* JOICFP is an international cooperation NGO that was started in Japan to protect the health and lives of women and children in the developing world.



Cooperation with the White Ribbon Campaign

Akachan Honpo and Sogo & Seibu have been providing sponsorship for the White Ribbon Campaign launched by JOICFP to protect the health of pregnant women and babies throughout the world. The Group companies have been working in partnership with JOICFP on the Community Safe Motherhood Project (which involves the donation of funds to establish Maternity Waiting Houses in Zambia). Besides accepting donations on behalf of JOICFP through its stores and online, the two companies have also installed 69 White Ribbon Campaign Vending Machines at locations throughout Japan (Akachan Honpo 51 machines, Sogo & Seibu 18 machines) as of February 28, 2018. 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). In addition, Sogo & Seibu has created a White Ribbon pin badge for sale, from which all proceeds are donated to the White Ribbon Campaign.



A White Ribbon beverage vending machine



A White Ribbon pin badge